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Securities code: 6517

June 4, 2026

To our shareholders:

Takanori Yoshinaga  
Representative Director, President  
**Denyo Co., Ltd.**  
2-8-5, Nihonbashi-horidomecho, Chuo-ku, Tokyo  
103-8566, Japan

## NOTICE OF THE 78th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially notified of the 78th Ordinary General Meeting of Shareholders of Denyo Co., Ltd. (the “Company”), which will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on the Company’s website. Please access the website below to view the information.

The Company’s website: [https://www.denyo.co.jp/english/ir/financial\\_report/](https://www.denyo.co.jp/english/ir/financial_report/)

(The data of “Notice of the 78th Ordinary General Meeting of Shareholders” is at the bottom of this webpage.)

In addition to the Company’s website mentioned above, matters subject to measures for electronic provision are also posted on the Tokyo Stock Exchange (TSE) (Listed Company Search) website listed below.

TSE 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 “Denyo” in “Issue name (company name)” or the Company’s securities code “6517” 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].”)

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the internet, etc. Please exercise your voting rights after reviewing the attached Reference Documents for the General Meeting of Shareholders so that your votes are received no later than 5:00 p.m., Thursday, June 25, 2026 (Japan Standard Time).

- 1. Date and Time:** Friday, June 26, 2026 at 10:00 a.m. (Japan Standard Time)
- 2. Venue:** 3F Room 1/2/3, Belle Salle Yaesu, Yaesu First Financial Building  
1-3-7, Yaesu, Chuo-ku, Tokyo

### 3. Purposes:

#### Items to be reported:

1. Business Report and Consolidated Financial Statements for the 78th Term (from April 1, 2025 to March 31, 2026), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. Non-Consolidated Financial Statements for the 78th Term (from April 1, 2025 to March 31, 2026)

#### Item to be resolved:

##### <Company Proposal (Proposal 1)>

- Proposal 1:** Election of Eight (8) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

**<Shareholder Proposal (Proposal 2)>**

**Proposal 2:** Partial Amendments to the Articles of Incorporation Regarding the Number of Outside Directors

**4. Matters Decided for Convocation:**

- (1) If there is no indication of approval or disapproval of the proposal on the voting form, it shall be deemed as an intention of approval for Company Proposal, and disapproval for Shareholder Proposal.
- (2) If you exercise your voting rights several times via the internet, etc., the last vote will be upheld as valid. If your voting rights are duplicated in writing due to the re-issue of the voting form, the same will apply. However, if you exercise multiple voting rights in writing and via the internet, etc., the exercise via the internet, etc. will be upheld as valid.

## Reference Documents for the General Meeting of Shareholders

### <Company Proposal (Proposal 1)>

Proposal 1 is proposed by the Company.

**Proposal 1:** Election of Eight (8) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The term of office of all eight (8) of the Company's Directors (excluding Directors who are Audit and Supervisory Committee members; hereinafter the same shall apply to this Proposal) will expire at the conclusion of this Ordinary General Meeting of Shareholders.

Accordingly, the Company proposes the election of eight (8) Directors.

Furthermore, the Audit and Supervisory Committee has provided the opinion that all candidates for Director in this Proposal are qualified.

The candidates for Directors are as follows.

No.	Name	Candidate attribution	Position	Attendance at BOD meetings during the year	Tenure as Director
1	Takanori Yoshinaga	Reelection Internal Male	Representative Director, President	14/14	7 years
2	Masao Yamada	Reelection Internal Male	Director Managing Executive Officer	14/14	7 years
3	Makoto Tanabe	Reelection Internal Male	Director Managing Executive Officer	14/14	5 years
4	Kenichi Otomo	Reelection Internal Male	Director Senior Executive Officer	14/14	3 years
5	Masakazu Minato	Reelection Internal Male	Director Senior Executive Officer	14/14	2 years
6	Shoichiro Fujimoto	Reelection Internal Male	Director Senior Executive Officer	10/10	1 year
7	Makoto Koto	Reelection Outside Independent Male	Outside Director	14/14	3 years
8	Yukiko Kikkawa	Reelection Outside Independent Female	Outside Director	10/10	1 year

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p>Takanori Yoshinaga (April 12, 1963)</p> <p>Reelection Internal Male</p> <p>Attendance at Board of Directors meetings during the year: 14/14 Attendance: 100%</p>	<p>Apr. 1986      Joined the Company</p> <p>Apr. 2013      General Manager, Engineering Department, Development Division of the Company</p> <p>Apr. 2017      Executive Officer, General Manager, Engineering Department, Development Division of the Company</p> <p>Apr. 2019      Executive Officer, Chief Executive, Development Division of the Company</p> <p>June 2019      Director, Executive Officer, Chief Executive, Development Division of the Company</p> <p>Apr. 2021      Director, Senior Executive Officer, Chief Executive, Development Division, Responsible for Production Division, Overseas Manufacturing Subsidiary of the Company</p> <p>Apr. 2023      Representative Director, President of the Company (to the present)</p>	18,260 shares
<p>[Reasons for nomination as candidate for Director] Mr. Takanori Yoshinaga has served in positions in the development division of the Company for many years. The Company judges that his participation in the Company's management-level decision-making will contribute to the Company's sustainable growth and medium- to long-term enhancement of corporate value as someone able to promote further product development utilizing his extensive knowledge of products and responsible for various forms of planning based on his experience in corporate planning. As a result, the Company again nominated him as candidate for Director.</p> <p>[Special interests with the Company] None</p>			
2	<p>Masao Yamada (December 5, 1964)</p> <p>Reelection Internal Male</p> <p>Attendance at Board of Directors meetings during the year: 14/14 Attendance: 100%</p>	<p>Apr. 1985      Joined the Company</p> <p>Apr. 2016      General Manager, Quality Management Department, Quality Management Division of the Company</p> <p>Apr. 2018      Executive Officer, General Manager, Quality Management Department, Quality Management Division of the Company</p> <p>Apr. 2019      Executive Officer, Chief Executive, Quality Management Division of the Company</p> <p>June 2019      Director, Executive Officer, Chief Executive, Quality Management Division of the Company</p> <p>Apr. 2021      Director, Senior Executive Officer, Chief Executive, Quality Management Division of the Company</p> <p>Apr. 2023      Director, Managing Executive Officer, Chief Executive, Development Division, Responsible for Production Division, Overseas Manufacturing Subsidiary of the Company (to the present)</p>	14,180 shares
<p>[Reasons for nomination as candidate for Director] Mr. Masao Yamada has served in positions in the development and quality control divisions of the Company. The Company judges that his participation in the Company's management-level decision-making will contribute to the Company's sustainable growth and medium- to long-term enhancement of corporate value, from the perspective of supporting safe and secure product development through efforts to advance quality control utilizing his broad experience. As a result, the Company again nominated him as candidate for Director.</p> <p>[Special interests with the Company] None</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p style="text-align: center;">Makoto Tanabe (August 27, 1961)</p> <p style="text-align: center;">Reelection Internal Male</p> <p style="text-align: center;">Attendance at Board of Directors meetings during the year: 14/14 Attendance: 100%</p>	<p>Apr. 1984      Joined The Dai-ichi Mutual Life Insurance Company (currently The Dai-ichi Life Insurance Company, Limited)</p> <p>Apr. 2008      General Manager, Personnel Department, Administration Division of the Company</p> <p>July 2009      General Manager, Personnel Department and General Affairs Department, Administration Division of the Company</p> <p>Apr. 2011      Executive Officer, General Manager, Personnel Department, Administration Division of the Company</p> <p>Apr. 2013      Executive Officer, General Manager, General Affairs Department and Personnel Department, Administration Division of the Company</p> <p>Apr. 2015      Executive Officer, General Manager, General Affairs Department and Finance Department, Administration Division of the Company</p> <p>Apr. 2018      Senior Executive Officer, General Manager, Planning &amp; Coordination Department and Finance Department, Administration Division of the Company</p> <p>Apr. 2020      Senior Executive Officer, General Manager, Planning &amp; Coordination Office of the Company</p> <p>Apr. 2021      Senior Executive Officer, Chief Executive, Administration Division of the Company</p> <p>June 2021      Director, Senior Executive Officer, Chief Executive, Administration Division of the Company</p> <p>Apr. 2023      Director, Managing Executive Officer, Chief Executive, Administration Division of the Company</p> <p>June 2023      Director, Managing Executive Officer, Chief Executive, Administration Division, General Manager, Personnel Department of the Company</p> <p>Apr. 2025      Director, Managing Executive Officer, Chief Executive, Administration Division of the Company (to the present)</p>	10,820 shares
<p>[Reasons for nomination as candidate for Director] Mr. Makoto Tanabe has served in positions in the corporate planning and administrative fields of the Company for many years. The Company judges that his participation in the Company's management-level decision-making will contribute to the Company's sustainable growth and medium- to long-term enhancement of corporate value, from the perspective of enhancing management on the variously ever-changing finance, IT and HR fields utilizing his broad experience. As a result, the Company again nominated him as candidate for Director.</p> <p>[Special interests with the Company] None</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
4	<p style="text-align: center;">Kenichi Otomo (January 14, 1969)</p> <p style="text-align: center;">Reelection Internal Male</p> <p style="text-align: center;">Attendance at Board of Directors meetings during the year: 14/14 Attendance: 100%</p>	<p>July 2003      Joined Denyo Techno Service Co., Ltd.</p> <p>Jan. 2006      Transferred to the Company</p> <p>Apr. 2017      General Manager, Plant &amp; Project Department, Sales Division of the Company</p> <p>Apr. 2020      Executive Officer, General Manager, International Sales Department I, Sales Division of the Company</p> <p>Apr. 2021      Executive Officer, Head of International Sales Unit, General Manager, International Sales Department I, Sales Division of the Company</p> <p>Apr. 2023      Senior Executive Officer, Deputy Chief Executive, Sales Division, Head of International Sales Unit, General Manager, International Sales Department I, Responsible for Overseas Sales Subsidiary of the Company</p> <p>June 2023      Director, Senior Executive Officer, Deputy Chief Executive, Sales Division, Head of International Sales Unit, General Manager, International Sales Department I, Responsible for Overseas Sales Subsidiary of the Company</p> <p>Apr. 2024      Director, Senior Executive Officer, Chief Executive, International Sales &amp; Marketing Division, Responsible for Overseas Sales Subsidiary of the Company</p> <p>Apr. 2025      Director, Senior Executive Officer, Chief Executive, International Sales &amp; Marketing Division, General Manager, International Business Development Office, Responsible for Overseas Sales Subsidiary of the Company (to the present)</p> <p>[Significant concurrent positions outside the Company] President, Denyo America Corporation President, Denyo Europe B.V.</p>	6,904 shares
<p>[Reasons for nomination as candidate for Director] Mr. Kenichi Otomo has served in positions in the sales division of the Company for many years and in particular has abundant experience in international business, providing him with a global perspective. The Company judges that his participation in the Company's management-level decision-making will contribute to the Company's sustainable growth and medium- to long-term enhancement of corporate value. As a result, the Company again nominated him as candidate for Director.</p> <p>[Special interests with the Company] None</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
5	<p>Masakazu Minato (February 22, 1962)</p> <p>Reelection Internal Male</p> <p>Attendance at Board of Directors meetings during the year: 14/14 Attendance: 100%</p>	<p>Apr. 1984      Joined the Company</p> <p>Apr. 2019      Executive Officer, General Manager, East Japan Sales Department, Sales Division, Manager, Tokyo Branch of the Company</p> <p>Apr. 2021      Executive Officer, General Manager, East Japan Sales Department, Sales Division of the Company</p> <p>Apr. 2023      Senior Executive Officer, Head of Domestic Sales Unit, Manager, East Japan Sales Department, Sales Division of the Company</p> <p>Apr. 2024      Senior Executive Officer, Chief Executive, Sales Division, General Manager, Sales Support Department of the Company</p> <p>June 2024      Director, Senior Executive Officer, Chief Executive, Sales Division, General Manager, Sales Support Department of the Company (to the present)</p>	3,778 shares
		<p>[Reasons for nomination as candidate for Director] Mr. Masakazu Minato has served in positions in the sales division of the Company for many years, giving him extensive knowledge of products and a perspective closely in tune with customers and distributors. The Company judges that his participation in the Company's management-level decision-making will contribute to the Company's sustainable growth and medium- to long-term enhancement of corporate value. As a result, the Company again nominated him as candidate for Director.</p> <p>[Special interests with the Company] None</p>	
6	<p>Shoichiro Fujimoto (October 27, 1966)</p> <p>Reelection Internal Male</p> <p>Attendance at Board of Directors meetings during the year: 10/10 Attendance: 100%</p>	<p>Feb. 2004      Joined the Company</p> <p>Apr. 2018      General Manager, Sales Planning Department, Manager, Sales Planning Department of the Company</p> <p>Apr. 2019      General Manager, Sales Planning Department of the Company</p> <p>Apr. 2021      Executive Officer, General Manager, Planning &amp; Coordination Office of the Company</p> <p>Apr. 2025      Senior Executive Officer, General Manager, Planning &amp; Coordination Office of the Company</p> <p>June 2025      Director, Senior Executive Officer, General Manager, Planning &amp; Coordination Office of the Company (to the present)</p>	10,000 shares
		<p>[Reasons for nomination as candidate for Director] Mr. Shoichiro Fujimoto has served in positions in the corporate planning and sales planning fields of the Company for many years. The Company judges that his participation in the Company's management-level decision-making will contribute to the Company's sustainable growth and medium- to long-term enhancement of corporate value, from the perspective of further strengthening corporate governance due to his deep familiarity with all aspects of business operations. As a result, the Company again nominated him as candidate for Director.</p> <p>[Special interests with the Company] None</p>	

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
7	<p>Makoto Koto (June 18, 1959)</p> <p>Reelection Outside Independent Male</p> <p>Attendance at meetings of the Board of Directors during the year: 14/14 Attendance: 100%</p>	<p>Apr. 1983      Joined Mitsui &amp; Co., Ltd.</p> <p>Sept. 2000    General Manager of Compensation Planning Department, Human Resources &amp; General Affairs Division of Mitsui &amp; Co., Ltd.</p> <p>Oct. 2008      Senior Vice President and Chief Human Resources Officer of Mitsui &amp; Co. (U.S.A.), Inc.</p> <p>Dec. 2011      Senior Vice President and Chief Human Resources Officer of Mitsui &amp; Co. (Asia Pacific) Pte. Ltd.</p> <p>Apr. 2013      General Manager of Secretariat of Mitsui &amp; Co., Ltd.</p> <p>Apr. 2016      Associate Officer and General Manager of Secretariat of Mitsui &amp; Co., Ltd.</p> <p>June 2019      Resigned from Mitsui &amp; Co., Ltd.</p> <p>June 2019      Audit and Supervisory Board Member of National Printing Bureau</p> <p>June 2023      Resigned as Audit and Supervisory Board Member of National Printing Bureau</p> <p>June 2023      Outside Director (Audit and Supervisory Committee Member) of the Company</p> <p>June 2025      Outside Director of the Company (current post) (to the present)</p> <p>[Significant concurrent positions outside the Company] None</p>	0 shares
<p>[Reasons for nomination as candidate for Outside Director and outline of roles expected thereof] Mr. Makoto Koto has engaged in duties in personnel and secretariat work as well as operations at overseas subsidiaries of another company, providing him with abundant professional experience. He has actively provided opinions from an independent standpoint during his term as an Audit and Supervisory Committee Member, has sufficiently performed the professional responsibilities of the position, and is also deeply familiar with the Company's business operations through his auditing work. The Company has therefore continued to nominate him as a candidate for Outside Director in order to improve the soundness and transparency of the Company's management-level decision-making. He is independent from the management which undertakes business operations and there is no risk that a conflict of interest will arise with the shareholders.</p> <p>Currently, he is an Outside Director of the Company and his term as an Outside Director at the conclusion of this Ordinary General Meeting of Shareholders will be three (3) years.</p> <p>[Special interests with the Company] None</p>			

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions outside the Company	Number of the Company's shares owned
8	Yukiko Kikkawa (April 10, 1961)  Reelection Outside Independent Female  Attendance at Board of Directors meetings during the year: 10/10 Attendance: 100%	<p>Apr. 1985      Joined Suntory Limited (currently Suntory Holdings Limited)</p> <p>Apr. 2012      Seconded to Connecto Co., Ltd., President and Representative Director</p> <p>Apr. 2019      Seconded to Fwines Co., Ltd., Representative Director and President</p> <p>Apr. 2024      Seconded to Fwines Co., Ltd., Representative Director and Chair</p> <p>Sept. 2024     Seconded to Fwines Co., Ltd., Representative Director and Chair, General Manager in charge of Overseas Marketing, Japan Wine Department, Wine Division of Suntory Spirits Limited</p> <p>Mar. 2025      Resigned as seconded Representative Director and Chair of Fwines Co., Ltd.</p> <p>Apr. 2025      General Manager in charge of overseas marketing, Japan Wine Department, Wine Division of Suntory Spirits Limited</p> <p>June 2025     Outside Director of the Company (current post)</p> <p>Jan. 2026      General Manager in charge of Overseas Marketing, Japan Wine &amp; Premium Wine Group, Wine Marketing Department, Marketing Division of Suntory Holdings Limited</p> <p>May 2026      Assigned to Marketing, Japan Wine &amp; Premium Wine Group, Wine Marketing Department, Marketing Division of Suntory Holdings Limited (current post) (to the present)</p> <p>[Significant concurrent positions outside the Company] None</p>	0 shares
<p>[Reasons for nomination as candidate for Outside Director and outline of roles expected thereof] Ms. Yukiko Kikkawa has abundant and broad experience at other companies, starting with sales activities tailored to brand characteristics and including active service in overseas business fields and experience as the president of another company's group company. She is independent from the management which undertakes business operations and there is no risk that a conflict of interest will arise with the shareholders. The Company again nominated her as candidate for Outside Director in order to improve the soundness and transparency of the Company's management-level decision-making. Currently, she is an Outside Director of the Company and her term as an Outside Director at the conclusion of this Ordinary General Meeting of Shareholders will be one (1) year. [Special interests with the Company] None</p>			

- Notes:
1. Mr. Makoto Koto and Ms. Yukiko Kikkawa are candidates for Outside Director.
  2. Mr. Makoto Koto and Ms. Yukiko Kikkawa satisfy the requirements for independent officer as provided for by Tokyo Stock Exchange, Inc., and the Company has submitted notification to the aforementioned exchange concerning their appointment as independent officers.
  3. The Company has entered into agreements with Mr. Makoto Koto and Ms. Yukiko Kikkawa that limit their liability for damages under Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the same Act. The limit of liability for damages under these agreements is the minimum amount provided for in Article 425, paragraph (1) of the same Act. If this Proposal is approved as proposed, the Company intends to continue the aforementioned agreements.
  4. Pursuant to Article 430-3, paragraph (1) of the Companies Act, the Company has entered into a directors and officers liability insurance policy with an insurance company. The insurance policy covers damages, legal fees and other costs an insured may incur as a result of liability claims arising from their acts carried out by the insured persons including Directors of the Company based on their position (including omission). Damages and other costs arising from criminal acts such as bribery or intentional illegal acts by officers are not covered in order not to impair the appropriateness of the execution of duties by them. In addition, all premiums for the insurance policy are shouldered by the Company and its subsidiaries. If this Proposal is approved as proposed, each candidate for director will be included as an insured in the policy. The Company intends to renew this insurance policy with the same content during the term of office.

[Reference]

Skills matrix of the Company's Board of Directors (system in case Proposal 1 is approved)

Name	Gender	Title	Outside	Main fields of expertise							
				Corporate Management /CG	ESG	R&D Manufacturing Quality Control	Sales/ Marketing	Global	Finance/ IT	Personnel /Labor Management	Legal/ Risk Management
Takanori Yoshinaga	Male	Representative Director, President		○	○	○	○				
Masao Yamada	Male	Director Managing Executive Officer			○	○	○				
Makoto Tanabe	Male	Director Managing Executive Officer						○	○	○	○
Kenichi Otomo	Male	Director Senior Executive Officer				○	○	○			
Masakazu Minato	Male	Director Senior Executive Officer			○	○	○				
Shoichiro Fujimoto	Male	Director Senior Executive Officer		○	○		○		○		
Makoto Koto	Male	Director	●					○		○	○
Yukiko Kikkawa	Female	Director	●	○			○	○			
Toru Hiroi	Male	Director, Audit and Supervisory Committee Member		○		○		○			
Kazuyoshi Kubo	Male	Director, Audit and Supervisory Committee Member							○	○	○
Keiko Yamagami	Female	Director, Audit and Supervisory Committee Member	●	○	○						○
Masako Natori	Female	Director, Audit and Supervisory Committee Member	●		○					○	○
Tadashi Utashiro	Male	Director, Audit and Supervisory Committee Member	●	○	○						○

Name	Gender	Title	Composition status		
			Audit and Supervisory Committee	Nomination and Compensation Advisory Committee	Board of Independent Outside Directors
Takanori Yoshinaga	Male	Representative Director, President		●	
Masao Yamada	Male	Director Managing Executive Officer			
Makoto Tanabe	Male	Director Managing Executive Officer			
Kenichi Otomo	Male	Director Senior Executive Officer			
Masakazu Minato	Male	Director Senior Executive Officer			
Shoichiro Fujimoto	Male	Director Senior Executive Officer			
Makoto Koto	Male	Director		●	●
Yukiko Kikkawa	Female	Director		●	●
Toru Hiroi	Male	Director, Audit and Supervisory Committee Member	●		
Kazuyoshi Kubo	Male	Director, Audit and Supervisory Committee Member	●		
Keiko Yamagami	Female	Director, Audit and Supervisory Committee Member	●	●	●
Masako Natori	Female	Director, Audit and Supervisory Committee Member	●	●	●
Tadashi Utashiro	Male	Director, Audit and Supervisory Committee Member	●	●	●

Notes: 1 Denotation of ○ in the above list shows four (4) fields at maximum of the main fields where each person can demonstrate their expertise based on their experience and others, and does not cover all the knowledge they have.

- 2 Denotation of ● in the list above for “Outside” indicates that the person is an Outside Director.
- 3 Denotation of ● in the list above for “Composition status” indicates the members of the Audit and Supervisory Committee, the Nomination and Compensation Advisory Committee, and the Board of Independent Outside Directors.

**<Shareholder Proposal (Proposal 2)>**

Proposal 2 is proposed by a shareholder.

The outline of the proposal and the reason for the proposal are presented as originally submitted.

**<Shareholder Proposal>**

**Proposal 2:** Partial Amendments to the Articles of Incorporation Regarding the Number of Outside Directors

(1) Outline of Proposal

Article 17 of the Articles of Incorporation of the Company shall be amended as follows in order to ensure that Outside Directors constitute a majority of the Company’s Board of Directors. If, due to the passage of other proposals (including proposals submitted by the Company’s proposals) at the Ordinary General Meeting of Shareholders, it becomes necessary to make formal adjustments (including, but not limited to, correction of misaligned article numbering) to the text of this proposal, the text of this proposal shall be replaced with the text after making the necessary adjustments.

Before amendment	After amendment
(Number of Directors) Article 17	(Number of Directors) Article 17
1 The number of Directors (excluding Directors who are Audit and Supervisory Committee Members) shall not exceed ten (10).	1 The number of Directors (excluding Directors who are Audit and Supervisory Committee Members) shall not exceed ten (10).
2 The number of Directors who are Audit and Supervisory Committee Members shall not exceed five (5).	2 The number of Directors who are Audit and Supervisory Committee Members shall not exceed five (5).
3 <u>(Newly established)</u>	3 <u>A majority of the Directors of the Company shall be Outside Directors as defined in Article 2, Paragraph 1, Item 15 of the Companies Act.</u>

(2) Reason for Proposal

Principle 4-8 of the Corporate Governance Code states that “Independent Outside Directors should fulfill their roles and responsibilities in a manner that contributes to the company’s sustainable growth and the enhancement of its corporate value over the medium to long term. Companies listed on the Prime Market should appoint Independent Outside Directors who are sufficiently qualified to do so, such that Independent Outside Directors comprise at least one-third of the Board of Directors. Notwithstanding the above, companies listed on the Prime Market that, taking into comprehensive consideration factors such as industry, size, business characteristics, organizational structure, and the corporate environment, consider it necessary to appoint Independent Outside Directors comprising a majority of the Board of Directors should appoint a sufficient number of Independent Outside Directors.” The Company has 5 Outside Directors among its 13 Directors, thereby satisfying the requirement of at least one-third. However, by further increasing the proportion of Outside Directors to a majority of the Board of Directors, we believe the Company can improve capital efficiency, increase shareholder returns, and establish a governance structure that contributes to sustainable growth and the enhancement of medium- to long-term corporate value.

○ Opinion of the Board of Directors of the Company on Proposal 2

**Oppose**

The Board of Directors opposes the Shareholder Proposal.

As a company with an Audit and Supervisory Committee, the Company has established a governance system that enables both the enhancement of supervisory functions by utilizing independent outside directors and prompt and accurate decision-making by directors who are well versed in business operations.

Directors are appointed on the assumption that they have excellent character and insight, regardless of nationality, background or gender, and in light of the basic policies set forth in the “Fiscal 2035 Long-Term Vision” and the “Medium-Term Management Plan Denyo 2026,” in consideration of the skills that the Board of Directors should possess. In addition, the Company appoints independent outside directors who possess highly specialized knowledge and experience and management experience at other companies, and who can be expected to give positive opinions toward the growth of the Company. Furthermore, in order to ensure objectivity and fairness in the nomination of Directors, candidates for Directors are determined following

deliberations by the Nomination and Compensation Advisory Committee, which comprises Representative Directors and Independent Outside Directors and is chaired by an Independent Outside Director.

Currently, the Board of Directors of the Company has 13 members, of which 5 (approximately 38%) are Outside Directors with specialized knowledge and experience in management, legal affairs and public policy, and 3 (approximately 23%) are female Directors. At meetings of the Board of Directors, diverse and active discussions are held from a wide range of perspectives, including those of shareholders, investors, and other stakeholders. As a result, we recognize that the Company's governance system is functioning effectively.

On the other hand, if provisions such as the Shareholder Proposal are established in the Articles of Incorporation, securing the number of directors will be prioritized, which may unnecessarily limit the range of candidates for Directors, and may hinder the formation of an optimal Board of Directors to respond to future changes in the business environment and changes in management strategies. As a result, there is a risk of hindering the enhancement of corporate value over the medium to long term.

For these reasons, the Board of Directors of the Company opposes the Shareholder Proposal. Prior to deliberation of the opinion of the Board of Directors, the contents of the Shareholder Proposal were deliberated by the Nomination and Compensation Advisory Committee, and the Board of Directors resolved the opinion of the Board of Directors based on the recommendation from the Committee.