

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

Stock Code: 4116

June 8, 2026

To our shareholders:

Koji Takahashi
Representative Director and President
Dainichiseika Color & Chemicals Mfg. Co., Ltd.
1-7-6 Nihonbashi Bakuro-cho, Chuo-ku, Tokyo

Notice of the 123rd Annual General Meeting of Shareholders

We are pleased to announce the 123rd Annual General Meeting of Shareholders (the “Meeting”) of Dainichiseika Color & Chemicals Mfg. Co., Ltd. (the “Company”), which will be held as indicated below.

When convening the Meeting, the Company takes measures for providing information that constitutes the content of reference documents for the Meeting, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the following websites. Please access one of these websites by using the internet address shown below to review the information.

[The Company’s website]

<https://www.daicolor.co.jp/ir/stock/meeting/index.html>

(in Japanese)

[Website for informational materials for the general meeting of shareholders]

<https://d.sokai.jp/4116/teiji/>

(in Japanese)

[Tokyo Stock Exchange website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

(in Japanese)

(Access the TSE website by using the internet address shown above, enter “Dainichiseika” in “Issue name (company name)” or the Company’s securities code “4116” in “Code,” and click “Search.” Then, click “Basic information” and select “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].”)

Note that instead of attending in person on the day of the Meeting, your voting rights can be exercised in writing or via the internet, etc. In this case, please review the Reference Documents for the Meeting, refer to Information on Exercising Voting Rights, and exercise your voting rights by 5:30 p.m. on Thursday, June 25, 2026 (JST).

1. Date and Time: Friday, June 26, 2026, at 10:00 a.m. (Reception will start at 9:00 a.m.)

2. Venue: 9F SAIHO, Head Office Building of the Company
1-7-6 Nihonbashi Bakuro-cho, Chuo-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported

1. Reports on the Business Report and the Consolidated Financial Statements for the 123rd fiscal year (from April 1, 2025 to March 31, 2026) and the Audit Reports of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. Reports on the Non-consolidated Financial Statements for the 123rd fiscal year (from April 1, 2025 to March 31, 2026)

Matters to be resolved

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Partial Amendment to the Articles of Incorporation
- Proposal No. 3:** Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 4:** Continuation of the Response Policy Against Large-Scale Purchases of the Company's Shares (Takeover Response Policy)

[Notes on the convocation of the Meeting]

1. If you are attending on the day of the meeting, please present the voting form to the receptionist at the meeting.
2. If you plan to exercise your voting rights in writing, please indicate your approval or disapproval on the voting form and return it to us so that it arrives by the deadline for exercising your voting rights mentioned on the previous page.
3. When exercising voting rights via the internet, etc., please check the Information on Exercising Voting Rights on pages 7 to 8 (in Japanese only) and then submit your approval or disapproval to each proposal by the deadline set on the previous page.
4. If you exercise your voting rights both in writing and via the Internet, etc., the vote exercised via the Internet, etc. shall be deemed valid.
5. If you exercise your voting rights more than once via the Internet, etc., the last exercise shall be deemed valid.
6. If you do not indicate your approval or disapproval of any of the proposals on the enclosed voting form, it will be treated as if you had indicated your "approval" for the Company's proposal and "disapproval" for the shareholder's proposal.
7. Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15, paragraph 2 of the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents.
 - Business Report: System to Ensure the Properness of Operations and the Operational Status of the System, Basic Policy Regarding Control of the Company, and Policy on Decisions on Dividends and Other Appropriation of Surplus
 - Consolidated Financial Statements: Consolidated Balance Sheet, Consolidated Profit and Loss Statement, Consolidated Statements of Changes in Equity, Notes to Consolidated Financial Statements
 - Non-Consolidated Financial Statements: Balance Sheet, Profit and Loss Statement, Non-Consolidated Statements of Changes in Equity, Notes to Non-consolidated Financial Statements
 - Audit Reports: Audit reports of the Financial Auditor related to Consolidated Financial Statements, Audit Reports of the Financial Auditor

The Audit and Supervisory Committee and the Financial Auditor have audited the documents subject to audit, including the above matters.
8. In the event of any modifications to the matters subject to measures for electronic provision, a notice will be posted on each of the websites where the information is posted, as well as the information before and after the modifications.
9. A copy of some of the materials to be used at the Meeting will be distributed on Monday, June 29, 2026, at 10:00

a.m. Please visit our website (<https://www.daicolor.co.jp/ir/stock/meeting/index.html>), for using this service.

10. Please contact us in advance (03-3662-7111), if you are a shareholder who requires assistance with a wheelchair or guidance to a seat or restroom.

Notice regarding the acceptance of questions in advance

We are accepting questions from shareholders in advance of the Meeting on our website.

Reception period: Monday, June 8, 2026, 9:00 a.m. to Friday, June 19, 2026, 5:30 p.m.

URL for advance questions: <https://www.daicolor.co.jp/inquiry/agm/>

[Points to note]

- Questions are limited to two (2) by only shareholders themselves and the questions must be related to the purpose of the Meeting.
- Please remember to enter the shareholder's name and number so that we can check you against the shareholder register.
- Please note that we do not promise to answer all the questions we receive.
- Please also note that we will not be able to provide individual responses to questions that have not been answered.
- Answers to the questions that we believe will be of interest to our shareholders will be posted on our website after the Meeting.

Reference Documents for the Meeting

Proposal No. 1: Appropriation of Surplus

For the year-end dividends for the year ended March 31, 2026, based on the policy of return to shareholders (partially amended in the meeting of the Board of Directors held on May 15, 2025) for the period covered by the medium-term management plan as presented in the three-year medium-term management plan “TRANSFORMATION for TOMORROW 2027” (hereinafter “This Medium-term Management Plan”) that the Company began from April 2024, the ordinary dividend and special dividend will be as follows.

<Shareholder return policy>

1. At a minimum average total payout ratio of 50% during the (three-year) period of This Medium-term Management Plan
2. At a minimum dividend payout ratio of 40% (excluding special dividends), with a minimum annual dividend of ¥100 per share
3. In addition to 2, provide a special dividend (¥30) each year for four years from the fiscal year ended March 31, 2024 (source of capital: gain on transfer of the Company’s former Kawaguchi Production Plant)
4. Actively conduct share buybacks

Note: The Company conducted a 4-for-1 stock split of its common stock, effective April 1, 2026, and accordingly revised its shareholder return policy. However, with respect to the year-end dividend for the fiscal year ended March 31, 2026, as the dividend record date is March 31, 2026, the dividend will be paid based on the number of shares and the shareholder return policy prior to the stock split.

Type of dividend property

Cash

Allotment of dividend property to shareholders and total amount of dividend

¥133 per common stock of the Company (including ordinary dividend of ¥118 and special dividend of ¥15)
Total amount of dividend: ¥2,269,706,180

Effective date of dividends of surplus

June 29, 2026

- * As the Company has already paid an interim dividend of ¥87 per common stock of the Company (of which, ¥72 for ordinary dividend and ¥15 for special dividend), the annual dividend will be ¥220 per common stock of the Company (of which, ¥190 for ordinary dividend and ¥30 for special dividend).

Proposal No. 2: Partial Amendment to the Articles of Incorporation

1. Reasons for the proposal

The purpose of this amendment is to amend Articles 14 and 23 of the current Articles of Incorporation in order to enable flexible and agile responses regarding the operation of General Meetings of Shareholders and the Board of Directors meeting.

2. Details of the amendment

Details concerning the amendment are as follows.

(Underlines indicate changes.)

Current Articles of Incorporation	Proposed amendments
<p style="text-align: center;">Chapter 3 General Meetings of Shareholders</p> <p>Article 14(Convener and Chairperson of General Meetings of Shareholders)</p> <p>(1) <u>The Director and President</u> shall convene general meetings of shareholders and preside the meetings.</p> <p>(2) In cases where the <u>Director and President</u> is prevented from presiding, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene the general meeting of shareholders and preside the meeting.</p>	<p style="text-align: center;">Chapter 3 General Meetings of Shareholders</p> <p>Article 14 (Convener and Chairperson of General Meetings of Shareholders)</p> <p>(1) <u>Unless otherwise provided for by laws and regulations, a Director determined in advance by the Board of Directors</u> shall convene general meetings of shareholders and preside the meetings.</p> <p>(2) In cases where the <u>said Director</u> is prevented from presiding, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene the general meeting of shareholders and preside the meeting.</p>
<p style="text-align: center;">Chapter 4 Directors and Board of Directors</p> <p>Article 23 (Convocation of Board of Directors Meetings)</p> <p>(1) Unless otherwise provided for by laws and regulations, <u>the Director and President</u> shall convene Board of Directors meetings and preside at the meetings. In cases where the <u>Director and President</u> is prevented from presiding, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene the Board of Directors meeting and preside the meeting.</p> <p>(2) The convocation notice of a Board of Directors meeting shall be dispatched to each Director at least one week prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency. With the consent of all Directors, a Board of Directors meeting may be held without following the convening procedures.</p>	<p style="text-align: center;">Chapter 4 Directors and Board of Directors</p> <p>Article 23 (Convocation of Board of Directors Meetings)</p> <p>(1) Unless otherwise provided for by laws and regulations, <u>a Director determined in advance by the Board of Directors</u> shall convene Board of Directors meetings and preside at the meetings. In cases where the <u>said Director</u> is prevented from presiding, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene the Board of Directors meeting and preside the meeting.</p> <p>(2) The convocation notice of a Board of Directors meeting shall be dispatched to each Director at least one week prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency. With the consent of all Directors, a Board of Directors meeting may be held without following the convening procedures.</p>

Proposal No. 3: Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of the Meeting.

Therefore, the Company proposes the election of seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members). The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

In selecting candidates, the Board of Directors decides after consulting with and receiving the report of the Nomination and Remuneration Committee, which is chaired by an outside Director (excluding Directors who are Audit and Supervisory Committee Members) and composed of a majority of outside Directors (excluding Directors who are Audit and Supervisory Committee Members).

In addition, the Company's Audit and Supervisory Committee has expressed the opinion that, following discussions conducted in light of the deliberations of the Nomination and Remuneration Committee and the results of its consultations and recommendations, it has no particular opinion to state at this General Meeting of Shareholders with respect to this proposal.

Candidate No.	Name	(Age) Gender	Electoral status	Current position and responsibility in the Company	Status of attendance at Meetings of Board of Directors	Status of attendance at the Nomination and Remuneration Committee
1	Koji Takahashi	(65) Male	[Reelection]	Representative Director and President Head of Global Information Security Nomination and Remuneration Committee Member	100% (13/13)	100% (5/5)
2	Masahiko Aoba	(62) Male	[Reelection]	Representative Executive Director Head of Plant Operation Structure Head of HR Strategy Structure Nomination and Remuneration Committee Member	100% (13/13)	100% (4/4)
3	Osamu Takeda	(67) Male	[Reelection]	Senior Managing Director Head of Business Structure	100% (13/13)	–
4	Takashi Nakayama	(49) Male	[New election]	Executive Officer	–	–
5	Yoshiaki Nakagawa	(71) Male	[Reelection] [Outside] [Independent]	Outside Director Nomination and Remuneration Committee Chairperson	100% (13/13)	100% (5/5)
6	Akiko Nagahama	(49) Female	[Reelection] [Outside] [Independent]	Outside Director Nomination and Remuneration Committee Member	92% (12/13)	100% (5/5)
7	Kiyofumi Nakano	(69) Male	[Reelection] [Outside] [Independent]	Outside Director Nomination and Remuneration Committee Member	100% (10/10)	100% (4/4)

[Reelection] Candidate for reelection as Director (excluding Director who is an Audit and Supervisory Committee Member)

[New election] New Candidate for Director (excluding Director who is an Audit and Supervisory Committee Member)

[Outside] Candidate for Outside Director (excluding Director who is an Audit and Supervisory Committee Member)

[Independent] Candidate for independent officer

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p style="text-align: center;">Koji Takahashi (April 30, 1961) (65 full years of age) / Male</p> <p style="text-align: center;">[Reelection]</p> <p style="text-align: center;">Period served as Director 28 years</p> <p>Status of attendance at Meetings of Board of Directors 100% (13/13)</p> <p>Status of attendance at the Nomination and Remuneration Committee 100% (5/5)</p>	<p>July 1993 Joined the Company</p> <p>June 1998 Director</p> <p>June 2000 Senior Managing Director</p> <p>July 2009 Director and Vice President</p> <p>June 2011 Representative Director and President (Current position)</p> <p>June 2014 Office of the President Administrator (Current position) Secretarial Office Administrator Internal Audits Division Administrator (Current position) Corporate Product Planning & Control Division Administrator</p> <p>Apr. 2018 Specific Project Promotion Division Administrator</p> <p>Apr. 2019 Business Operations Promotion Office Administrator Environmental Health & Safety Supervisory Office Administrator Quality Products Supervisory Office Administrator</p> <p>June 2020 Group CSR& Risk Management Headquarters (currently CSR/ESG Promotion Group Headquarters) Administrator (Current position) Head of Global Information Security (Current position)</p> <p>Oct. 2024 Corporate Planning Division Administrator (Current position)</p>	433,707 shares
<p>Reason for election</p> <p>Since assuming the role of President in 2011, Koji Takahashi has gained a wealth of practical experience and possesses detailed knowledge of operations in general through his involvement in operations pertaining to general company business.</p> <p>He is capable of demonstrating strong leadership related to company management and business strategy, and he can be expected to further strengthen the decision-making function of the Board of Directors and the effectiveness of the supervisory function through his experience, knowledge, and personal magnetism.</p> <p>In addition, with respect to the business structure reform currently being undertaken by the Company, the Company has determined that it is essential to its sustainable growth and the enhancement of its corporate value over the medium to long term that he take the lead in appropriately supervising the execution of such reform. Therefore, the Company once again proposes his election as a Director (excluding Director who is an Audit and Supervisory Committee Member).</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p style="text-align: center;">Masahiko Aoba (September 5, 1963) (62 full years of age) / Male</p> <p style="text-align: center;">[Reelection]</p> <p style="text-align: center;">Period served as Director 5 years</p> <p>Status of attendance at Meetings of Board of Directors 100% (13/13)</p> <p>Status of attendance at the Nomination and Remuneration Committee 100% (4/4)</p>	<p>Apr. 1988 Joined the Company</p> <p>Apr. 2019 Executive Officer</p> <p>June 2020 Managing Executive Officer Plant Operation Structure Administrator Plant Operations Headquarters Administrator Production Plants Administrator Composite Plant Engineering & Planning Division Administrator (Current position)</p> <p>June 2021 Director Head of Plant Operation Structure (Current position) Plant Operation Structure Administrator of Kawaguchi and Sakura Production Plants Administrator of Tokyo, Osaka, Tokai, and Bando Production Plants (Current position)</p> <p>June 2023 Managing Director</p> <p>June 2024 Representative Executive Director (Current position) Head of HR Strategy Structure (Current position) Personnel & General Affairs Division Administrator (Current position)</p>	6,319 shares
<p>Reason for election</p> <p>Based on his experience as a pigment development engineer and in his overseas assignments in pigment manufacturing, Masahiko Aoba excels in human resource placement and development skills, not to mention that he is well versed in operations related to production activities, refined through his wealth of operational experience accumulated through serving as Plant General Manager of our main plants, Tokai Production Plant (Iwata-shi, Shizuoka), Tokyo Production Plant (Adachi-ku, Tokyo), and Bando Production Plant (Bando-shi, Ibaraki).</p> <p>He can be sufficiently expected to further strengthen the decision-making functions of the Company's Board of Directors and the effectiveness of its supervisory functions based on the delegation of Plant Operation Structure Head and HR Strategy Structure Head duties to him through his knowledge, experience and personal magnetism.</p> <p>In addition, with respect to the business structure reform currently being undertaken by the Company, the Company has determined that it is essential to its sustainable growth and the enhancement of its corporate value over the medium to long term that he appropriately supervises the execution of such reform from both the "production" and "human resources" perspectives. Therefore, the Company once again proposes his election as a Director (excluding Director who is an Audit and Supervisory Committee Member).</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p style="text-align: center;">Osamu Takeda (November 19, 1958) (67 full years of age) / Male</p> <p style="text-align: center;">[Reelection]</p> <p style="text-align: center;">Period served as Director 3 years</p> <p>Status of attendance at Meetings of Board of Directors 100% (13/13)</p>	<p>Apr. 1981 Joined the Company</p> <p>Apr. 2016 Executive Officer</p> <p>June 2020 Managing Executive Officer Business Structure Administrator Plastic Colors No.2 Division Administrator Coating Materials Division Administrator (Current position) Advanced Polymers Division Administrator (Current position)</p> <p>June 2021 Gravure Inks Division Administrator (Current position)</p> <p>June 2022 Senior Managing Executive Officer</p> <p>June 2023 Managing Director Head of Business Structure (Current position) Business Structure Pigments Division Administrator (Current position) New Business Development Division Administrator (Current position) Offset Inks Division Administrator (Current position)</p> <p>June 2024 Senior Managing Director (Current position)</p> <p>[Significant concurrent positions outside the Company] Director of Futaba Paint Co., Ltd.</p>	5,983 shares
<p>Reason for election</p> <p>By leading business strategy and execution of business for all business areas through his rich administrative experience developed through serving as general manager of multiple businesses, the Company achieved the second-year operating profit targets of the three-year medium-term management plan “TRANSFORMATION for TOMORROW, 2027” following on from achieving them in the first year.</p> <p>He can be sufficiently expected to further strengthen the decision-making functions of the Company’s Board of Directors and the effectiveness of its supervisory functions based on the delegation of Business Structure Head duties to him through his knowledge, experience and personal magnetism.</p> <p>In addition, with respect to the business structure reform currently being undertaken by the Company, the Company has determined that it is essential to its sustainable growth and the enhancement of its corporate value over the medium to long term that he appropriately supervises the execution of such reform from the perspective of the head of business operations. Therefore, the Company once again proposes his election as a Director (excluding Director who is an Audit and Supervisory Committee Member).</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	<p>Takashi Nakayama (December 5, 1976) (49 full years of age) / Male [New election]</p>	<p>Apr. 2002 Joined Kao Corporation Feb. 2020 Joined Rakuten, Inc. (currently Rakuten Group, Inc.) Oct. 2021 Director of Rakuten TV Europe, S.L.U. Jan. 2024 Joined the Company Apr. 2025 Executive Officer (Current position)</p>	600 shares
	<p>Reason for election In addition to practical experience in research and development and management strategy at a chemical manufacturer, he has wealth of experience in business analysis in the IT industry and as a director of an overseas subsidiary. Since joining the Company in 2024, based on his appointment as General Manager of the Corporate Planning Division, he has served as Chairperson of the Corporate Management Committee and promoted various reforms, including a review of the business portfolio. In addition, given that he has strongly led efforts to strengthen corporate governance and manage the operations of the Board of Directors based on his appointment as General Manager of the Office of the President, he can be sufficiently expected to further strengthen the decision-making functions of the Company's Board of Directors and the effectiveness of its supervisory functions through his knowledge, experience and personal magnetism. In addition, with respect to the business structure reform currently being undertaken by the Company, the Company has determined that it is essential to its sustainable growth and the enhancement of its corporate value over the medium to long term that he appropriately supervises the execution of such reform from both the corporate planning and governance perspectives. Therefore, the Company proposes that he be newly elected as a Director (excluding Director who is an Audit and Supervisory Committee Member).</p>		

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	<p style="text-align: center;">Yoshiaki Nakagawa</p> <p style="text-align: center;">(February 2, 1955) (71 full years of age) / Male</p> <p style="text-align: center;">[Reelection] [Outside] [Independent]</p> <p style="text-align: center;">Period served as Director 5 years</p> <p style="text-align: center;">Status of attendance at Meetings of Board of Directors 100% (13/13)</p> <p style="text-align: center;">Status of attendance at the Nomination and Remuneration Committee 100% (5/5)</p>	<p>Apr. 1978 Joined Japan Ground Self Defense Force (GSDF), Defense Agency (currently Ministry of Defense)</p> <p>Dec. 2000 Director of OBIHIRO Prefectural Liaison Office, GSDF</p> <p>Mar. 2002 Chief of Career Transition Division, Personnel Department, Ground Staff Office</p> <p>Mar. 2004 Deputy Chief of Staff of Northern Army HQ (Sapporo)</p> <p>Mar. 2006 Director of Public Affairs, Joint Staff Office</p> <p>July 2007 Chief of Staff of Middle Army HQ and Commander of Itami Station</p> <p>Dec. 2009 Commanding General of 1st Division (Nerima)</p> <p>Apr. 2011 Commanding General of GSDF Research & Development Command</p> <p>Aug. 2013 Resigned from GSDF</p> <p>Nov. 2013 Advisor of Komatsu Ltd.</p> <p>Apr. 2020 Advisor of DENKOSHA Corporation</p> <p>June 2021 Outside Director of the Company (Current position)</p> <p>Sept. 2025 Representative Director of Japan Active Drone Association (Current position)</p> <p>[Significant concurrent positions outside the Company] Representative Director of Japan Active Drone Association</p>	0 shares
<p>Reason for election and overview of expected roles</p> <p>The Company has judged that given Yoshiaki Nakagawa's wealth of experience and broad insight, the product of engaging in organizational operation and management for several years as a Japan Ground Self Defense Force general officer coupled with the leverage of that experience in his service as an advisor to an operating company, he can be expected to provide useful advice on corporate activities of the Group, including its organizational operation and corporate governance, from an extensive and advance perspective, and requests that he be once again elected as an outside Director (excluding Director who is an Audit and Supervisory Committee Member).</p> <p>Furthermore, there are no specific transactions between the Group and Komatsu Ltd. or DENKOSHA Corporation, where he served as an advisor, or the Japan Active Drone Association, where he serves as Representative Director. If he is elected, he will be primarily involved in an independent and objective capacity as a member of the Nomination and Remuneration Committee, which has been established with the aim of enhancing the fairness, transparency, and objectivity of the procedures for the nomination and remuneration of Directors, Executive Officers and CxOs. He has never been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director based on the above reasons.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	<p>Akiko Nagahama (September 30, 1976) (49 full years of age) / Female</p> <p>[Reelection] [Outside] [Independent]</p> <p>Period served as Director 5 years</p> <p>Status of attendance at Meetings of Board of Directors 92% (12/13)</p> <p>Status of attendance at the Nomination and Remuneration Committee 100% (5/5)</p>	<p>Nov. 2005 Passed the National Law Examination in Japan</p> <p>Dec. 2007 Graduated from the Legal Training and Research Institute of the Supreme Court of Japan Registered as an attorney-at-law with the Tokyo Bar Association</p> <p>Dec. 2007 Joined Law Office of Yamaguchi, Nagahama & Mizuno (currently Law office of Nagahama, Mizuno & Inoue) (Current position)</p> <p>June 2021 Outside Director of the Company (Current position)</p> <p>June 2022 Outside Auditor of NOHMI BOSAI LTD.</p> <p>June 2024 Outside Director, Audit & Supervisory Committee Member of NOHMI BOSAI LTD. (Current position)</p> <p>[Significant concurrent positions outside the Company] Outside Director, Audit & Supervisory Committee Member of NOHMI BOSAI LTD.</p>	0 shares
<p>Reason for election and overview of expected roles</p> <p>The Company has judged that given Akiko Nagahama's specialized knowledge and experience as an attorney, particularly her strong familiarity with compliance and corporate legal affairs in general, she can be expected to contribute to the strengthening of legal risk management and corporate governance in the Group, and requests that she be once again elected as an outside Director (excluding Director who is an Audit and Supervisory Committee Member). Furthermore, although the Group may seek legal advice from Law Office of Nagahama, Mizuno & Inoue, with which she is affiliated, the amount of transaction in the most recent fiscal year was less than 1 million yen, which is less than 1% of consolidated sales of the Group and sales of the law office.</p> <p>There are no specific transactions between NOHMI BOSAI LTD., for which she serves as an Outside Director and Audit and Supervisory Committee Member, and the Group.</p> <p>If she is elected, she will be primarily involved in an independent and objective capacity as a member of the Nomination and Remuneration Committee, which has been established with the aim of enhancing the fairness, transparency, and objectivity of the procedures for the nomination and remuneration of Directors, Executive Officers and CxOs.</p> <p>She has never been involved in the management of a company except as an outside officer. However, the Company judges she will appropriately fulfill her duties as an outside Director based on the above reasons.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	<p>Kiyofumi Nakano (March 31, 1957) (69 full years of age) / Male</p> <p>[Reelection] [Outside] [Independent]</p> <p>Period served as Director 1 year</p> <p>Status of attendance at Meetings of Board of Directors 100% (10/10)</p> <p>Status of attendance at the Nomination and Remuneration Committee 100% (4/4)</p>	<p>Aug. 1981 Joined Citibank, N.A., Osaka Branch (currently Citibank, N.A. Tokyo Branch)</p> <p>Nov. 1992 Joined Bankers Trust Company, Tokyo Branch (currently Deutsche Bank AG)</p> <p>Nov. 1998 Joined UBS Warburg Securities (Japan) Limited (currently UBS Securities)</p> <p>June 2002 Audit & Supervisory Board Member of Daiichi Kasei Co., Ltd. (currently Ultrafabrics Holdings Co., Ltd.)</p> <p>Feb. 2003 Director of Yugen Kaisha RSC (current position)</p> <p>July 2007 Representative Director of Kabushiki Kaisha Riverside Company</p> <p>June 2012 Director and General Manager, Office of the President of Daiichi Kasei Co., Ltd. (currently Ultrafabrics Holdings Co., Ltd.)</p> <p>June 2014 Representative Director and President of Daiichi Kasei Co., Ltd. (currently Ultrafabrics Holdings Co., Ltd.)</p> <p>Mar. 2018 Director and Chairman of Ultrafabrics Holdings Co., Ltd.</p> <p>Mar. 2022 Senior Advisor of Ultrafabrics Holdings Co., Ltd.</p> <p>Mar. 2023 Outside Director of GVC Asset Management Co., Ltd. (current position)</p> <p>June 2024 Substitute Outside Director serving as Audit and Supervisory Committee Member of Nihon M&A Center Holdings Inc.</p> <p>Jan. 2025 Outside Director serving as Audit and Supervisory Committee Member of Nihon M&A Center Holdings Inc.</p> <p>June 2025 Outside Director of the Company (Current position)</p> <p>[Significant concurrent positions outside the Company] Director of Yugen Kaisha RSC Outside Director of GVC Asset Management Co., Ltd.</p>	2,000 shares
<p>Reason for election and overview of expected roles</p> <p>Kiyofumi Nakano has served as Representative Director & President, etc. of Ultrafabrics Holdings Co., Ltd. The Company has judged that he can be expected to facilitate the further strengthening and enhancement of the Company's management framework by leveraging his wealth of experience and broad insight as a corporate manager, and requests that he once again be elected as an outside Director (excluding Director who is an Audit and Supervisory Committee Member).</p> <p>Although the Group has transactions with Ultrafabrics, the amount of transactions in the most recent fiscal year was less than 1% of the Group's annual sales.</p> <p>Also, the Group has no specific transactions with Yugen Kaisha RSC, for which he serves as Director, nor GVC Asset Management Co., Ltd., for which he serves as Outside Director.</p> <p>If he is elected, he will be primarily involved in an independent and objective capacity as a member of the Nomination and Remuneration Committee, which has been established with the aim of enhancing the fairness, transparency, and objectivity of the procedures for the nomination and remuneration of Directors, Executive Officers and CxOs.</p>			

- (Notes)
1. There is no special interest between each of the candidates and the Company.
 2. Yoshiaki Nakagawa, Akiko Nagahama, and Kiyofumi Nakano are candidates for Outside Directors (excluding Directors who are Audit and Supervisory Committee Members).
 3. The Company has submitted notification to Tokyo Stock Exchange Inc. that Yoshiaki Nakagawa, Akiko Nagahama, and Kiyofumi Nakano have been designated as independent officers as provided for by the aforementioned exchange.
 4. Limited liability agreement

Based on Article 30 Paragraph 2 of the Articles of incorporation, the Company has entered a limited liability agreement with Yoshiaki Nakagawa, Akiko Nagahama and Yoshifumi Nakano limiting liability for damages to the minimum liability amount stipulated in Article 425 Paragraph 1 of the Companies Act. The above limit on liability shall be limited to instances where the performance of duties serving as the cause of said duties was with good intentions and without gross negligence. If the election of each candidate is approved, the Company intends to continue the agreement with each of them under the same provisions.

5. Directors and officers liability insurance (D&O Insurance) policy

The Company has entered into a directors and officers liability insurance (D&O Insurance) contract prescribed in Article 430-3, paragraph (1) of the Companies Act with insurance companies. An overview of the content of said insurance contract is as stated in the Business Report “3 Matters Concerning Company Officers (3) Overview of Content of Directors and Officers Liability Insurance Contract” (in Japanese only).

If the elections of Koji Takahashi, Masahiko Aoba, Osamu Takeda, Takashi Nakayama, Yoshiaki Nakagawa, Akiko Nagahama, and Kiyofumi Nakano are approved, they will be covered under this insurance policy.

Additionally, said insurance contract is scheduled to be renewed with the same content upon the next timing of renewal as well.

6. The Company conducted a 4-for-1 share split of its common stock effective April 1, 2026. The “Number of the Company’s shares owned” for each candidate indicates the number of shares prior to the aforementioned share split.

<Reference> Standards for election of Directors

I. Directors (Excluding Directors who are Audit and Supervisory Committee Members; hereinafter “Directors”)

Procedure	<ul style="list-style-type: none"> (i) The Director and President selects candidates from persons who meet the below Standards for election of Directors. Upon selecting candidates, the Director and President will advise with the Nomination and Remuneration Committees and decide after receiving their reports. (ii) The Director and President will submit the Director candidate selections to the Board of Directors as an attached proposal to the General Meeting of Shareholders, where the candidates will be elected as Directors.
Standards for election of Directors (Same for both Inside and Outside Directors)	<ul style="list-style-type: none"> (i) The candidate has no interests, etc. that serve to affect the performance of his/her duties as a Director. (ii) The candidate possesses considerable vitality to perform his/her duties as a Director. (iii) The candidate possesses considerable personal magnetism, dignity and ethics. (iv) The candidate possesses advanced management knowledge and superior levels of objective judgment capability, foresight, etc. (v) The candidate possesses other qualities sought of a Director from the standpoint of corporate governance-building.
Standards for election of Inside Directors	<ul style="list-style-type: none"> (i) The candidate possesses high insights, capabilities, know-how, experience, and results related to business, and can make balanced decisions overseeing all the Company business, not limited to their own area of experience.
Standards for election of Outside Directors	<ul style="list-style-type: none"> (i) The candidate possesses considerable insight into their particular field of origin. (ii) The candidate is capable of making accurate advice and recommendations from an independent position based on the standpoints of appropriateness and adequateness upon decision-making by the Board of Directors. (iii) The candidate satisfies criteria for ensuring the independence of an outside Director (Refer to general principles 4-9).

II. Directors who are Audit and Supervisory Committee Members (hereinafter “Audit and Supervisory Committee Members”)

Procedure	<ul style="list-style-type: none"> (i) The Director and President proposes candidates to meet the below standards to the Audit and Supervisory Committee. Upon selecting candidates, the Director and President will advise with the Nomination and Remuneration Committees and decide after receiving their reports. (ii) Receive approval from the Audit and Supervisory Committee. (iii) Decide on General Meeting of Shareholders proposal in the Board of Directors. (iv) Submit as General Meeting of Shareholders proposal. (v) Decide in the General Meeting of Shareholders
Standards for election of Audit and Supervisory Committee Members (Same for both Inside and Outside Audit and Supervisory Committee Members)	<ul style="list-style-type: none"> (i) The candidate has no interests, etc. that serve to affect the performance of his/her duties as an Audit and Supervisory Committee Member. (ii) The candidate has a high level of vitality in the execution of duties as an Audit and Supervisory Committee Member, and at the same time, be able to strive for self-improvement in order to improve audit and supervisory quality. (iii) The candidate possesses considerable personal magnetism, dignity and ethics. (iv) The candidate possesses advanced insight into finance and accounting and superior levels of management knowledge and objective judgment capability, etc. (v) The candidate possesses other qualities sought of a Director from the standpoint of corporate governance-building.

Standards for Election of Outside Audit and Supervisory Committee Members	<ul style="list-style-type: none"> (i) The candidate possesses considerable insight into their particular field of origin. (ii) The candidate is capable of making accurate advice and recommendations from an independent position based on the standpoints of appropriateness and adequateness upon decision-making by the Board of Directors. (iii) The candidate satisfies criteria for ensuring the independence of an outside Director (Refer to general principles 4-9)
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[Reference] Criteria for judging the independence of independent officers

A person for which none of the following applies:

1. A person who executes the business of a major business partner of Dainichiseika Color & Chemicals Mfg. Co., Ltd. (“Dainichiseika”) (*) or a person who executes the business of a company whose major business partner is Dainichiseika (officer, general manager class, the same applies below)
 - * Major business partner means a business partner for which any of the following applies.
 - (1) Sales to such business partner must account for more than 2% of own Company’s annual consolidated sales.
 - (2) The nature of transactions with the business partner is the provision of goods and services that are indispensable to own Company’s business activities.
2. Consultants, lawyers, or certified public accountants who receive a large amount of remuneration (10 million yen or more per year) from Dainichiseika other than remuneration as officers (if the person receiving such remuneration is a corporation, partnership, or other organization, a lawyer or certified public accountant who belongs to such organization)
3. A person who has recently (*) fallen under 1 or 2 above.
 - * The term “recently” means the period from the date on which the contents of the proposal at the general meeting of shareholders to elect the independent officer as an outside officer were decided to the present.
4. Close relatives (spouse or relatives within the second degree of kinship or living together) of the following persons
 - a. Person under 1 to 3 above
 - b. A person who executes the business of a subsidiary (for outside Directors who are Audit and Supervisory Committee Members, this includes Directors who do not execute the business of the subsidiary)
 - c. A person who has recently been a person who executes the business of the company or its subsidiary (for outside Directors who are Audit and Supervisory Committee Members, this includes Directors who do not execute business)
5. In addition to 1 through 4 above, a person who has circumstances that reasonably determine that the person is unable to fulfill the duties of an independent officer

<Reference> Skill matrix of Directors

The skill matrix for Directors of the Company should Proposal No. 3 be approved and adopted is as follows.

Name	Position	Knowledge/Experience/Skills and Fields expected									
		Corporate management/ Business strategy/ Leadership	CSR/ESG/ Compliance	Finance/ Accounting/ Tax affairs	IT/ Information systems	Personnel affairs/ Labor affairs/ Human resource development	Technological development/ Technological development management	SCM /Logistics	Industry and industry trends/ Marketing/ New businesses	Supply/ Manufacturing	Internationality/ Diversity
Koji Takahashi	Representative Director	●	●	●	●						●
Masahiko Aoba	Representative Director	●	●			●	●	●		●	●
Osamu Takeda	Director	●	●					●	●	●	●
Takashi Nakayama	Director	●	●	●			●		●		●
Yoshiaki Nakagawa	Outside Director	●	●			●	●				●
Akiko Nagahama	Outside Director		●			●					●
Kiyofumi Nakano	Outside Director	●	●	●		●			●	●	●
Shuichi Murata	Director Full-time Audit and Supervisory Committee Member		●	●							●
Ichiro Wakabayashi	Outside Director Audit and Supervisory Committee Member	●	●	●		●			●	●	●
Shuichiro Ikari	Outside Director Audit and Supervisory Committee Member		●	●		●					●

<Reference> Details of each skill and reasons for selection

In consideration of social and management issues, the Group recognizes that the skills expected by stakeholders from the Board of Directors are as follows, taking into account the composition and balance, etc. of the Board of Directors.

Skills	Details
Corporate management/ Business strategy/Leadership	In order to increase sustainable corporate value, it is important to be able to identify risks and opportunities in corporate management in a timely manner and put them into action. We have therefore selected as necessary items the ability to solve problems based on a wealth of experience and knowledge for appropriate decision-making, and the leadership skills to reliably transform intentions into organizational action.
CSR/ESG/ Compliance	The Company recognizes that non-financial information is an important element in improving corporate value. Development of action plans to realize a sustainable society and ensuring the reliability of those results requires a strong internal control system, and is selected as a necessary item for Directors and Titled Executive Officers.
Finance/ Accounting/ Tax affairs	As the foundation for providing timely and appropriate financial information and ensuring the reliability of financial information, accurate and appropriate analysis of financial information plays an important role in constructing the business strategy and financial strategy. Also, skills related to tax affairs are selected as a necessary item in order to address the risks of tax compliance.
IT/ Information systems	Advanced data analysis is needed to develop business strategies, and the accuracy and freshness of information are essential. At the same time, the accuracy of information processing and the security of information assets are considered important. In promoting DX to improve business efficiency in the future, this skill is selected as an important item.
Personnel affairs/ Labor affairs/ Human resource development	The Group considers “human resources” to be its most important management resource. Based on the recognition that it is essential to improve the skills of each employee and to foster a corporate culture full of vitality in which innovation can flourish, as well as our “HR Strategy” that is one basic strategy in the medium-term management plan “TRANSFORMATION for TOMORROW 2027,” we have selected skills related to personnel strategies, labor measures, and human resource development as necessary items.
Technological development/ Technological development management	We have selected skills related to information gathering, technological sense, the ability to break out of the status quo, and market forecasting abilities that capture the changes to customer needs as necessary items in order to match the core technology of the Group and new technology and generate innovation in areas established as ongoing development markets and new development markets.
SCM /Logistics	We recognize that the secure management of chemicals in all parts of the supply chain, from selection and procurement of raw materials to production, sale, and delivery, as well as optimal procurement of raw materials and streamlining of transportation, are important topics. Therefore, we have selected these related skills as necessary items.
Industry and industry trends/ Marketing/New businesses	In addition to tapping into new business areas, we recognize that accurately understanding the Group’s position in the target market and selecting areas in which to focus and invest the strengths of the Group are important issues that directly affect revenue, and we have selected these as necessary items.
Supply/Manufacturing	As our responsibility to supply as a manufacturing company, we have selected these as necessary items based on the recognition that environmental considerations, safety and efficiency of manufacturing sites, and maintenance and management of profitability, while fulfilling our responsibility in terms of safety, quality stability, and continuity, are essential conditions for continuously increasing our corporate value.
Internationality/ Diversity	In addition to information gathering for balanced progress in business development in overseas markets, sufficient knowledge, experience, and understanding of local cultures, laws, business customs, daily customs, and trends are required for management and compliance responses. Therefore, skills related to internationality and diversity have been selected as necessary items.

Proposal No. 4: Continuation of the Response Policy Against Large-Scale Purchases of the Company's Shares (Takeover Response Policy)

At the Board of Directors meeting held on April 22, 2008, the Company introduced countermeasures (takeover defense measures) against large-scale purchases of the Company's shares, which were approved at the 105th Annual General Meeting of Shareholders held on June 27, 2008, and subsequently approved for continuation at the 120th Annual General Meeting of Shareholders held on June 29, 2023 (hereinafter the "Current Plan"). However, the effective period of the measures will expire at the conclusion of the 123rd Annual General Meeting of Shareholders (hereinafter the "General Meeting of Shareholders") scheduled for June 26, 2026.

As the effective period of the Current Plan expires, the Company has considered the way the Current Plan should be continued, including the pros and cons of its continuation, as one of the measures to ensure and improve the Company's corporate value and the common interests of shareholders, in light of changes in social and economic conditions after the introduction of the Current Plan, various trends surrounding so-called takeover response policies, and the progress of various discussions.

As a result, at the Board of Directors meeting held on April 15, 2026, it was resolved to continue the plan (hereinafter the "Plan") subject to the approval by the shareholders at the General Meeting of Shareholders.

Accordingly, we request the approval of our shareholders for the continuation of the Plan.

In conjunction with the continuation of the Plan, minor revisions and adjustments have been made, taking into account recent trends in the practical aspects related to takeover response policies. However, there are no changes to the fundamental content of the Plan.

I. Contents of the Plan subject to approval

1. Purpose of the Plan

The Plan is a continuation of the Current Plan as an effort to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate in light of the Basic Policy concerning Company Control.

The Board of Directors of the Company believes that it is consistent with the corporate value of the Company and, in turn the common interests of its shareholders that, in the event of a large-scale purchase of the Company's shares, necessary information and time should be secured for shareholders to make an appropriate decision and that negotiations with the purchaser, etc. should be conducted in accordance with certain reasonable rules. Accordingly, the Company has decided to continue the Plan, subject to approval by the shareholders at the General Meeting of Shareholders, as a countermeasure that includes a policy in the event that a large-scale purchase is conducted by a party inappropriate in light of the Basic Policy concerning Company Control, by establishing certain rules (hereinafter the "Large-Scale Purchase Rules") concerning the provision of information and securing time for review at the time of a large-scale purchase as described below.

Please refer to Appendix 1 for an overview of the flow of the Plan.

2. Purchase of the Company's shares covered by the Plan

A purchase of the Company's shares covered by the Plan shall be defined as a purchase of the Company's share certificates, etc. (Note 3) with the aim of increasing the percentage of voting rights (Note 2) of a specific group of shareholders (Note 1) to 20% or more, or a purchase of the Company's share certificates, etc. that results in the percentage of voting rights of a specific group of shareholders being 20% or more (in each case, except for those agreed to in advance by the Board of Directors, and regardless of the specific purchase method, such as market transactions, tender offers, etc. Such purchase is hereinafter referred to as a "Large-Scale Purchase" and the person conducting such purchase is hereinafter referred to as a "Large-Scale Purchaser.").

Note 1: A specific group of shareholders means:

- (i) Holders of share certificates, etc. (share certificates, etc. as defined in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act.) of the Company (including those who are included in the holders pursuant to Article 27-23, paragraph (3) of the same Act; the same shall apply hereinafter) and their joint holders (meaning joint holders as defined in Article 27-23, paragraph (5) of the same Act, including those who are deemed to be joint holders based on Article 27-23, paragraph (6) of the same Act; the same shall apply hereinafter) or,
- (ii) Purchasers, etc. (including the purchase, etc. as defined in Article 27-2, paragraph (1) of the same Act, including the purchase, etc. conducted in a financial instruments exchange market.) and its specially related parties (refers

to specially related parties as defined in Article 27-2, paragraph (7) of the same Act) of share certificates, etc. (meaning share certificates, etc. as defined in Article 27-2, paragraph (1) of the same Act) of the Company

Note 2: Percentage of voting rights means:

- (i) If the specific group of shareholders is as described in (i) of Note 1, the percentage of share certificates, etc. held by such holder (Meaning the percentage of share certificates, etc. held as defined in Article 27-23, paragraph (4) of the Financial Instruments and Exchange Act. In this case, the number of share certificates, etc. held by the joint holders of such holders shall also be added (the number of share certificates, etc. held as prescribed in the same paragraph; the same shall apply hereinafter)) or,
- (ii) If the specific group of shareholders is described in (ii) of Note 1, the total of the holding percentage of share certificates, etc. of such Large-Scale Purchaser and such specially related parties (refers to the percentage of share certificates, etc. held as defined in Article 27-2, paragraph (8) of the same Act.). In calculating the percentage of each voting right, the total number of voting rights (as defined in Article 27-2, paragraph (8) of the same Act) and the total number of outstanding shares (as defined in Article 27-23, paragraph (4) of the same Act) may be referred to in the most recently filed annual securities report, semi-annual securities report, and purchase of treasury stock status report.

Note 3: Share certificates, etc. means share certificates, etc. as defined in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act or share certificates, etc. as defined in Article 27-2, paragraph (1) of the same Act.

3. Establishment of Independent Committee

The Board of Directors will make the final decision as to whether or not the Large-Scale Purchase Rules are complied with, or even if the Large-Scale Purchase Rules are complied with, whether or not to take countermeasures on the grounds that the Large-Scale Purchase would materially damage the corporate value of the Company and, in turn the common interests of its shareholders. However, in order to ensure the proper operation of the Plan, prevent arbitrary decisions by the Board of Directors, and ensure the objectivity and reasonableness of its decisions, the Company will establish an Independent Committee based on the Independent Committee Rules (please refer to Appendix 2 for an outline), as is the case with the Current Plan. The Independent Committee will have at least three members, who will be appointed from among outside Directors or outside experts (Note 4) who are independent of the execution of the Company's business in order to enable fair and neutral judgments. Please refer to Appendix 3 for the career summary of the members of the Independent Committee.

The Board of Directors of the Company shall consult with the Independent Committee on the appropriateness of triggering the countermeasures prior to triggering the countermeasures, and the Independent Committee shall carefully evaluate and examine the Large-Scale Purchase from the perspective of enhancing the corporate value of the Company and, in turn the common interests of its shareholders, and make a recommendation to the Board of Directors of the Company as to whether or not the Board of Directors is in a position to implement the countermeasures. The Board of Directors of the Company shall decide on the implementation of the countermeasures after respecting the recommendation of the Independent Committee to the maximum extent possible. A summary of the recommendations of the Independent Committee shall be promptly announced.

The Independent Committee may, at the cost of the Company, obtain advice from independent third party outside experts (including financial advisors, certified public accountants, attorneys at law, consultants, and other experts) in order to ensure that the judgment of the Independent Committee is made in a manner to contribute to the corporate value of the Company, and in turn the common interests of shareholders.

Note 4: Outside experts means company managers with a proven track record, persons from government agencies, attorneys at law, certified public accountants, academic experts, or persons with similar qualifications.

4. Outline of Large-Scale Purchase Rules

- (1) Prior submission of a letter of intent to the Company by the Large-Scale Purchaser

In the event that a Large-Scale Purchaser intends to conduct a Large-Scale Purchase, prior to the Large-Scale Purchase or the proposal of a Large-Scale Purchase, the Large-Scale Purchaser shall first submit to the Company's Board of Directors a letter of intent in Japanese, in a form prescribed by the Company, that contains the following information, including a legally binding covenant to the effect that it will comply with the Large-Scale Purchase Rules.

- (a) Name and address of the Large-Scale Purchaser
- (b) Law governing the incorporation
- (c) Name of representative
- (d) Contact address in Japan
- (e) Outline of the proposed Large-Scale Purchase
- (f) Pledge to comply with the Large-Scale Purchase Rules set forth in the Plan

If the Board of Directors of the Company receives a letter of intent from the Large-Scale Purchaser, the Board of Directors of the Company shall promptly announce to that effect and, if necessary, the details of the letter of intent.

(2) Provision of necessary information from the Large-Scale Purchaser

Within ten business days from the day following the day on which the Board of Directors of the Company receives a letter of intent containing all of the items in 4.(1) (a) through (f) above, the Board of Directors will send to the Large-Scale Purchaser a list of information regarding the Large-Scale Purchase (hereinafter “Necessary Information”) that the Board of Directors will request the Large-Scale Purchaser to provide to the Board of Directors (hereinafter “Necessary Information List”), and the Large-Scale Purchaser shall be required to submit the Necessary Information in writing in Japanese to the Board of Directors of the Company in accordance with the Necessary Information List. The general items of the Necessary Information are as follows. Although the specific details will vary depending on the attributes of the Large-Scale Purchaser and the terms of the Large-Scale Purchase, in all cases, the Necessary Information shall be limited to what is necessary and sufficient for the shareholders to make a judgment and for the Board of Directors of the Company to form its opinion.

- (a) Details of the Large-Scale Purchaser and its Group (including joint holders, specially related parties, and partners (in the case of a fund) and other constituent members) (including information on the name, business activities, career or history, capital structure, financial position, experience in businesses similar to those of the Company and its Group companies)
- (b) Purpose, method, and details of the Large-Scale Purchase (including the price and type of consideration for the Large-Scale Purchase, timing of the Large-Scale Purchase, structure of related transactions, legality of the method of the Large-Scale Purchase, feasibility of the Large-Scale Purchase and related transactions, etc.)
- (c) Basis for calculation of the purchase price for the Large-Scale Purchase of the Company’s shares (including facts underlying the calculation, calculation method, numerical information used in the calculation, and details of synergies expected to be created by the series of transactions related to the Large-Scale Purchase)
- (d) Supporting documents explaining the source of funds for the Large-Scale Purchase (including the specific name of the provider of the funds (including substantial providers of funds), funding methods and the details of any related transactions)
- (e) Candidates for officers of the Company and its Group companies (including information on their experience in the same type of business as that of the Company and its Group companies) that are expected to be appointed after the completion of the Large-Scale Purchase, management policies, business plans, financial plans, capital policies, dividend policies, asset utilization policies, etc. of the Company and its Group companies
- (f) Whether or not there will be any change in the relationship between the Company and its Group companies and its stakeholders, including customers, business partners, and employees of the Company and its Group companies, after the completion of the Large-Scale Purchase, and the details thereof

The Board of Directors of the Company may set a deadline for the Large-Scale Purchaser to provide information, as necessary, from the viewpoint of prompt implementation of the Large-Scale Purchase Rules. However, the deadline may be extended if the Large-Scale Purchaser requests an extension based on reasonable grounds.

If as a result of the Board of Directors’ examination of the Necessary Information initially submitted in accordance with the above, the Board of Directors considers that such Necessary Information is not sufficient as information for evaluating and considering the Large-Scale Purchase, the Board of Directors may request the Large-Scale Purchaser to provide additional information until the Board of Directors has all the Necessary Information, after setting a reasonable deadline (up to 60 days from the date of receipt of the first Necessary Information).

If the Board of Directors of the Company determines that all of the Necessary Information sufficient to evaluate and consider the Large-Scale Purchase has been submitted by the Large-Scale Purchaser, it will send a notice to that effect to the Large-Scale Purchaser, submit the Necessary Information to the Independent Committee, and make a public announcement to that effect.

In addition, if the Board of Directors of the Company requests the Large-Scale Purchaser to provide additional Necessary Information, but the Large-Scale Purchaser provides a reasonable explanation to the effect that it is difficult to provide some of such information, the Board of Directors of the Company may terminate negotiations, etc. with the Large-Scale Purchaser concerning the provision of information even if all the Necessary Information requested by the Board of Directors of the Company is not available, and the Board of Directors may begin its evaluation and consideration of the Large-Scale Purchase described in (3) below.

The Necessary Information provided to the Board of Directors of the Company will be submitted to the Independent Committee, and if deemed necessary for the shareholders to make a decision, all or part of the Necessary Information will be made public at a time deemed appropriate by the Board of Directors of the Company.

(3) Evaluation and consideration of Necessary Information, etc. by the Board of Directors of the Company

The Board of Directors of the Company shall, depending on the degree of difficulty of the evaluation of the Large-Scale Purchase, etc., allow up to 60 days in the case of a purchase of all shares of the Company by tender offer with cash (yen)-only consideration or up to 90 days in the case of any other Large-Scale Purchase after the Large-Scale Purchaser has provided the Board of Directors of the Company with the Necessary Information to evaluate, examine, negotiate, form an opinion, and develop an alternative proposal (hereinafter the “Board Evaluation Period”). During the Board Evaluation Period, the Board of Directors of the Company will fully evaluate and review the

Necessary Information provided to it, receiving advice from independent third-party outside experts (financial advisors, certified public accountants, lawyers, consultants, and other experts) as necessary, and will then carefully summarize and disclose its opinion. Furthermore, the Board of Directors of the Company will also negotiate the terms and conditions and the method of the Large-Scale Purchase with the Large-Scale Purchaser as necessary and may present an alternative proposal to its shareholders.

5. Response policy in the event of a Large-Scale Purchase

(1) If the Large-Scale Purchaser does not comply with the Large-Scale Purchase Rules

In the event that a Large-Scale Purchaser does not comply with the Large-Scale Purchase Rules, regardless of the specific method of purchase, the Board of Directors of the Company may take countermeasures permitted under the Companies Act, other laws, and the Company's Articles of Incorporation, such as the gratis allotment of stock acquisition rights, in order to protect the Company's corporate value, and in turn the common interests of shareholders.

In determining whether or not the Large-Scale Purchaser has complied with the Large-Scale Purchase Rules, the Company shall take into account the circumstances of the Large-Scale Purchaser to a reasonable extent and shall not deem that the Large-Scale Purchaser has not complied with the Large-Scale Purchase Rules merely because some of the Necessary Information has not been submitted.

(2) If the Large-Scale Purchaser complies with the Large-Scale Purchase Rules

In cases where a Large-Scale Purchaser complies with the Large-Scale Purchase Rules, the Board of Directors of the Company will, even if it is opposed to the Large-Scale Purchase, merely seek the understanding of shareholders by expressing its opposition to the purchase proposal, presenting an alternative proposal, etc., and in principle will not take any countermeasures against such Large-Scale Purchase. Whether or not to accept the Large-Scale Purchaser's purchase proposal shall be determined by the shareholders after considering the purchase proposal and the opinions, alternative plans, etc. presented by the Company in response to such purchase proposal.

However, even if the Large-Scale Purchase Rules are complied with, if the Board of Directors of the Company judges that the Large-Scale Purchase falls under, for example, any of the following (a) through (i) and will significantly damage the corporate value of the Company, and in turn the common interests of its shareholders, such as causing irreparable damage to the Company as a result, exceptionally, the Board of Directors of the Company may decide to trigger the countermeasures mentioned in (1) above to the extent necessary and reasonable for the purpose of protecting the corporate value of the Company, and in turn the common interests of shareholders.

- (a) Cases where the Large-Scale Purchaser is found to be acquiring shares of the Company for the sole purpose of raising the share price and having the Company's related parties purchase the shares at a high price, even though the purchaser has no intention of truly participating in the management of the Company (so-called greenmailer)
- (b) Cases where the Large-Scale Purchaser is found to be acquiring shares of the Company for the purpose of transferring such assets of the Company or the Group companies as intellectual property rights, know-how, corporate secrets, major business partners or customers that are necessary for the business operation of the Company or the Group companies to the Large-Scale Purchaser or its group companies, etc. for the purpose of so-called scorched-earth management
- (c) Cases where the Large-Scale Purchaser is found to be acquiring shares of the Company for the purpose of using the assets of the Company or the Group companies as collateral for or the source of funds to repay, debts of the Large-Scale Purchaser or its group companies, etc. after acquiring the control over the corporate management of the Company
- (d) Cases where the Large-Scale Purchaser is found to be acquiring shares of the Company for the purpose of temporarily acquiring the control over the management of the Company and disposing high-value assets, such as real estate, securities, etc. of the Company or the Group companies by sale, etc. and temporarily paying higher dividends from the disposition proceeds or deliberately selling the shares of the Company at a high price as the share price surges during the period of the said temporarily higher dividends
- (e) Cases where the method of purchase of shares of the Company proposed by the Large-Scale Purchaser is found to impose restrictions on the opportunity or freedom of shareholders to make a decision by way of so-called coercive two-tier tender offer (the method of carrying out a tender offer in two steps where the Large-Scale Purchaser does not solicit the sale of all shares of the Company in the first stage while specifying unfavorable terms and conditions for purchase in the second stage or not clarifying the terms and conditions for purchase in the second stage) and shareholders could be effectively forced to sell the shares of the Company
- (f) Cases where the terms and conditions for purchasing the Company's shares (including but not limited to class of shares, amount of the consideration, basis of calculation of the consideration, other specific terms and conditions, whether there is any illegality and the feasibility) proposed by the Large-Scale Purchaser are found significantly inadequate or unsuitable with respect to the Company's corporate value and, in turn the common interests of shareholders

- (g) Cases where the Company's management policy, etc. after the Large-Scale Purchase by the Large-Scale Purchaser is judged to be insufficient or inappropriate, which may impede the growth and stability of the business of the Company or the Group companies and materially impede the corporate value of the Company and, in turn the common interests of its shareholders
- (h) Cases where it is judged that the acquisition of control of the Company by the Large-Scale Purchaser will destroy the relationships with customers, business partners, employees, local residents, and other stakeholders, which are indispensable for the realization of sustainable growth of the corporate value of the Company and the Group companies, and will significantly damage the corporate value of the Company, and in turn the common interests of its shareholders
- (i) Cases where it is judged on reasonable grounds that the Large-Scale Purchaser is inappropriate as the controlling shareholder of the Company from the viewpoint of public order and morals, such as when the Large-Scale Purchaser's management or major shareholders or investors include persons who have relationships with anti-social forces

(3) Resolutions of the Board of Directors and holding of General Meeting of Shareholders

When making a decision on whether or not to take countermeasures in (1) or (2) above, the Board of Directors of the Company shall respect the recommendation of the Independent Committee to the maximum extent possible, and shall pass a resolution as an organ under the Companies Act regarding implementation or non-implementation of countermeasures after giving due consideration to the necessity, reasonableness, etc. of such countermeasures.

With respect to the specific countermeasures to be taken, the Board of Directors of the Company shall select those it deems most appropriate at the time. The outline of cases in which the Board of Directors of the Company implements a gratis allotment of stock acquisition rights as one of the specific countermeasures, for example, is shown in Appendix 4 in principle. However, in cases where the Board of Directors actually implements a gratis allotment of stock acquisition rights, conditions may be set in consideration of the effectiveness as a countermeasure, such as making it a condition for exercising stock acquisition rights that the shareholder does not belong to a specific group of shareholders whose voting rights account for a certain percentage or more of the voting rights.

In addition, in cases where the Independent Committee makes a recommendation for the implementation of countermeasures and requests a General Meeting of Shareholders to be held for a resolution for the implementation of such countermeasures, the Board of Directors of the Company may set a period of up to 60 days as a period for shareholders to fully consider whether or not to implement countermeasures under the Plan (hereinafter the "Shareholder Consideration Period"), and hold a General Meeting of Shareholders during such Shareholder Consideration Period.

If the Board of Directors of the Company resolves to hold a General Meeting of Shareholders and determine the record date, the Board Evaluation Period will end on that date and immediately shift to the Shareholder Consideration Period.

Upon the holding of such General Meeting of Shareholders, the Board of Directors of the Company will send to the shareholders a document stating the Necessary Information provided by the Large-Scale Purchaser, the Board of Directors' opinion on the Necessary Information, the Board of Directors' alternative proposal, and any other matters that the Board of Directors of the Company deems appropriate, together with the notice of the General Meeting of Shareholders, and will make a public announcement to that effect in a timely and appropriate manner.

If the General Meeting of Shareholders resolves to implement or not to implement a countermeasure, the Board of Directors of the Company shall comply with the resolution of such General Meeting of Shareholders. If such General Meeting of Shareholders resolves to reject the implementation of the countermeasure, the Board of Directors of the Company will not implement the countermeasure.

The Shareholder Consideration Period shall end at the conclusion of such General Meeting of Shareholders, and the results of such General Meeting of Shareholders shall be announced in a timely and appropriate manner after the resolution is passed.

(4) Large-Scale Purchase waiting period

If a Shareholder Consideration Period is not established, the Large-Scale Purchase waiting period shall be from the date of submission of the letter of intent to the Board of Directors of the Company as described in 4.(1)above, to the end of the Board Evaluation Period, or if a Shareholder Consideration Period is established, the Large-Scale Purchase waiting period shall be from the date the letter of intent is submitted to the Board of Directors of the Company to the end of the combined period of the Board Evaluation Period and the Shareholder Consideration Period. During the Large-Scale Purchase waiting period, a Large-Scale Purchase shall not be implemented.

Accordingly, a Large-Scale Purchase may be commenced only after the expiration of the Large-Scale Purchase waiting period.

(5) Suspension of triggering of countermeasures, etc.

In the event that the Board of Directors of the Company or the General Meeting of Shareholders resolves to take

specific countermeasures in (3) above and the Board of Directors of the Company judges that it is not appropriate to implement the countermeasures, such as when the Large-Scale Purchaser withdraws or changes the Large-Scale Purchase, after respecting the opinion or recommendation of the Independent Committee to the maximum extent possible, the implementation of countermeasures may be suspended.

For example, in the case of a gratis allotment of stock acquisition rights as a countermeasure, even after the Board of Directors of the Company resolves to implement the gratis allotment or the gratis allotment is implemented, if the Board of Directors of the Company determines that it is not appropriate to implement the countermeasure because the Large-Scale Purchaser withdraws or changes the Large-Scale Purchase, etc., the Board of Directors of the Company may suspend the triggering of countermeasures by canceling the gratis allotment of stock acquisition rights until the day before the effective date of the stock acquisition rights, or, after the gratis allotment of stock acquisition rights, by means of a gratis acquisition of stock acquisition rights by the Company (the stock acquisition rights of shareholders will be extinguished when the Company acquires the stock acquisition rights for no consideration) until the day before the commencement date of the exercise period, after respecting the recommendations of the Independent Committee to the maximum extent possible.

In the event that the Company suspends the implementation of such countermeasures, etc., the Company will disclose such decision in a timely and appropriate manner in accordance with laws and regulations and the listing rules, etc., of the financial instruments exchanges on which the Company is listed.

6. Commencement of application, effective period, continuation, and abolition of the Plan

The Plan shall become effective as of the date of the resolution at the General Meeting of Shareholders, and shall remain in effect until the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending by March 31, 2029.

However, even after the continuation of the Plan is approved at the General Meeting of Shareholders and the Plan becomes effective, the Plan shall be abolished at that time if (1) a resolution to abolish the Plan is passed at the Company's General Meeting of Shareholders or (2) a resolution to abolish the Plan is passed by the Board of Directors of the Company.

In addition, even during the effective period of the Plan, the Board of Directors of the Company may review the Plan from time to time from the viewpoint of improving corporate value of the Company, and in turn the common interests of shareholders, and may amend the Plan with the approval of the General Meeting of Shareholders. In this manner, in the event that the Board of Directors of the Company decides to continue, amend, or abolish the Plan, the Board of Directors of the Company will promptly announce the details of such decision.

Even during the effective period of the Plan, the Board of Directors of the Company may amend or revise the Plan as necessary with the approval of the Independent Committee when it is not disadvantageous to the shareholders, such as when laws and regulations, financial instruments exchange rules, etc. concerning the Plan are newly established, amended, or abolished and it is appropriate to reflect such establishment, amendment, or abolishment, or when it is appropriate to amend the wording due to typographical errors, omissions, or other reasons.

II. Supplementary explanation

The contents of the Plan are as described in I. above, and (1) the impact on shareholders, etc., and (2) the rationality of the Plan are described as follows, respectively.

We hope that shareholders will consider these points, and approve this proposal.

1. Impact, etc. of the Plan on shareholders

(1) Impact, etc. of the Large-Scale Purchase Rules on shareholders

The purpose of the Large-Scale Purchase Rules is to provide information necessary for shareholders to decide whether or not to accept a Large-Scale Purchase, to provide the opinion of the Board of Directors of the Company, which is actually in charge of the management of the Company, and to ensure that shareholders have an opportunity to receive an alternative proposal. We believe that this will enable shareholders to make an appropriate decision as to whether or not to accept the Large-Scale Purchase based on sufficient information and proposals, which will lead to the protection of the Company's corporate value and, in turn the common interests of shareholders. Accordingly, we believe that the establishment of the Large-Scale Purchase Rules is a prerequisite for shareholders to make an appropriate judgment and contributes to the interests of all shareholders.

As stated in I.5 above, depending on whether the Large-Scale Purchaser complies with the Large-Scale Purchase Rules, the response policy of the Company to the proposed Large-Scale Purchase will be different. Therefore, shareholders are advised to pay attention to any action that the Large-Scale Purchaser may or may not take.

(2) Effect on shareholders at the time of implementation of countermeasures

In cases where a Large-Scale Purchaser fails to comply with the Large-Scale Purchase Rules, or even if the Large-Scale Purchaser complies with the Large-Scale Purchase Rules, if the Large-Scale Purchase is judged to significantly damage the Company's corporate value and, in turn the common interests of shareholders, such as by causing irreparable damage to the Company, the Board of Directors of the Company may take countermeasures permitted

under the Companies Act and other laws and the Articles of Incorporation of the Company, such as the gratis allotment of stock acquisition rights, in order to protect the Company's corporate value and, in turn the common interests of shareholders. However, under the mechanism of such countermeasures, the Company does not expect that shareholders (excluding Large-Scale Purchasers who do not comply with the Large-Scale Purchase Rules and Large-Scale Purchasers who conduct a Large-Scale Purchase that is deemed to damage the interests of the Company's shareholders as a whole by causing irreparable damage to the Company, etc.) will suffer any extraordinary loss in terms of legal rights or economic aspects.

In the event that the Board of Directors of the Company decides to take specific countermeasures, the Board of Directors of the Company will disclose such information in a timely and appropriate manner in accordance with laws and regulations and the rules of the financial instruments exchanges on which the Company is listed.

As one of the countermeasures, for example, if the Company implements a gratis allotment of stock acquisition rights, shareholders will receive an allotment of stock acquisition rights without being required to subscribe for them, and if the Company performs procedures to acquire the stock acquisition rights, shareholders will receive the Company's shares as consideration for the acquisition of the stock acquisition rights without having to pay the amount equivalent to the exercise price of the stock acquisition rights, so no procedures such as application or payment will be required. However, in this case, the Company may separately request shareholders who receive an allotment of stock acquisition rights to submit a written pledge in the form prescribed by the Company that they are not a Large-Scale Purchaser, etc.

Even after the allotment date of stock acquisition rights or after the stock acquisition rights become effective, the Company may, for example, cancel the allotment of stock acquisition rights or acquire the stock acquisition rights without consideration without delivering the Company's shares for the stock acquisition rights by the day before the commencement date of the exercise period of stock acquisition rights due to circumstances such as the withdrawal of a Large-Scale Purchase by a Large-Scale Purchaser. In these cases, shareholders or investors who sell or otherwise dispose of their shares based on the assumption that the value per share will be diluted after the shareholders who are to receive the gratis allotment of such stock acquisition rights are determined (after the ex-rights date) may suffer a commensurate loss due to fluctuations in the share price.

2. Reasonableness of the Plan (regarding the Plan's conformity to the Basic Policy concerning Company Control, its conformity to the corporate value of the Company and, in turn the common interests of its shareholders, and it is not intended to maintain the status of the Company's corporate officers)

In designing the Plan, the Company believes that the Plan is in line with the Basic Policy concerning Company Control, consistent with the Company's corporate value and, in turn the common interests of its shareholders, and does not aim to maintain the status of the Company's corporate officers by taking the following points into consideration.

- (1) The Plan satisfies all the requirements of the guidelines on the takeover response policy.

The Plan satisfies all three principles (principle of protecting and enhancing corporate value and shareholders' common interests, principle of prior disclosure and shareholders' will and principle of ensuring the necessity and reasonableness of defensive measures) prescribed in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" jointly published by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005. It additionally fulfills the three principles (principle of corporate value and shareholders' common interests, principle of shareholders' intent, and principle of transparency) outlined in the "Guidelines for Corporate Takeovers—Enhancing Corporate Value and Securing Shareholders' Interests—" announced by the Ministry of Economy, Trade and Industry on August 31, 2023. It also takes into consideration the contents of the "Takeover Defense Measures in Light of Recent Environmental Changes" published by the Corporate Value Study Group established in the Ministry of Economy, Trade and Industry on June 30, 2008, and the "Principle 1.5 Anti-Takeover Measures" in the "Corporate Governance Code" revised by Tokyo Stock Exchange Inc. on June 11, 2021.

- (2) Continuation for the purpose of securing and enhancing the common interests of shareholders

As noted in the I.1 "Purpose of the Plan" above, the continuation of the Plan is proposed for the purpose of protecting and enhancing the corporate value of the Company and, in turn the common interests of shareholders in the case where a Large-Scale Purchase of shares of the Company is proposed by securing information and time necessary for the shareholders to decide whether to accept the proposal for the Large-Scale Purchase or for the Board of Directors of the Company to present an alternative proposal, as well as by enabling the Company to negotiate with the Large-Scale Purchaser on behalf of its shareholders or to take similar actions.

- (3) Reflecting the intent of shareholders

The Plan is subject to the approval of the shareholders at the General Meeting of Shareholders, and the shareholders will be asked about the continuation to the Plan at the General Meeting of Shareholders, which will reflect the shareholders' intent.

In addition, after the continuation of the Plan, even during the effective period, if a resolution to abolish the Plan is

passed at the Company's General Meeting of Shareholders, the Plan will be abolished at that time, and the shareholders' intent will be reflected.

(4) The Plan respects the judgment of highly independent outside parties and discloses information.

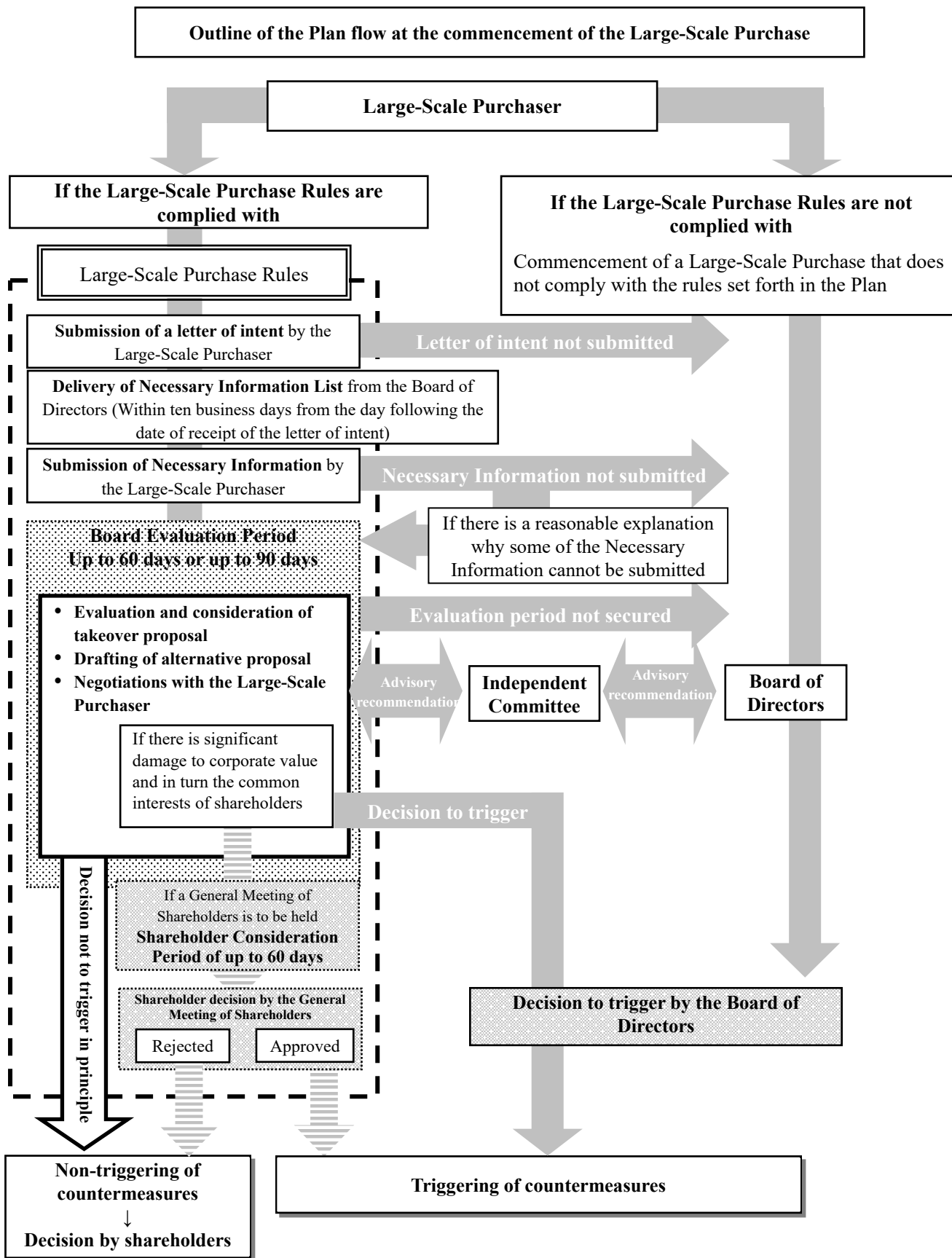
As stated in I.5 "Response policy in the event of a Large-Scale Purchase" above, the triggering of countermeasures under the Plan is subject to consultation with the Independent Committee, which consists of members who are independent of the management team that executes the Company's business, and the recommendations of the Independent Committee are to be respected to the maximum extent possible. In this manner, procedures to ensure the transparent operation of the Plan have been secured in order to contribute to the Company's corporate value and, in turn the common interests of shareholders.

A summary of the Independent Committee's recommendations will be made public.

(5) Neither a dead-hand measure nor a slow-hand measure

The Plan can be abolished by the Board of Directors, which is composed of Directors elected at the Company's General Meeting of Shareholders. Therefore, the Plan is not a dead-hand measure (a countermeasure whose exercise cannot be prevented even after replacing a majority of the members of the Board of Directors). Moreover, the Company is a Company with an Audit and Supervisory Committee, and the term of office for Directors (excluding Directors who are Audit and Supervisory Committee Members) is one year, while for Directors who are Audit and Supervisory Committee Members, it is two years. Since the Company does not use staggered terms for Directors who are Audit and Supervisory Committee Members, the Plan is not a slow-hand response policy (a response policy that requires time to prevent the triggering of the Plan because it is impossible to replace all members of the Board of Directors at the same time). Furthermore, the Company does not impose any additional requirements for the resolution of the dismissal of Directors (excluding Directors who are Audit and Supervisory Committee Members), such as the requirement for a special resolution.

(Appendix 1)



(Note) This diagram is a schematic representation of the typical flow of procedures for the purpose of contributing to an understanding of the Plan, and does not necessarily show all procedures. For details, please refer to the text.

Outline of the Independent Committee Rules

- The Independent Committee shall be established by resolution of the Board of Directors.
- The Independent Committee shall consist of three or more members. In order to enable fair and neutral judgments, the Independent Committee members shall be appointed by resolution of the Board of Directors of the Company from among persons who are either of outside Directors of the Company or outside experts (senior corporate executives with proven track record, ex-government officials, attorneys at law, certified public accountants, persons with academic experience or persons equivalent thereto) and who are independent from the senior executives in charge of business execution of the Company.
- The Independent Committee shall, in principle, make recommendations on matters for which it is consulted by the Board of Directors, together with reasons and grounds for such determination, such as judgments as to whether or not the Large-Scale Purchaser has complied with the Large-Scale Purchase Rules, judgments as to whether or not the Large-Scale Purchase would materially damage the corporate value of the Company and the common interests of shareholders, judgments as to whether or not to trigger countermeasures, judgments as to whether or not to suspend countermeasures once triggered, etc. Each member of the Independent Committee shall make such decisions from the perspective of whether or not they contribute to the corporate value of the Company and, in turn the common interests of its shareholders.
- The Independent Committee may, at the Company's expense, obtain advice from independent third-party outside experts (financial advisors, certified public accountants, lawyers, consultants and other experts) as necessary.
- The resolution of the Independent Committee shall be adopted by a majority of the members.

(Appendix 3)

Career summary of the Independent Committee members

The following three persons are scheduled to be Independent Committee members after the continuation of the Plan.

Name (Date of birth)	Career summary	
Ichiro Wakabayashi (October 25, 1957)	Apr. 1981	Joined Nagase & Co., Ltd.
	Apr. 2008	General Manager of Industrial Materials Division
	Apr. 2010	Executive Officer and General Manager of Industrial Materials Division
	June 2015	Director and Executive Officer
	Apr. 2018	Director and Managing Executive Officer
	Apr. 2019	Representative Director and Managing Executive Officer
	June 2021	Advisor
	June 2022	Resigned from Nagase & Co., Ltd.
	June 2023	Outside Director of Sekisui Kasei Co., Ltd. (Current) Appointed as Outside Audit & Supervisory Board Member of the Company
	June 2025	Appointed as Outside Director, Audit and Supervisory Committee Member of the Company (Current)
Shuichiro Ikari (January 2, 1960)	Apr. 1978	Joined Tokyo Regional Taxation Bureau
	June 2002	Obtained the Certificate of Tax Accountant
	July 2016	District Director of Fujisawa Tax Office
	July 2019	Assistant Regional Commissioner of the Fourth Large Enterprise Department of Tokyo Regional Taxation Bureau
	July 2020	Resigned from Tokyo Regional Taxation Bureau
	Aug. 2020	Opened Ikari Tax Accountant Office (Current)
	Apr. 2021	Advisor Tax Accountant of the Company
	June 2021	Substitute Audit & Supervisory Board Member of the Company
	Dec. 2021	Outside Auditor of STEP CO., LTD (Current)
	June 2023	Outside Director of Central General Development Co., Ltd. (Current)
	Apr. 2024	Senior Partner of Ikari Accounting Office LLC (Current)
	June 2025	Appointed as Outside Director, Audit and Supervisory Committee Member of the Company (Current)
	Mar. 2026	Outside Auditor of AKTIO HOLDINGS Corporation (Current)
Hirokazu Takamatsu (January 11, 1963)	Apr. 1981	Joined Tokyo Regional Taxation Bureau
	July 2017	District Director of Shimada Tax Office
	July 2018	Director, Personnel Evaluation Division of Planning and Administration Department of Tokyo Regional Taxation Bureau
	July 2019	Director, Co-ordination Division of the Third Large Enterprise Examination Department
	July 2020	Director, Co-ordination Division of the First Large Enterprise Examination Department
	July 2021	Deputy Assistant Regional Commissioner of the Fourth Large Enterprise Department
	July 2022	Assistant Regional Commissioner of the Third Large Enterprise Department
	July 2023	Assistant Internal Inspector of Tokyo Regional Taxation Bureau, Commissioner's Secretariat of National Tax Agency (for reelection)
	July 2024	Resigned from Tokyo Regional Taxation Bureau
	Aug. 2024	Opened Takamatsu Tax Accountant Office (Current)
	Apr. 2025	Advisor Tax Accountant of the Company (Current)
	June 2025	Substitute Director, Audit and Supervisory Committee Member of the Company (Current)

There is no special interest between the Independent Committee members and the Company.

The Company has submitted notification to Tokyo Stock Exchange Inc. that the outside Directors who are Audit and Supervisory Committee members Ichiro Wakabayashi and Shuichiro Ikari have been designated as independent officers as provided for by the aforementioned exchange.

Outline of the gratis allotment of the stock acquisition rights

1. Shareholders eligible for gratis allotment of the stock acquisition rights and the method of allotment

The Company will newly allot stock acquisition rights to shareholders recorded in the final shareholders' register as of the allotment date determined by the Board of Directors of the Company at a ratio of one stock acquisition right per one share of common stock of the Company held by such shareholders (excluding, however, common stock of the Company held by the Company) without requiring new payment.

2. Class and number of shares that are the subject of the stock acquisition rights

The class of shares to be issued upon exercise of stock acquisition rights shall be common stock of the Company, and the number of shares to be issued upon exercise of each stock acquisition right shall be one share. However, the necessary adjustments shall be made if the Company conducts a stock split or a reverse stock split.

3. Total number of stock acquisition rights to be allotted to shareholders

The total number of stock acquisition rights to be allotted to shareholders shall be limited to the number obtained by subtracting the total number of outstanding shares of common stock of the Company (excluding, however, common stock of the Company held by the Company) from the total number of shares authorized to be issued by the Company as of the allotment date, as determined by the Board of Directors of the Company. The Board of Directors of the Company may allot stock acquisition rights more than once.

4. Assets to be contributed upon exercise of the stock acquisition rights and their value

Assets to be contributed upon exercise of each stock acquisition right shall be in the form of cash, the value of which shall be determined by the Board of Directors of the Company in an amount of one yen or more. In the event that the Board of Directors of the Company decides to acquire the stock acquisition rights, the Company may deliver new shares to the shareholders as consideration for the acquisition of the stock acquisition rights by the Company without payment of an amount equivalent to the exercise price.

5. Restrictions on the transfer of the stock acquisition rights

Acquisition of stock acquisition rights by transfer of stock acquisition rights shall be subject to the approval of the Board of Directors of the Company.

6. Exercise conditions of the stock acquisition rights

Provide for exercise conditions such as that the person must not belong to a specific group of shareholders who hold 20% or more of the voting rights (excluding those who have been approved in advance by the Board of Directors of the Company). The details shall be separately determined by the Board of Directors of the Company.

7. Exercise period, etc. of the stock acquisition rights

The date when the allotment of stock acquisition rights becomes effective, exercise period, acquisition terms and other necessary matters shall be separately determined by the Board of Directors of the Company. With respect to the acquisition terms, the Company may stipulate a clause to the effect that the Company may acquire stock acquisition rights held by persons other than those who are not permitted to exercise stock acquisition rights under the exercise conditions stipulated in 6. above and deliver the number of shares of common stock of the Company separately determined by the Board of Directors of the Company per one stock acquisition right or that the Company may acquire stock acquisition rights without consideration without delivering shares of the Company for each stock acquisition right. The Company does not expect to deliver money as consideration for the acquisition of stock acquisition rights held by persons who are not permitted to exercise their stock acquisition rights under the exercise conditions set forth in 6. above.