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(Stock Exchange Code 1821)

June 6, 2025

(Commencement date of measures for electronic provision: June 2, 2025)

**To Shareholders with Voting Rights:**

Toshio Shibata  
Representative Director,  
President  
Sumitomo Mitsui Construction Co., Ltd.  
2-1-6, Tsukuda, Chuo-ku, Tokyo, Japan

## **NOTICE OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We would like to notify you of the 22nd Annual General Meeting of Shareholders of Sumitomo Mitsui Construction Co., Ltd. (the “Company”). The meeting will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision. The Company is posting the matters subject to measures for electronic provision as the “NOTICE OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS and matters omitted in the documents delivered in a paper form” on the following website on the Internet.

The Company’s website: <https://www.smcon.co.jp/investor/stock-information/generalmeeting/>

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

Tokyo Stock Exchange website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please search by “Issue name” (Sumitomo Mitsui Construction) or “Code” (1821), and select “Basic information” and then “Documents for public inspection/PR information” to confirm the details.)

If you agree to exercise your voting rights in advance, please review the Reference Documents for the General Meeting of Shareholders, which are stated in the matters subject to measures for electronic provision, and exercise your voting rights by 5:45 p.m. on Wednesday, June 25, 2025, Japan time.

- 1. Date and Time:** Thursday, June 26, 2025 at 10:00 a.m. Japan time
- 2. Place:** Corporate Headquarters (Conference room on the 2nd floor) located at 2-1-6, Tsukuda, Chuo-ku, Tokyo, Japan
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, the Consolidated Financial Statements for the Company’s 22nd Fiscal Year (April 1, 2024 - March 31, 2025) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
    2. The Non-consolidated Financial Statements for the Company’s 22nd Fiscal Year (April 1, 2024 - March 31, 2025)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Election of 7 Directors

- Should the matters subject to measures for electronic provision require revisions, the contents of the revision will be posted on each website on which they are posted.
- As the following matters, among the matters subject to measures for electronic provision, are posted on the Company's website pursuant to provisions of laws and regulations as well as Article 13-2 of the Articles of Incorporation, they are not presented in the documents that we are delivering to our shareholders.  
Necessary systems to ensure appropriate operations and operation status of the systems in the Business Report  
The Consolidated Statement of Changes in Net Assets and the Notes to the Consolidated Financial Statements  
The Statement of Changes in Net Assets and the Notes to the Non-consolidated Financial Statements
- The Company's website: <https://www.smcon.co.jp/investor/stock-information/generalmeeting/>
- Tokyo Stock Exchange website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

- **Response to the Electronic Provision System**  
The Company delivers, in principle, the documents for the general meeting of shareholders (Reference Documents for the General Meeting of Shareholders, Business Report, Audit Reports, Non-consolidated Financial Statements, and Consolidated Financial Statements) via the Company's website and delivers the written summary of the documents for the general meeting of shareholders to shareholders (except shareholders who have requested for the delivery of the documents in a paper form beforehand).  
We request shareholders who wish to receive such documents for the general meeting of shareholders in a paper form as before to visit the following website and make such request.  
<Instructions on requesting for the delivery of the documents for the general meeting of shareholders in a paper form>  
<https://www.smcon.co.jp/investor/stock-information/stock-meeting-materials/>

- **To shareholders with disabilities**  
If you have any physical problem and need our assistance when attending the General Meeting of Shareholders, please feel free to contact us by phone in advance.  
<Contact of the Company>  
General Affairs Department, Administration Division, Sumitomo Mitsui Construction Co., Ltd.  
Telephone: 03-4582-3022  
(available from 8:45 a.m. to 5:45 p.m. weekdays. Japan time)

## **Instructions on Exercising Voting Rights**

### **If Attending the General Meeting of Shareholders**

**Date and time of the Meeting: Thursday, June 26, 2025, at 10:00 a.m. Japan time**

Please hand in the enclosed Voting Rights Exercise Form at the reception desk on arrival at the Meeting.

- If exercising voting rights via proxy, one (1) other shareholder with voting rights may attend the General Meeting of Shareholders as your proxy. In this case, please submit documentation to the Company proving the right to represent, such as the power of attorney. (Non-shareholding proxies, accompanying persons or anyone else who is not a shareholder may not attend the General Meeting of Shareholders.)

### **If Not Attending the General Meeting of Shareholders**

**Deadline for exercising voting rights: Wednesday, June 25, 2025, 5:45 p.m. Japan time**

#### **By Mail**

Please indicate whether you approve or disapprove of each proposal on the enclosed Voting Rights Exercise Form and return by mail.

#### **By the Internet**

Please indicate whether you approve or disapprove of each proposal on the voting rights exercise website designated by the Company: <https://www.web54.net/>

Please see the next page for details.

If exercising voting rights by mobile phone or smartphone, etc., it is also possible to use a barcode reader to scan the “QR Code®” shown to the right to access the voting rights exercise website.

(QR Code is a registered trademark of DENSO WAVE CORPORATION)



- If there is no indication of approval or disapproval for each proposal on the Voting Rights Exercise Form, it shall be deemed as an indication of approval.
- If you exercise your voting rights twice, such as by writing and Internet, etc., only the later vote arriving at the Company will be considered a valid exercise of voting rights, and if they arrive on the same day, the vote cast through the Internet, etc., will be deemed valid.
- If you exercise your voting rights multiple times via the Internet, etc., only the latest vote shall be deemed valid.

### **Instructions for Exercise of Voting Rights via the Internet, etc.**

If exercising voting rights via the Internet, it is possible only by accessing the following voting rights exercise website designated by the Company.

#### **1. Access the Voting Rights Exercise Website**

The voting rights exercise website: <https://www.web54.net/>

If using a mobile phone or smartphone, etc., it is also possible to scan the “QR Code®” indicated on the right of the Voting Rights Exercise Form to access the voting rights exercise website.

(QR Code is a registered trademark of DENSO WAVE CORPORATION)



#### **2. Login**

Enter the “**Voting rights exercise code**” indicated on the bottom left of your Voting Rights Exercise Form.

#### **3. Enter Password**

Enter the “**Password**” indicated on the bottom left of your Voting Rights Exercise Form.

Then follow the instructions on screen.

For inquiries regarding the use of the voting rights exercise website:  
**Sumitomo Mitsui Trust Bank, Limited**  
**Stock Transfer Agency Web Support Dedicated Hotline**  
[Telephone] 0120-652-031 (9 a.m. to 9 p.m. Japan time)

#### **About the Password**

- The password is a means of verifying whether or not the person exercising voting rights is a legitimate shareholder.  
Please store this password carefully until the end of this General Meeting of Shareholders.
- The Company shall not respond to inquiries regarding passwords by telephone.
- Incorrectly inputting the password more than a certain number of times will lock it and disable it. To request reissuance of your password, please follow the on-screen instructions.

#### **About the Voting Rights Exercise Platform**

Institutional investors may utilize the Voting Rights Exercise Platform operated by ICJ, Inc.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### **Proposal 1:** Appropriation of Surplus

Concerning the appropriation of surplus, the Company proposes the following.

- Matters concerning year-end dividends

The Company seeks to strengthen its financial standing and increase its internal reserves in preparation for future business expansion while maintaining a stable dividend policy, and determines dividend distribution by taking comprehensive account of trends in business results as well as the future management environment.

Based on the above policy, upon consideration of the business performance, etc. in the future, the Company proposes the following for the year-end dividend for the 22nd fiscal year.

(1) Dividend asset type

Cash

(2) Matters concerning distribution of dividends to shareholders and the total amount

Taking comprehensive account of the state of the Company such as the business results for the current fiscal year, the future management environment, and prospect for future business performance, the Company proposes a year-end dividend of 14 yen per share.

In this case, the total amount of dividend will be 2,196,388,348 yen.

(3) Date on which the dividend of surplus becomes effective

June 27, 2025

**Proposal 2:** Election of 7 Directors

The terms of office of all Directors (9 persons) will expire at the end of this Annual General Meeting of Shareholders. Accordingly, the Company proposes to elect 7 Directors by reducing the number of Directors by 2 in order to streamline the management structure.

The candidates are as follows. From the viewpoint that the Company is a comprehensive construction company mainly in the civil engineering business and building construction business in Japan and overseas, the Company sets a basic policy to form a well-balanced Board of Directors comprising persons with adequate knowledge regarding both businesses, as well as persons with expertise in governance, fund procurement, and corporate management in consideration of diversity such as gender equality and internationality.

The Nomination and Remuneration Advisory Committee, a majority of whose members are Independent Outside Directors (with part-time Outside Audit & Supervisory Board Members attending as observers), discussed the policy for selecting candidates for Directors and the proposal of actual candidates, and the Board of Directors made a decision on them.

In addition, if this Proposal is approved as proposed and the candidates assume the positions of Directors, 3 of the total number of 7 Directors shall be Independent Directors as stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.

No.		Name	Attribution	Position	Responsibilities	Attendance at Board of Directors Meetings
1	Reappointment	Toshio Shibata	Male	Representative Director, President		24 out of 24 times (100%)
2	Reappointment	Yoshihiko Taira	Male	Director, Managing Executive Officer	In charge of Safety and Environment Administration Division Division Director, Civil Engineering Division	18 out of 18 times (100%)
3	Reappointment	Takashi Yui	Male	Director, Managing Executive Officer	Division Director, Corporate Planning Division	18 out of 18 times (100%)
4	New Candidate	Ryosuke Sogo	Male	Managing Executive Officer	Deputy Division Director, Corporate Planning Division	
5	Reappointment	Nobuo Kawahashi	Outside  Independent Director  Male	Director		18 out of 18 times (100%)
6	Reappointment	Susumu Nibuya	Outside  Independent Director  Male	Director		16 out of 18 times (88.9%)
7	Reappointment	Mami Yamashita	Outside  Independent Director  Female	Director		17 out of 18 times (94.4%)

(Note) Attendance at Board of Directors Meetings of Mr. Yoshihiko Taira, Mr. Takashi Yui, Mr. Nobuo Kawahashi, Mr. Susumu Nibuya, and Ms. Mami Yamashita pertains to the number of times they attended after they assumed offices as Directors on June 27, 2024.

No.	Name (Date of birth)	Past experience, positions, responsibilities and concurrent positions		Number of shares of the Company held
1	Toshio Shibata (December 8, 1962)	April 1985	Joined Mitsui Construction Co., Ltd.	102,301
	[Reappointment] [Male]	April 2003	Civil Engineering Designing Department No.2, Civil Engineering Administration Department, Civil Engineering Business Division of the Company	
		April 2012	General Manager, Civil Engineering Technical Consulting Department, Civil Engineering Division	
		April 2018	Executive Officer	
		April 2019	General Manager, Tokyo Civil Engineering Branch	
		April 2020	Managing Executive Officer, Division Director, Civil Engineering Division	
		June 2020	Director	
		April 2022	Representative Director, Senior Managing Executive Officer	
Attendance at Board of Directors Meetings during fiscal 2024: 24 out of 24 times (100%)	April 2024	Representative Director (to present), President (to present)		
Reasons for selection as a candidate for Director Since joining the Company, Mr. Toshio Shibata has accumulated a wealth of experience from holding important posts in the civil engineering section and made excellent achievements in the section. Since April 2024, as top management, he has been involved in the execution of civil engineering and building construction businesses, by responding to changes in management environment in a quick and appropriate manner, and is working on further increasing corporate value of the Company through its sustainable growth and transformation. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.				
2	Yoshihiko Taira (September 13, 1965)	April 1988	Joined Sumitomo Construction Co., Ltd.	39,180
	[Reappointment] [Male]	June 2005	Chief, Design Technology Section, PC Design Department, Civil Engineering Division of the Company	
		April 2012	General Manager, Civil Engineering Design Department, Civil Engineering Division	
		March 2016	Construction Site Manager, Tohoku Branch	
		April 2019	General Manager, Shikoku Branch	
		April 2021	Executive Officer	
		April 2022	Managing Executive Officer (to present)	
			Deputy Division Director, Civil Engineering Division (in charge of PC Sales) and Overall in charge of Design	
		April 2023	Deputy Division Director, Civil Engineering Division, Overall in charge of Marketing (in charge of PC Sales) and Overall in charge of Design	
	April 2024	Division Director, Civil Engineering Division (to present)		
June 2024	Director (to present)			
Attendance at Board of Directors Meetings during fiscal 2024: 18 out of 18 times (100%)	April 2025	In charge of Safety and Environment Administration Division (to present)		
Reasons for selection as a candidate for Director Since joining the Company, Mr. Yoshihiko Taira has accumulated a wealth of experience from holding important posts in the civil engineering section. While he has made excellent achievements, using his sophisticated expertise and management capability, currently he is adequately fulfilling his responsibilities as Division Director of Civil Engineering Division. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.				



No.	Name (Date of birth)	Past experience, positions, responsibilities and concurrent positions		Number of shares of the Company held
3	Takashi Yui (September 28, 1967)  [Reappointment] [Male]  Attendance at Board of Directors Meetings during fiscal 2024: 18 out of 18 times (100%)	April 1990	Joined Mitsui Construction Co., Ltd.	29,392
		June 2005	Chief, Civil Engineering Outsourcing Section, Procurement Department, Tokyo Branch of the Company	
		April 2006	Chief, Materials Section, Procurement Department, Tokyo Branch	
		July 2016	General Manager, Civil Engineering Marketing Administration Department, Civil Engineering Division	
		April 2019	General Manager, Corporate Planning Department	
		April 2021	Assistant Division Director, Corporate Planning Division and General Manager, Corporate Planning Department	
			Executive Officer	
		April 2022	Deputy Division Director, Corporate Planning Division (Corporate Planning Department and Affiliated Business Department) and General Manager, Corporate Planning Department	
		April 2023	Division Director, Corporate Planning Division (to present) and Senior Manager in charge of DX (Digital Transformation) Promotion	
	April 2024	Managing Executive Officer (to present)		
	June 2024	Director (to present)		
Reasons for selection as a candidate for Director Mr. Takashi Yui has experienced business in corporate planning sections as well as civil engineering and procurement sections and has not only expertise but an excellent sense of balance and analytical capability. Currently, he is adequately fulfilling his responsibilities as Division Director of Corporate Planning Division. Therefore, the Company has judged it appropriate to renominate him as a candidate for Director.				
4	Ryosuke Sogo (January 25, 1965)  [New Candidate] [Male]	April 1988	Joined the Sumitomo Bank, Ltd.	0
		April 2012	General Manager, Abeno Corporate Business Division, Sumitomo Mitsui Banking Corporation	
		April 2014	General Manager, Tennoji Corporate Business Division, Sumitomo Mitsui Banking Corporation	
		April 2016	General Manager, Namba Corporate Business Division I, Sumitomo Mitsui Banking Corporation	
		April 2018	General Manager, Strategic Finance Promotion Division, Sumitomo Mitsui Banking Corporation	
		April 2019	Executive Officer, Strategic Finance Promotion Division, Sumitomo Mitsui Banking Corporation	
		June 2020	Representative Director and President, SMBC Servicer Co., Ltd.	
		July 2024	Managing Executive Officer (to present), Deputy Division Director, Corporate Planning Division (to present)	
		Reasons for selection as a candidate for Director Mr. Ryosuke Sogo has extensive experience in corporate management analysis and decision-making cultivated while he was working at a bank. Currently, he is adequately fulfilling his responsibilities as Deputy Division Director of Corporate Planning Division. Therefore, the Company has judged it appropriate to nominate him as a candidate for Director.		

No.	Name (Date of birth)	Past experience, positions, responsibilities and concurrent positions	Number of shares of the Company held
5	<p>Nobuo Kawahashi (July 23, 1956)</p> <p>[Reappointment] [Candidate for Outside Director] [Candidate for Independent Director] [Male]</p> <p>Attendance at Board of Directors Meetings during fiscal 2024: 18 out of 18 times (100%)</p>	<p>April 1981      Joined Japan Synthetic Rubber Co., Ltd.</p> <p>June 2008      Officer, General Manager, Display Material Business Division, JSR Corporation</p> <p>June 2009      Officer, General Manager, Electronic Materials Division</p> <p>January 2010    Officer, JSR Corporation, Director and President, JSR Micro Korea Co., Ltd.</p> <p>June 2011      Senior Officer, JSR Corporation, Director and President, JSR Micro Korea Co., Ltd.</p> <p>April 2014      Senior Officer, General Manager, Research and Development Division</p> <p>June 2016      Director and Managing Officer</p> <p>June 2017      Director and Executive Managing Officer</p> <p>June 2019      Representative Director and President, COO and CTO</p> <p>June 2020      Representative Director and President and COO</p> <p>June 2023      Executive Advisor</p> <p>June 2024      Director (to present)</p> <p>[Significant concurrent positions] -</p>	0
	<p>1. Reasons for selection as candidate for Outside Director and a summary of expected roles</p> <p>1) Mr. Nobuo Kawahashi is a candidate for Outside Director as stipulated by Item 7 for Clause 3 of Article 2, of the Ordinance for Enforcement of the Companies Act.</p> <p>2) The Company believes that Mr. Nobuo Kawahashi can apply a wealth of his experience as top management of a company and a wide range of insights into corporate management and the fields of technology and international business to the enhancement of the Company's function of supervising corporate management and to the overall management of the Company. Therefore, the Company has judged it appropriate to renominate him as a candidate for Outside Director. Furthermore, during his tenure as Outside Director, he has been adequately fulfilling his responsibilities as Director of the Company, and as stated in (4. Matters regarding Officers (6) Matters regarding Outside Officers 3) Main Activities for the Fiscal Year Under Review) of the Business Report for the 22nd fiscal year (available in Japanese only), he is appropriately fulfilling his responsibilities during the fiscal year under review. Therefore, the Company has judged that he will continue to appropriately fulfill the responsibilities of Outside Director.</p> <p>3) In addition to 2) above, he is also expected to supervise the Company's management as a member of the Nomination and Remuneration Advisory Committee, through involvement in matters such as the organization of board members and their compensation structure.</p> <p>2. Independence qualification of candidate for Outside Director</p> <p>Mr. Nobuo Kawahashi has served as Executive Advisor to JSR Corporation. In view of the fact that no transactions had been existed between the Group and the said company's group over the most recent three years, the Company has judged that he does not have a possibility of conflicts of interest with general shareholders and possesses adequate independence, and the Company registered him as an Independent Director with the Tokyo Stock Exchange, as stipulated in Article 436-2 of the Securities Listing Regulations. If Mr. Nobuo Kawahashi is reelected as Director and reappointed Outside Director, the Company plans to continue his filing as an Independent Director at the Tokyo Stock Exchange.</p> <p>3. Number of years since the candidate for Outside Director assumed office as Outside Director of the Company</p> <p>The term of retention of Mr. Nobuo Kawahashi as Outside Director will be 1 year at the close of this General Meeting.</p>		

No.	Name (Date of birth)	Past experience, positions, responsibilities and concurrent positions	Number of shares of the Company held
	<p>Susumu Nibuya (November 22, 1959)</p> <p>[Reappointment] [Candidate for Outside Director] [Candidate for Independent Director] [Male]</p> <p>Attendance at Board of Directors Meetings during fiscal 2024: 16 out of 18 times (88.9%)</p>	<p>April 1982      Joined Idemitsu Kosan Co., Ltd.</p> <p>June 2008      Managing Director, Idemitsu Engineering Co., Ltd.</p> <p>June 2011      General Manager, Internal Audit Office, Idemitsu Kosan Co., Ltd.</p> <p>April 2013      Executive Officer, General Manager, Corporate Planning Department</p> <p>June 2015      Director, General Manager, Corporate Planning Department</p> <p>June 2017      Managing Director</p> <p>April 2019      Executive Vice President, Executive Officer</p> <p>June 2020      Representative Director, Executive Vice President</p> <p>June 2022      Representative Director, Executive Vice President and Chief Operating Officer</p> <p>June 2024      Director (to present), Executive Fellow, Idemitsu Kosan Co., Ltd. (to present)</p> <p>[Significant concurrent positions] • Executive Fellow, Idemitsu Kosan Co., Ltd. • Outside Director, AZ-COM MARUWA Holdings Inc. (scheduled to assume office in June 2025)</p>	500
6	<p>1. Reasons for selection as candidate for Outside Director and a summary of expected roles</p> <p>1) Mr. Susumu Nibuya is a candidate for Outside Director as stipulated by Item 7 for Clause 3 of Article 2, of the Ordinance for Enforcement of the Companies Act.</p> <p>2) The Company believes that Mr. Susumu Nibuya can apply a wide range of insights into corporate management and his knowledge on the promotion of D&amp;I (diversity &amp; inclusion) to the enhancement of the Company's function of supervising corporate management and to the overall management of the Company. Therefore, the Company has judged it appropriate to renominate him as a candidate for Outside Director. Furthermore, during his tenure as Outside Director, he has been adequately fulfilling his responsibilities as Director of the Company, and as stated in (4. Matters regarding Officers (6) Matters regarding Outside Officers 3) Main Activities for the Fiscal Year Under Review) of the Business Report for the 22nd fiscal year (available in Japanese only), he is appropriately fulfilling his responsibilities during the fiscal year under review. Therefore, the Company has judged that he will continue to appropriately fulfill the responsibilities of Outside Director.</p> <p>3) In addition to 2) above, he is also expected to supervise the Company's management as a member of the Nomination and Remuneration Advisory Committee, through involvement in matters such as the organization of board members and their compensation structure.</p> <p>2. Independence qualification of candidate for Outside Director</p> <p>Mr. Susumu Nibuya is currently serving as Executive Fellow at Idemitsu Kosan Co., Ltd., but no transactional relationships exist between the Group and group companies of Idemitsu Kosan Co., Ltd. over the most recent three years. In addition, he is scheduled to be elected as Outside Director and assume the said position at the Annual General Meeting of Shareholders of AZ-COM MARUWA Holdings Inc. to be held on June 25, 2025. There are transactional relationships between the Group and a group company of AZ-COM MARUWA Holdings Inc., but the amount of annual transaction is less than 1% of consolidated net sales of the Group, on average over the most recent three years. In light of these facts, the Company has judged that he does not have a possibility of conflicts of interest with general shareholders and possesses adequate independence, and the Company registered him as an Independent Director with the Tokyo Stock Exchange, as stipulated in Article 436-2 of the Securities Listing Regulations. If Mr. Susumu Nibuya is reelected as Director and reappointed Outside Director, the Company plans to continue his filing as an Independent Director at the Tokyo Stock Exchange.</p> <p>3. Number of years since the candidate for Outside Director assumed office as Outside Director of the Company</p> <p>The term of retention of Mr. Susumu Nibuya as Outside Director will be 1 year at the close of this General Meeting.</p>		

No.	Name (Date of birth)	Past experience, positions, responsibilities and concurrent positions	Number of shares of the Company held
7	<p>Mami Yamashita (May 23, 1978)</p> <p>[Reappointment] [Candidate for Outside Director] [Candidate for Independent Director] [Female]</p> <p>Attendance at Board of Directors Meetings during fiscal 2024: 17 out of 18 times (94.4%)</p>	<p>April 2001      Joined NEC Corporation</p> <p>August 2006      In charge of Credit Sales, Credit Sales Division, JPMorgan Securities Japan Co., Ltd.</p> <p>November 2007      Group Manager, Business Promotion Department, The Risk Data Bank of Japan, Limited</p> <p>December 2013      Representative Director, Kokoruku, Inc. (to present)</p> <p>June 2018      Outside Director, HONDA TSUSHIN KOGYO CO., LTD.</p> <p>May 2022      Outside Director, AEON Fantasy Co., Ltd. (to present)</p> <p>June 2024      Director (to present), Outside Director, NAC CO., LTD. (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Representative Director, Kokoruku, Inc.</li> <li>• Outside Director, AEON Fantasy Co., Ltd.</li> <li>• Outside Director, NAC CO., LTD.</li> </ul>	0
	<p>1. Reasons for selection as candidate for Outside Director and a summary of expected roles</p> <p>1) Ms. Mami Yamashita is a candidate for Outside Director as stipulated by Item 7 for Clause 3 of Article 2, of the Ordinance for Enforcement of the Companies Act.</p> <p>2) The Company believes that Ms. Mami Yamashita can apply her wealth of knowledge and experience in the creation of start-ups and corporate management as well as a wide range of insights into new businesses, risk management, sustainability and the promotion of D&amp;I (diversity &amp; inclusion) to the enhancement of the Company's function of supervising corporate management and to the overall management of the Company. Therefore, the Company has judged it appropriate to renominate her as a candidate for Outside Director. Furthermore, during her tenure as Outside Director, she has been adequately fulfilling her responsibilities as Director of the Company, and as stated in (4. Matters regarding Officers (6) Matters regarding Outside Offices 3) Main Activities for the Fiscal Year Under Review) of the Business Report for the 22nd fiscal year (available in Japanese only), she is appropriately fulfilling her responsibilities during the fiscal year under review. Therefore, the Company has judged that she will continue to appropriately fulfill the responsibilities of Outside Director.</p> <p>3) In addition to 2) above, she is also expected to supervise the Company's management as a member of the Nomination and Remuneration Advisory Committee, through involvement in matters such as the organization of board members and their compensation structure.</p> <p>2. Independence qualification of candidate for Outside Director</p> <p>Ms. Mami Yamashita is currently serving as Representative Director of Kokoruku, Inc., Outside Director of AEON Fantasy Co., Ltd., and Outside Director of NAC CO., LTD., all of which have no transactional relationships with the Group. Transactional relationships exist between the Group and the group companies of AEON Co., Ltd. which is the parent company of AEON Fantasy Co., Ltd. However, the amount of annual transaction is less than 1% of consolidated net sales of the Group, on average over the most recent three years. Therefore, the Company has judged that she does not have a possibility of conflicts of interest with general shareholders and possesses adequate independence, and the Company registered her as an Independent Director with the Tokyo Stock Exchange, as stipulated in Article 436-2 of the Securities Listing Regulations. If Ms. Mami Yamashita is reelected as Director and reappointed Outside Director, the Company plans to continue her filing as an Independent Director at the Tokyo Stock Exchange.</p> <p>3. Number of years since the candidate for Outside Director assumed office as Outside Director of the Company</p> <p>The term of retention of Ms. Mami Yamashita as Outside Director will be 1 year at the close of this General Meeting.</p>		

- (Notes) 1. As stated in the above "2. Independence qualification of candidate for Outside Director," the Company has had a small amount of transactions with a group company of AZ-COM MARUWA Holdings Inc., in which Mr. Susumu Nibuya is scheduled to serve as Outside Director, and a group company of AEON Co., Ltd., which is the parent company of AEON Fantasy Co., Ltd. in which Ms. Mami Yamashita is serving as Outside Director, over the most recent three years. There are no special interests between other candidates and the Company.
2. Mr. Nobuo Kawahashi, Mr. Susumu Nibuya, and Ms. Mami Yamashita have respectively concluded an agreement to limit liability of Clause 1 of Article 423 of the Companies Act with the Company, and the ceiling of the indemnity based on aforementioned agreement shall be the minimum amount stipulated by laws and regulations. If they are reelected as Directors and reappointed Outside Directors, the Company plans to keep the above liability limitation agreement with each of them.

3. The Company has concluded a directors and officers liability insurance contract with an insurance company. The insurance contract covers compensation for damages and litigation costs that may be incurred by the insured when any claim for damages is filed against it for its act made on the basis of its position as the Company's Director or Officer. All of the candidates to be reappointed and Mr. Ryosuke Sogo, who is a new candidate and Executive Officers of the Company, are already insured and will continue to be insured under the insurance contract after their appointment.

(Reference) Composition of the Board of Directors and Skills Matrix (if candidates are elected at this General Meeting)

Name	Attribution	Position	Expected skills							
			Corporate management	Sales and marketing	Technology and IT	Finance and accounting	Risk management, compliance, and auditing	Global competence	Sustainability	D&I promotion and human resource development
Toshio Shibata	[Male]	Representative Director, President	●	●	●				●	
Yoshihiko Taira	[Male]	Director, Managing Executive Officer		●	●			●		
Takashi Yui	[Male]	Director, Managing Executive Officer	●		●	●				●
Ryosuke Sogo	[Male]	Director, Managing Executive Officer	●	●		●	●			
Nobuo Kawahashi	[Outside Director] [Independent Director] [Male]	Director	●	●	●			●		
Susumu Nibuya	[Outside Director] [Independent Director] [Male]	Director	●			●		●		●
Mami Yamashita	[Outside Director] [Independent Director] [Female]	Director	●					●	●	●
Michio Harada	[Male]	Audit & Supervisory Board Member				●	●			
Kazushi Nozawa	[Male]	Audit & Supervisory Board Member				●	●			
Takashi Kaede	[Outside Audit & Supervisory Board Member] [Independent Audit & Supervisory Board Member] [Male]	Audit & Supervisory Board Member				●	●			●
Harumasa Kurokawa	[Outside Audit & Supervisory Board Member] [Independent Audit & Supervisory Board Member] [Male]	Audit & Supervisory Board Member	●	●	●		●			

Name	Attribution	Position	Expected skills							
			Corporate management	Sales and marketing	Technology and IT	Finance and accounting	Risk management, compliance, and auditing	Global competence	Sustainability	D&I promotion and human resource development
Yoshihide Hino	[Outside Audit & Supervisory Board Member] [Independent Audit & Supervisory Board Member] [Male]	Audit & Supervisory Board Member					●		●	●

- (Notes) 1. The above list states four or fewer items of expected skills and does not represent all of the knowledge and experience of each person.
2. In the above list, skills in terms of global competence, sustainability, and D&I promotion and human resource development are defined as follows.
- Global competence: Knowledge and skills necessary for planning and implementing overseas business strategies, and for implementing global-specific risk management
- Sustainability: Knowledge and skills to reflect action on social sustainability issues (the environment, biodiversity, human rights, etc.) including SDGs and ESG, in corporate management
- D&I promotion and human resource development: Knowledge and skills that can promote D&I (diversity and inclusion), which is important in future management and business, and that can administer the cultivation and development of human resources

(Reference) Current State of Strategic Shareholdings

The Company sets a policy of examining the economic rationale and future outlook of each shareholding, such as the purpose of shareholding and whether the benefits and risks of shareholding is commensurate with the capital cost and reducing shares by selling them, of which holding is thought to be of smaller significance as a result of such examination.

In the Mid-term Management Plan 2022-2024 (revised in May 2023) announced on May 10, 2023, the Company set the goals of: reducing the balance of strategic shareholdings by 50% by the end of March 2025 from the end of March 2023 from a perspective of improving capital efficiency and cash flows; and reducing the ratio of strategic shareholdings to net assets on a consolidated basis to 20% or less as soon as possible and eventually to 10% or less in the future. The Company has achieved these goals as shown below. The Company does not own deemed shareholdings.

[Current State of Strategic Shareholdings]

	March 31, 2023 (A)	State of sales (reduction)	March 31, 2025 (B)	Change	Reference (B/A)
Number of stocks	91	30	61	(30)	-
Market value, Sales amount (million yen)	19,053	18,532	3,475	(15,578)	18.2%
Consolidated net assets (million yen)	71,137	-	77,315	6,178	-
Ratio of strategic shareholdings to net assets (consolidated basis)	26.8%	-	4.5%	(22.3)%	-

\*Market value as of March 31, 2025 includes increased amount due to fluctuations (increase) in stock price.

End