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Securities Code: 2929

October 5, 2026

To our shareholders:

Mujo Kim
Representative Director and President
Pharma Foods International Co., Ltd.
1-49, Goryo-Ohara, Nishikyo-ku, Kyoto-shi

Notice of the 29th Annual General Meeting of Shareholders

We are pleased to announce the 29th Annual General Meeting of Shareholders of Pharma Foods International Co., Ltd. (the “Company”), which will be held as indicated below.

The notice of convocation for this meeting shall be provided in electronic format and the measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format shall be posted on the following website under “Notice of the 29th Annual General Meeting of Shareholders.”

Company website (IR Library, IR documents)
<https://www.pharmafoods.co.jp/ir/library/docs-4> (in Japanese)

TSE website (Listed Company Search):
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(To view, access the TSE website listed above, then enter either the Company name “Pharma Foods International” or securities code (2929) and click “Search.” Next, click “Basic information” and then choose “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

The meeting will be held in person. Please note that this differs from the format of the previous Annual General Meeting of Shareholders. To exercise your voting rights at the general meeting of shareholders, you must attend the meeting in person, or exercise your voting rights in advance using one of the designated methods.

If you are unable to attend the meeting, you may exercise your voting rights via the Internet or in writing (mail). Please review the reference documents for the general meeting of shareholders and exercise your voting rights in advance by Tuesday, October 27, 2026, at 6:00 p.m. (Japan Standard Time).

- 1. Date and Time:** Wednesday, October 28, 2026, at 1:00 p.m. (Japan Standard Time)
(Reception opens at noon)
- 2. Venue:** Yomeiden Hall, B1 Floor, Miyako Hotel Kyoto Hachijo
17, Nishikujo-Inmachi Minami-ku, Kyoto-shi (Kyoto Station Hachijo Exit)

*** The meeting will be held in person.**

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 29th fiscal year (from August 1, 2025 to July 31, 2026), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. Non-consolidated Financial Statements for the 29th fiscal year (from August 1, 2025 to July 31, 2026)

Matters to be resolved:

Company proposals (Proposal No. 1 to Proposal No. 3)

- Proposal No. 1** Appropriation of Surplus
- Proposal No. 2** Election of Ten Directors
- Proposal No. 3** Election of Three Audit & Supervisory Board Members

Shareholder proposals (Proposal No. 4 to Proposal No. 9)

- Proposal No. 4** Election of One Director
- Proposal No. 5** Amendment to the Articles of Incorporation (Restrictions on the Number of Outside Directors)
- Proposal No. 6** Amendment to the Articles of Incorporation (Introduction of Shareholder Value-linked Remuneration System for Directors)
- Proposal No. 7** Amendment to the Articles of Incorporation (Mandatory Disclosure of Information Pertaining to Advertising Expenses)
- Proposal No. 8** Amendment to the Articles of Incorporation (Mandatory Disclosure of Information Pertaining to the Results of Investments in the 1K Project and the Effect on Corporate Value Enhancement)
- Proposal No. 9** Amendment to the Articles of Incorporation (Mandatory Holding of the General Meeting of Shareholders in a Hybrid Format)

4. Other

- (1) When voting rights are exercised in writing (postal mail), if the proposals on a voting form are not marked as approved or disapproved, it shall be treated as an indication of approval for the Company proposals and disapproval for the shareholder proposals.
- (2) The handling of duplicate voting rights being exercised is as follows:
 - If a shareholder exercises their voting rights in duplicate both via the Internet and in writing (postal mail), the vote cast via the Internet shall be deemed valid.
 - In addition, if a shareholder casts their vote via the Internet multiple times, then only the last vote cast shall be deemed valid.
- (3) The handling of proposals for the election of Directors is as follows: In Article 19 of the Company's Articles of Incorporation, it is stipulated that the Directors of the Company shall be no more than ten in number. On the other hand, Proposal No. 2, which is a Company proposal, calls for the election of ten Directors, but Proposal No. 4, which is a shareholder proposal, calls for the election of one Director, so depending on the election results for each proposal, the limit stipulated in the Company's Articles of Incorporation could be exceeded. In principle, a candidate for Director who has received the approval of a majority of the voting rights, including those exercised via the Internet or in writing (postal mail), shall be elected, but in cases where, as a result of voting, the number of candidates receiving the approval of a majority exceeds ten, the number of candidates elected shall be limited to ten, selected in the order of those with the highest number of voting rights exercised for their approval. Furthermore, for both Proposal No. 2 and Proposal No. 4, the number of candidates for whom voting rights may be exercised in approval shall not be limited to ten.

- (4) Paper-based documents stating Electronic Provision Measures Matters are sent to shareholders who have requested the delivery of paper-based documents, however those documents do not include the following matters in accordance with the provisions of laws and regulations and the Company's Articles of Incorporation.

The Audit & Supervisory Board Members and the Financial Auditor have audited the documents subject to audit, including the following matters.

- 1) Status of the Financial Auditor
 - 2) Measures to Ensure the Appropriateness of Business Operations and the Status of Their Implementation
 - 3) Consolidated Statements of Changes in Equity
 - 4) Notes to Consolidated Financial Statements
 - 5) Non-consolidated balance sheet
 - 6) Non-consolidated statement of income
 - 7) Non-consolidated Statements of Changes in Equity
 - 8) Notes to Non-consolidated Financial Statements
 - 9) Audit report of Financial Auditor
- (5) If revisions to any of the measures for providing information in electronic format are required, such revisions shall be listed on the Company's website and TSE website on page 1.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Company proposals (Proposal No. 1 to Proposal No. 3)

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Year-end dividends

In line with the business policy, which is to balance corporate growth and profitability, the Company maintains the basic policy of enhancing shareholder returns through dividends while continuing to make proactive investments in research and development, advertising, M&A, etc.

Based on this policy, after careful consideration of our financial results and financial position in the current fiscal year, we have decided to pay ¥12.5 per share as year-end dividends in the current fiscal year.

(1) Type of dividend property

Cash

(2) Allotment of dividend property and their aggregate amount

¥12.5 per common share of the Company

Total dividends: ¥363,042,213

Furthermore, the amount of annual dividends for the current fiscal year is ¥25 per share with the inclusion of the interim dividend (¥12.5 per share) paid on April 2, 2026.

(3) Effective date of dividends of surplus

October 30, 2026

Proposal No. 2 Election of Ten Directors

The terms of office of all ten Directors will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of ten Directors, including four outside Directors, with the aim of achieving more flexible decision-making by the Board of Directors and strengthening corporate governance.

The candidates for Director proposed by the Company are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Mujo Kim (August 6, 1947)	Jan. 1988	Joined Taiyo Kagaku Co., Ltd.	2,261,507
		Nov. 1988	Research Laboratory Director	
		Jan. 1991	Managing Director	
		June 1997	Retired from Taiyo Kagaku Co., Ltd.	
		Sep. 1997	Joined the Company	
		Mar. 1998	Professor of College of Life Science & Engineering of Korea University	
		Nov. 1999	Representative Director and President of the Company (current position)	
		Dec. 1999	Retired as Professor of College of Life Science & Engineering of Korea University	
	[Reasons for nomination as candidate for Director] Since the founding of the Company, Mujo Kim has promoted the business expansion, globalization and structural reform of the Group. Based on the determination that he will continue to be able to realize the Company's management philosophy and execute its business strategy in future, we propose his re-election as Director.			
	2	Yong-il Kim (January 22, 1981)	Apr. 2011	Postdoctoral fellow, Graduate School of Agriculture, Kyoto University
Sep. 2012			Postdoctoral fellow, School of Medicine, University of California San Francisco	
Nov. 2014			Joined ROHTO Pharmaceutical Co., Ltd.	
Jan. 2021			Joined the Company Deputy General Manager of Development Department	
Aug. 2022			General Manager of Development Department	
Oct. 2023			Director, in charge of R&D (current position)	
Sep. 2025			Director, in charge of Sales Division (current position)	
Oct. 2025			Senior Managing Director (current position)	
[Reasons for nomination as candidate for Director] Yong-il Kim has worked to advance research and development within the Group while simultaneously leading initiatives to develop new business aimed at medium- and long-term growth. Since September 2025, he has also been in charge of the Sales Division, overseeing sales of functional materials and functional products. Moreover, he was appointed Senior Managing Director in October 2025, and as he is executing the R&D strategy that forms the foundation of the Company's business strategy and strengthening coordination between the R&D and sales strategies, we have determined that he will continue to be able to realize the Company's management philosophy and execute its business strategy in future, and therefore we propose his re-election as Director.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
3	Kazuyuki Masuda (July 8, 1976)	Dec. 2003	Joined the Company, Manager of Sales Department	769,624
		Oct. 2008	Director, General Manager of Sales Department and General Manager of Kyoto Sales Office	
		Aug. 2012	Director, in charge of B to C Business Department	
		Jan. 2016	Managing Director	
		Oct. 2019	Senior Managing Director (current position)	
		Aug. 2021	Representative Director and President of Meiji Yakuhin Co., Ltd. (current position)	
		Feb. 2023	Representative Director and President of FUTURE LABO Inc. (current position)	
		Feb. 2023	Representative Director and President of MEDI LABO Inc. (current position)	
		Oct. 2023	In charge of supervising the Company's Group Management and B to C Business	
		July 2024	Representative Director and President of PharmaFoods Communication Inc.	
		Oct. 2025	In charge of supervising the Company's Group Management (current position)	
		(Significant concurrent positions outside the Company)		
		Representative Director and President of Meiji Yakuhin Co., Ltd.		
		Representative Director and President of FUTURE LABO Inc.		
	Representative Director and President of MEDI LABO Inc.			
[Reasons for nomination as candidate for Director] Since joining the Company, Kazuyuki Masuda has been involved in sales and development of new business, and was appointed as Director in October 2008. As the overall supervisor of the B to C business, he has overseen the launch of the business and striven to grow and expand the business. Currently, as Senior Managing Director, he is in charge of supervising the Company's Group Management. Based on the determination that he will continue to be able to realize the Company's management philosophy and execute its business strategy in future, we propose his re-election as Director.				
4	Kosuke Torio (August 2, 1976)	Feb. 2018	Joined the Company, Manager of B to C Business Department	33,360
		Oct. 2018	Director of PharmaFoods Communication Inc.	
		Oct. 2020	Representative Director and Senior Managing Director of PharmaFoods Communication Inc.	
		Apr. 2022	Representative Director and President of PharmaFoods Communication Inc.	
		July 2024	Executive Officer, in charge of B to C Business Department of the Company	
		Oct. 2025	Director, in charge of B to C Business Division	
		May 2026	Managing Director, in charge of Administration Division (current position)	
	[Reasons for nomination as candidate for Director] After joining the Company, Kosuke Torio has been involved in the launch and operation of new call centers for the B to C business, and has served as the Representative Director of PharmaFoods Communication Inc., a subsidiary of the Company that operates call centers. Since 2024, he has been engaged in Group-wide management operations in the B to C Business Division as an executive officer of the Company. And also, as Director in charge of the B to C Business Division between October 2025 and May 2026, he contributed to expanding the B to C business of the entire Group. Moreover, due to his experience, he was appointed Managing Director in May 2026, and as he is executing Group-wide management and governance by coordinating Administration Divisions across the entire Group, we have determined that he will continue to be able to realize the Company's management philosophy, rigorously implement governance, and execute its business strategy in future, and therefore we propose his re-election as Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
5	Hirotaka Higashiyama (September 7, 1975)	Dec. 2018	Joined the Company Manager of Accounting Section of Administration Department	31,232
		Aug. 2020	General Manager of President's Office	
		Apr. 2022	General Manager of Biomedical Department	
		July 2022	Representative Director of PF Capital Co., Ltd. (current position)	
		Aug. 2022	General Manager of Quality Control and Quality Assurance Department of the Company	
		Oct. 2023	Director, in charge of Administration Division	
		May 2026	Director, in charge of President's Office (current position)	
		(Significant concurrent positions outside the Company)		
	Representative Director of PF Capital Co., Ltd.			
[Reasons for nomination as candidate for Director] Since joining the Company, Hirotaka Higashiyama has been involved in operations of the Administration Division such as accounting, M&A and auditing operations, and also has experience serving as the person responsible for the Biomedical Department and Quality Control and Quality Assurance Department. As he has executed auditing operations since May 2026 as Director in charge of President's Office, which oversees auditing operations, we have determined that he will continue to be able to realize the Company's management philosophy, rigorously implement governance, and execute its business strategy in future, and therefore we propose his re-election as Director.				
6	Masao Nawano (June 11, 1967)	Apr. 1994	Joined Tanabe Pharma Corporation (formerly Tanabe Seiyaku Co., Ltd.)	9,987
		July 2014	Manager of Corporate Development Dept. of Tanabe Pharma Corporation (formerly Tanabe Seiyaku Co., Ltd.)	
		Oct. 2016	Vice President of Mitsubishi Tanabe Pharma America	
		Apr. 2022	Head of Research Div. of Tanabe Pharma Corporation (formerly Tanabe Seiyaku Co., Ltd.)	
		Apr. 2025	Joined the Company, General Manager of Drug Discovery Unit, Biomedical Department	
		May 2025	Head of Drug Discovery Division (current position)	
		Oct. 2025	Director, in charge of Drug Discovery Division (current position)	
	[Reasons for nomination as candidate for Director] Masao Nawano obtained a Ph.D. from the University of Tokyo and then dedicated many years to the development of clinical candidates in R&D of Tanabe Pharma Corporation (formerly Tanabe Seiyaku Co., Ltd.). As Head of Research Div., he has a proven track record of successfully leading projects in neurology, immunology, and oncology—a testament to the R&D capabilities essential for the Company's future growth. Additionally, his experience as an MBA holder has further equipped him with the strategic insight necessary to translate R&D into business success. Since joining the Company in April 2025, he has held roles as Head of Drug Discovery Division since May 2025 and Director in charge of the Drug Discovery Division since October 2025, in which he has overseen the development and commercialization of a therapeutic agent for the treatment of CADASIL, which is designated as an intractable disease by the Ministry of Health, Labour and Welfare, and has been engaged in research and development, the formulation of business strategies, the formation of alliances with pharmaceutical companies, and other activities in the Company's drug discovery business and biomedical business. We have therefore determined that he will continue to be able to uphold the Company's management philosophy, rigorously implement governance, and execute its business strategy, and therefore we propose his re-election as Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
7	[Outside] Shinya Samura (May 9, 1955)	Apr. 1978	Joined Nissen Co., Ltd.	19,000
		Mar. 1986	Director and General Manager of Catalog Division, B to C Business Department	
		June 2008	Representative Director and President	
		Dec. 2011	Representative Director and President of Nissen Holdings Co., Ltd.	
		Dec. 2014	Retired as Representative Director and President of Nissen Holdings Co., Ltd. and Nissen Co., Ltd.	
		Apr. 2015	Representative Director and President of SS Planning Co., Ltd. (current position)	
		Oct. 2015	Director of the Company (current position)	
		(Significant concurrent positions outside the Company)		
		Representative Director and President of SS Planning Co., Ltd.		
	[Reasons for nomination as candidate for outside Director and outline of roles expected] Shinya Samura has mainly been involved in mail order sales business for many years in Nissen Holdings Co., Ltd. and Nissen Co., Ltd. Based on his extensive knowledge and experience, we believe that he will provide advice on the Company's B to C business, and play a role in the Company's management in general as Director from an outside perspective. Therefore, we propose his re-election as outside Director.			
8	[Outside] Yukako Hayashi (March 16, 1962)	Apr. 1990	Assistant at Research Institute for Food Science, Kyoto University	
		Mar. 1995	Visiting Scientist of Monell Chemical Senses Center	
		July 1999	Visiting Scientist of School of Medicine, University of Colorado	
		Apr. 2001	Assistant at Graduate School of Agriculture, Kyoto University	
		Oct. 2002	Lecturer	
		Apr. 2005	Assistant Professor	
		Apr. 2007	Associate Professor	
		Oct. 2024	Professor (current position)	
		Oct. 2025	Director of the Company (current position)	
		(Significant concurrent positions outside the Company)		
		Professor at Graduate School of Agriculture, Kyoto University		
	[Reasons for nomination as candidate for outside Director and outline of roles expected] Yukako Hayashi has extensive experience and broad insight as a researcher of many years. We believe that she will provide advice on improving the Company's quality of research and on constructing systems for enabling women to play an active role, offer suggestions on the Company's management from an outside perspective, and perform management supervisory functions. Therefore, we propose her re-election as outside Director. Also, although she has no experience of involvement in the management of a company in the past other than in her role as outside officer, for the reason stated above, it has been determined that she will appropriately exercise her duties as outside Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
9	[Outside] Satomi Kawabata (June 8, 1976)	Oct. 2004	Registered as Attorney-at-Law; Joined Komatsu Law & Patent Office	—
		May 2008	Graduated from University of Virginia School of Law (LL.M.)	
		Apr. 2010	Registered as Attorney-at-law in the State of New York	
		Apr. 2011	Part-time Lecturer, College of International Relations, Ritsumeikan University	
		June 2024	Outside Director of Round One Corporation (current position)	
		Oct. 2025	Director of the Company (current position)	
		Apr. 2026	Established Sinyo Law and Patent Office, Partner (current position)	
		(Significant concurrent positions outside the Company)		
		Partner, Sinyo Law and Patent Office		
		Outside Director of Round One Corporation		
[Reasons for nomination as candidate for outside Director and outline of roles expected] As an attorney-at-law in Japan and the U.S., she has extensive experience and insight in corporate legal affairs, particularly in intellectual property and international transactions, as well as experience and insight in corporate management as an outside Director. We expect that she will provide valuable advice on the global development of the Company Group and the enhancement of corporate governance. Therefore, we propose her re-election as an outside Director. Also, although she has no experience of involvement in the management of a company in the past other than in her role as outside officer, for the reason stated above, it has been determined that she will appropriately exercise her duties as outside Director.				
10	[New election] [Outside] Sumihito Kido (December 3, 1974)	Dec. 2005	Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)	—
		July 2009	Registered as Certified Public Accountant	
		Sep. 2021	Registered as Certified Public Tax Accountant	
		Sep. 2021	Representative Director of VIA Partners Co., Ltd. (current position)	
		June 2023	Outside Director, Audit & Supervisory Committee Member of ICHIKEN Co., Ltd. (current position)	
		July 2023	Representative Partner of Yoake Audit Corporation (current position)	
		(Significant concurrent positions outside the Company)		
		Representative Director of VIA Partners Co., Ltd.		
		Outside Director, Audit & Supervisory Committee Member of ICHIKEN Co., Ltd.		
		Representative Partner of Yoake Audit Corporation		
[Reasons for nomination as candidate for outside Director and outline of roles expected] Sumihito Kido has high level expert insight as a Certified Public Accountant, and has extensive auditing experience of over 20 years, including experience of being stationed in Vietnam (Hanoi) with a major auditing firm. Moreover, he has experience as a corporate executive, having established his own firm to assist Japanese companies seeking to enter Vietnam, and been involved in corporate management as a manager. In addition, he serves as outside Director (Audit & Supervisory Committee Member) at other listed companies, and has high-level understanding of capital markets. Furthermore, with an academic background in science, he also has an understanding of the Company's R&D-oriented business. We expect that his insight will strengthen the decision-making function of the Company's Board of Directors and contribute to the enhancement of corporate governance. Therefore, we propose his election as an outside Director.				

- Notes:
1. There is no special interest between each of the candidates and the Company.
 2. Candidate Kazuyuki Masuda and Yong-il Kim are within the second degree of kinship of the Company's Representative Director and President Mujo Kim.
 3. Shinya Samura, Yukako Hayashi, Satomi Kawabata, and Sumihito Kido are candidates for outside Director.
 4. At the conclusion of this Annual General Meeting of Shareholders, the terms of office of currently serving outside Directors will be eleven years for Shinya Samura, two years for Yukako Hayashi, and one year for Satomi Kawabata.

5. The Company has invited each of the candidates for outside Director on the assumption that they each fulfill the independence criteria established by financial instruments exchanges.
6. The name of Satomi Kawabata on the family register is Satomi Tanaka.
7. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Shinya Samura, Yukako Hayashi and Satomi Kawabata have been designated as independent officers as provided for by the aforementioned exchange. Furthermore, if Sumihito Kido is elected, the Company plans to submit notification to the Tokyo Stock Exchange that he has been designated as an independent officer as provided for by the aforementioned exchange.
8. If Shinya Samura, Yukako Hayashi, Satomi Kawabata and Sumihito Kido are elected, the Company plans to enter into agreements with them pursuant to Article 427, paragraph (1) of the Companies Act to limit their liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under this agreement shall be the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act.
9. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers the legally mandated amount of indemnification and litigation expenses incurred from claims for damages arising from acts (including nonfeasance) carried out by the insured at a certain position of the Company, including as Directors of the Company (however, excluding situations in which there is an exclusion of liability due to the insured person receiving profits or benefits illegally and in the event of criminal actions, malfeasance, fraud, or acts conducted with the knowledge that they violate rules or control laws and regulations). In the event that each candidate is elected and assumes the office as Director, they will be the insured under the policy. Furthermore, the next time that the policy is renewed, the plan is to renew them with the same contents.

Proposal No. 3 Election of Three Audit & Supervisory Board Members

The terms of office of Audit & Supervisory Board Members Daisuke Nishiwaki, Takashi Iino, Shinya Tsujimoto, and Nobuo Hatta will expire at the conclusion of this meeting. Therefore, the Company proposes the election of three Audit & Supervisory Board Members.

This proposal has been approved by the Audit & Supervisory Board.

The candidates for Audit & Supervisory Board Member are as follows:

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Daisuke Nishiwaki (October 9, 1978)	Apr. 2001 Joined Sanyo Chemical Industries, Ltd. Oct. 2010 Joined the Company Apr. 2014 Registered as SME consultant Aug. 2014 Deputy General Manager of Corporate Planning Department Aug. 2018 General Manager of President's Office Oct. 2020 Full-time Audit & Supervisory Board Member (current position) Mar. 2021 Registered as Certified Internal Auditor Feb. 2022 Registered as Certified Fraud Examiner Oct. 2025 Audit & Supervisory Board Member of Meiji Yaku hin Co., Ltd. (current position) Oct. 2025 Audit & Supervisory Board Member of FUTURE LABO Inc. (current position) Oct. 2025 Audit & Supervisory Board Member of MEDI LABO Inc. (current position) Oct. 2025 Audit & Supervisory Board Member of PharmaFoods Communication Inc. (current position) (Significant concurrent positions outside the Company) Audit & Supervisory Board Member of Meiji Yaku hin Co., Ltd. Audit & Supervisory Board Member of FUTURE LABO Inc. Audit & Supervisory Board Member of MEDI LABO Inc. Audit & Supervisory Board Member of PharmaFoods Communication Inc.	8,500
[Reasons for nomination as candidate for Audit & Supervisory Board Member] Daisuke Nishiwaki has been involved in wide-ranging operations in the Company's Administration Division, including accounting, general affairs, human resources, corporate planning, M&A, and auditing operations. In addition, he has been involved in internal audits for six years as a full-time Audit & Supervisory Board Member, and has deep insight into the Company's business operations, organizational operation, and corporate governance. He also holds qualifications as SME consultant, Certified Internal Auditor, and Certified Fraud Examiner, giving him expert insight into management, internal control, auditing, and fraud risk. He has been working to improve the Company's corporate governance through activities such as strengthening internal control and promoting enhancement of the audit structure. We expect that he will utilize his extensive knowledge and experience to contribute to strengthening the Company's audit structure and enhancing its corporate governance. Therefore, we propose his re-election as Audit & Supervisory Board Member.			

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	[New election] [Outside] Yukino Date (November 18, 1981)	Dec. 2004 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Aug. 2007 Registered as Certified Public Accountant Aug. 2009 Deloitte Touche Tohmatsu's Frankfurt office in Germany Apr. 2011 Business Planning Dept. of Mitsui Matsushima Co., Ltd. Apr. 2014 Joined Good Luck 3 Inc. Corporate Planning Department, Accounting Department Nov. 2017 Joined PricewaterhouseCoopers Aarata LLC (currently PricewaterhouseCoopers Japan LLC) Mar. 2021 Graduated from Department of Business and Technology Management of Kyushu University Earned an MBA degree Dec. 2025 Established Date Certified Public Accountant Office Representative (current position) Apr. 2026 Member of the Osaka Prefecture Bidding Monitoring Committee (current position) May 2026 Established DGA LLC, Representative Member (current position) (Significant concurrent positions outside the Company) Representative of Date Certified Public Accountant Office Member of the Osaka Prefecture Bidding Monitoring Committee Representative Member of DGA LLC	—
[Reasons for nomination as candidate for outside Audit & Supervisory Board Member] Yukino Date has extensive auditing experience, having worked for over 10 years in aggregate as Certified Public Accountant at multiple major audit firms in Japan. Moreover, she also has practical experience of corporate management, including involvement in wide-ranging operations related to accounting and finance, and M&A. In addition, she has overseas work experience in Germany (Frankfurt) from her time working at a major audit firm, and she has earned an MBA, giving her wide-ranging insight based on perspectives of accounting and auditing, as well as corporate strategy and global affairs. We expect that she will utilize her extensive knowledge, experience, and insight to contribute to strengthening the Company's audit structure and enhancing its corporate governance. Therefore, we propose her as a candidate for election as outside Audit & Supervisory Board Member.			

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	[New election] [Outside] Yuki Wada (February 14, 1980)	Dec. 2007 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Nov. 2011 Registered as Certified Public Accountant Nov. 2011 Established Wada Certified Public Accountant Office Representative (current position) Sep. 2014 Established Hanna Audit Corporation Representative Nov. 2015 Dissolved Hanna Audit Corporation Feb. 2019 Registered as Certified Public Tax Accountant Established Wada Tax Accountant Office Representative (current position) Mar. 2019 Established OneStyle Co., Ltd. Representative Director (current position) Apr. 2021 Established MIRIE Co., Ltd. Representative Director (current position) (Significant concurrent positions outside the Company) Representative of Wada Certified Public Accountant Office Representative of Wada Tax Accountant Office Representative Director of OneStyle Co., Ltd. Representative Director of MIRIE Co., Ltd.	—
[Reasons for nomination as candidate for outside Audit & Supervisory Board Member] Yuki Wada has high-level expert insight into accounting and auditing as Certified Public Accountant, and after working at a major auditing firm, he gained experience working in accounting audit operations as representative of a corporate audit firm that was the Company's independent auditor in the past. For this reason, he has an understanding of the Company's business operations and management environment, and can be expected to use this insight in highly effective audit activities immediately after his appointment. Moreover, he has practical knowledge as a manager, as he is currently involved in corporate management as Representative Director of an operating company. We expect that he will utilize his extensive knowledge, experience, and insight to contribute to strengthening the Company's audit structure and enhancing its corporate governance. Therefore, we propose him as a candidate for election as outside Audit & Supervisory Board Member.			

- Notes:
1. There is no special interest between each of the candidates and the Company.
 2. Yukino Date and Yuki Wada are candidates for outside Audit & Supervisory Board Member.
 3. The Company has invited candidates for outside Audit & Supervisory Board Member on the assumption that they fulfill the independence criteria established by financial instruments exchanges.
 4. The name of Yukino Date on the family register is Yukino Takahara.
 5. If Yukino Date and Yuki Wada are elected, the Company plans to designate them as independent officers as provided for by the Tokyo Stock Exchange and submit notification thereof to the aforementioned exchange.
 6. If Daisuke Nishiwaki, Yukino Date and Yuki Wada are elected, the Company plans to enter into agreements with them pursuant to Article 427, paragraph (1) of the Companies Act to limit their liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under this agreement shall be the minimum liability amount stipulated in Article 425, paragraph (1) of the Companies Act.
 7. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers the legally mandated amount of indemnification and litigation expenses incurred from claims for damages arising from acts (including nonfeasance) carried out by the insured at a certain position of the Company, including as Audit & Supervisory Board Members of the Company (however, excluding situations in which there is an exclusion of liability due to the insured person receiving profits or benefits illegally and in the event of criminal actions, malfeasance, fraud, or acts conducted with the knowledge that they violate rules or control laws and regulations). In the event that each candidate is elected and assumes the office as Audit & Supervisory Board Member, they will be the insured under the policy. Furthermore, the next time that the policy is renewed, the plan is to renew them with the same contents.

Shareholder proposals (Proposal No. 4 to Proposal No. 9)

Proposals No. 4 to No. 9 were submitted by two shareholders.

These shareholders submitted six proposals, and those that satisfied the requirements for submission as a proposal for the general meeting of shareholders were made into proposals (Proposals No. 4 to No. 9).

The details of the proposals and the reasons for submitting them are listed below as originally written in the document submitted by the proposing shareholders.

The shareholder submitting Proposal No. 4 possesses 322 voting rights (0.11% of shareholder voting rights). Proposal No. 5 to Proposal No. 9 were submitted by the same shareholder, and this shareholder possesses 702 voting rights (0.24% of shareholder voting rights).

● Opinion from the Board of Directors regarding Proposals No. 4 to No. 9

The Board of Directors opposes Proposals No. 4 to No. 9. The Board of Directors has determined that these proposals would not contribute to increasing either shareholder profits or corporate value.

Proposal No. 4 Election of One Director

Outline of the proposal

I propose the election of the following one candidate as Director of the Company.

- Name: Toshihiro Kawanaka
- Date of birth: December 21, 1978
- Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company:

Apr. 2015	Joined Pharma Foods International Co., Ltd.
Aug. 2022	General Manager of Administration Department
Oct. 2023	General Manager of Corporate Planning Department
Apr. 2026	Deputy General Manager of AI Promotion Office (current position)
- Number of the Company's shares owned: 32,200 shares

[Reasons for nomination as candidate for Director]

The candidate, Toshihiro Kawanaka, has been in charge of administrative duties at the Company for over ten years. After joining the Company, he was involved continuously in duties such as IR, finance, internal control, and operation of general meetings of shareholders, and he has accumulated operational knowledge and experience of the Company's management status and administrative structure.

The candidate is well qualified to use this knowledge and experience to rigorously apply internal regulations, build an effective internal control system, and realize further enhancement of information disclosure to stakeholders, among others, while maintaining an appropriate balance with business execution. The proposing shareholder is certain that this proposal will further develop the Company's governance and lead directly to maximizing shareholder value over the medium to long term, and therefore requests his election as Director.

[Reasons for Proposal]

The high-level business promotion capabilities of the current management team should be recognized, and they are essential to growth going forward. To enable the Company's sustainable growth, it seems desirable to clarify the roles of each Director and reduce the size of the Board of Directors from a perspective of further enhancing the corporate governance and internal control systems while utilizing the business promotion capabilities of the current management team. This proposal requests the election of the proposer as a Director as part of such a Director composition.

Specifically, were this proposal approved, Mr. Mujo Kim serving as CEO with his outstanding leadership capabilities and Mr. Kazuyuki Masuda as COO with control of practical operations would focus on business promotion, while the proposer (Kawanaka), with over 10 years of experience in the Company's IR, finance, and internal controls, would be responsible for maintaining and improving financial discipline as CFO.

In conjunction with this, by assigning at least three independent outside Directors to enhance advisory and supervisory functions from an independent perspective, a robust governance framework could be built, with a balance between offense and defense, enabling maximization of corporate value.

The structure described above would further increase the trust of the main trading banks and the markets, and enable the Company to secure fund procurement capabilities and steadily realize growth strategies going forward.

● **Opinion from the Board of Directors regarding Proposal No. 4: Opposed**

The Company has stipulated a “Director and Audit & Supervisory Board Member Candidate Selection Process” based on Japan’s Corporate Governance Code, and candidates are decided by the Board of Directors, taking note of the deliberation and advice of the Nomination and Remuneration Committee, a majority of whose members are independent outside Directors.

The Board of Directors opposes this shareholder proposal based on the result of deliberation by the Nomination and Remuneration Committee.

[Reasons for Opposition]

Since the candidate of this shareholder proposal (hereinafter “the Candidate”) is currently an employee of the Company, the Nomination and Remuneration Committee had a careful discussion on the capabilities, qualities, and experience expected and required of the Company’s Directors based on the Candidate’s personnel evaluations and other material, and based on the results, the Board of Directors deliberated. However, the Board was not able to obtain the confidence that the Candidate would be able to contribute sufficiently to the Company’s sustainable growth and medium- to long-term increase in corporate value, resulting in a judgment to oppose the shareholder proposal. The grounds for the decision are as follows.

To begin, since the career summary listed in the shareholder proposal omits a part of the career, this section is added below. From August 1, 2025 to March 31, 2026, the Candidate was not General Manager of the Corporate Planning Department, but Deputy General Manager of the Administration Department. Currently, the Candidate is in the role of Deputy General Manager of the AI Promotion Office, which is based on evaluations through the Company’s personnel evaluation system.

As described in Proposal No. 2, with regard to the skills of the candidates in the Company proposal, in addition to Director candidates with extensive knowledge, experience, and management experience in the fields of R&D, B to B sales, B to C sales, mail-order operations, drug discovery operations, and administration, the composition also includes outside Director candidates who possess expertise in business management in the mail order business, foundational and applied research as a university professor, insight as a lawyer, and insight as a CPA, and are deeply knowledgeable about their respective specialist fields. We are certain that a Board of Directors composed in accordance with the Company proposal will be able to realize the sustainable growth and medium- to long-term increase in corporate value of the Company.

There is no doubt that the Candidate has been engaged in the practice of management for more than ten years. However, we have not been able to determine that he fulfills the requirements for a Director of the Company. In addition, even if they themselves are not experts, Directors of the Company are required to have the management skills to allow subordinates in the organization for which they are responsible to fully exert their specialized expertise, but we were unable to confirm that the management skills of the Candidate were equal to or better than those of the candidates in the Company proposal.

Therefore, the Board of Directors of the Company opposes this shareholder proposal.

Proposal No. 5 Amendment to the Articles of Incorporation (Restrictions on the Number of Outside Directors)

[Content of Proposal] The following provision shall be newly established in the Articles of Incorporation.

“A majority of the Directors of the Company shall be outside Directors as defined in Article 2, item (xv) of the Companies Act.”

[Reasons for Proposal]

The Company actively engages in research and development, new product development, expansion of sales channels, and investment in new businesses, aiming to enhance corporate value in the medium and long term.

However, the Company’s stock price has significantly declined from its past high levels, resulting in a substantial gap between the growth strategy advocated by the management and the shareholder value actually experienced by the shareholders.

Furthermore, in the nine months ended April 30, 2026, the Company recorded an operating loss of ¥1,430 million against net sales of ¥48,555 million, while advertising expenses reached ¥30,061 million.

In such a situation, it is necessary to strengthen the supervisory function of the Board of Directors to independently evaluate advertising investments, new business investments, research and development investments, and capital policies in a position separate from the management team.

I believe that making outside Directors the majority of the Board will strengthen the supervisory and check functions over the management team, enhance the transparency of management decisions, and increase accountability to shareholders, thereby contributing to the enhancement of corporate value. From the above reasons, we request that the Board of Directors be composed of a majority of outside Directors.

● **Opinion from the Board of Directors regarding Proposal No. 5: Opposed**

[Reasons for Opposition]

We totally agree about the importance of the Board of Directors’ supervisory function in evaluating advertising investments, new business investments, research and development investments, and capital policies.

On the other hand, for the advancement of the Company’s businesses, it is also necessary to have a robust team of inside Directors who are experts in business operations, rather than just serving as supervisors.

The Company requires business decisions across diverse sectors such as B to B, B to C, textiles, mail order, and drug discovery, necessitating inside Directors capable of making advanced business judgments.

Therefore, we believe that if a provision mandating a majority of outside Directors on the Board were established in the Articles of Incorporation, it would ultimately hinder the growth of the Company.

Proposal No. 6 Amendment to the Articles of Incorporation (Introduction of Shareholder Value-linked Remuneration System for Directors)

[Content of Proposal] The following provision shall be newly established in the Articles of Incorporation.

“Remuneration for the Company’s Directors (excluding outside Directors) shall be determined based on a system using indicators such as Total Shareholder Return (TSR), Return on Equity (ROE), operating profit margin, and the growth rate of consolidated operating profit, among other indicators that demonstrate corporate value, to ensure linkage with shareholder value and corporate value.”

Additionally, the achievement status of each indicator and its linkage with executive remuneration under this remuneration system shall be disclosed to shareholders after the end of each fiscal year.

[Reasons for Proposal]

The Company is promoting the “New Value Creation 1K Project” and has explained that its essence is placed on enhancing corporate value.

If enhancing corporate value is considered a significant management goal, then the remuneration for the management team should be linked not merely to sales growth, but to the value actually enjoyed by shareholders and capital efficiency.

In the nine months ended April 30, 2026, while net sales increased by 3.7% year on year, operating loss increased from ¥217 million to ¥1,430 million year on year.

A remuneration system that evaluates only the expansion of sales does not necessarily align the enhancement of shareholder value with the interests of the management team. Interests of the management team and those of shareholders should be aligned by clearly linking executive remuneration to total shareholder return, ROE, operating profit margin, and operating profit growth rate, among others, thereby promoting the management that prioritizes shareholder value. The shareholder proposal with the same intent was also submitted at the 28th Annual General Meeting of Shareholders and, although it was rejected, it received support from a certain number of shareholders.

● **Opinion from the Board of Directors regarding Proposal No. 6: Opposed**

[Reasons for Opposition]

In determining the remuneration for Directors (excluding outside Directors), the important factor under our policy is the contribution to stock price increase and corporate value enhancement. Based on this, the specific method of allocating the remuneration for Directors is determined by a resolution of the Board of Directors, based on the deliberations and recommendations of the Nomination and Remuneration Committee, a majority of whose members are independent outside Directors.

In the deliberations of the Nomination and Remuneration Committee, decisions are made based on the fair perspective of independent outside Directors. They thoroughly consider departmental performance based on factors such as the achievement level of the medium-term management plan’s performance targets, net sales, stock price, ROE, operating profit margin, and operating profit growth rate. The contributions of each Director to enhancing corporate value and shareholder value are then assessed and determined.

Therefore, the current remuneration system is already designed to promote management that prioritizes shareholder value, and we believe there is no need to rigidly formalize it in the Articles of Incorporation.

Proposal No. 7 Amendment to the Articles of Incorporation (Mandatory Disclosure of Information Pertaining to Advertising Expenses)

[Content of Proposal] The following provision shall be newly established in the Articles of Incorporation.

“The Company shall disclose the following matters regarding advertising expenses to shareholders every fiscal year.

- (1) Total advertising expenses
- (2) Ratio of advertising expenses to consolidated net sales
- (3) Cost per order (CPO)
- (4) Lifetime value (LTV)
- (5) Number of new customers acquired through advertising activities
- (6) Net sales and gross profit generated from customers acquired through advertising activities
- (7) Payback period and the rate of return on investment related to advertising investments
- (8) Impact of changes in advertising expenses on operating profit and operating cash flows
- (9) Difference between the initially anticipated effects of advertising investments and the actual results
- (10) Criteria of the Board of Directors for judging whether to continue, increase, reduce, or halt advertising investments”

[Reasons for Proposal]

The Company has previously explained its policy of “optimizing” advertising expenses and prioritizing CPO (Cost Per Order) and LTV (Lifetime Value) in its advertising investments.

On the other hand, during the nine months ended April 30, 2026, advertising expenses reached ¥30,061 million, an increase of 6.2% year on year.

During the same period, net sales amounted to ¥48,555 million, with advertising expenses accounting for approximately 62% of sales. On the other hand, there was an operating loss of ¥1,430 million.

The Company has explained that it is strengthening advertising to develop new products while also reviewing advertising expenses for existing products to improve profitability.

However, given the scale of such large advertising investments, it is necessary to disclose information that allows shareholders to quantitatively assess how many new customers, and how much net sales, gross profit, and operating profit these investments are generating.

In particular, since the Company itself has set forth a policy of optimizing advertising expenses and prioritizing CPO and LTV, it has responsibility for explaining with specific figures that the current advertising investments are appropriate in light of this policy.

Therefore, rather than simply demanding a reduction in advertising expenses, I request the continuous and quantitative disclosure of the investment effects and their contribution to profitability.

● **Opinion from the Board of Directors regarding Proposal No. 7: Opposed**

[Reasons for Opposition]

With regard to the optimization of advertising expenses, and the quantitative validation and accountability grounded in a policy that emphasizes CPO and LTV, which constitutes the gist of this shareholder proposal, the Board of Directors also considers these to be important management indicators.

On the other hand, the Articles of Incorporation set forth the fundamental rules governing the Company, establishing the basic policies and organizational framework.

Therefore, we consider it more natural for the Board of Directors to dynamically and comprehensively determine the approach to analyzing specific investment effects and disclosing detailed information while considering changes in the business environment and competitive conditions. Mandating uniform disclosure in the Articles of Incorporation risks leading to rigidity. Furthermore, the items listed in this shareholder proposal may lead to the potential erosion of competitive advantage and harm the common interests of shareholders through the leakage to competitors of important trade secrets, such as the know-how about the Company’s unique strategies for sales and advertising.

However, considering that the investment effects of advertising expenses mentioned in this shareholder proposal are of significant interest to shareholders, the Company intends to provide explanations with appropriate materials at any available opportunities such as financial results briefings.

For the full-year consolidated results of the 29th fiscal year, we successfully posted operating profit exceeding the previous fiscal year's performance. This reflected the Company's focus on profitability and capital efficiency, and our efforts in transitioning to a business structure that can sustainably generate profits.

Proposal No. 8 Amendment to the Articles of Incorporation (Mandatory Disclosure of Information Pertaining to the Results of Investments in the 1K Project and the Effect on Corporate Value Enhancement)

[Content of Proposal] The following provision shall be newly established in the Articles of Incorporation.

“Each fiscal year, the Company shall disclose the following matters regarding the ‘New Value Creation 1K Project’ to shareholders.

- (1) Progress towards the ¥100,000 million net sales target
- (2) Net sales and operating profit for both existing and new businesses
- (3) Cumulative investment amount related to said project
- (4) Investment amount and net sales for each new business
- (5) Operating profit and operating cash flows for each new business
- (6) Status of return on profit and cash flows related to the investment amount
- (7) Gap between the initial plan and actual results
- (8) Criteria for determining whether to continue, increase, reduce, or withdraw investments
- (9) Impact of the project on ROE, ROIC, and shareholder value
- (10) Future planned investment amount and expected return on investment”

[Reasons for Proposal]

The Company has launched the “New Value Creation 1K Project” and is actively engaged in research and development, new product development, expansion of sales channels, among others.

The Company has explained that the essence of the project is placed on enhancing corporate value.

Since the investment aims to enhance corporate value, shareholders need to assess not only the increase in net sales but also how much profit and cash flows the invested capital generates and how it contributes to the enhancement of corporate value.

Particularly, in the nine months ended April 30, 2026, while net sales increased by 3.7% year on year, operating loss increased from ¥217 million to ¥1,430 million year on year.

In such a situation, if the Company is to continue large-scale growth investments, a more detailed explanation regarding the rationale for these investments and the expected return on investment is necessary for shareholders.

Therefore, we request that the Company continue to disclose the investment amount and outcomes of the “New Value Creation 1K Project” not only in terms of net sales but also from the perspectives of profit, cash flows, ROIC, and shareholder value.

● **Opinion from the Board of Directors regarding Proposal No. 8: Opposed**

[Reasons for Opposition]

With regard to the amounts that have been invested in the “New Value Creation 1K Project,” and quantitative validation and accountability grounded in the perspective of the effect of these investments on corporate and shareholder value enhancements, which constitutes the gist of this shareholder proposal, the Board of Directors also considers these to be important management indicators. On the other hand, the Articles of Incorporation set forth the fundamental rules governing the Company, establishing the basic policies and organizational framework. Therefore, we consider it more natural for the Board of Directors to dynamically and comprehensively determine the approach to analyzing specific investment effects and disclosing detailed information while considering changes in the business environment and competitive conditions. Mandating uniform disclosure in the Articles of Incorporation risks leading to rigidity. Furthermore, the items listed in this shareholder proposal may erode the Company’s competitive advantage and harm the common interests of shareholders through the leakage to competitors of important trade secrets, such as the Company’s business strategy and the information about its development and investment.

However, considering that the “New Value Creation 1K Project” is the core of the Company’s medium-term management plan and is of significant interest to shareholders, the Company intends to provide explanations with appropriate materials at any available opportunities such as medium-term management plan announcements and shareholder briefings. For the full-year consolidated results of the 29th fiscal year, we successfully posted

operating profit exceeding the previous fiscal year's performance. This reflected the Company's focus on profitability and capital efficiency, and our efforts in transitioning to a business structure that can sustainably generate profits.

Proposal No. 9 Amendment to the Articles of Incorporation (Mandatory Holding of the General Meeting of Shareholders in a Hybrid Format)

[Content of Proposal] The following provision shall be newly established in the Articles of Incorporation.

“The Company’s Annual General Meeting of Shareholders shall be held by providing a venue where shareholders can physically attend, exercise their voting rights, and express questions and opinions, as well as by offering opportunities for online participation and voting.”

[Reasons for Proposal]

Since 2023, the Company had held shareholder meetings only virtually. The 28th Annual General Meeting of Shareholders held on October 24, 2025 was also conducted online only.

The Company explained that the online format was the best way to hold the meeting, as it facilitates attendance by shareholders in remote locations and thereby makes the general meeting of shareholders more active, efficient, and smooth.

However, while the online format offers convenience, it is also significantly important to ensure opportunities for shareholders to meet directly with the management and engage in Q&A sessions.

In particular, as the Company is investing substantial funds in advertising, new businesses, and research and development, there is an increasing need for shareholders to directly seek explanations from the management.

At the previous 28th Annual General Meeting of Shareholders, the shareholder proposal with the same intent was submitted and received 12.38% approval, but it was rejected.

If the Company prioritizes constructive dialogue with shareholders and the enhancement of corporate value, it is desirable to maintain the convenience of online participation while ensuring opportunities for shareholders to attend the venue in person and engage in direct dialogue with the management. Therefore, we request that the Company hold its Annual General Meeting of Shareholders in a format, in principle, that combines both physical venue attendance and online participation.

● **Opinion from the Board of Directors regarding Proposal No. 9: Opposed**

[Reasons for Opposition]

The reason for opposing this proposal overlaps with that for opposing the relevant shareholder proposals at the 28th Annual General Meeting of Shareholders. As previously explained, the Company’s Articles of Incorporation stipulate that “the Company’s general meeting of shareholders may be a general meeting of shareholders without a designated location for the meeting,” but this does not limit it to virtual-only meetings.

The stipulation in the Articles of Incorporation allows for both hybrid and virtual-only formats under the reasonable judgment of management, while taking into consideration factors such as the occurrence of large-scale disasters and the advancement of digitalization of society.

This shareholder proposal would mandate a hybrid format, meaning that even in the event of a large-scale disaster or pandemic, an Annual General Meeting of Shareholders shall be held in a hybrid format, ultimately hindering the reasonable and agile decision-making regarding the format of the meeting.

The Company does not insist on a virtual-only format, but rather intends to continuously determine the format of the meeting based on the reasonable judgment of management, under the policy of ensuring ample opportunities for shareholder participation and maintaining transparency in the operation of the meeting.

For your information, the 29th Annual General Meeting of Shareholders will not be held in a virtual-only format. Instead, we have decided to hold the meeting in person after managing to secure a venue for the meeting schedule.