Securities code 1430
August 5, 2026
(Start date of electronic provision measures: August 3, 2026)

To our shareholders

30-16, Ogikubo 4-chome, Suginami-ku, Tokyo, Japan
First-corporation Inc.
Toshiaki Nakamura
President & Chief Executive Officer

Notice of Convocation of the 15th Ordinary General Meeting of Shareholders

We hereby inform you that the 15th Ordinary General Meeting of Shareholders of First-corporation Inc. will be held as described below.
For the convening of this Ordinary General Meeting of Shareholders, we will be using electronic provision, and matters concerning the measures for the electronic provision are posted on the following website on the Internet as the Notice of the 15th Ordinary General Meeting of Shareholders.

The Company's website
https://www.1st-corp.com/en/

In addition to the above, the information is also posted on the following website on the Internet.

TSE website
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

To view information regarding the convocation of the Ordinary General Meeting of Shareholders, please visit the website above, enter/search the name of the Company or its securities code, and choose "Basic information," "Documents for public inspection / PR information."

Voting rights may be exercised via the Internet or in writing, if you do not attend the meeting in person. Please read the reference documents for the general meeting of shareholders under the matters subject to measures for electronic provision and exercise your voting rights by following the guidance for exercising voting rights via the Internet or by postal mail no later than 5:45 p.m. on Monday, August 24, 2026 (JST).

1. Date: Tuesday, August 25, 2026, 10:00 a.m. (Reception is scheduled to start at 9:30 a.m.)
2. Place: Akasaka Intercity Conference, 3F Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo
3. Purpose of meeting

Matters to be reported:
1. Contents of the business report and consolidated financial statements, and reports on the results of audits of the consolidated financial statements performed by Accounting Auditor and Audit and Supervisory Committee for the 15th fiscal year (June 1, 2025 to May 31, 2026)
2. Report of the financial statements for the 15th fiscal year (from June 1, 2025 to May 31, 2026)

Matters to be resolved:
- Proposal No. 1 Election of seven Directors (excluding Directors serving as Audit and Supervisory Committee members)
- Proposal No. 2 Election of one Director serving as an Audit and Supervisory Committee member
- Proposal No. 3 Election of one substitute Director serving as an Audit and Supervisory Committee member

4. Items decided for the convocation of meeting

(1) If you intend to exercise your voting rights at the meeting through a proxy, the proxy must be another shareholder of the Company with voting rights.

(2) If you wish to exercise your voting rights diversely, you are required to send notice providing details and your reasons. Please note that you must ensure the notice arrives three days prior to the day of the General Meeting of Shareholders.

- Please be sure to bring this Notice of Convocation to the meeting.
- It is kindly requested that you present the enclosed voting form to the receptionist when you attend the meeting.
- We will be dressed casually (Cool Biz, or casual business attire) at the meeting, and we request that you follow suit if you attend the meeting in person.
- If there are any changes to the matters concerning the measures for the electronic provision, we will post the corrections on each website.
- For the General Meeting of Shareholders, paper-based documents containing matters concerning the measures for the electronic provision will be sent to all shareholders, whether or not they request the delivery of paper-based documents. In accordance with the relevant laws and Article 16 of the Company's Articles of Incorporation, the following items are not included in the documents accompanying this convocation notice.
  - (i) Systems for ensuring appropriate business operations noted in the business report and status of operation of the above system
  - (ii) Consolidated Financial Statements: Consolidated Statements of Changes in Shareholders' Equity and Notes to Consolidated Financial Statements
  - (iii) Financial Statements: Statements of Changes in Shareholders' Equity and Notes to Financial Statements
- There will be no souvenirs provided to the shareholders who attend the General Meeting of Shareholders. We ask for your kind understanding.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Election of seven Directors (excluding Directors serving as Audit and Supervisory Committee members)

The term of office of all of the six incumbent Directors (excluding those serving as the Audit and Supervisory Committee members; the same applies to this proposal) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, we propose to appoint seven Directors.

The selection of director candidates is discussed based on the following selection criteria in advance at the Nomination Review Meeting, in which independent Outside Directors serve as its members and have a majority, and a decision on such matters is made by the meeting of the Board of Directors after further examination. - Appropriately fulfilling the duty of care and the duty of loyalty in business execution. - Has the qualities that can contribute to the sustainable growth of the Company and the enhancement of corporate value over the medium to long term. - Has the ability to appropriately perform the Company’s management

The candidates for director are as shown below.

No.	Name	Current Position and Responsibilities at the Company	Attendance at the Board of Directors’ Meetings	Specialization					
				Corporate Management	Construction	Real Estate	Financial Accounting	Legal Affairs/ Risk Management	Governance
Reappointment 1	Toshiaki Nakamura	Representative Director and CEO, Executive Officer, Head of Development Business Division	20/20 (100%)	●	●	●	—	—	●
Reappointment 2	Ryo Oto	Director and Executive Officer, General Manager, Construction Dept., Construction Division	20/20 (100%)	—	●	—	—	—	—
Newly appointed 3	Junichi Uematsu	Managing Executive Officer, Deputy Head, Development Business Division	—	—	—	●	—	—	—
Newly appointed 4	Yoshimi Endo	Managing Executive Officer, Head of Corporate Planning Office, General Manager, Accounting Dept., Administrative Division	—	—	—	—	●	●	●
Reappointment 5	Satoshi Fujimoto Outside Director Independent Director	Director	20/20 (100%)	●	—	—	—	●	●
Reappointment 6	Hisao Shibayama Outside Director Independent Director	Director	20/20 (100%)	●	—	●	—	—	●
Reappointment 7	Takaki Ono Outside Director Independent Director	Director	20/20 (100%)	●	—	●	—	—	●

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Brief career summary (Position and responsibilities at the Company and other current key positions)</th></tr>
<tr><td rowspan="3">1</td><td>Reappointment

Toshiaki Nakamura
(November 21, 1950)</td><td>May 1979
October 1982

February 1990
May 2007

June 2011

November 2020
April 2021

October 2021
August 2023
May 2024</td><td>Director of Nakamura Bisou Co., Ltd.
Established Nakawa Kogyo Co., Ltd. (current “First Cardea Co., Ltd.”), Representative Director
Representative Director of Land Works Co., Ltd.
Established Nakamura Corp., Representative Director (to present)
Established First-corporation Inc., Representative Director and CEO
Director of First Evolution Inc.
Representative Director and CEO of the Company, Head of Development Business Division (to present)
Representative Director of First Evolution Inc.
Director of First Evolution Inc.
Representative Director and President of First Evolution Inc. (to present)</td></tr>
<tr><td>No. of Company shares owned</td><td colspan="2">2,067,360 shares</td></tr>
<tr><td colspan="3"><Reasons for nomination as a candidate for Director>
Since its founding, Mr. Toshiaki Nakamura has served as Representative Director and CEO, appropriately fulfills roles such as deciding important management matters and supervising business execution, while exerting leadership to expand the business of the Company and improve corporate value, and achieve great results. He has broad experience and knowledge, and achievement as a management, the Company has determined that he is suitable for further enhancement of corporate value and realization of sustainable growth, the Company therefore proposes him as a candidate for director.</td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Brief career summary (Position and responsibilities at the Company and other current key positions)</th></tr>
<tr><td rowspan="3">2</td><td rowspan="1">Reappointment

Ryo Oto
(October 21, 1971)</td><td>April 1992
July 2007

February 2012

June 2018

June 2022

August 2024</td><td>Joined UDK Construction Inc.
Joined First Cardea Co., Ltd., Manager, Construction Department
Joined the Company, General Manager, Construction Group, Construction Department
General Manager, Construction Department, Construction Division of the Company
Executive Officer of the Company, General Manager, Construction Department, Construction Division
Director of the Company, General Manager, Construction Department, Construction Division (to present)</td></tr>
<tr><td>No. of Company shares owned</td><td colspan="2">10,100 shares</td></tr>
<tr><td colspan="3"><Reasons for nomination as a candidate for Director>
Mr. Ryo Oto has contributed significantly to the expansion of our business and the enhancement of corporate value by planning and implementing measures to increase corporate value, serving as Director, a field director of the construction department, and an administrative representative of the construction department of the head office. He has high expertise and knowledge, broad experience and achievement, the Company has determined that he is suitable for further enhancement of corporate value and realization of sustainable growth, the Company therefore proposes him as a candidate for director.</td></tr>
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<tr><th>No.</th><th>Name
(Date of birth)</th><th>Brief career summary (Position and responsibilities at the Company and other current key positions)</th></tr>
<tr><td rowspan="3">3</td><td>Newly appointed

Junichi Uematsu
(November 21, 1966)</td><td>April 1989 Joined Toyo Jutaku Hanbai Co., Ltd.
June 1994 Joined GOSHIKI Inc.
October 1996 Joined Kokyo Tatemono Co., Ltd.
October 1998 Joined FUSO LEXEL INCORPORATED
October 2003 Joined SHIN-NIHON TATEMONO CO., LTD.
March 2005 Joined The Japan General Estate Co., Ltd.
February 2011 Joined Joyo Kankyo Kaihatsu Co., Ltd.
June 2015 Joined the Company
June 2020 Executive Officer of the Company, Deputy Head, Development Business Division
June 2024 Managing Executive Officer of the Company, Deputy Head, Development Business Division (to present)
August 2024 Director of First Evolution Inc. (to present)</td></tr>
<tr><td>No. of Company shares owned</td><td>1,000 shares</td></tr>
<tr><td colspan="2"><Reasons for nomination as a candidate for Director >
Since joining the Company, Mr. Junichi Uematsu has been engaged in real estate development projects and has abundant operational experience and specialist knowledge. Furthermore, as Deputy Head of the Development Business Division, he has been involved in business operations and organizational management, contributing to the enhancement of the Company’s business performance.
He has broad experience and a proven track record as well as extensive expertise and knowledge. As such, the Company has determined that he is suitable for further enhancement of corporate value and realization of sustainable growth. Accordingly, the Company proposes that he be newly elected as a Director.</td></tr>
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<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Brief career summary (Position and responsibilities at the Company and other current key positions)</th></tr>
<tr><td rowspan="3">4</td><td>Newly appointed

Yoshimi Endo
(September 11, 1982)</td><td>April 2005

December 2008
March 2013

June 2020

October 2025</td><td>Joined Misawa Resort Co., Ltd. (current RESOL HOLDINGS Co.,Ltd.)
Joined RIO HOLDINGS CO., LTD.
Joined B-Lot Company Limited, Executive Officer, General Manager of Administrative Division
Executive Officer of the Company, General Manager, Accounting Dept.
Managing Executive Officer of the Company, Head of Corporate Planning Office, General Manager, Accounting Dept., Administrative Division (to present)</td></tr>
<tr><td>No. of Company shares owned</td><td colspan="2">100 shares</td></tr>
<tr><td colspan="3"><Reasons for nomination as a candidate for Director>
Since joining the Company, Ms. Yoshimi Endo has contributed to the appropriate management of financial and accounting operations as well as the enhancement of financial foundation as General Manager of the Accounting Department. Additionally, as Head of the Corporate Planning Office, she has contributed to the sustainable growth and the enhancement of corporate value of the Company by formulating management strategies and through her involvement in budget control as well as the formulation and implementation of management plans.
She has extensive expertise and knowledge, as well as broad experience and a proven track record. As such, the Company has determined that she is suitable for further enhancement of corporate value and realization of sustainable growth. Accordingly, the Company proposes that she be newly elected as a Director.</td></tr>
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<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Brief career summary (Position and responsibilities at the Company and other current key positions)</th></tr>
<tr><td rowspan="3">5</td><td rowspan="1">Reappointment

Satoshi Fujimoto
(July 28, 1957)</td><td>April 1980

July 1994

April 2002

May 2004

April 2008

April 2010

March 2012
March 2013

June 2013

June 2015

August 2015
June 2017

June 2022</td><td>Joined The Fuji Bank, Ltd. (current “The Mizuho Bank, Ltd.”)
Senior Manager, Legal Dept. of The Fuji Bank, Ltd.
Deputy General Manager, Ootemachi 7th Sales Dept. of The Mizuho Corporate Bank, Ltd. (current “The Mizuho Bank, Ltd.”)
General Manager, 1st Corporate Dept., General Manager, 3rd Corporate Dept. of The Mizuho Corporate Bank, Ltd.
Executive Officer, General Manager, 2nd Sales Dept. of The Mizuho Corporate Bank, Ltd.
Managing Executive Officer, in charge of Sales of The Mizuho Corporate Bank, Ltd.
Managing Director of Tokyo Tatemono Co., Ltd.
Administration Officer of The Mizuho Corporate Bank, Ltd. (current “The Mizuho Bank, Ltd.”)
Director, Managing Executive Officer of Sharp Corp.
Outside Corporate Auditor of Fuyo Auto Lease Co., Ltd.
Outside Director of the Company (to present)
Outside Corporate Auditor of Yasuda Logistics Corp. (to present)
Outside Corporate Auditor of Nakamuraya Co., Ltd.
Outside Director of Nakamuraya Co., Ltd. (to present)</td></tr>
<tr><td>No. of Company shares owned</td><td colspan="2">5,000 shares</td></tr>
<tr><td colspan="3"><Reasons for nomination as a candidate for Outside Director and overview of expected roles>
Mr. Satoshi Fujimoto has deep insight and extensive knowledge based on his abundant experience in management at financial institutions and business enterprises. Also, as an Outside Director, he is able to appropriately supervise the management of the Company and provide beneficial opinions.
The Company expects that he will fulfill his duties, including advice on the Company's business management and the appropriate supe1vision of its operations. Accordingly, the Company proposes that he be re-elected as an Outside Director.</td></tr>
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<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Brief career summary (Position and responsibilities at the Company and other current key positions)</th></tr>
<tr><td rowspan="12">6</td><td rowspan="10">Reappointment

Hisao Shibayama
(June 2, 1953)</td><td>April 1977</td><td>Joined Tokai Kogyo Co., Ltd.</td></tr>
<tr><td>October 1987</td><td>Joined Tokyo Tatemono Co., Ltd.</td></tr>
<tr><td>March 2005</td><td>Director, General Manager of Urban Redevelopment Promotion Department of Tokyo Tatemono Co., Ltd.</td></tr>
<tr><td>June 2008</td><td>Managing Director, Division Director of Residential Development Division of Tokyo Tatemono Co., Ltd.</td></tr>
<tr><td>June 2010</td><td>Managing Director, Division Director of International Business Division & Division Director of Residential Development Division of Tokyo Tatemono Co., Ltd.</td></tr>
<tr><td>March 2012</td><td>Managing Director, Division Director of Residential Development Division of Tokyo Tatemono Co., Ltd.</td></tr>
<tr><td>March 2013</td><td>Director, Senior Executive Managing Officer, Division Director of Residential Development Division of Tokyo Tatemono Co., Ltd.</td></tr>
<tr><td>March 2015</td><td>Representative Director, Senior Executive Managing Officer, Division Director of Residential Development Division of Tokyo Tatemono Co., Ltd.</td></tr>
<tr><td>December 2018</td><td>Director of Tokyo Tatemono Co., Ltd.</td></tr>
<tr><td>August 2023</td><td>Outside Director of the Company (to present)</td></tr>
<tr><td>No. of Company shares owned</td><td colspan="2">– shares</td></tr>
<tr><td colspan="3"><Reasons for nomination as a candidate for Outside Director and overview of expected roles>
Mr. Hisao Shibayama has deep insight and extensive knowledge based on his abundant experience in management at business enterprises. Also, as an Outside Director, he is able to appropriately supervise the management of the Company and provide valuable opinions.
The Company expects that he will fulfill his duties, including providing advice on the Company’s management and appropriately supervising its operations. Accordingly, the Company proposes that he be re-elected as an Outside Director.</td></tr>
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<tr><th>No.</th><th>Name
(Date of birth)</th><th>Brief career summary (Position and responsibilities at the Company and other current key positions)</th></tr>
<tr><td rowspan="3">7</td><td>Reappointment

Takaki Ono
(April 9, 1965)</td><td>April 1988 Joined Sumitomo Bank (current Sumitomo Mitsui Banking Corporation)
April 2009 Branch Manager, Kanazawa Branch and General Manager, Kanazawa Corporate Business Office of Sumitomo Mitsui Banking Corporation
April 2015 General Manager, First Sales Division, Shinjuku Corporate Business Office of Sumitomo Mitsui Banking Corporation
April 2016 Executive Officer, General Manager, First Sales Division, Shinjuku Corporate Business Office of Sumitomo Mitsui Banking Corporation
April 2017 Executive Officer, General Manager, Wholesale Banking Unit of Sumitomo Mitsui Banking Corporation
Executive Officer, General Manager, Planning Department, Wholesale Banking Unit of Sumitomo Mitsui Financial Group, Inc.
April 2018 Managing Executive Officer, General Manager, Wholesale Banking Unit of Sumitomo Mitsui Banking Corporation
Managing Executive Officer, Deputy Head of Wholesale Banking Unit of Sumitomo Mitsui Financial Group, Inc.
April 2019 Managing Executive Officer in charge as Deputy Head of Wholesale Banking Unit (West Japan) of Sumitomo Mitsui Banking Corporation
Managing Executive Officer, Deputy Head of Wholesale Banking Unit of Sumitomo Mitsui Financial Group, Inc.
April 2021 Managing Executive Officer in charge as Deputy Head of Wholesale Banking Unit and General Manager, Corporate Banking Division of Sumitomo Mitsui Banking Corporation
Managing Executive Officer, Deputy Head of Wholesale Banking Unit of Sumitomo Mitsui Financial Group, Inc.
April 2022 Managing Executive Officer in charge of Private Advisory Division and Transaction Business Division of Sumitomo Mitsui Banking Corporation
Managing Executive Officer in charge of Planning Department, Payments Division of Sumitomo Mitsui Financial Group, Inc.
April 2024 Advisor of Sumitomo Mitsui Banking Corporation
August 2024 Outside Director of the Company (to present)
September 2024 Outside Director (Audit and Supervisory Committee Member) of Pan Pacific International Holdings Corporation (to present)</td></tr>
<tr><td>No. of Company shares owned</td><td>– shares</td></tr>
<tr><td colspan="2"><Reasons for nomination as a candidate for Outside Director and overview of expected roles>
Mr. Takaki Ono has deep insight and extensive knowledge based on his abundant experience at financial institutions. He has provided advice on the Company’s management and appropriate supervision of its operations while also sharing his valuable opinions.
He is expected to fulfill his duties, including providing advice on the Company’s management and appropriately supervising its operations. Accordingly, the Company proposes that he be re-elected as an Outside Director.</td></tr>
</table>

(Notes)

1. No candidate has any relationship of special interest with the Company.
2. Mr. Satoshi Fujimoto, Mr. Hisao Shibayama, and Mr. Takaki Ono are nominees for the Outside Directors stipulated in item (vii), paragraph (3), Article 2 of the Ordinance for Enforcement of the Companies Act.
3. Mr. Satoshi Fujimoto, Mr. Hisao Shibayama, and Mr. Takaki Ono fulfill the requirements for independent directors specified by the Tokyo Stock Exchange and have been designated as the Company's independent directors, which have been reported to the Tokyo Stock Exchange.
4. The Company has signed an agreement with Mr. Satoshi Fujimoto, Mr. Hisao Shibayama, and Mr. Takaki Ono which limits the liability for damages in paragraph (1), Article 423 of the Companies Act to the minimum amount specified by law. If Mr. Satoshi Fujimoto, Mr. Hisao Shibayama, and Mr. Takaki Ono are elected, the Company will maintain this agreement with them.
5. Mr. Satoshi Fujimoto has been serving as an Outside Director of the Company since August 2015 and his term of office will be eleven years at the conclusion of this Ordinary General Meeting of Shareholders. Mr. Hisao Shibayama has been serving as an Outside Director of the Company since August 2023 and his term of office will be three years at the conclusion of this Ordinary General Meeting of Shareholders. Mr. Takaki Ono has been serving as an Outside Director of the Company since August 2024 and his term of office will be two years at the conclusion of this Ordinary General Meeting of Shareholders.
6. The Company has signed a liability insurance policy for directors and officers specified in paragraph (1), Article 430-3 of the Companies Act with an insurance company and will supplement the legal compensation for damage and litigation expenses to be paid by an insured person using the insurance. The candidates will be included in those insured by the policy. The insurance policy is scheduled to be renewed with the same coverage in the next renewal.
7. Due to the limitations of the electronic disclosure system, candidates' names and other information are displayed using commonly used Chinese characters.

Proposal No. 2: Election of one Director serving as an Audit and Supervisory Committee member

Mr. Noriyuki Yabutani, a Director serving as an Audit and Supervisory Committee member, passed away on April 1, 2026. Due to the number of Directors serving as Audit and Supervisory Committee members falling below the number required by laws and regulations by one, the Company applied to the Tokyo District Court for the appointment of a temporary Director (serving as an Audit and Supervisory Committee member), and received notification from the Court on May 14, 2026, of the appointment of Mr. Manabu Adachi as a temporary Director. Accordingly, Mr. Manabu Adachi is currently serving as a temporary Director. His term of office as a temporary Director will expire at the conclusion of this General Meeting of Shareholders, at which a successor Director will be elected. Accordingly, we propose to appoint one Director serving as an Audit and Supervisory Committee member. This proposal has been approved by the Audit and Supervisory Committee.

The term of office of the Director serving as an Audit and Supervisory Committee member to be elected pursuant to this proposal shall expire upon the expiration of the term of office of the deceased Director whom he succeeds.

The candidate for Director serving as an Audit and Supervisory Committee member is as shown below.

Name	Current Position and Responsibilities at the Company	Attendance at the Board of Directors' Meetings	Specialization					
			Corporate Management	Construction	Real Estate	Financial Accounting	Legal Affairs/ Risk Management	Governance
Atsuo Umeki Outside Director Independent Director	—	—/— (—%)	●	●	●	—	—	●

Name (Date of birth)	Brief career summary (Position and responsibilities at the Company and other current key positions)
Newly appointed Atsuo Umeki (October 9, 1963)	April 1986 Joined Tomen Corporation (current Toyota Tsusho Corporation) April 2000 Joined Tomen Business Support Corporation August 2000 Joined Meiho Enterprise Co., Ltd., Sales Manager January 2001 Managing Director of Meiho Enterprise Co., Ltd. August 2002 Representative Director and President of Meiho Enterprise Co., Ltd. January 2008 Director of Meiho Properties Co., Ltd. (concurrent to Representative Director and President of Meiho Enterprise Co., Ltd.) January 2009 Representative Director and President of Meiho Properties Co., Ltd. (concurrent to Representative Director and President of Meiho Enterprise Co., Ltd.) February 2012 Representative Director and Executive Managing Officer of Meiho Enterprise Co., Ltd. October 2012 Representative Director of Meiho Enterprise Co., Ltd. November 2017 Representative Director, Head Office, Star Asia Sogo Kaihatsu Co., Ltd. June 2019 Chairman and Director of Kachikaihatsu Co., Ltd. (current Polaris Holdings Co., Ltd.) June 2020 President and CEO of Kachikaihatsu Co., Ltd. May 2024 Director and Vice Chairman of Kachikaihatsu Co., Ltd., Head of Real Estate Business Division October 2025 Director, Head Office, Star Asia Sogo Kaihatsu Co., Ltd. January 2026 Representative Director, Chairman and CEO of RABBIT CORPORATION (to present)
No. of Company shares owned	– shares

<Reasons for nomination as a candidate for Outside Director and overview of expected roles>

Mr. Atsuo Umeki has knowledge about corporate management as well as corporate internal controls and audits, and possesses adequate abilities to supervise business execution of the Company. He is expected to fulfill his duties, including providing advice on the Company's management and appropriately supervising its operations. Accordingly, the Company proposes that he be newly elected as a Director serving as an Audit and Supervisory Committee member.

(Notes)
1. The candidate does not have any relationship of special interest with the Company.
2. The candidate is a nominee for the Outside Director stipulated in item (vii), paragraph (3), Article 2 of the Ordinance for Enforcement of the Companies Act.
3. The candidate fulfills the requirements for independent director specified by the Tokyo Stock Exchange and has been designated as a Company independent director, and the Company intends to report this to the Tokyo Stock Exchange.
4. If the candidate is elected as Director serving as an Audit and Supervisory Committee member, the Company will enter into an agreement with him which limits the liability for damages in paragraph (1), Article 423 of the Companies Act to the minimum amount specified by law.
5. The Company has signed a liability insurance policy for directors and officers specified in paragraph (1), Article 430-3 of the Companies Act with an insurance company and will supplement the legal compensation for damage and litigation expenses to be paid by an insured person using the insurance. The candidate will be included in those insured by the policy if he is elected as Director serving as an Audit and Supervisory Committee Member. The insurance policy is scheduled to be renewed with the same coverage in the next renewal.

Proposal No. 3: Election of one substitute Director serving as an Audit and Supervisory Committee member

The Company proposes the election of one substitute Director serving as an Audit and Supervisory Committee member to be ready to fill a vacant position should the number of Directors who are Audit and Supervisory Committee members fall below the number required by laws and regulations. The term of office shall be the remaining term of office of the predecessor Director. This proposal will be effective through to the commencement of the next Ordinary General Meeting of Shareholders. This proposal has been approved by the Audit and Supervisory Committee.

The candidate for substitute Director serving as an Audit and Supervisory Committee member is as shown below.

Name (Date of birth)	Brief career summary (Position and responsibilities at the Company and other current key positions)	
Akihisa Takahata (May 13, 1978)	December 2005	Joined Shinnihon LLC (current Ernst & Young ShinNihon LLC)
	October 2010	Joined TOMA Tax Accountants Corporation
	September 2013	Joined Miyake Accounting Firm (current Miyake・Matsuda Accounting Firm)
	November 2015	Established Akihisa Takahata CPA Office, Principal (to present)
	October 2018	Established Akihisa Takahata Tax Accountant Office, Principal (to present)
	July 2020	Representative Partner, ES Next Audit Corporation (current ES Next LLC)
	February 2022	Partner, ES Next LLC
No. of Company shares owned	– shares	

<Reasons for nomination as a candidate for substitute Outside Director serving as an Audit and Supervisory Committee member and overview of expected roles>

Mr. Akihisa Takahata has expert knowledge and abundant experience as a CPA and tax accountant. He is expected to contribute to the enhancement of audit and supervisory functions of the Company from financial, accounting and tax perspectives, based on his knowledge and experience. Therefore, the Company proposes that he be newly elected as a substitute Outside Director serving as an Audit and Supervisory Committee member.

(Notes)
1. The candidate is a nominee for the substitute Outside Director serving as an Audit and Supervisory Committee member .
2. The candidate currently serves as the Company's tax advisor. The Company has a tax advisory agreement with the candidate.
3. If the candidate is elected as Outside Director serving as an Audit and Supervisory Committee member, the Company will enter into an agreement with him which limits the liability for damages in paragraph (1), Article 423 of the Companies Act to the minimum amount specified by law.
4. The Company has signed a liability insurance policy for directors and officers specified in paragraph (1), Article 430-3 of the Companies Act with an insurance company and will supplement the legal compensation for damage and litigation expenses to be paid by an insured person using the insurance. The candidate will be included in those insured by the policy if he is elected as Outside Director serving as an Audit and Supervisory Committee Member. The insurance policy is scheduled to be renewed with the same coverage in the next renewal.
5. Due to the limitations of the electronic disclosure system, the candidate's name and other information is displayed using commonly used Chinese characters.

[Reference]

Criteria for Determining the Independence of Independent Outside Directors

We assess the independence of our Outside Directors based on the criteria for independence established by financial instrument exchanges and acknowledge their independence if they meet all of the following requirements.

1. is not an executive of the Company or any of its subsidiaries,
2. is not a Director or accounting adviser if he/she is an Audit and Supervisory Committee member, who is not an executive of the Company or any of its subsidiaries,
3. is not an executive, including a Director who is not an executive, of the parent company of the Company,
4. is not a Corporate Auditor of the Company's parent company,
5. is not an executive or Director who is not an executive of a sister company of the Company,
6. is not currently a principal shareholder or an executive of a principal shareholder of the Company,
7. is not a major business partner or an executive of a major business partner of the Company,
8. is not a party for which the Company is its major business partner or an executive of such a party,
9. is not receiving a large amount of remuneration as a consultant, accounting expert, or legal expert from the Company other than director compensation (including a case in which a corporation, association, or other organizations, to which an Outside Director of the Company belongs, is receiving remuneration), and
10. is not a spouse or a relative within the second degree of kinship of an executive, etc. corresponding to the above 1. to 9.