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Securities Code: 6142

May 12, 2025

Start date of measures for electronic provision: April 25, 2025

Dear Shareholders:

Makoto Mori, Chairman, President and CEO

**FUJI SEIKO LIMITED**

26 Hirako, Yoshiwara-cho, Toyota-shi, Aichi, Japan

## **Notice of Convocation of the 67th Annual General Meeting of Shareholders**

We are pleased to announce the 67th Annual General Meeting of Shareholders of FUJI SEIKO LIMITED (the “Company”), which will be held as indicated below.

When convening this annual general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format. This information is posted on the following websites. Please visit either of these websites to confirm your information.

[Our Website]

<https://www.c-max.co.jp/ir/stock/meeting/> (in Japanese)

[Website for Posted Informational Materials for the General Meeting of Shareholders]

<https://d.sokai.jp/6142/teiji/> (in Japanese)

[Nagoya Stock Exchange Website (Listed Companies)]

<https://www.nse.or.jp/listing/search/> (in Japanese)

Enter and search “FUJI SEIKO” in “Issue Name” or “6142 (half width)” in “Code.”

**If you are not attending the Meeting, you may exercise your voting rights in writing (by postal mail) or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:00 p.m. on Monday, May 26, 2025 (JST).**

**1. Date and Time: Tuesday, May 27, 2025, at 10:00 a.m. (JST) (Reception desk is scheduled to open at 9:00 a.m.)**

**2. Place:** Head Office of the Company  
26 Hirako, Yoshiwara-cho, Toyota-shi, Aichi, Japan

### **3. Agenda of the Meeting:**

#### **Matters to be reported:**

1. The Business Report and the Consolidated Financial Statements for the 67th fiscal year (from March 1, 2024 to February 28, 2025), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 67th fiscal year (from March 1, 2024 to February 28, 2025)

#### **Proposals to be resolved:**

- |                       |   |
|-----------------------|---|
| <b>Proposal No. 1</b> | Appropriation of Surplus                                    |
| <b>Proposal No. 2</b> | Amendment to the Articles of Incorporation                  |
| <b>Proposal No. 3</b> | Election of Six Directors                                   |
| <b>Proposal No. 4</b> | Election of One Substitute Audit & Supervisory Board Member |

- When you exercise your voting rights in writing (by postal mail), if neither approval nor disapproval of a proposal is indicated on the Voting Rights Exercise Form, it will be treated as a vote for approval.
- Please present the Voting Rights Exercise Form at the reception desk on arrival at the meeting. Also, please bring this document to the meeting for use as a meeting agenda. Please be aware that anyone other than a shareholder who is entitled to exercise voting rights, such as a non-shareholding proxy or person accompanying a shareholder, is not allowed to attend the meeting.
- For shareholders with physical disabilities: if you require wheelchair support, guidance to your seat, assistance through written communication at reception, or if you are going to be accompanied, please contact us by May 22. Additionally, please note that there are no wheelchair-accessible restrooms available, so we kindly ask you to take care of such needs in advance before arriving.
- Paper-based documents stating the items subject to measures for electronic provision are sent to shareholders who have requested the delivery of paper-based documents, however those documents do not include the following matters in accordance with the provisions of laws and regulations and Article 16 of the Company's Articles of Incorporation.
  - "Consolidated Statements of Changes in Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements
  - "Statements of Changes in Equity" and "Notes to the Non-consolidated Financial Statements" of the Non-consolidated Financial Statements

Accordingly, the Consolidated Financial Statements and Non-consolidated Financial Statements included in this document are a part of the documents that were audited by the Accounting Auditor in preparing the Accounting Auditor's Report and by the Audit & Supervisory Board Members in preparing their Audit Report.

- If there is any revision in the items subject to measures for electronic provision, the Company will disclose that fact and post the original and revised versions of the items on each of the websites listed on the previous page.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

1. Appropriation of surplus

The Company recorded loss and -¥3,209 million of retained earnings brought forward in the fiscal year. However, in order to pay stable dividends to its shareholders, the Company proposes to pay as follows by reversing a portion of general reserve:

- (1) Item of surplus to be decreased and amount of decrease  
General reserve: ¥3,800,000,000
- (2) Item of surplus to be increased and amount of increase  
Retained earnings brought forward: ¥3,800,000,000

2. Year-end dividends

The Company considers it one of the basic policies to give consideration to matters including business performance and dividend payout ratio based on the maintenance of stable dividends, while paying attention to the enhancement of internal reserves to put the Company on a firmer footing.

Although we recorded loss in the fiscal year, the Company propose to pay year-end dividends as follows:

- (1) Type of dividend property  
Cash
- (2) Allotment of dividend property and its aggregate amount  
Common shares of the Company ¥25 per share  
Total dividends ¥89,414,325
- (3) Effective date of dividend of surplus  
May 28, 2025

## Proposal No. 2      Amendment to the Articles of Incorporation

### 1. Reasons for proposal

To clarify the principle lines of business based on the current business activities of the Company, we propose to make additions to the purposes of the business described in Article 2 (Purpose) of the Articles of Incorporation.

### 2. Amendment details

The amendments are as follows:

(Underlined parts are to be amended.)

Current Articles of Incorporation	Proposed amendments
<p>(Purpose) Article 2</p> <p>The purpose of the Company shall be to engage in the following business activities:</p> <p>(1) Manufacture and sale of carbide tools, diamond tools, other cutting tools, holders and jigs</p> <p>(2) Manufacture and sale of moldings</p> <p>(3) Manufacture and sale of <u>machine tools</u>, their parts and accessories</p> <p>(4) Manufacture and sale of automotive parts</p> <p>(5) Process of metal surface</p> <p>(6) Sale of grinding wheels and their materials</p> <p>(7) Manufacture and sale of measurement equipment (Newly established)</p> <p><u>(8) Import and export for the above products</u></p> <p><u>(9) Design of communication and information processing equipment, automatic design and drawing systems and semiconductor integrated circuits. Development, design, production and sales of software.</u></p> <p><u>(10) Design, manufacture, installation and sale of water purifiers, air cleaners, sterilization, deodorization and waste treatment equipment</u></p> <p><u>(11) Business related to agencies for non-life insurance and invitation for life insurance</u></p> <p><u>(12) Sale, leasing, brokerage and management of real estate</u></p> <p><u>(13) Operation and management of education facilities</u></p> <p><u>(14) All businesses that are incidental to those mentioned in the preceding items.</u></p>	<p>(Purpose) Article 2</p> <p>The purpose of the Company shall be to engage in the following business activities:</p> <p>(1) Manufacture and sale of carbide tools, diamond tools, other cutting tools, holders and jigs</p> <p>(2) Manufacture and sale of moldings</p> <p>(3) Manufacture and sale of <u>industrial machinery equipment</u>, their parts and accessories</p> <p>(4) Manufacture and sale of automotive parts</p> <p>(5) Process of metal surface</p> <p>(6) Sale of grinding wheels and their materials</p> <p>(7) Manufacture and sale of measurement equipment</p> <p><u>(8) Purchase and sale of used equipment and related machinery, devices, jigs and other tools</u></p> <p><u>(9) Import and export for the above products</u></p> <p><u>(10) Design of communication and information processing equipment, automatic design and drawing systems and semiconductor integrated circuits. Development, design, production and sales of software.</u></p> <p><u>(11) Design, manufacture, installation and sale of water purifiers, air cleaners, sterilization, deodorization and waste treatment equipment</u></p> <p><u>(12) Business related to agencies for non-life insurance and invitation for life insurance</u></p> <p><u>(13) Sale, leasing, brokerage and management of real estate</u></p> <p><u>(14) Operation and management of education facilities</u></p> <p><u>(15) All businesses that are incidental to those mentioned in the preceding items.</u></p>

### Proposal No. 3 Election of Six Directors

The terms of office of all five Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of six Directors, increasing the number of Directors by one to strengthen the management system.

In regard to the election of candidates for Director, the election is determined by the Board of Directors taking into consideration a report from the Appointment and Compensation Advisory Committee, which is a voluntary advisory body.

The candidates for Director are as follows:

Candidate No.	Name	Current position in the Company	Attribute	Knowledge, experience and expertise possessed by the candidate					
				Corporate Management	Internationality	Sales	Financial Accounting	Technical Quality	Legal Risk
1	Makoto Mori	Chairman, President and CEO	[Reelection]	○	○	○	○	○	
2	Naoki Shinoda	Managing Director and Chief Division Officer of Sales	[Reelection]	○	○	○		○	
3	Hitoshi Mori	Executive Officer and Deputy Chief Division Officer of Administration	[New election]	○	○		○		
4	Yoshitaka Asano	Director	[Reelection] [Outside] [Independent]	○	○			○	
5	Keiko Ogawa	Director	[Reelection] [Outside] [Independent]	○		○	○		○
6	Takahiro Kondo	—	[New election] [Outside] [Independent]	○	○	○			○

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Makoto Mori (January 16, 1948) [Reelection]	Mar. 1971      Joined the Company Mar. 1982      Main Factory Manager May 1982      Director, Main Factory Manager May 1987      Managing Director May 1994      Senior Managing Director May 1997      President Oct. 1997      Director of Accuromm USA, Inc. Feb. 2000      Director of Fuji Engineering Co., Ltd. July 2000      President of C-max Limited (current position) Apr. 2011      Vice President of Dalian Fuji Tool Co., Ltd. Aug. 2012      Chairman of Fuji Engineering Co., Ltd. May 2018      Chairman of the Company May 2023      Chairman, President and CEO (current position) Apr. 2024      President of Dalian Fuji Tool Co., Ltd. (current position)  [Significant concurrent positions outside the Company] President of C-max Limited	130,200
<p>Reasons for nomination as candidate for Director</p> <ul style="list-style-type: none"> <li>- Makoto Mori has been striving for development, leading the way in the Company's management for many years as Director and Main Factory Manager of the Company since 1982 and President of the Company since 1997. In addition, he concurrently serves as Vice President of an overseas subsidiary of the Company, and has high expertise in global business development and management supervision. Utilizing his abundant experience, he has assumed duties as a representative of the Company in the administration of execution and operation management of the Company business strategies and external matters including diverse activities of the financial world and industry groups, and is fully engaged in his role in a position to oversee all aspects of management. The Company proposes his reelection as Director as he is deemed to be an appropriate person to sustainably increase the corporate value.</li> </ul> <p>Other matters to note regarding the candidate for Director</p> <ul style="list-style-type: none"> <li>- There is no special interest between Mr. Mori and the Company.</li> <li>- The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company that includes all Directors as insureds and covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties or in pursuit of such liability. In the event he takes office of Director, he will be covered by the insurance policies. The Company intends to renew the agreement in June 2025.</li> </ul>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Naoki Shinoda (October 27, 1970) [Reelection]	Apr. 1996      Joined the Company Mar. 2016      General Manager of Engineering Department Apr. 2017      Director of Accuromm Central Europe Sp. z o.o. Mar. 2018      Executive Officer and Chief Division Officer of Engineering of the Company Mar. 2020      Director of HanBoo Engineering Co., Ltd. Jun. 2020      Director of Accuromm USA, Inc. Mar. 2021      Director of SIGA MACHINE TOOL CO., LTD. Apr. 2021      Director of Accuromm MEXICO S.A. de C.V. Mar. 2022      Director of Fuji Engineering Co., Ltd. May 2023      Managing Director and Chief Division Officer of Engineering of the Company Mar. 2024      Managing Director and Chief Division Officer of Sales (current position) [Significant concurrent positions outside the Company] None	2,300
<p>Reasons for nomination as candidate for Director</p> <ul style="list-style-type: none"> <li>- Naoki Shinoda has been assigned to the Engineering Department and has demonstrated his ability in a wide range of fields from design to technical proposals.</li> </ul> <p>Working together with the Sales Department, he would visit customers and bring back problems that they have received from customers and thoroughly investigate them to contribute to improvements. This proves his strong sense of responsibility and mentality, and his achievements and knowledge are highly evaluated. He is also noted for his extensive overseas experience. Currently, as Managing Director and Chief Division Officer of Sales, he carries out his duties with a focus on expanding sales channels as well as technical aspects. The Company proposes his reelection as Director as he is deemed to be an appropriate person to serve as a key link between the sales and engineering divisions of the Company.</p> <p>Other matters to note regarding the candidate for Director</p> <ul style="list-style-type: none"> <li>- There is no special interest between Mr. Shinoda and the Company.</li> <li>- The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company that includes all Directors as insureds and covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties or in pursuit of such liability. In the event he takes office of Director, he will be covered by the insurance policies. The Company intends to renew the agreement in June 2025.</li> </ul>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)		Number of the Company's shares owned
3	Hitoshi Mori (February 21, 1976) [New election]	Apr. 2004	Joined the Company	92,300
		Jan. 2012	Director of Accuromm USA, Inc.	
		Mar. 2015	General Manager of Manufacturing Department	
		Mar. 2021	Representative Director and President of Fuji Engineering Co., Ltd.	
		Mar. 2024	Executive Officer and Deputy Chief Division Officer of Administration (current position)	
		Apr. 2024	Chief Commissioner of Komisaris of PT. FUJI PRESISI-TOOL INDONESIA (current position)	
		[Significant concurrent positions outside the Company] None		
	Reasons for nomination as candidate for Director			
	<p>- Hitoshi Mori is a new candidate for Director. He has experience of being seconded to companies including Toyota Motor Corporation and UNION TOOL CO. and acting as Director of Accuromm USA, Inc. and Representative Director and President of Fuji Engineering Co., Ltd. He has also handled management as General Manager of Manufacturing Department and Executive Officer and Deputy Chief Division Officer of Administration of the Company, and his track record and knowledge are highly regarded. Utilizing his abundant experience through overseas posting and domestic secondment, we will try to bring young energy into the board members. In addition, believing that he will promote innovation within the Company and deeming him to be an appropriate person to increase the corporate value sustainably, the Company proposes his election as Director.</p>			
	Other matters to note regarding the candidate for Director			
	<p>- Mr. Mori serves concurrently as Chief Commissioner of Komisaris of PT. FUJI PRESISI-TOOL INDONESIA. The Company has business relations with PT. FUJI PRESISI-TOOL INDONESIA such as product sales.</p> <p>- The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company that includes all Directors as insureds and covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties or in pursuit of such liability. In the event he takes office of Director, he will be covered by the insurance policies. The Company intends to renew the agreement in June 2025.</p>			



Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Yoshitaka Asano (June 25, 1951) [Reelection] [Outside] [Independent]	<p>Apr. 1975      Joined NIPPONDENSO CO., LTD. (currently DENSO CORPORATION)</p> <p>Jan. 1999      General Manager of Diesel Production Department</p> <p>Jan. 2004      President of Siam DENSO manufacturing Co., Ltd.</p> <p>Jun. 2006      Managing Executive Officer of Production Engineering of DENSO CORPORATION</p> <p>Jun. 2009      Managing Executive Officer of Procurement</p> <p>Jun. 2010      Advisor</p> <p>Jun. 2010      President of DENSO Manufacturing Kitakyushu Co., Ltd. (currently DENSO Kyushu Corporation)</p> <p>Apr. 2014      Advisor</p> <p>Aug. 2015      Technical Advisor of DMG MORI CO., LTD.</p> <p>Apr. 2019      Technical Advisor of the Company</p> <p>Apr. 2020      Advisor</p> <p>May 2023      Outside Director (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>None</p>	100
	<p>Reasons for nomination as candidate for outside Director and overview of expected roles</p> <ul style="list-style-type: none"> <li>- Yoshitaka Asano is a candidate for outside Director. He has extensive experience in the automotive industry and a high level of insight regarding tool technology. The Company proposes his reelection as outside Director as his track record and insight are highly regarded and as he will play a sufficient role in making decisions on important management matters and supervising the execution of business operations of the Company.</li> </ul> <p>Other matters to note regarding the candidate for outside Director</p> <ul style="list-style-type: none"> <li>- There is no special interest between Mr. Asano and the Company.</li> <li>- Mr. Asano is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure as outside Director will have been two years.</li> <li>- The Company has submitted notification to Nagoya Stock Exchange, Inc. that he has been designated as an independent officer as provided for by the aforementioned exchange.</li> <li>- The Company has entered into an agreement with him, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, to limit his liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for by laws and regulations. If his reelection is approved, the Company plans to renew the aforementioned agreement with him.</li> <li>- The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company that includes all Directors as insureds and covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties or in pursuit of such liability. In the event he takes office of outside Director, he will be covered by the insurance policies. The Company intends to renew the agreement in June 2025.</li> </ul>		

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	Keiko Ogawa (December 5, 1955) [Reelection] [Outside] [Independent]	<p>Aug. 1989      Joined UNION TOOL CO.</p> <p>Dec. 2007      General Manager of Internal Audit Department</p> <p>Feb. 2014      Executive Officer and General Manager of Internal Audit Department</p> <p>Mar. 2018      Executive Officer and Administrative Division Manager</p> <p>Mar. 2020      Audit &amp; Supervisory Board Member</p> <p>Mar. 2022      Executive Officer and Marketing Division Manager (current position)</p> <p>May 2024      Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Executive Officer and Marketing Division Manager of UNION TOOL CO.</p>	100
	<p>Reasons for nomination as candidate for outside Director and overview of expected roles</p> <ul style="list-style-type: none"> <li>- Keiko Ogawa is a candidate for outside Director. She has been active as Executive Officer and Marketing Division Manager of UNION TOOL CO. The Company proposes her reelection as outside Director as her track record and insight are highly regarded and as she will play a sufficient role in making decisions on important management matters and supervising the execution of business operations of the Company.</li> </ul> <p>Other matters to note regarding the candidate for outside Director</p> <ul style="list-style-type: none"> <li>- Ms. Ogawa serves as Executive Officer and Marketing Division Manager of UNION TOOL CO. The Company has business relations with UNION TOOL CO. such as product supply.</li> <li>- Ms. Ogawa is currently an outside Director of the Company, and at the conclusion of this meeting, her tenure as outside Director will have been one year.</li> <li>- The Company has submitted notification to Nagoya Stock Exchange, Inc. that she has been designated as an independent officer as provided for by the aforementioned exchange.</li> <li>- The Company has entered into an agreement with her, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, to limit her liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for by laws and regulations. If her reelection is approved, the Company plans to renew the aforementioned agreement with her.</li> <li>- The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company that includes all Directors as insureds and covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties or in pursuit of such liability. In the event she takes office of outside Director, she will be covered by the insurance policies. The Company intends to renew the agreement in June 2025.</li> </ul>		

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	Takahiro Kondo (January 1, 1958) [New election] [Outside] [Independent]	Apr. 1981      Joined Toyota Tsusho Corporation Mar. 2006      General Manager of Textile Machinery Department Jun. 2009      Executive Officer and Representative of China Apr. 2014      Managing Executive Officer Apr. 2018      Senior Managing Executive Officer and CEO for Asia Mar. 2020      Executive Vice President and CCO Jun. 2020      Representative Director, Executive Vice President and CCO Jun. 2024      Senior Executive Advisor Aug. 2024      Advisor of the Company (current position) [Significant concurrent positions outside the Company] None	—
	Reasons for nomination as candidate for outside Director and overview of expected roles - Takahiro Kondo is a new candidate for outside Director. Mr. Kondo served as Representative Director, Executive Vice President and CCO of Toyota Tsusho Corporation and has extensive experience and knowledge about global management. In particular, he is an expert in China business. The Company proposes his election as outside Director as he will play a sufficient role in making decisions on important management matters and supervising the execution of business operations of the Company. Other matters to note regarding the candidate for outside Director - There is no special interest between Mr. Kondo and the Company. - Mr. Kondo satisfies the requirements for an independent officer as provided for by Nagoya Stock Exchange, Inc., and the Company plans to designate him as an independent officer and submit notification to the aforementioned exchange after he is appointed as outside Director. - If Mr. Kondo is appointed as outside Director, the Company will enter into an agreement with him, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, to limit his liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under this agreement will be limited to the amount provided for by laws and regulations. - The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company that includes all Directors as insureds and covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties or in pursuit of such liability. In the event he takes office of outside Director, he will be covered by the insurance policies. The Company intends to renew the agreement in June 2025.		

**Proposal No. 4** Election of One Substitute Audit & Supervisory Board Member

The Company requests approval for the election of one substitute outside Audit & Supervisory Board Member to be ready for the situation in which the number of the Company's outside Audit & Supervisory Board Members falls short of that required by laws and regulations.

The consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for substitute outside Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
Chiemi Oba (March 23, 1961)	<p>Apr. 1990      Joined UNION TOOL CO.</p> <p>Mar. 2018      General Manager of Internal Audit Department</p> <p>Mar. 2021      Audit &amp; Supervisory Board Member (current position) Auditor of TAIWAN UNION TOOL CORP. a subsidiary (current position)</p> <p>Mar. 2022      Auditor of UNION TOOL (SHANGHAI) CO., LTD. a subsidiary (current position) Auditor of DONGGUAN UNION TOOL LTD. a subsidiary (current position)</p> <p>[Significant concurrent positions outside the Company] Audit &amp; Supervisory Board Member of UNION TOOL CO.</p>	—
<p>Reasons for nomination as candidate for substitute outside Audit &amp; Supervisory Board Member</p> <ul style="list-style-type: none"> <li>- Chiemi Oba is a candidate for substitute outside Audit &amp; Supervisory Board Member. She has a high level of insight into corporate management, including having served as General Manager of Internal Audit Department of UNION TOOL CO. She currently plays an active role as Audit &amp; Supervisory Board Member of UNION TOOL CO. and Auditor of its subsidiaries. She fully understands her responsibilities and duties as Audit &amp; Supervisory Board Member. The Company considers that if she is appointed as an outside Audit &amp; Supervisory Board Member, she will perform audits on legality and appropriateness from an objective standpoint. Therefore, the Company proposes her election as substitute outside Audit &amp; Supervisory Board Member.</li> </ul> <p>Other matters to note regarding the candidate for substitute outside Audit &amp; Supervisory Board Member</p> <ul style="list-style-type: none"> <li>- There is no special interest between Ms. Oba and the Company.</li> <li>- Ms. Oba satisfies the requirements for an independent officer as provided for by Nagoya Stock Exchange, Inc., and the Company plans to designate her as an independent officer and submit notification to the aforementioned exchange after she is appointed as outside Audit &amp; Supervisory Board Member.</li> <li>- If Ms. Oba is appointed as outside Audit &amp; Supervisory Board Member, the Company will enter into an agreement with her, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, to limit her liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under this agreement will be the minimum liability amount provided for by laws and regulations.</li> <li>- The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company that includes all Audit &amp; Supervisory Board Members as insureds and covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties or in pursuit of such liability. In the event she takes office of outside Audit &amp; Supervisory Board Member, she will be covered by the insurance policies. The Company intends to renew the agreement in June 2025.</li> </ul>		