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(Securities Code: 8008)

(Dispatch date) May 13, 2025

(Start date of measures for electronic provision) May 7, 2025

Dear Shareholders:

Hidetoshi Masuda
President and Representative Director
YONDOSHI HOLDINGS INC.
2-19-10, Kami-Osaki, Shinagawa-ku, Tokyo

Notice of the Convocation of the 75th Annual General Meeting of Shareholders

We hereby notify you that the 75th Annual General Meeting of Shareholders of YONDOSHI HOLDINGS INC. (the “Company”) will be held as described below.

The Company has taken measures for electronic provision of materials for the General Meeting of Shareholders, following the provisions of laws and regulations and Article 16 of the Company’s Articles of Incorporation. Address of the materials for which the measures for electronic provision are taken below.

The Company’s website <https://yondoshi.co.jp/eng/ir/shareholders-meeting>

(Please go to the website and select “Notice of the Convocation of the 75th Annual General Meeting of Shareholders”).



Materials posted website <https://d.sokai.jp/8008/teiji/>



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

(Please go to the website and enter securities code “8008” in the cell of cord. Select “basic information”, “public document/PR information” and see “Notice of the Convocation of the General Meeting of Shareholders”).



If you are unable to attend the General Meeting of Shareholders, you may exercise your voting rights by either of the postal mail or via the Internet, by 6:00 p.m. on May 28, 2025.

1. Date: Thursday, May 29, 2025 at 10:00 a.m. (Reception starts at 9:00 a.m.)
2. Venue: Osaki Bright Core Hall, 3F, Osaki Bright Core
5-5-15, Kita-shinagawa, Shinagawa-ku, Tokyo, Japan
3. Agenda of the Meeting:
Matters to be reported
 1. The Business Report and the report on the Consolidated and Non-Consolidated Financial Statements for the 75th fiscal year (from March 1, 2024 to February 28, 2025)
 2. Audit reports of the Corporate Auditor and the Audit & Supervisory Board on the Consolidated Financial Statements for the 75th fiscal year

Matters to be resolved

- | | |
|----------------|---|
| Proposal No.1: | Appropriation of Surplus |
| Proposal No.2: | Partial Amendments to the Articles of Incorporation |
| Proposal No.3: | Election of Five (5) Directors who are not Audit & Supervisory Board Members |
| Proposal No.4: | Election of One (1) Director and Audit & Supervisory Board Member |
| Proposal No.5: | Election of One (1) Substitute Director and Audit & Supervisory Board Member |
| Proposal No.6: | Continuation of measures to combat the large-scale purchase of shares of the Company (anti-takeover measures) |

Notes

- If you are attending the General Meeting of Shareholders, please submit the Voting Rights Exercise Form at the meeting venue reception desk.
- Should the materials for General Meeting of Shareholders provided electronically require revisions, the revised versions will be posted on the websites described above.
- In the event of any modification, it will be announced on the Company's website (<https://www.yondoshi.co.jp>).
- For convocation of the General Meeting of Shareholders, as provided for in the applicable Ordinance of the Ministry of Justice and in Article 16 of the Article of Incorporation, the following documents are not included in the document provided to the shareholders who submit the application for the documents in writing.
 - a Matters on Stock Acquisition Rights
 - b Consolidated Statements of Shareholders' Equity
 - c Notes to Consolidated Financial Statements
 - d Non-Consolidated Statements of Shareholders' Equity
 - e Notes to Non-Consolidated Financial Statements

Therefore, the documents provided to the shareholders who submit the application for the documents in writing contain part of the documents audited by the Audit & Supervisory Board and the Corporate Auditor in accordance with preparation of the Audit Report and the Accounting Audit Report.

Reference Materials for the General Meeting of Shareholders

Proposal No.1: Appropriation of Surplus

The Company considers returning profit to shareholders to be one of its most important management priorities. Our basic policy is to maintain a stable level of dividends continuously, while strengthening our business operation based on a long-term perspective. Accordingly, the Company proposes to pay a year-end dividend as follows:

Matters related to the end-year dividend:

1. Type of the dividend property
Cash
2. Matters related to allocation of the dividend property to shareholders and the total amount:
41.50 yen per share of common stock of the Company
Total amount: 897,098,362 yen
3. Effective date of distribution of the dividend
May 30, 2025

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

1. Reasons for proposal
To enable the Audit and Supervisory Committee to flexibly construct an audit system in accordance with circumstances, Article 28 of the current Articles of Incorporation (Full-Time Audit and Supervisory Committee Members) will be amended to the effect that full-time Audit and Supervisory Committee members may be appointed.
2. Details of the amendments
Details of the amendments are as follows.

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
(Full-Time Audit and Supervisory Committee Members) Article 28 The Audit and Supervisory Committee shall, by resolution, appoint full-time Audit and Supervisory Committee members.	(Full-Time Audit and Supervisory Committee Members) Article 28 The Audit and Supervisory Committee <u>may</u> , by resolution, appoint full-time Audit and Supervisory Committee members.

Proposal No.3 Election of Five (5) Directors who are not Audit & Supervisory Board Members

All five (5) Directors who are not Directors and Audit & Supervisory Board Members will complete their terms at the end of this General Meeting of Shareholders. Therefore, the Company proposes the election of five (5) Directors, based on the decision of the Audit & Supervisory Board.

If the candidates for Directors in this proposal are elected as proposed, and the candidates for Directors in proposal No.4 are elected as proposed, the Board of Directors will have eight (8) Directors including Directors and Audit & Supervisory Board Members, and three (3) Outside Directors.

The candidates for Directors who are not Directors and Audit & Supervisory Board Members are as follows:

No	Name		Positions and Responsibility in the Company
1	Hidetoshi Masuda	Renomination	President and Representative Director
2	Ichiro Okafuji	Renomination	Representative Senior Managing Director
3	Masahiko Nishimura	Renomination	Managing Director and Managing Executive Officer (Administration)
4	Hiroshi Arai	Renomination	Director and Executive Officer responsible for AS'TY
5	Naoki Kodama	Renomination/ Outside / Independent	Outside Director

Note: Positions and Responsibility in the Company are described as if the candidates are elected as proposed.

No.	Name (Date of Birth)	Brief History, Position and Responsibility in the Company, and Significant Position Concurrently held	Number of Company shares owned
1	Hidetoshi Masuda (Sep 27, 1963) (Renomination)	<p>May 2003 Joined age CO., LTD., Managing Director Mar 2015 Director and Managing Executive Officer, age CO., LTD. Mar 2017 Executive Officer, (in charge of age CO., LTD.), the Company Mar 2017 President and Representative Director, age CO., LTD. Mar 2020 Director, F.D.C.Products Inc. Mar 2021 Managing Executive Officer (Chief Executive Secretary to President), the Company Mar 2021 Chairman and Representative Director, age CO., LTD. (incumbent) May 2021 President, Representative Director and COO, the Company May 2021 Chairman and Representative Director, F.D.C.Friends Inc. Mar 2022 President and Representative Director, the Company (incumbent) Mar 2022 Chairman and Representative Director, F.D.C.Products Inc.</p> <p>Significant Position Concurrently held: Chairman and Representative Director, age CO., LTD.</p>	20,100
<p>Reasons for nomination as a candidate for Director: The candidate has extensive experience and achievement in significant positions such as President of retail companies in YONDOSHI HOLDINGS Group (the "Group"), and was appointed to President, Representative Director and COO of the Company in 2021. Based on his broad knowledge and experience in corporate management, he has contributed to enhancing the Group's corporate value with his advanced management skill and outstanding leadership. The Company has renominated him as a candidate for Director because it expects him to contribute to further enhancing the Group's corporate value.</p>			

No.	Name (Date of Birth)	Brief History, Position and Responsibility in the Company, and Significant Position Concurrently held		Number of Company shares owned
2	Ichiro Okafuji (Sep12, 1964) (Renomination)	Apr 1987 Joined the Company Mar 2008 President and Representative Director, Yoshitake Inc. (currently ASCOT INC.) May 2011 President and Representative Director, Misuzu Inc. Mar 2015 Executive Officer (in charge of Misuzu Inc.), the Company Mar 2016 President and Representative Director, AS'TY INC. Mar 2018 Director and Managing Executive Officer, F.D.C.Products Inc. May 2018 Director and Executive Officer (in charge of F.D.C.Products Inc.), the Company Mar 2019 Director and Managing Executive Officer, (in charge of Dept. 1, F.D.C.Products Inc.), the Company Mar 2019 Chairman and Representative Director, F.D.C.Friends Inc. Mar 2020 Director and Managing Executive Officer, (In charge of Administration), the Company Mar 2022 Representative Senior Managing Director and Senior Managing Executive Officer (in charge of Administration), the Company Mar 2022 Senior Managing Director and Senior Managing Executive Officer (Administration and Business Development), F.D.C.Products Inc. Mar 2023 Senior Managing Director and Senior Managing Executive Officer, F.D.C.Products Inc. Mar 2024 Representative Senior Managing Director, the Company (incumbent) Mar 2024 President and Representative Director, F.D.C.Products Inc. (incumbent)	Significant Position Concurrently held: President and Representative Director, F.D.C.Products Inc.	24,100
Reasons for nomination as a candidate for Director: The candidate has extensive experience and achievement in significant positions such as President of companies in the Group. Based on his broad knowledge and experience in corporate management, he has contributed to enhancing the Group's corporate value with his advanced management skill and outstanding leadership. The Company has renominated him as a candidate for Director because it expects him to contribute to further enhancing the Group's corporate value.				
3	Masahiko Nishimura (May 11, 1962) (Renomination)	Apr 1985 Joined the Company Mar 2005 General Manager (in charge of Finance), the Company May 2008 Director, the Company Mar 2015 Director and Executive Officer (in charge of Finance), the Company Mar 2015 Director and Executive Officer, F.D.C.Products Inc. May 2022 Managing Director and Managing Executive Officer (in charge of Finance), the Company (incumbent) May 2022 Managing Director and Managing Executive Officer (in charge of Finance), F.D.C.Products Inc. Mar 2024 Managing Director and Managing Executive Officer (in charge of Administration), the Company Dec 2024 Managing Director and Managing Executive Officer (in charge of Administration), RASIN Co., Ltd. (incumbent)	Significant Position Concurrently held: Managing Director and Managing Executive Officer (in charge of Administration), RASIN Co., Ltd.	21,297
Reasons for nomination as a candidate for Director: The candidate has extensive experience and achievement in significant positions such as General Manager mainly in finance and accounting. With his outstanding insight in financial improvement and advanced capital management, the Company has renominated him as a candidate for Director because it expects him to contribute to further enhancing the Group's corporate value.				

No.	Name (Date of Birth)	Brief History, Position and Responsibility in the Company, and Significant Position Concurrently held		Number of Company shares owned
4	Hiroshi Arai (Dec. 21, 1970) (New appointment)	Apr 1993 Joined the Company Mar 2008 Director of Apparel Department 1, AS'TY INC. Mar 2015 Executive Officer, Director of Department 1, AS'TY INC. Mar 2018 Executive Officer, Director of Production Planning Department 2, AS'TY INC. Mar 2019 Director and Executive Officer, Director of Production Planning Department 2, AS'TY INC. Mar 2020 Director and Executive Officer, Director of the Apparel Manufacturing Business, AS'TY INC. Mar 2020 President and Representative Director, ASCOT INC. Mar 2023 President and Representative Director, AS'TY INC. (incumbent) Mar 2023 Executive Officer, (in charge of AS'TY INC.), the Company Mar 2024 Director and Executive Officer, (in charge of AS'TY INC.), the Company (incumbent)	 Significant Position Concurrently held: President and Representative Director, AS'TY INC.	2,500
Reasons for nomination as a candidate for Director: The candidate has extensive experience and achievement in significant positions such as President of companies in the Group. Based on his broad knowledge and experience in corporate management, he has contributed to enhancing the Group's corporate value with his advanced management skill and outstanding leadership. The Company has renominated him as a candidate for Director because it expects him to contribute to further enhancing the Group's corporate value.				
5	Naoki Kodama (Feb. 5, 1956) (New appointment / Outside / Independent)	Apr 1978 Joined IBM Japan, Ltd. Apr 2002 Senior Managing Director, JBCC Corporation Aug 2007 Managing Director, NITORI Co., Ltd. Oct 2012 Managing Director, CAINZ CORPORATION Jun 2017 Representative, M&S Consulting (incumbent) Jun 2021 Outside Director, Softcreate Holdings Corporation May 2022 Outside Director and Audit & Supervisory Board Member, the Company May 2024 Outside Director, the Company (incumbent)	 Significant Position Concurrently held: Representative, M&S Consulting	800
Reasons for nomination as a candidate for Outside Director and summary of expected roles: The candidate has extensive experience in corporate management based on his many years of experience in his career. With his extensive experience and broad knowledge in corporate management, the Company has renominated him as a candidate for Director because it expects him to contribute to further enhancing the Company's governance by supervising other Directors from an independent standpoint of Outside Director, and to enhance the decision-making process and supervising function of the Board of Directors.				

Notes

- There are no particular relationships of interest between any of the candidates and the Company.
- Mr. Naoki Kodama is a candidate for Outside Director. The Company has reported to the Tokyo Stock Exchange, Inc. that he is an Independent Director as set forth in the Regulation of the Tokyo Stock Exchange and in the Regulation of the Company.
The Company will continue the above report if he is elected and assumed office as Outside Director.
- Mr. Naoki Kodama is currently an Outside Director of the Company, and his term of office will be one year at the conclusion of this General Meeting of Shareholders (total term of office including as Outside Director and Audit & Supervisory Board Member: three years).
- Pursuant to Article 427, Paragraph 1 of the Article of Incorporation, the Company has stipulated that it may enter into agreements for limitation of liability with Directors who are not Officers. The Directors shall be liable to the limit of minimum liability set forth in Article 425, Paragraph 1 of Article of Incorporation. The Company has entered into agreements with Mr. Naoki Kodama and if he is reelected and assumed office as Director, the agreements shall remain in effect.
- The Company shall enter into a directors and officers liability insurance contract with an insurance company, as provided for in Item 1, Paragraph 3, Article 430 of Article of Incorporation, to cover litigation cost and legal damages that may be incurred by the insured parties if they are liable for a result of their action or if they receive a claim for the liability of the result of their action.
The candidates will be included among the insured parties under the contract. Moreover, the contract will be renewed under the same terms at the time of the next renewal.

Proposal No.4: Election of One (1) Director and Audit & Supervisory Board Member

One (1) Director, Mr. Masahiro Dakeshita, who is an Audit & Supervisory Board Member, will complete his term at the end of this General Meeting of Shareholders. Therefore, the Company proposes the election of one (1) Director.

In nominating the Director and Audit & Supervisory Board Member, the Company's Board of Directors has made the decision based on the report by the Nomination Advisory Board. As for this Proposal, it has received approval from the Audit & Supervisory Board. Furthermore, after consideration by each Director and Audit & Supervisory Board Member, no significant comment on the Proposal has been made.

The candidate for Director and Audit & Supervisory Board Member is as follows:

Name (Date of Birth)	Brief History, Position and Responsibility in the Company, and Significant Position Concurrently held		Number of Company shares owned
Masahiro Dakeshita (Aug 6, 1962) (Renomination)	Apr 1985	Joined Mitsui Banking Corporation (currently Sumitomo Mitsui Banking Corporation)	5,140
	Apr 2009	General Manager, Corporate Business Planning Office, SMBC Friend Securities Co., Ltd. (currently SMBC Nikko Securities Co., Ltd.)	
	May 2012	General Manager, Tokyo Corporate Dept., SMBC Friend Securities Co., Ltd.	
	Feb 2018	Joined the Company	
	Mar 2018	Executive Officer and General Manager of Corporate Planning Office, the Company	
	Mar 2019	Executive Officer (in charge of Administration), the Company	
	Mar 2021	Executive Officer and General Manager of Audit Office, the Company	
	May 2021	Executive Officer and Full-time Audit & Supervisory Board Member (incumbent)	
	May 2021	Audit & Supervisory Board Member, F.D.C. Products Inc. (incumbent)	
	Dec 2024	Audit & Supervisory Board Member, RASIN Co., Ltd. (incumbent)	
Significant position concurrently held: Audit & Supervisory Board Member, F.D.C. Products Inc. Audit & Supervisory Board Member, RASIN Co., Ltd.			
Reasons for nomination as a candidate for Director and Audit & Supervisory Board Member: The candidate has extensive experience and achievement serving in financial institutions, and has contributed to the enhancement of the Group’s corporate value as head of operations at the Company. The Company has renominated him as a candidate for Director and Audit & Supervisory Board Member because it has determined him to be a human resource who can contribute to the enhancement of the Company’s governance, based on his abundant experience and insight.			

Notes

1. There are no particular relationships of interest between the candidate and the Company.
2. Pursuant to Article 427, Paragraph 1 of the Article of Incorporation, the Company has stipulated that it may enter into agreements for limitation of liability with Directors who are not Officers. The Company has entered into an agreement with Mr. Masahiro Dakeshita and if he is reelected and assumes office as Director, the agreement shall remain in effect. Furthermore, the Director shall be liable to the limit of minimum liability set forth in Article 425, Paragraph 1 of the Article of Incorporation.
3. The Company shall enter into a directors and officers liability insurance contract with an insurance company, as provided for in Item 1, Paragraph 3, Article 430 of Article of Incorporation, to cover litigation cost and legal damages that may be incurred by the insured parties if they are liable for a result of their action or if they receive a claim for the liability of the result of their action. The candidate for Director and Audit & Supervisory Board Member will be included among the insured parties under the contract. Moreover, the contract will be renewed under the same terms at the time of the next renewal.

<Reference> Skill Matrix

Name	Status in the Company	Skills and Experience expected by the Company								
		1 Corporate Management / Strategy Planning	2-1 Industry Experience (Brand)	2-2 Industry Experience (Global)	2-3 Industry Experience (Retail)	3 Legal Risk Management	4 Finance / Accounting / M&A	5 Human Resources Management	6 Digital / IT	7 CSR / ESG
Hidetoshi Masuda	President and Representative Director	○			○			○		
Ichiro Okafuji	Representative Senior Managing Director	○	○	○	○			○		○
Masahiko Nishimura	Managing Director and Managing Executive Officer	○				○	○			
Hiroshi Arai	Director and Executive Officer	○		○				○		
Naoki Kodama	Outside Director	○			○		○		○	○
Masahiro Dakeshita	Directors and Audit & Supervisory Board Members					○	○			○
Nobuko Kitagawa	Outside Directors and Audit & Supervisory Board Members					○		○		
Hiroshi Kawazoe	Outside Directors and Audit & Supervisory Board Members					○	○			
Akihiro Takiguchi	Executive Officer	○	○	○	○					○
Hiroki Minagawa	Executive Officer	○	○		○					
Hisashi Nakano	Executive Officer	○			○				○	
Kazumasa Fukuhara	Executive Officer					○		○	○	○

Note: Positions and Responsibility in the Company are described as if the candidates are elected as proposed.

Proposal No.5: Election of One (1) Substitute Director and Audit & Supervisory Board Member

The Company proposes the election of one (1) Substitute Director and Audit & Supervisory Board Member as preparation in the event of a lack of the number of Directors and Audit & Supervisory Board Members stipulated by law.

The election of this Substitute Director and Audit & Supervisory Board Member is effective until commencement of the next term's Annual General Meeting of Shareholders; however, the election may be withdrawn by the resolution of the Board of Directors, with the approval of the Audit & Supervisory Board, provided that it is before the candidate assumes office as a Director and Audit & Supervisory Board Member.

In addition, as for this Proposal, it has received approval from the Audit & Supervisory Board.

The candidate for Substitute Director and Audit & Supervisory Board Member is as follows:

Name (Date of Birth)	Brief History, Position and Responsibility in the Company, and Significant Position Concurrently held		Number of Company shares owned
Seisui Kamigaki (Jul 1, 1945)	Apr 1973 Oct 2000 Jun 2002 Sep 2003 Dec 2004 Aug 2005 Jul 2007 Jul 2012 Jun 2013 Jun 2013 May 2015 Jun 2015 Jun 2019	Public Prosecutor, Tokyo District Public Prosecutors Office Chief Public Prosecutor, Naha District Public Prosecutors Office Chief Public Prosecutor, Utsunomiya District Public Prosecutors Office Director, General Affairs Department, Supreme Public Prosecutors Office Chief Public Prosecutor, Chiba District Public Prosecutors Office Chief Public Prosecutor, Yokohama District Public Prosecutors Office Member, Japan Fair Trade Commission Attorney, Hibiya Sogo Law Offices (incumbent) Outside Auditor, Mitsubishi Shokuhin Co., Ltd. Outside Auditor, Alfresa Holdings Corporation Outside Director and Audit & Supervisory Board Member, the Company Outside Director, Universal Entertainment Corporation Outside Director, KOSAIDO Holdings	-
Reasons for nomination as a candidate for Director and Audit & Supervisory Board Member: Although the candidate has not been involved in corporate management other than as an Outside Director, he has extensive knowledge and broad experience in legal affairs as an Attorney. The company has nominated him as a candidate for Substitute Director and Audit & Supervisory Board Member because it expects him to utilize his experience and knowledge in the supervision and auditing of the Company and to give advice and restraint in the execution of the duties.			

Notes

1. There are no particular relationships of interest between the candidate and the Company.
2. Mr. Seisui Kamigaki is a candidate for Substitute Director and Audit & Supervisory Board Member.
3. The Company has determined that Mr. Seisui Kamigaki is an Independent Director as set forth in the Regulations of the Tokyo Stock Exchange, Inc. and in the Regulations of the Company. The Company will report to the Tokyo Stock Exchange if he is elected and assumes office as Outside Director and Audit & Supervisory Board Member.
4. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has stipulated that it may enter into agreements for limitation of liability with Directors who are not Officers. The Director shall be liable to the limit of minimum liability set forth in Article 425, Paragraph 1 of the Companies Act. The Company will enter into an agreement with Mr. Seisui Kamigaki if he is elected and assumes office as Outside Director and Audit & Supervisory Board Member.
5. The Company shall enter into a directors and officers liability insurance contract with an insurance company, as provided for in Item 1, Paragraph 3, Article 430 of the Companies Act, to cover litigation cost and legal damages that may be incurred by the insured parties if they are liable for a result of their action or if they receive a claim for the liability of the result of their action. Mr. Seisui Kamigaki will be included among the insured parties under the contract if he is elected and assumes office as Outside Director and Audit & Supervisory Board Member. Moreover, the contract will be renewed under the same terms at the time of the next renewal.

<Reference> Independence Standards and Qualification for Outside Directors

Pursuant to Independence Standards set forth by Financial Instruments Exchange, Outside Directors or candidates for Outside Directors are considered as independent if none of the below applies to them.

The Standards shall be amended or abolished by the resolution of the Board of Directors.

- a A person executing business for the Company or a subsidiary of the Company (Note 1)
- b A party for which the Company is a major client, or if the party is a company, a person who executes business for the company (Note 2)
- c A party that is a major client of the Company, or if the party is a company, a person who executes business for the company (Note 3)
- d A major shareholder of the Company, or if the shareholder is a company, a person who executes business for the company (holding either directly or indirectly 10% or more of the total number of the voting rights of the Company)
- e A company of which the Company is a major shareholder, holding either directly or indirectly 10% or more of the total number of the voting rights of the company, or a person who executes business for the company
- f A member of audit company who is the Company's Corporate Auditor
- g A legal specialist such as attorney, accounting specialist such as certified public accountant, certified public tax accountant, or a consultant, etc., who has received a significant amount of money or other assets from the Company other than remuneration
- h A member of organization including law office, audit firm, tax accounting firm, consulting firm, or union etc. which has received a significant amount of money or other assets from the Company (Note 4)
- i A person to whom any of the above b to h have applied within the past three years
- j A spouse or a relative within the second degree of those who are in significant position, and to whom any of the above a to i applies (Note 5)
- k A person possibly in conflict of interest to general shareholders even if none of the above a to j are applied

Notes

- 1. "A person executing business" includes director, corporate officer, executive officer, officer executing the duties, commissioner, or equivalent position in companies or organizations, etc. and who has been a member of the Group even once.
- 2. "A party for which the Company is a major client" means the one who received from the Group the payment equivalent to 2% or more of its consolidated sales amount in most recent fiscal year.
- 3. "A party that is a major client of the Company" means the one who made to the Group the payment equivalent to 2% or more of the Company's consolidated sales amount in most recent fiscal year.
- 4. "A significant amount of money" shall be equivalent to 10 million yen or more annually as individual, or 2% or more of its consolidated sales amount as a company or other organization.
- 5. A person in "significant position" includes director (excluding outside director), auditor (excluding outside auditor), executive officer, general manager or higher. In terms of a member of law office, audit corporation, etc. a person in "significant position" includes including Attorney, Certified Public Tax Accountant, etc. with professional qualification.
- 6.

Proposal No.6: Continuation of measures to combat the large-scale purchase of shares of the Company (anti-takeover measures)

At the 72nd Annual General Meeting of Shareholders held on May 26, 2022, the Company received approval from shareholders for measures to address large-scale purchases of the Company's shares (i.e., anti-takeover measures) (hereinafter "the Current Plan"), and the Company has continued implementation of the Current Plan. However, the Current Plan will expire at the end of this Annual General Meeting of Shareholders.

The Company has been considering the appropriate form of such measures, including whether or not to continue them, from the perspective of ensuring the Company's corporate value and the common interests of shareholders, in light of changes in socioeconomic conditions, developments and various discussions surrounding anti-takeover measures, the intent of the Corporate Governance Code, and other relevant factors. As a result, in light of basic policy concerning parties who control decisions on the Company's financial and business policies (referring to the provisions of Article 118, Item 3 of the Regulations for Enforcement of the Companies Act; hereinafter "Basic Policy"), at the Board of Directors meeting held on April 11, 2025, the Company made the decision to continue with the Current Plan, subject to approval by shareholders at the Annual General Meeting of Shareholders, as a measure to prevent decisions concerning the Company's finances and business from being controlled by inappropriate parties. (The plan following continuation is hereinafter referred to as "the Plan".)

This proposal requests the approval of shareholders for the Plan. If this proposal is approved by shareholders, the period of validity of the Plan will be extended until the conclusion of the Company's Annual General Meeting of Shareholders for the final business year that ends within three years from the conclusion of this Annual General Meeting of Shareholders.

In continuing the Plan, the "Criteria for Recognition of Joint or Collaborative Action, etc." in Appendix 3 has been prepared as the criteria used to determine whether a purchase of shares of the Company subject to the Plan constitutes a "large-scale purchase" or "parties with exceptional grounds" and whether it constitutes "effective control" or "joint or collaborative action." In addition, some words and phrases have been added, modified, and rearranged, but the substantive content remains the same as in the Current Plan. The "Guidelines for Countermeasures, etc." (hereinafter referred to as "the Guidelines"), which was announced together with the Current Plan and sets forth the procedures and guidelines for implementation or non-implementation of countermeasures and other necessary resolutions, has been incorporated into the Plan in part to avoid duplication of content with the Current Plan, and has been deleted. However, the Company will operate the Plan in accordance with the same standards as the Guidelines.

It should be noted that the Company's Independent Committee, consisting of Independent Outside Directors and outside experts, has approved the continuation of the anti-takeover measures of under the Plan by a unanimous decision of its incumbent members.

In addition, if there have been revisions to the Companies Act, the Financial Instruments and Exchange Act, and rules related to these; to government ordinances, Cabinet Office and ministerial ordinances; and to the rules of financial instrument exchanges (including changes to the names of laws and regulations, and the enactment of new laws and regulations that succeed previous laws and regulations; the same shall apply hereinafter) (hereinafter collectively referred to as "laws, etc."), and if these are enforced, the provisions of laws, etc. cited in the Plan will be understood to be the respective provisions of laws, etc. that substantially inherit the pre-amendment provisions of the revised laws, etc. following amendment, unless otherwise specified by the Board of Directors of the Company.

1. About the Basic Policy

(1) Content of the Basic Policy

The Company is of the belief that our shareholders should be determined through free transactions in the market. Accordingly, we believe that decisions on whether to accept purchase proposals accompanied by transfer of control of a joint-stock corporation, too, should ultimately be made in line with the will of the shareholders of the Company.

However, some large-scale purchases of shares of the Company (defined in 2 (2) (a) below; the same shall apply hereinafter) can be expected to include (1) purchases that, in light of the purpose of acquisition, of management policy following acquisition, etc., could result in clear harm to corporate value or the common interests of the Company's shareholders; (2) purchases that could effectively force the Company's shareholders to sell their shares; (3) purchases that are performed without a reasonably necessary period of time for the Company to present an alternate proposal to the large-scale purchase; (4) purchases that are performed without provision of reasonably necessary information for the Company's shareholders to judge the details of the purchase; (5) purchases for which terms, etc. (amount and type of consideration, timing of purchase, legality of purchase method, feasibility of execution of purchase, etc.) are inadequate or inappropriate in light of the Company's intrinsic value; and (6) purchases that would destroy relationships with employees, business partners (including customers), communities where factories and production facilities are located, and other stakeholders that are essential to the sustainable growth of the Company's corporate value, and that would have significant effects contrary to the common interests of the Company's shareholders. From the standpoint that the Company should maximize its corporate value and the common interests of its shareholders, the Company considers parties that engage in such large-scale purchases to be exceptionally inappropriate as parties that control decisions on the financial and business policies of the Company.

Accordingly, when there exists a risk of harm to the corporate value of the Company or to the common interests of shareholders due to the acquisition of controlling shares by a party or the group thereof (hereinafter "acquirer, etc.") which aims to acquire shares having 20% or more of the voting rights of the Company (hereinafter "controlling shares"), the Company will consider said acquirer, etc. to be inappropriate as a party that controls decisions concerning the Company's financial and business policies, and, to the extent permitted by laws, etc. and by the Articles of Incorporation, will set a basic policy of enacting appropriate measures to ensure and enhance its corporate value and the common interests of its shareholders.

(2) Background to maintenance of the Basic Policy

The Company, together with the subsidiaries and affiliates thereof (hereinafter "the Group"), values a corporate culture that continues to take on challenges without fear of change, based on basic principles of respect for people and of social contribution, which have been ceaselessly passed down since the Company's founding in 1950.

Through the practice of corporate activities grounded in the following management philosophy and corporate message, the Company is achieving sustainable growth and improvement of long-term corporate value by contributing to the enhancement of customers' lifestyle culture via a fashion business centered on jewelry, watches, and apparel. The management philosophy of the Company and the Group is founded on the following four points.

- a. We are committed to becoming a company that inspires trust and confidence among its customers.
- b. We are committed to fostering and fulfilling the dreams of our employees.
- c. We are committed to contributing to the prosperity and well-being of society.
- d. We are committed to realizing the expectations of shareholders.

In addition, in its Corporate Message, the Company and the Group have put forth this principle: "With the 4°C brand at the heart of its business activities, YONDOSHI HOLDINGS, INC. ("YONDOSHI HOLDINGS" or "the Company") is committed to becoming a company that is defined by its ability to create new trends in global fashion."

Based on the above Basic Principles, the Company and the Group boast a stable business foundation, a sound financial structure, and high-level management capabilities.

In terms of business, our strength is the high brand power of the 4°C jewelry handled by the Brand Business. The SPA Business, which holds functions spanning production to in-store retailing, has an outstanding business model that achieves customer satisfaction. Other business models, including a reuse business specializing in luxury brand watches, apparel OEM and retail, are capable of supporting a wide range of markets. Moreover, the organizational structure, that of a holding company, functions effectively for the selection and concentration of management resources.

By maintaining a sense of unity in all the elements that make up the brand, including the Jewelry Business, which is our core business, the product lines we handle, as well as design, quality, customer service, store space, and advertising, we are creating a brand worldview and enhancing brand value. We consider sincere management that earns the trust of customers and strong relationships of trust with business partners as the main source of our corporate value. In the Reuse Business specializing in luxury brand watches, we purchase watches based on our professional knowledge and experience and maintain them in high condition using our advanced maintenance capabilities. In sales, we have developed a salon that is suitable for customers to choose watches for a lifetime by creating a luxurious space.

In the Apparel Retail Business, too, the Company aims to establish a store brand and to enhance highly accurate merchandising capabilities, buying capabilities, and store development and store management capabilities while capturing market trends. In addition, the functions of the Company as an apparel maker are also characterized by the ability to continue to meet the needs of a wide range of business partners backed by quality and cost competitiveness based in our background of overseas production.

In terms of finances, the Company achieves stable profit growth centered on the highly profitable Brand Business. The Company further considers ROE a key management indicator and is working to improve capital efficiency. The Company also maintain a high capital adequacy ratio and financial soundness.

In terms of organization, the Company views strengthening internal control functions as a key issue and is diligently addressing it. The Company has also introduced an executive officer structure to clarify management decision-making/supervisory functions and business execution functions, with the Board of Directors placed in charge of the former functions and Executive Officers placed in charge of the latter functions. In addition to these things, the Company has adopted the structure of a company with an audit and supervisory committee, and, utilizing the functions of Outside Directors who do not engage in business execution, is working to improve its corporate value over the medium to long term while strengthening internal control.

Furthermore, the Directors and Executive Officers of the holding company, YONDOSHI HOLDINGS INC., essentially serve as persons in charge of operating subsidiaries to enable decision-making from broad perspectives, enhance the density of communication among managers, and share information on issues across the Group to maintain the strength and stability of Group management capabilities.

However, the sources of corporate value in the Company and the Group are not things that can be created in a short period of time. The tangible and intangible assets that have been cultivated over the years since our founding and the strong bonds

and relationships of trust forged with business partners and customers support our business, and are unquestionably necessary stepping stones to the establishment of a trusted corporate brand.

In this way, the Company and the Group will maintain these sources of corporate value, further evolve our management, and further enhance our corporate value, with the aim of becoming a distinctive corporate group that earns the trust of all stakeholders.

As noted above, every business of the Company and the Group is built upon human resources who possess experience and expertise pertaining to businesses that have grown and evolved together with customers since our establishment, and upon management resources such as the reputation we have built and the close relationships of trust built with business partners and other stakeholders on the basis of that reputation. These management resources possess know-how and a brand image cultivated over many years, and create further value through their functioning with one another. In recent years, however, against a background of new legal system developments, circumstances in capital markets, changes in corporate structure and culture, and so on, there are cases of one-sided purchases of large volumes of shares without approval from the management team of the target company. In some cases, these could even pose undeniable potential for hindering the enhancement of the Company's sustainable corporate value founded on the above-mentioned management resources.

In light of this situation, it is our belief that we must assume the ongoing appearance of acquirers, etc.

Against the above background, we have maintained the Basic Policy described in (1) above.

2. Content of the Plan (Initiatives in light of the Basic Policy to prevent decisions concerning the Company's financial and business policies from being controlled by inappropriate parties)

(1) Purpose of continuation of anti-takeover measures under the Plan

As noted in 1 above, the Company believes that the need could arise in some cases to enact measures against an acquirer, etc. However, to the extent that the Company is a listed company, determination of whether to sell shares to the acquirer, etc., and final decisions on the pros and cons of entrusting the management of the Company to the acquirer, etc. should be left to the will of individual shareholders, we believe.

However, we also consider that an appropriate understanding of the Company's corporate value and the source that creates said value, with adequate consideration of the noted unique business characteristics of the Company and the history of the Company and the Group, is necessary as a premise upon which shareholders can render appropriate decisions. To understand how acquisition of controlling shares of the Company by the acquirer, etc. may affect the Company's corporate value and the source of that value, situations can be readily assumed in which information provided by the acquirer, etc. may affect the Company's corporate value and the source of that value, situations can be readily assumed in which information provided by the acquirer, etc. alone is inadequate. In this case, we believe that appropriate decisions by shareholders must be based on information provided by the Board of Directors, which fully understands the unique business characteristics of the Company; or on evaluations, opinions, and, in some cases, new proposals by the Board of Directors regarding the acquisition of controlling shares by the acquirer, etc.

Accordingly, we believe that it is vital to ensure adequate time for shareholders to analyze and consider these multifaceted items of information.

Based on the above points of view, in order to enable shareholders to make appropriate decisions on whether to comply with large-scale purchases by demanding that parties who seek to engage in or who are currently engaging in large-scale purchases (hereinafter "large-scale purchasers") provide required information on said large-scale purchases in advance and ensure a period for the evaluation and consideration of such, and as one of the measures to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate in light of the Basic Policy (specifically, persons falling under the exceptions defined in (2)(h) below), the Company has decided to continue the anti-takeover measures under the Plan at the Board of Directors meeting held on April 11, 2025.

As of the current date, the Company does not recognize any specific signs of large-scale purchases of the Company's stock certificates, etc.

The status of the major shareholders of the Company as of February 28 of the current year is as shown in **Appendix 1**, "Status of Major Shareholders".

(2) Content of the Plan

A flow chart summarizing procedures related to the Plan is as shown in **Appendix 2**. Specific content of the Plan is as follows.

(a) Definition of large-scale purchases subject to invoking of countermeasures

When acts (excluding acts that have been approved in advance by the Board of Directors of the Company) that fall or may fall under any of a to c below (hereinafter collectively referred to as "large-scale purchases") have been performed or are attempted, countermeasures based on the Plan may be invoked.

- a. Purchase or other acquisition (Note 3) of stock certificates, etc. issued by the Company (Note 1), by which the combined stock certificate, etc. holding ratio for a specified shareholder of the Company (Note 2) becomes 20% or more
- b. Purchase or other acquisition (Note 7) of stock certificates, etc. issued by the Company (Note 4), by which the combined stock certificates, etc. ownership ratios for a specified shareholder of the Company (Note 5) and for a specially related party thereof (Note 6) become 20% or more
- c. Regardless of whether the acts specified in a or b above are carried out, acts including agreements that are carried out between a specified shareholder (or shareholders; the same shall apply to c below) of the Company who intends to perform an act specified in a or b above and another shareholder of the Company (limited, however, to other shareholders for which, for stock certificates, etc. issued by Company, the combined stock certificate, etc. holding ratios for the specified shareholder and the other shareholder become 20% or more), and by which said other shareholder becomes a joint owner with said specified shareholder, or an act which establishes a relationship (Note 9) between said specified shareholder and said other shareholder by which one party comes to effectively control the other party or by which the parties act jointly or in collaboration (Note 8).

 Note 1: Refers to stock certificates, etc. defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter except where specified otherwise.

Note 2: Refers to the stock certificate, etc. holding ratio defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. The same shall apply hereinafter; however, in the calculation of the stock certificate, etc. holding ratio, (i) specially related parties defined in Article 27-2, Paragraph 7 of the same Act, and (ii) investment banks, securities companies, and other financial institutions that have concluded financial advisory agreements with specified shareholders as well as tender offer agents and lead securities companies of the specified shareholders (hereinafter "contract financial institutions, etc."), lawyers, accountants, and tax accountants and other advisors, and (iii) persons who have acquired the Company's stock certificates, etc. from persons falling under (i) or (ii) above through off-market relative transactions or off-floor trading on the Tokyo Stock Exchange (ToSTNeT-1) will be deemed to be joint owners of the specified shareholders (meaning joint owners defined in Article 27-23, Paragraph 5 of the same Act, including those deemed to be joint owners pursuant to Paragraph 6 of the same Article (and including parties deemed to fall under such by the Board of Directors of the Company); the same applies hereinafter). When calculating the stock certificate, etc. holding ratio, the latest information published by the Company may be used to obtain the total number of issued shares of the Company.

Note 3: Includes the holding of the right to request delivery of stock certificates, etc. based on sales or other contracts, and the performance of transactions stipulated in Article 14-6 of the Order for Enforcement of the Financial Instruments and Exchange Act.

Note 4: Refers to stock certificates, etc. defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act. This also applies for the following part of b.

Note 5: Refers to the stock certificate, etc. ownership ratio defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act. The same shall apply hereinafter. Note that when calculating the stock certificate, etc. ownership ratio, the latest information published by the Company may be used to obtain the total number of voting rights of the Company.

Note 6: Refers to a specially related party defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act. However, for parties listed in item (i) of the same Paragraph, this excludes those specified in Article 3, Paragraph 2 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers. Note that (i) joint holders and (ii) contract financial institutions, etc. shall be deemed to be specially related parties of the specified shareholder. The same shall apply hereinafter.

Note 7: Includes purchases and other paid transfers, and items similar to paid transfers stipulated in Article 6, Paragraph 3 of the Order for Enforcement of the Financial Instruments and Exchange Act.

Note 8: Determination of whether a "relationship between said specified shareholder and said other shareholder by which one party comes to effectively control the other party or by which the parties act jointly or in collaboration" will be made following the criteria set forth in Appendix 3. The criteria set forth in Appendix 3 may be changed to a reasonable extent from time to time by a resolution of the Independent Committee based on amendments to laws and regulations or actual court precedents.

Note 9: Determination of whether the acts specified in c above have been carried out will be reasonably made by the Board of Directors of the Company based on the recommendation of the Independent Committee. The Board of Directors of the Company may request the shareholders of the Company to provide information conforming to the information described in (c) below, to the extent deemed necessary to determine whether the requirements of (a) are met.

(b) Submission of statement of intent

Prior to the start of or the execution of a large-scale purchase, the large-scale purchaser will submit to the President and Representative Director of the Company, in a format specified separately by the Company, a document signed or stamped by the representative of the large-scale purchaser pledging that it will comply with procedures specified in the Plan (hereinafter "large-scale purchase rules") and a certificate of the qualifications of the representative who signed or stamped the document (hereinafter collectively referred to as "statement of intent"). Upon receipt of the above statement of intent, the President and Representative Director of the Company will immediately submit this to the Board of Directors of the Company and the Independent Committee.

In addition to the pledge to comply with the large-scale purchase rules, the statement of intent will include the name of the large-scale purchaser, the address of its head office, office, etc., the law governing its establishment, the name of its representative, contact information in Japan, and an outline, etc. of the planned large-scale purchase. The language used in the statement of intent will be limited to Japanese.

When a large-scale purchaser has provided a statement of intent, the Company will disclose to shareholders those matters deemed appropriate by the Board of Directors or the Independent Committee, in a timely and appropriate manner and in accordance with applicable laws and regulations.

(c) Requests to large-scale purchasers for provision of information

Within 10 business days from the date on which the Board of Directors and the Independent Committee received the statement of intent (not counting the first day), the large-scale purchaser will provide to the Board of Directors of the Company the information listed from a to k below (hereinafter collectively referred to as "large-scale purchase information"). Upon receipt of the large-scale purchase information, the Board of Directors of the Company will promptly provide this to the Independent Committee.

In the case that, based solely on the information initially provided by the large-scale purchaser, the Board of Directors of the Company or the Independent Committee has deemed it difficult for the shareholders of the Company to properly judge whether to comply with the large-scale purchase, or for the Board of Directors of the Company or the Independent Committee to form opinions on the pros and cons of the large-scale purchase (hereinafter "opinion formation") or formulate alternate proposals (hereinafter "alternate proposal drafting") for appropriate presentation to shareholders, the Board of Directors of the Company or the Independent Committee may, as the need arises, request that the large-scale purchaser provide additional information necessary for proper judgment by shareholders and opinion formation or alternate proposal drafting by the Board of Directors of the Company and the Independent Committee, by setting a reasonable deadline for submission and by disclosing to shareholders the reasons for requiring the specific period and reasonable period.

In addition, in the event that the Board of Directors of the Company or the Independent Committee has determined that the provision of large-scale purchase information has been completed, the Company will disclose this to shareholders in a timely and appropriate manner and in accordance with applicable laws and regulations. Moreover, in accordance with decisions of the Board of Directors of the Company or the Independent Committee, at an appropriate time after receipt of the large-scale purchase information, the Company will, in principle and in accordance with applicable laws and regulations, disclose to shareholders any large-scale purchase information deemed necessary for shareholders to properly judge whether the shareholders should comply with the large-scale purchase.

- a. Overview (including specific name, capital structure, investment ratio, financial details, presence of past violations of laws and regulations (with an outline of these if any); and names, biographies, and presence of past violations of laws and regulations (with an outline of these if any) of officers) of the large-scale purchaser and its group companies, etc. (including major shareholders or investors (direct or indirect; the same shall apply hereinafter) and key subsidiaries/affiliates, and, if the large-scale purchaser is a fund or a business entity involved in investments thereof, information on key members, investors and other constituent members, as well as business execution union members and persons who provide ongoing counsel on investments)
- b. The status of holdings of the Company's stock certificates, etc. by the large-scale purchaser and its group companies, etc.; the status of contracts and status of holding of derivatives and other financial derivative products that have as underlying assets the Company's stock certificates, etc. or assets related to the business of the Company or the Group; and the status of stock lending and short selling of the Company's stock certificates, etc.
- c. The purpose, the method, and the details of the large-scale purchase (including type and number of stock certificates, etc. subject to the large-scale purchase, the type and value of consideration for the large-scale purchase, the timing of the large-scale purchase, related transaction mechanisms, the legality of the method of the large-scale purchase, the feasibility of the large-scale purchase and related transactions (with details of any specific certain conditions for the large-scale purchase), and, in the case of expectation that the Company's stock certificates, etc. will be delisted following the completion of the large-scale purchase, the fact of and reasons for this. Regarding the legality of the method of the large-scale purchase, a written opinion by a qualified attorney will also be submitted.)

- d. The specific form and content of any communication of intent with a third party concerning the large-scale purchase (including communication of intent regarding material proposals, etc. made to the Company (meaning material proposals, etc. defined in Article 27-26, Paragraph 1 of the Financial Instruments and Exchange Act); the same shall apply hereinafter)
 - e. The grounds for calculation of consideration for purchasing, etc. related to the large-scale purchase and the particulars of the calculation (including facts/assumptions underlying the calculation, calculation method, information on the organization performing calculation, numerical data used in calculation, and the amounts of synergies and dyssynergies that are expected to arise due to the series of transactions pertaining to the large-scale purchase and the grounds for calculation of these)
 - f. Funds backing purchases, etc. related to the large-scale purchase (names of the providers of funds (substantial providers (direct or indirect)), procurement method, presence and details of conditions for provision of funds, presence and details of collateral or pledges after funding, and details of related specific transactions)
 - g. The management policies, business plans, financial plans, investment plans, capital policies, dividend policies, etc. intended for the Company and the Group following completion of the large-scale purchase (including plans for sale, provision as collateral, or other disposal of the Company's assets following the completion of the large-scale purchase), and policies for the handling of the Company's and the Group's officers, employees, business partners, customers, local public organizations in which factories/production facilities are located, and other parties with vested interest in the Company following completion of the large-scale purchase
 - h. The probability of obtaining approval, permission, etc. based on the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade and other domestic and foreign laws and regulations that may apply to the large-scale purchase. (Regarding these matters, a written opinion by a qualified attorney will also be submitted.)
 - i. Presence of any relationships (direct or indirect) with antisocial influences or terrorism-related organizations, and details of any such relationships
 - j. Specific measures to avoid conflicts of interest with other shareholders of the Company
 - k. Other information that the Board of Directors of the Company or the Independent Committee has deemed to be reasonably necessary and has requested in writing from the large-scale purchaser
- All of the above information is to be provided in Japanese.

(d) Setting of period for evaluation by the Board of Directors, etc.

The Board of Directors of the Company will set period a or b below (either of which will be calculated from the date on which the Company discloses that the Board of Directors of the Company or the Independent Committee has determined that the provision of large-scale purchase information has been completed) as a period for evaluation, examination, opinion formation, alternate proposal drafting, and negotiations with the large-scale purchaser by the Board of Directors of the Company (hereinafter "Board of Directors evaluation period"), in accordance with the content of the large-scale purchase disclosed by the large-scale purchaser. Unless otherwise stated in the Plan, large-scale purchases are to be initiated only after the Board of Directors evaluation period has elapsed. The Board of Directors evaluation period was set with consideration of the difficulty of evaluating and examining the content of the business of the Company, the difficulty of opinion formation and alternate proposal drafting, etc.

- a. If purchase of all stock certificates, etc. of the Company (meaning stock certificates, etc. defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act) is to be carried out through a tender offer with cash (yen) as the sole consideration: Maximum 60 days (not including the first day)
- b. If a large-scale purchase excluding a above is to be carried out: Maximum 90 days (not including the first day)

During the Board of Directors evaluation period, the Board of Directors of the Company will conduct evaluation, consideration, opinion formation, alternate proposal drafting, and negotiations with the large-scale purchaser based on the large-scale purchase information provided by the large-scale purchaser, from the standpoint of ensuring and enhancing the corporate value of the Company and the common interests of shareholders. When the Board of Directors of the Company conducts evaluation, consideration, opinion formation, alternative proposal drafting, and negotiations with the large-scale purchaser, it will, as necessary, obtain the counsel of external experts (financial advisors, attorneys, certified accountants, tax accountants, etc.) who are in third-party positions independent of the Board of Directors of the Company. The Company will bear all costs incurred in obtaining said counsel, except in exceptional cases where deemed particularly unreasonable.

In the event of unavoidable circumstances by which the Board of Directors of the Company fails to reach a resolution on whether to invoke countermeasures within the Board of Directors evaluation period for reasons including the Independent Committee failing to make recommendations as described in (f) below during the Board of Directors evaluation period, the Board of Directors of the Company may, based on recommendations of the Independent Committee, extend the Board of Directors evaluation period, one time only, to the extent necessary up to a maximum of 30 days (not including the first day). In the event that the Board of Directors of the Company has resolved to extend the Board of Directors evaluation period, it will disclose to shareholders the specific period that was resolved and the

reasons why the specific period is needed, in a timely and appropriate manner and in accordance with applicable laws and regulations.

(e) Establishment of the Independent Committee

In the Current Plan, to eliminate arbitrary judgments by the Board of Directors of the Company concerning invoking, etc., the Company has established an independent committee consisting of three or more Outside Directors of the Company (including substitutes for these) and outside experts (hereinafter "Independent Committee") who are independent of the management team that engages in execution of the Company's business. This will also be maintained under the Plan.

The Independent Committee, as necessary, may obtain the counsel of external experts (financial advisors, attorneys, certified accountants, tax accountants, etc.) who are in third-party positions independent of the Board of Directors of the Company and the Independent Committee. The Company will bear all costs incurred in obtaining said counsel, except in exceptional cases where deemed particularly unreasonable.

The names and backgrounds of the members of the Independent Committee as of the start of the continuation of the anti-takeover measures under the Plan are as shown in **Appendix 4**.

In principle, resolutions of the Independent Committee will be passed by a majority of Committee members, with all Committee members in attendance. However, in the event that an accident or other unavoidable circumstance has befallen a member of the Independent Committee, resolutions will be passed by a majority of those members present, with a majority of Independent Committee members in attendance.

(f) Recommendation procedures of the Independent Committee and resolutions by the Board of Directors of the Company

A. Recommendations by the Independent Committee

During the Board of Directors evaluation period (including any period of extension), the Independent Committee will make recommendations to the Board of Directors of the Company regarding large-scale purchases, in accordance with the provisions of a to c below.

a. Cases in which the large-scale purchase rules were not observed

In the case that a large-scale purchaser has violated the large-scale purchase rules in key respects (including cases in which the large-scale purchaser does not provide necessary additional information within a reasonable period set by the Board of Directors of the Company, or cases in which the large-scale purchaser does not comply with discussions and negotiations with the Board of Directors of the Company), and if said violation has not been rectified within five business days (not including the first day) after the Board of Directors of the Company has issued a request in writing that the large-scale purchaser rectify the matter, the Independent Committee will, in principle, recommend that the Board of Directors of the Company invoke countermeasures against the large-scale purchase, except in cases in which there is a clear need not to invoke said countermeasures in order to ensure or enhance the corporate value of the Company or the common interests of shareholders, or in which other special circumstances are present. When such a recommendation has been made, the Company will disclose to shareholders the opinions of the Independent Committee, the grounds for said opinions, and other information deemed appropriate, in a timely and appropriate manner and in accordance with applicable laws and regulations.

In the event that, after the Independent Committee has issued to the Board of Directors of the Company a recommendation to invoke countermeasures, the large-scale purchase is withdrawn or ceases to exist, or if other changes occur in factual relationships, etc. upon which the recommendation decision was grounded, the Independent Committee may issue a recommendation to discontinue the invoking of measures, or other recommendations, to the Board of Directors of the Company.

When such re-recommendation has been made, the Company will disclose to shareholders the opinions of the Independent Committee, the grounds for said opinions, and other information deemed appropriate, in a timely and appropriate manner and in accordance with applicable laws and regulations.

b. Cases in which the large-scale purchase rules were observed

If the large-scale purchaser has complied with the large-scale purchase rules, the Independent Committee will, in principle, recommend that the Board of Directors of the Company not invoke countermeasures against the large-scale purchase.

However, even if the large-scale purchase rules have been observed, if the large-scale purchaser has been recognized as a party to which any of the circumstances (A) to (K) below apply (hereinafter collectively referred to as "aggressive purchaser"), the Independent Committee will recommend that the Board of Directors of the Company invoke countermeasures against the large-scale purchase.

(A) The party is conducting acquisition of the stock certificates, etc. of the Company for the purpose of inflating the stock price and having the Company-related parties take back the shares at a high price despite a lack of intent to participate substantially in the management of the Company (i.e., is a

"greenmailer") or the objective of the acquiring stock certificates, etc. of the Company is primarily the capture of short-term profit margins

(B) The party's objective for participation in the management of the Company is primarily to temporarily control the management of the Company and to transfer intellectual property rights, know-how, trade secrets, major business partners, customers, etc. necessary for the management of the Company to the large-scale purchaser, its group companies, etc.

(C) The party is conducting acquisition of the stock certificates, etc. of the Company with the plan to improperly divert the assets of the Company for use as collateral for debts of the large-scale purchaser or its group companies or as funds for repayment after controlling the management of the Company

(D) The party's objective for participation in the management of the Company is primarily to temporarily control the management of the Company, dispose of high-value assets such as real estate and securities that are not involved in the business of the Company at the time, and use the gain from disposal to temporarily inflate dividends or seek opportunities for a sharp rise in stock price due to the temporary high dividend in order to sell off stock at a high price

(E) The party indicates no particular interest in and is not particularly involved in the management of the Company, and, after acquisition of the shares of the Company, solely seeks to capture short- to medium-term profits on sale of the shares of the Company by selling to the Company or to a third party, and ultimately seeks only to pursue its own profit even through disposal of the assets of the Company

(F) The conditions of acquisition of the Company's stock certificates, etc. proposed by the large-scale purchaser (including but not limited to the type, value, and grounds for calculation of the consideration for purchase, as well as content, timing, method, legality, and feasibility) are judged on the basis of reasonable grounds to be inadequate or inappropriate in light of the corporate value of the Company

(G) The acquisition method proposed by the large-scale purchaser is acquisition by a coercive method that structurally restricts the opportunities or the freedoms for judgment of shareholders, typified by a two-tier takeover (by which, when not all of the stock certificates, etc. of the Company can be acquired in a single-tier takeover, conditions for a two-tier takeover are disadvantageously set, and acquisition of the stock certificates, etc. of the Company is carried out in a non-explicit manner or in a manner that raises concerns about future liquidity of the stock certificates, etc. of the Company due to delisting, etc., effectively forcing shareholders to comply with the acquisition), or by a partial tender offer (a tender offer for only a portion, not all, of the stock certificates, etc. of the Company), etc.

(H) There is expectation of significant harm to the corporate value of the Company, including to the interests of shareholders, customers, employees, and other stakeholders of the Company, due to the acquisition of controlling rights by the large-scale purchaser, and, moreover, it is determined on the basis of reasonable grounds that there exists a risk of significant impediment to ensuring and enhancing the corporate value of the Company, or it has been determined that the medium- to long-term future corporate value of the Company would clearly be subordinated in the event that the large-scale purchaser were to acquire controlling rights, relative to if it did not

(I) The fact of acquisition of controlling rights by a large-scale purchaser would itself significantly cause harm to the corporate value of the Company, such as through loss of important business partners of the Company

(J) The large-scale purchaser has been judged on the basis of reasonable grounds to be inappropriate as a controlling shareholder from the standpoint of public order and morals, such as when the management team, major shareholders, or investors of the large-scale purchaser include persons who have a relationship with antisocial influences or terrorism-related organizations

(K) In other cases conforming to any of (A) to (J), it has been determined that the corporate value of the Company or the common interests of shareholders will be significantly harmed

The disclosure procedures for such recommendations and the subsequent procedures for re-recommendations will conform to a above.

The disclosure procedures for such recommendations and the subsequent procedures for re-recommendations will conform to a above.

c. Other recommendations, etc. by the Independent Committee

In addition to the above, the Independent Committee may issue to the Board of Directors of the Company recommendations including recommendations on necessary details and discontinuation of countermeasures when permitted by specific laws and regulations.

The disclosure procedures for such recommendations and the subsequent procedures for re-recommendations will conform to a above.

B. Resolutions by the Board of Directors of the Company

Unless there are special circumstances that clearly violate the Director's duty of due care of a prudent manager, the Board of Directors of the Company shall, after respecting the recommendation of the Independent Committee to the maximum extent possible, invoke or not invoke countermeasures, convene the General Meeting for Confirmation of Shareholders' Intentions of the Company by the means in C. below, and make other necessary resolutions in accordance with the procedures prescribed in this Plan. In addition, even after the Independent Committee has made a recommendation to the Board of Directors to invoke countermeasures, the Board of Directors may cancel or otherwise decide to take countermeasures in the event that the large-scale purchase is withdrawn or in the event of any other change in the facts and circumstances upon which the decision on such recommendation was based. When such a resolution has been passed, the Company will disclose to shareholders the details of such resolution, the opinion of the Board of Directors, the grounds for said opinions, and other information deemed appropriate, in a timely and appropriate manner and in accordance with applicable laws and regulations.

C. Convocation of a General Meeting for Confirmation of Shareholders' Intentions of the Company

When the Board of Directors of the Company has itself made a determination that a General Meeting for Confirmation of Shareholders' Intentions of the Company should be convened in order to put to vote the invoking of countermeasures under the Plan, the Board of Directors of the Company will convene a General Meeting for Confirmation of Shareholders' Intentions as quickly as possible. The Board of Directors of the Company shall disclose details such as the scope of shareholders who are entitled to exercise voting rights at such General Meeting for Confirmation of Shareholders' Intentions, the cut-off date for exercising voting rights, and the date and time of such General Meeting for Confirmation of Shareholders' Intentions, in accordance with applicable laws and regulations. Resolutions at such General Meeting for Confirmation of Shareholders' Intentions shall be adopted by a majority of the voting rights of the shareholders present at such General Meeting for Confirmation of Shareholders' Intentions who are entitled to exercise their voting rights. In this case, the large-scale purchase will be carried out following the rejection of a proposal to invoke countermeasures at the General Meeting for Confirmation of Shareholders' Intentions and following the conclusion of the General Meeting for Confirmation of Shareholders' Intentions. If the proposal to approve the invoking of countermeasures under the Plan was rejected at the General Meeting for Confirmation of Shareholders' Intentions, the countermeasures under the Plan will not be invoked against the large-scale purchase.

Even if procedures for convening a General Meeting for Confirmation of Shareholders' Intentions of the Company have been enacted, in the event that the Board of Directors of the Company subsequently passes a resolution of non-invoking of countermeasures or if the Board of Directors of the Company determines that a resolution of invoking of countermeasures is suitable, the Company may cancel the procedures for convening the General Meeting for Confirmation of Shareholders' Intentions of the Company. When such a resolution has been passed, the Company will disclose to shareholders the opinions of the Board of Directors of the Company, the grounds for said opinions, and other information deemed appropriate, in a timely and appropriate manner and in accordance with applicable laws and regulations.

(g) Amendments to large-scale purchase information

After the Company has disclosed that it has determined the provision of large-scale purchase information to have been completed in accordance with the provisions of (c) above, in the event that the Board of Directors of the Company or the Independent Committee has determined that significant amendments to the large-scale purchase information have been made by the large-scale purchaser, procedures based on the Plan which have been carried out for the large-scale purchase based on the earlier large-scale purchase information (hereinafter "pre-amendment large-scale purchase") will be discontinued through disclosure to shareholders of said fact, its reasons, and other information deemed appropriate, in a timely and appropriate manner and in accordance with applicable laws and regulations; the large-scale purchase based on post-amendment large-scale purchase information will be handled as a large-scale purchase distinct from the pre-amendment large-scale purchase; and procedures based on the Plan will be applied anew.

(h) Specific details of countermeasures

Countermeasures against large-scale purchases initiated by the Company based on the Plan will in principle be based on the gratis allotment of share options stipulated in Article 277 and later in the Companies Act. (The allotted share options are hereinafter referred to as "the share options".) However, if it is deemed appropriate to invoke other countermeasures permitted by the Companies Act, other laws and regulations, and the Articles of Incorporation of the Company, said other countermeasures may be used.

An outline of cases in which gratis allotment of share options is implemented as a countermeasure against the large-scale purchase is as described in Appendix 5. However, when actually implementing gratis allotment of the share

options, the exercise period, exercise conditions, acquisition terms, etc. (I.e., (i) conditions for exercise by which the exercise of rights by parties with exceptional grounds (specifically, parties that, based on the counsel of the Independent Committee, have been recognized by the Board of Directors of the Company as large-scale purchasers who are in violation of the Plan or large-scale purchasers that correspond to aggressive purchasers, co-owners of these, or specially related parties thereof, or parties that are effectively controlled by and that act jointly or in collaboration (Note10) with the aforementioned parties) is not permitted, (ii) (a) when the Company seeks to acquire a portion of the share options, only the share options held by share option holders other than parties with exceptional grounds may be acquired, or (b) the Company may acquire the share options held by share option holders other than parties with exceptional grounds in exchange for shares of common stock of the Company; on the other hand, share options held by parties with exceptional grounds are acquired in exchange for other share options with certain exercise conditions and acquisition clauses.) may be set in consideration of the effect as a countermeasure against the large-scale purchase.

3. Continuation of anti-takeover measures under the Plan, and period of validity of, continuation of, discontinuation of, and amendments to the Plan

In continuing the anti-takeover measures under the Plan, the Company will present a proposal for approval of the continuation of the anti-takeover measures under the Plan at this Annual General Meeting of Shareholders, in order to gain an opportunity to appropriately incorporate the intent of shareholders.

The period of validity of the Plan will be from the time of expiration of the period of validity of the Current Plan to the time of conclusion of the Annual General Meeting of Shareholders for the last business year that ends within three years following the conclusion of this Annual General Meeting of Shareholders. However, in the case that, at the time of the conclusion of the Annual General Meeting of Shareholders, there exists a party which is putting forth an acquisition proposal or a party which intends to acquire controlling shares of the Company and which has been specified by the Board of Directors of the Company, the period of validity will be extended to the extent necessary to address the act that is being carried out or is intended. Even before the expiration of the period of validity, in the case that (i) a proposal to discontinue the Plan is approved at the General Meeting of Shareholders of the Company, or (ii) the Board of Directors of the Company has resolved to discontinue the Plan, or (iii) a proposal for approval of the introduction of the Plan has been rejected at this Annual General Meeting of Shareholders, the Plan will be discontinued at that time. Accordingly, the Plan may be abolished at any time in accordance with the intent of shareholders.

From the current year onward, at the first meeting of the Board of Directors of the Company following the conclusion of the Annual General Meeting of Shareholders of the Company, the Company will, as necessary, consider whether to continue, discontinue, or amend the Plan, and will carry out required resolutions as necessary.

Moreover, from the standpoint of ensuring and enhancing corporate value or the common interests of shareholders, the Board of Directors of the Company may review or amend the Plan as necessary, even at occasions other than the above-noted first meeting of the Board of Directors of the Company following the conclusion of the Annual General Meeting of Shareholders, with the approval of the Independent Committee, to an extent that is not contrary to the overall aims of the Plan, and to the extent deemed reasonably necessary due to revisions to laws and regulations, etc. or to the interpretation or application of these, or due to amendments to the tax system, judicial precedents, etc.

In the event that a resolution for the discontinuation, amendment, etc. of the Plan has been passed, the Company will disclose to shareholders those matters deemed appropriate by the Board of Directors or the Independent Committee, in a timely and appropriate manner and in accordance with applicable laws and regulations.

4. Impact on shareholders and investors

(1) Impact on shareholders and investors from the continuation of anti-takeover measures under the Plan

If the anti-takeover measures under the Plan are continued, gratis allotment of the share options will not be conducted. Accordingly, upon entering into effect, the Plan will not have a direct and specific impact on the rights and economic interests of shareholders and investors.

The Plan provides information needed by shareholders to judge whether to comply with a large-scale purchase, and provides the opinions of the Board of Directors currently in charge of the management of the Company, for the purpose of ensuring an opportunity for shareholders to be presented with alternate proposals, etc. This allows shareholders to obtain sufficient information and to render appropriate judgment on whether to comply with the large-scale purchase, which is expected to protect the common interests of shareholders. Accordingly, we believe that the Plan is a precondition for shareholders and investors to make appropriate investment decisions, and will contribute to the common interests of shareholders and investors.

Note 10: The criteria for determining whether or not a person falls under the category of “a person acting jointly or in collaboration” shall be in accordance with the criteria set forth in Appendix 3.

(2) Impact on shareholders and investors from gratis allotment of the share options

Based on the Plan, the Board of Directors of the Company may enact countermeasures against a large-scale purchase for the purpose of ensuring and enhancing corporate value or the common interests of shareholders. Due to the currently envisioned mechanism of countermeasures, dilution of the per-share value of shares of the Company held by shareholders will occur at the time of gratis allotment of the share options. However, as no dilution of the value of the entirety of shares of the Company held by shareholders will occur, we do not anticipate any direct and specific impact on the legal rights and economic interests of shareholders and investors.

However, in the event that countermeasures are invoked, some impact may befall the legal rights or economic interests of parties with exceptional grounds as a result.

Moreover, in the event that a resolution is passed for the gratis allotment of the share options as a countermeasure, and, following determination of the shareholders who are to receive the gratis allotment of the share options, if the Company suspends the gratis allotment of the share options or performs gratis acquisition of the gratis allotted share options, the per-share value of the Company's shares will not be diluted as a result; accordingly, investors who have performed buying or selling on the expectation that dilution of the per-share value of the Company's shares will occur may suffer unexpected harm due to fluctuations in the stock price, etc.

Procedures related to shareholders' exercise and acquisition of the share options for which gratis allotment was performed are as follows.

In the event that the Board of Directors of the Company has resolved to carry out gratis allotment of the share options, the Company will set a date of record for allotment of the share options and will issue a public notice in accordance with laws and regulations and with the Articles of Incorporation of the Company. In this case, the share options will be allotted to the shareholders listed or recorded in the final register of shareholders as of the date of record, in accordance with the number of shares held.

If the gratis allotment of the share options is carried out, shareholders listed or recorded in the final register of shareholders as of the date of record will naturally become share option holders on the date on which the gratis allotment of the share options goes into effect.

The Company will send a request for the exercising of the share options (in a format specified by the Company, and possibly including text pledging that shareholders are not parties with exceptional grounds), and other documents necessary for the exercise of the share options, to shareholders listed or recorded in the final register of shareholders as of the date of record. By submitting these required documents within the period of exercise of the share options separately set by the Board of Directors of the Company and by paying an amount equivalent to the exercise price to the location handling payment, shareholders will be issued one share of the common stock of the Company for each share option. However, parties with exceptional grounds may not be able to exercise the share options.

Conversely, in the event that the Company acquires share options based on the acquisition provisions, shareholders will receive grant of the common stock of the Company as consideration for the acquisition of the share options by the Company, without paying money equivalent to the exercise price. (In this case, in addition to documents for verification of identity and documents containing information on accounts for conducting the transfer of the common stock of the Company, shareholders will submit documents containing text pledging that shareholders are not parties with exceptional grounds, etc., and that, if said pledge contains falsehoods, shareholders will immediately return the common stock of the Company that was granted.) However, the treatment of shareholders who are parties with exceptional grounds may differ from other shareholders, such as the fact that the share options held by such shareholders are not subject to acquisition, or that another share option with certain exercise conditions or acquisition terms will be delivered as consideration for the acquisition of such share options.

When these procedures have become actually necessary, the Company will disclose details to shareholders in a timely and appropriate manner and in accordance with applicable laws and regulations, and requests that shareholders check said details.

5. Rationality of the Plan

(1) Satisfaction of criteria in the guidelines concerning anti-takeover measures

The Plan satisfies the three principles set forth in "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" on May 27, 2005 by the Ministry of Economy, Trade and Industry and the Ministry of Justice ((i) principle of ensuring and enhancing corporate value and the common interests of shareholders), (ii) principle of prior disclosure and shareholder intent, and (iii) principle of ensuring necessity and appropriateness) as follows. In addition, the Plan is highly rational in content, based on the "Takeover Defense Measures in Light of Recent Environmental Changes" released on June 30, 2008 by the Corporate Value Study Group established by the Ministry of Economy, Trade and Industry (METI), the "Guidelines for Corporate Takeovers - Enhancing Corporate Value and Securing Shareholders' Interests" released on August 31, 2023 by METI, "Principle 1.5. Anti-Takeover Measures" of the "Corporate Governance Code Seeking Sustainable Corporate

Growth and Increased Corporate Value over the Mid- to Long-Term” introduced by the Tokyo Stock Exchange on June 1, 2015 and revised on June 1, 2018 and June 11, 2021, respectively, and the practices and discussions regarding other takeover defense policies.

(2) Ensuring and enhancing corporate value or the common interests of shareholders

As described in 2 (1) above, by requesting that the large-scale purchaser provide necessary information regarding the large-scale purchase in advance and by requesting a period for the evaluation and examination of this information, the Plan enables appropriate judgments by shareholders on whether to comply with the large-scale purchase, the presentation of opinions or alternatives for or against the large-scale purchase to shareholders by the Board of Directors of the Company in response to recommendations by the Independent Committee, or negotiation with large-scale purchasers on behalf of shareholders, with the aim of ensuring and enhancing the corporate value of the Company or the common interests of shareholders.

(3) Prior disclosure

The Company will disclose the Plan in advance in order to enhance the ability of shareholders, investors, and large-scale purchasers to foresee, and to ensure that shareholders have opportunities to make appropriate choices.

The Company will also continue to perform timely and appropriate disclosure as necessary, in accordance with applicable laws and regulations.

(4) Emphasis on shareholder intent

At this Annual General Meeting of Shareholders, the Company plans to confirm the intent of shareholders of the Company regarding the continuation of the anti-takeover measures under the Plan. By making the continuation of the anti-takeover measures under the Plan contingent upon the approval of shareholders, we will incorporate the intent of shareholders regarding the continuation of anti-takeover measures.

As described in 3 above, as discontinuation is possible at any time by resolution of a General Meeting of Shareholders of the Company or of a Board of Directors consisting of the Directors appointed at a General Meeting of Shareholders, continuation is made contingent upon the intent of shareholders.

(5) Collection of opinions from outside experts by the Board of Directors of the Company

As described in 2 (2) (d) above, when invoking anti-takeover measures, the Board of Directors of the Company will, as necessary, conduct consideration after obtaining the counsel of external experts (financial advisors, attorneys, certified accountants, tax accountants, etc.) who are in third-party positions independent of the Board of Directors of the Company. This is to ensure objectivity and rationality in decisions made by the Board of Directors of the Company.

(6) Establishment of the Independent Committee and due respect for its recommendations

As described in 2 (2) (e) above, the Company will establish an Independent Committee to ensure the necessity and appropriateness of the Plan and to prevent the Plan from being misused for the protection of management. The Independent Committee will be composed of three or more Outside Directors of the Company (including substitutes for these) or outside experts, etc. who are independent of the management team that engages in execution of the Company's business.

When invoking anti-takeover measures, the Board of Directors of the Company will give due respect to the recommendations of the Independent Committee in order to ensure the fairness of decisions and eliminate arbitrary judgments by the Board of Directors of the Company. The Independent Committee, as necessary, in principal, and at the expense of the Company, may obtain the counsel of external experts (financial advisors, attorneys, certified accountants, tax accountants, etc.) who are in third-party positions independent of the Board of Directors of the Company and the Independent Committee. This is to ensure objectivity and rationality in decisions involving the recommendations of the Independent Committee.

In addition, an outline of the judgments of the Independent Committee will be disclosed to shareholders in a timely and appropriate manner. Mechanisms have been secured by which the Plan will be operated, with assurance of transparency that will contribute to the corporate value of the Company and the common interests of shareholders.

(7) Setting of reasonable and objective requirements

As described in 2 (2) above, the Plan is set up so that the countermeasures will not be invoked unless predetermined reasonable and objective requirements are met, thereby ensuring a mechanism to ensure that the invoking of countermeasures by the Board of Directors of the Company will not be arbitrary.

(8) Not a dead-hand anti-takeover measure or a slow-hand anti-takeover measure

As described in 3 above, as discontinuation of the Plan is possible at any time by resolution of a General Meeting of Shareholders of the Company or of a Board of Directors consisting of the Directors appointed at a General Meeting of

Shareholders, it is not a dead-hand anti-takeover measure (an anti-takeover measure which cannot be prevented even if a majority of the members of the Board of Directors are replaced) or a slow-hand anti-takeover measure (an anti-takeover measure that requires time to prevent as members of the Board of Directors cannot all be changed at once).

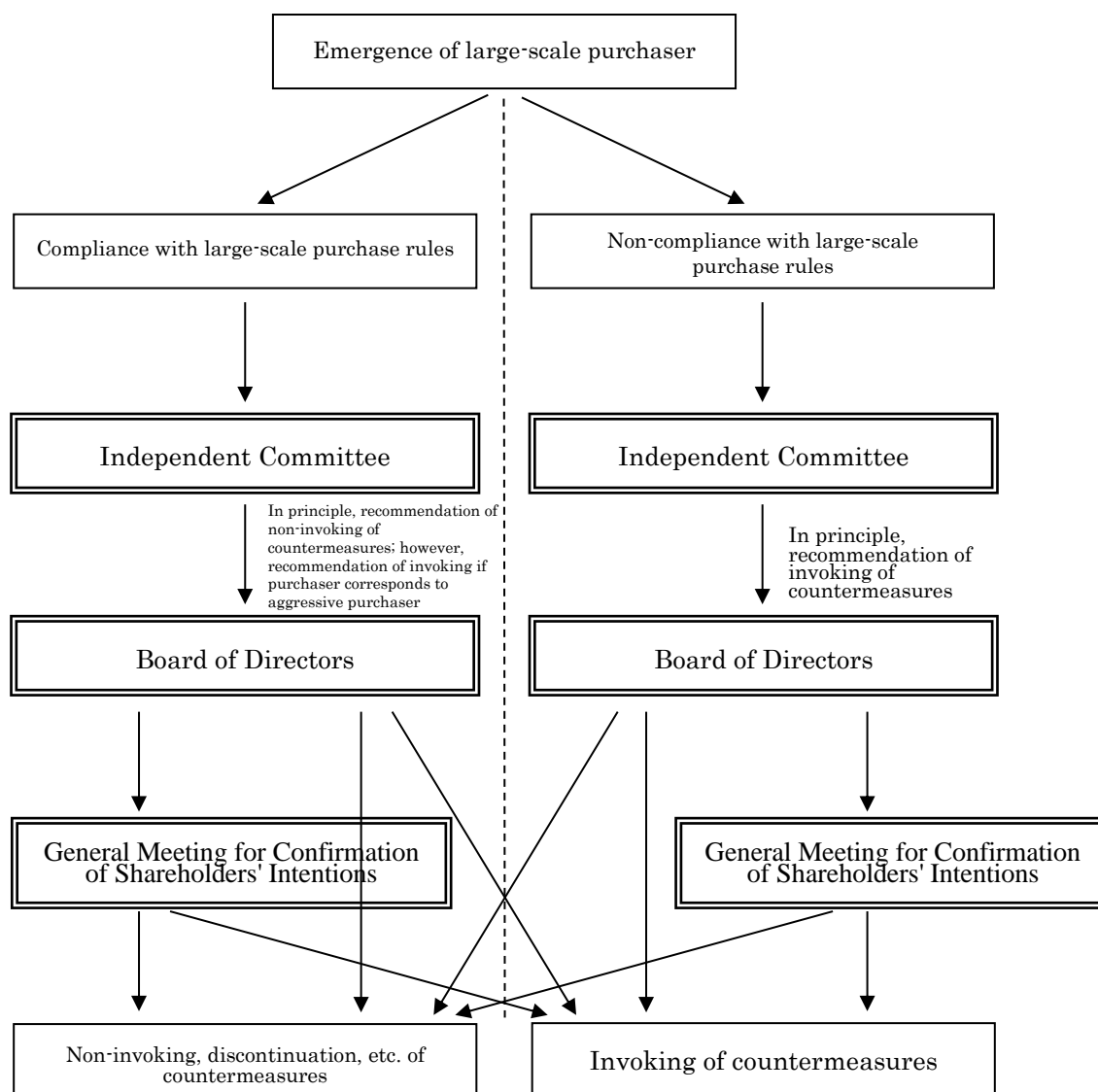
Status of major shareholders (as of February 28, 2025)

Name	Number of shares owned (thousands)	Ratio of the number of shares owned to total number of issued shares (%)
The Master Trust Bank of Japan, Ltd. (trust account)	1,975	9.14
The Dai-ichi Life Insurance Company, Limited	1,078	4.99
The Hiroshima Bank, Ltd.	1,069	4.95
YONDOSHI HOLDINGS Group Co-Prosperity Association	828	3.83
The Iyo Bank, Ltd.	739	3.42
Toshiko Ota	634	2.93
Tsuguo Oyama	400	1.85
Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank, Ltd. re-trust; The Momiji Bank, Ltd. employee pension trust account)	352	1.63
Sumitomo Mitsui Banking Corporation	350	1.62
Shimako Sumikawa	340	1.57
Total	7,767	35.93

Note 1: The Company holds 2,714,528 shares (11.16%) of treasury stock, but is excluded from major shareholders.

2. The above percentage of shares owned is calculated on the basis of 21,616,828 shares, being the total 24,331,356 shares issued as of February 28, 2025 with 2,714,528 shares of treasury stock excluded.

Steps in procedures under the Plan



* An overview of steps in procedures under the Plan is shown in Appendix 2. For details, please refer to the text of this proposal.

Criteria for Recognition of Joint or Collaborative Action, etc.

- * Recognition given to persons subject to recognition (including their parent companies, subsidiaries, and other entities that should be considered the same as the person subject to recognition. Hereinafter referred to as “subject of recognition”) shall be based on a comprehensive judgement of the subject of recognition, taking into consideration each of the factors listed below, as well as the existence of direct or indirect factors that suggest “no communication of intent” with specified shareholders of the Company.
 - * Hereinafter, “specified shareholders of the Company” shall include the parent company and subsidiaries of such specified shareholders (including such specified shareholders, the “specified shareholder group”), the officers and major shareholders of the specified shareholder group.
- (1) Whether the period during which the Company's stock certificates, etc. are being acquired overlaps with the period during which actions are being taken to acquire the Company's stock certificates, etc. or to make a material proposal or other acquisition by a specified shareholder of the Company.
 - (2) Whether the volume of the Company's stock certificates, etc. acquired has reached a considerable volume.
 - (3) Whether the time of commencement of the acquisition of the Company's stock certificates, etc. is close to the time of commencement of actions by such specified shareholder toward the acquisition of the Company, such as the commencement of acquisition of the Company's shares by such specified shareholder or the announcement of the intention to acquire management control over the Company or to make a material proposal, etc. Whether it is in close proximity to an event related to such specified shareholder's action, such as a record date for a general meeting of shareholders, in which the agenda items related to the Plan are included in the purpose items, etc.
 - (4) Whether there is any commonality between the characteristics of the timing and manner (i.e., whether or not margin buying, etc., is used) of the acquisition of the Company's stock certificates, etc. by the specified shareholder, such as the acquisition of the Company's stock certificates, etc. at the same time during a period when trading conditions in the market for the Company's stock certificates, etc. are abnormal (i.e., when the volume is significantly higher than the average volume or when the share price is significantly higher than the average share price during the preceding period).
 - (5) Whether the same share certificates as the specified shareholder has (had) have been acquired, and whether the timing of acquisition and the holding period of such share certificates, etc. overlap with those of the specified shareholder.
 - (6) During the overlapping period in (5) above, whether the exercise of shareholder rights (common benefit rights) with respect to the other listed companies (other listed companies in which the person subject to certification was a shareholder together with the specified shareholder in question) was in sync with that of the specified shareholder in question. If so, to what extent, in light of the type and nature of the shareholder rights and the results of the exercise of shareholder rights.
 - (7) With respect to the election or dismissal of directors or other officers of such other listed company as described in (5) above as a result of the exercise of voting rights or other common rights by the person subject to recognition and such specified shareholder (and, if there is a shareholder other than the person subject to recognition who exercised voting rights and other common rights in concert with the specified shareholder, such shareholder), whether there is a risk of damage to corporate value or shareholder value at such other listed company (i.e., occurrence of an event that constitutes or may constitute a material violation of law, delisting, designation as Securities on Special Alert, bankruptcy or other legal insolvency proceedings, or issuance of shares or share options that would cause substantial dilution) during the term of office of such officers after such change. If so, to what extent the corporate value or shareholder value is threatened to be impaired.
 - (8) Whether there is or has been a direct or indirect investment or loan relationship with the specified shareholder.
 - (9) Whether there exists or has existed, directly or indirectly, a personal relationship with the specified shareholder in terms of directorships, familial relationships (including relationships equivalent to common-law relationships, etc.; the same shall apply hereinafter), business relationships, schools attended or other communities, and whether there exists or has existed a personal relationship such as one being or having been an employee, partner or other constituent member of the other.

- (10) Whether the exercise of shareholder rights (common benefit rights) against the Company was sympathetic to that of the specific shareholder in question. If so, to what extent, in light of the type of shareholder rights exercised, the details thereof, the results of the exercise of shareholder rights, etc. (Note that this item shall not be the sole basis for the recognition of a “parties with exceptional grounds.”).
- (11) Whether the words and deeds concerning the Company's business and management policies are similar to those of the specified shareholder in question. If so, to what extent they are similar, in light of the timing and content of such words and deeds. (Note that this item shall not be the sole basis for the recognition of a “parties with exceptional grounds.”).
- (12) Whether the agent or advisor has a direct or indirect relationship with the specified shareholder that facilitates communication, such as belonging or having belonged to the same firm, corporation, or organization as that of the specified shareholder, having a business alliance, having jointly executed similar projects, or having a familial or other personal relationship with the specified shareholder.
- (13) Whether there are any other direct or indirect facts that suggest that there is communication of intent with the specified shareholder.

Names and backgrounds of Independent Committee members

Name:

Nobuko Kitagawa (born January 17, 1971)

Background:

April 1997	Registered as Attorney
April 1997	Attorney, Asuka Law Office (currently Hayabusa Asuka Law Office)
April 2003	Supervision Bureau, Financial Services Agency (fixed-term staff member)
October 2014	Legal Councilor, Japan Securities Dealers Association (incumbent)
June 2015	Outside Director, The Bank of Kochi, Ltd. (incumbent)
April 2016	Attorney, Komatsu Partners (current Kotohira Partners)
May 2020	Director and Audit and Supervisory Board Member of the Company (incumbent)
January 2021	Attorney, Nobuko Kitagawa Law Office
April 2022	Attorney, Shimada Mirai Law Office (incumbent)

Name:

Hiroshi Kawazoe (born March 17, 1959)

Background:

April 1978	Joined the Tokyo Regional Taxation Bureau
July 2017	Deputy Assistant Regional Commissioner, First Taxation Department, Tokyo Regional Taxation Bureau
July 2018	District Director, Kojimachi Tax Office
August 2019	Registered as a Certified Public Tax Accountant
November 2022	Outside Auditor, Kanki Publishing Co., Ltd. (incumbent)
May 2024	Director and Audit and Supervisory Board Member of the Company (incumbent)

Name:

Yo Ota (born October 3, 1967)

Background:

April 1993	Registered as Attorney (Dai-Ichi Tokyo Bar Association)
February 2001	Registered as Attorney, State of New York, USA
April 2001	Civil Affairs Bureau, Ministry of Justice (in charge of Commercial Code, Counselor's Office)
January 2003	Partner, Nishimura & Partners (current Nishimura & Asahi) (incumbent)

Overview of implementation of gratis allotment of share options

1 Shareholders eligible for allotment

Gratis allotment of share options, in proportional number set separately by the Board of Directors of the Company up to one per share held (excluding common stock held by the Company) will be carried out toward shareholders listed or recorded in the final register of shareholders as of the date of record separately set by the Board of Directors.

2 Type and number of shares that are the target of share options

The type of shares that are the target of share options are common stock of the Company. Common stock of the Company granted through exercise of a share option will be one share.

3 Date on which gratis allotment of share options goes into effect

This will be determined separately by the Board of Directors.

4 Value of assets contributed when exercising each share option

The object of contribution when exercising each share option will be money. The value per share of common stock of the Company for assets contributed when exercising share options will be an amount determined separately by the Board of Directors of the Company, within a range from 1 yen to an amount equivalent to 50% of the fair value of one share of the Company. "Fair value" here is the average closing price (including quotations) of ordinary transactions of the common stock of the Company on the Tokyo Stock Exchange going back 90 days (excluding days on which there is no closing price) from the day prior to the day of the resolution on the gratis allotment of share options, rounded up to the nearest yen.

5 Restrictions on the transfer of share options

Acquisition by transfer of share options will require approval by the Board of Directors.

6 Criteria for the exercise of share options

Criteria for the exercise of share options will be as separately determined by the Board of Directors. (Criteria for exercise may be added by which the exercise of rights is not recognized for parties that, based on the counsel of the Independent Committee, have been recognized by the Board of Directors as specified large-scale purchasers (stipulated by the Board of Directors of the Company in accordance with prescribed procedures), co-owners of these, or specially related parties thereof, or parties that are effectively controlled by and that act jointly or in collaboration with the aforementioned parties, etc. (hereinafter "parties with exceptional grounds").)

7 Acquisition of share options rights by the Company

The Company may attach acquisition clauses in accordance with a resolution of the Board of Directors, subject to either the occurrence of a day on which the large-scale acquirer violates the large-scale acquisition rule or certain other events, or the arrival of a date separately determined by the Board of Directors, to the effect that (1) all of the share options or only the share options held by share option holders other than parties with exceptional grounds may be acquired.; (2) share options held by shareholders other than parties with exceptional grounds will be acquired in exchange for shares of the Company's common stock, while share options held by parties with exceptional grounds will be acquired in exchange for other share options rights with certain exercise conditions and acquisition terms (i.e., an exercise condition to the effect that share options rights may be exercised within certain conditions, such as the holding ratio of share certificates, etc. after the exercise of such rights being less than 20% in the event that the large-scale acquirer disposes of his or her shares).

8 Grounds for gratis acquisition of share options (grounds for discontinuation of countermeasures)

In the event that any of the following grounds has arisen, the Company may acquire all share options gratis.

- (a) Approval for the proposal by the large-scale purchaser for the large-scale purchase has been obtained by ordinary resolution at a General Meeting for Confirmation of Shareholders' Intentions of the Company.
- (b) A unanimous decision has been rendered by the Independent Committee.
- (c) Other cases specified separately by the Board of Directors.

9 Cooperation with the liquidation of share options

If it is reasonably recognized that a party with exceptional grounds which has received allotment of share options no longer poses a threat to the corporate value of the Company or the common interests of shareholders, the Company, after consulting with the Independent Committee, will cooperate within a reasonable extent with the liquidation of share options granted to the party with exceptional grounds as compensation for the acquisition of share options, or share options owned by the party with exceptional grounds, by means such as arranging for a third party to take over the share options at a fair

price as of the time of purchase (with calculation to exclude inflated market price due to being the target of speculation). However, the Company will bear no obligation in this regard.

10 Period for exercise of share options, etc.

The period for the exercise of share options and other necessary matters will be determined separately by the Board of Directors, taking into consideration effectiveness as countermeasures against large-scale purchases, etc.

END