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Securities Code 8111

June 9, 2025

Start date of measures for electronic provision: June 2, 2025

To Our Shareholders

Takao Watanabe, President Representative Director

**Goldwin Inc.**

210 Kiyosawa, Oyabe City, Toyama Prefecture

## Notice of the 74th Annual General Meeting of Shareholders

Notice is hereby given that the 74th Annual General Meeting of Shareholders of the Company will be held as follows. In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on each of the following websites. Please access either of the websites to view the information.

The Company's website:

<https://about.goldwin.co.jp/ir/meeting> (in Japanese)

Website for posted informational materials for the General Meeting of Shareholders:

<https://d.sokai.jp/8111/teiji/> (in Japanese)

TSE website (Listed Company Search):

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

(Access the TSE website by using the Internet address shown above, enter "Goldwin" in "Issue name (company name)" or the Company's securities code "8111" in "Code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].")

In lieu of attending the meeting in person, you may exercise your voting rights in writing (via postal mail) or via the Internet, etc. Please review the Reference Document for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. (JST) on Tuesday, June 24, 2025.

When exercising your voting rights via the Internet, etc., please refer to the "Exercise of Voting Rights via the Internet, etc." on page 4.

**1. Date and time**      Wednesday, June 25, 2025 at 10:00 a.m. (JST)

**2. Venue**              5th floor hall of the Company's Head Office  
210 Kiyosawa, Oyabe City, Toyama Prefecture

### **3. Purpose**

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

- (1) Business Report and Consolidated Financial Statements, and the Audit Results of the Financial Auditor and the Board of Auditors on the Consolidated Financial Statements for the 74th fiscal year (from April 1, 2024 to March 31, 2025)
- (2) Report on the Non-consolidated Financial Statements for the 74th fiscal year (from April 1, 2024 to March 31, 2025)

## **Matters to be resolved**

<b>Proposal 1</b>	Election of Twelve Directors
<b>Proposal 2</b>	Election of One Auditor
<b>Proposal 3</b>	Revision of the Amount of Remuneration for Directors
<b>Proposal 4</b>	Revision to Share-based Remuneration Plan for Directors

## **4. Matters decided in connection with this convocation**

- (1) Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15, paragraph (2) of the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents.

Accordingly, the documents that are delivered to shareholders who have made a request for delivery of paper-based documents are part of the documents included in the scope of audits by the Auditor and the Financial Auditor when they create their respective audit reports.

- 1) Notes to Consolidated Financial Statements
- 2) Notes to Non-consolidated Financial Statements

- (2) Please note that your online vote will prevail should you exercise your voting rights both via the Internet, etc. and by voting form. If you exercise your voting rights more than once via the Internet, etc., only the last vote shall be deemed effective.
- (3) When exercising your voting rights in writing (via postal mail), if no indication of approval or disapproval is made for the proposals on the voting form, it will be considered as an indication of approval.
- (4) If you exercise your voting rights by proxy, one other shareholder with voting rights may attend the meeting as your representative. However, please note that he/she will be required to submit a document proving his/her right of representation.

- If you plan to attend the meeting, please submit the voting form to the receptionist at the meeting.
- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the respective aforementioned websites.
- In accordance with the enforcement of the electronic provision system of materials for the General Meeting of Shareholders due to the revision of the Companies Act, informational materials for the General Meeting of Shareholders have, in principle, been made available to shareholders on the website, in a change from paper media.
- Instead of sending a written notice of resolutions, the results of this meeting will be posted on the Company's website listed above after the conclusion of the meeting.

As part of our SDGs initiatives, the Company is promoting electronic provision (view on website) as a way to conserve paper resources and reduce CO2 emissions, and shareholders who have not requested the delivery of paper-based documents will receive only this Notice (the convocation notice with guidance to documents posted online).

## Information About Exercising Your Voting Rights

Exercise of voting rights at the Company's General Meeting of Shareholders is shareholders' important right. Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders. There are three methods to exercise your voting rights as indicated below.

### How to exercise your voting rights via attending the General Meeting of Shareholders:

When attending the meeting in person, please hand in the voting form at the reception desk at the meeting venue.

Date and time of the Annual General Meeting of Shareholders:

Wednesday, June 25, 2025 at 10:00 a.m. (JST)

### How to exercise your voting rights in writing (via postal mail):

Please indicate, on the voting form, your approval or disapproval of each proposal and return the completed form.

Deadline for exercise of voting rights via the Internet, etc.

The Company must receive the completed voting form by Tuesday, June 24, 2025, at 5:30 p.m. (JST).

### How to exercise your voting rights via the Internet, etc.:

Please indicate whether you approve or disapprove of each proposal following the instructions on the next page.

Deadline for exercise of voting rights via the Internet, etc.

All data entry to be completed no later than 5:30 p.m., Tuesday, June 24, 2025. (JST).

## How to Fill Out Your Voting Form

Please indicate whether you approve or disapprove of proposals.

### Proposal 1

- |   |  |
|---|--|
| To mark your approval for all candidates        | → Circle the box marked 賛 "Approve."   |
| To mark your disapproval for all candidates     | → Circle the box marked 否 "Disapprove."  |
| To mark your disapproval for certain candidates | → Circle the box marked 賛 "Approve" and write the number of the candidate(s) you wish to disapprove. |

### Proposals 2, 3, and 4

- |                          |   |
|--------------------------|---|
| To mark your approval    | → Circle the box marked 賛 "Approve."    |
| To mark your disapproval | → Circle the box marked 否 "Disapprove." |

## Exercise of Voting Rights via the Internet, etc.

### **Method 1: Scanning the QR Code “Smart Vote”**

You can simply log in to the website for exercising voting rights without entering your voting code and password.

- 1 Please scan the QR Code located on the bottom right of the voting form.  
\* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
- 2 Please follow the directions that appear on the screen to input approval or disapproval to each proposal.

Note that your voting rights can be exercised only once by using the “Smart Vote” method.

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering your voting code and password printed on the voting form, and exercise your voting rights again.

\* You can access the website for personal computer by scanning the QR Code again.

### **Method 2: Entering the voting code and password**

The website for the exercise of voting rights: <https://soukai.mizuho-tb.co.jp/> (in Japanese)

- 1 Please access the website for exercise of voting rights.  
Click “Proceed to the next”
- 2 Please enter the voting code given on the voting form.  
Enter the voting code  
Click “Next”
- 3 Please enter the password given on the voting form.  
Enter the initial password  
Enter the new password that you will actually use  
Click “Register”
- 4 Please follow the directions that appear on the screen to input approval or disapproval to each proposal.

In case you need instructions for how to operate your personal computer, smartphone or mobile phone in order to exercise your voting rights via the Internet, please contact:

Internet Help Dial, Stock Transfer Agency, Mizuho Trust & Banking Co., Ltd.  
0120-768-524  
(9:00 a.m. to 9:00 p.m. on weekdays) (JST)

Institutional investors may use the Electronic Voting Platform for institutional investors operated by ICJ, Inc.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1 Election of Twelve Directors

The terms of office of all twelve Directors will expire at the conclusion of this meeting. In that regard, the Company proposes the election of twelve Directors.

The candidates for Director are as follows.

Candidate No.	Name	Position and responsibility, etc. in the Company	
1	Takao Watanabe	President Representative Director	<span style="border: 1px solid black; padding: 2px;">Reelection</span>
2	Eiichiro Homma	Executive Vice President	<span style="border: 1px solid black; padding: 2px;">Reelection</span>
3	Michio Shirasaki	Chief Financial Officer	<span style="border: 1px solid black; padding: 2px;">Reelection</span>
4	Hikari Mori	Chief Operating Officer	<span style="border: 1px solid black; padding: 2px;">Reelection</span>
5	Takero Kaneda	Director and Chief Strategy Officer	<span style="border: 1px solid black; padding: 2px;">Reelection</span>
6	Gen Arai	Managing Officer, General Manager of Development Division	<span style="border: 1px solid black; padding: 2px;">New election</span>
7	Shinji Kawada	Managing Officer, General Manager of Goldwin Division	<span style="border: 1px solid black; padding: 2px;">New election</span>
8	Rie Akiyama	External Director	<span style="border: 1px solid black; padding: 2px;">Reelection</span> <span style="border: 1px solid black; padding: 2px;">External</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>
9	Ichiro Yoshimoto	External Director	<span style="border: 1px solid black; padding: 2px;">Reelection</span> <span style="border: 1px solid black; padding: 2px;">External</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>
10	Dai Tamesue	External Director	<span style="border: 1px solid black; padding: 2px;">Reelection</span> <span style="border: 1px solid black; padding: 2px;">External</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>
11	Akira Tsuchiya	External Director	<span style="border: 1px solid black; padding: 2px;">Reelection</span> <span style="border: 1px solid black; padding: 2px;">External</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>
12	Naoko Imoto	External Director	<span style="border: 1px solid black; padding: 2px;">Reelection</span> <span style="border: 1px solid black; padding: 2px;">External</span> <span style="border: 1px solid black; padding: 2px;">Independent</span>

<span style="border: 1px solid black; padding: 2px;">Reelection</span>	Candidate for reelection as Director
<span style="border: 1px solid black; padding: 2px;">New election</span>	Candidate for new election as Director
<span style="border: 1px solid black; padding: 2px;">External</span>	Candidate for external Director
<span style="border: 1px solid black; padding: 2px;">Independent</span>	Independent Officer as stipulated by the stock exchange

## (Reference)

## Expertise and experience of the candidate for Director

Candidate No.	Director	Corporate management	Finance and accounting	Personnel and human resources development	Governance and legal affairs	Research and development	Manufacturing technology	Sales	Marketing	Global experience	Society and environment	IT	Sports literacy
1	Takao Watanabe (President Representative Director)	○			○	○		○	○	○	○		○
2	Eiichiro Homma (Executive Vice President)	○	○		○			○	○	○			○
3	Michio Shirasaki (Chief Financial Officer)	○	○	○	○					○			○
4	Hikari Mori (Chief Operating Officer)	○				○		○	○	○	○		○
5	Takero Kaneda (Chief Strategy Officer)	○	○		○				○	○		○	○
6	Gen Arai (Managing Officer)	○				○	○	○	○	○	○		○
7	Shinji Kawada (Managing Officer)	○				○	○	○	○	○	○		○
8	Rie Akiyama (External Director)				○					○			○
9	Ichiro Yoshimoto (External Director)	○		○				○		○			○
10	Dai Tamesue (External Director)	○		○		○				○	○		○
11	Akira Tsuchiya (External Director)	○			○					○		○	○
12	Naoko Imoto (External Director)					○				○	○		○

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	<p>Takao Watanabe (March 22, 1960)</p> <p>Reelection</p> <p>Attendance at Board of Directors meetings 17/17 (100%)</p>	Apr. 1982	Joined the Company	46,075
		June 2005	Director and Corporate Officer, Manager of THE NORTH FACE Department	
		June 2006	Director, General Manager of Outdoor Style Division, Manager of THE NORTH FACE Department	
		June 2007	Director and Corporate Officer, General Manager of Outdoor Style Division, Manager of THE NORTH FACE Department	
		Apr. 2010	Director and Managing Officer, Deputy General Manager of Business Administration Division, General Manager of Outdoor Style Division, General Manager of Helly Hansen Division, and General Manager of Direct Marketing Promotion Department	
		Apr. 2012	Director and Senior Managing Officer, General Manager of Business Administration Division, General Manager of Outdoor Style Division	
		Apr. 2015	Director and Senior Managing Officer, General Manager of Business Administration Division	
		Apr. 2017	Director and Executive Vice President, General Manager of Business Administration Division	
		Apr. 2018	Director and Executive Vice President, General Manager of Business Administration Division, General Manager of Business Division	
		Apr. 2020	President Representative Director (current position)	
<p>Reasons for nomination as candidate for Director</p> <p>Takao Watanabe has abundant experience and insight in the business and marketing divisions, and as a Director overseeing all aspects of the business, he has appropriately carried out important business operations and management decision-making and supervision. We believe that he is capable of realizing our management philosophy and executing our business strategies, and therefore we request his continued election as a Director.</p>				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p>Eiichiro Homma (March 19, 1960)</p> <p>Reelection</p> <p>Attendance at Board of Directors meetings 17/17 (100%)</p>	<p>Apr. 1982      Joined the Company</p> <p>Apr. 2003      Representative Director and President of nanamica inc. (current position)</p> <p>Apr. 2006      Manager of Marketing Office of the Company</p> <p>Apr. 2007      Manager of Corporate Strategy and Planning Office</p> <p>Apr. 2010      Corporate Officer, Manager of Corporate Strategy and Planning Office</p> <p>June 2012      Director and Corporate Officer, Manager of Corporate Strategy and Planning Office in General Planning Division</p> <p>Apr. 2014      Director and Managing Officer, General Manager of General Planning Division, Manager of Corporate Strategy and Planning Office, Overseas Manager of Business Administration Division</p> <p>Apr. 2017      Director and Senior Managing Officer, General Manager of General Planning Division, General Manager of Global Business Division</p> <p>Apr. 2020      Director and Senior Managing Officer, responsible for corporate strategy and global affairs, General Manager of Global Business Division</p> <p>Apr. 2021      Director and Senior Managing Officer (in charge of Overseas)</p> <p>Apr. 2023      Executive Vice President (current position)</p> <p>Significant concurrent positions outside the Company President and Representative Director of nanamica inc.</p>	35,390
<p>Reasons for nomination as candidate for Director</p> <p>Eiichiro Homma has abundant experience and insight in the business and marketing divisions, and as a Director overseeing the brand strategy and corporate planning divisions, he has appropriately carried out important business operations and management decision-making and supervision. We believe that he is capable of formulating and promoting the Group's growth strategy, and therefore we request his continued election as a Director.</p>			



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
3	Michio Shirasaki (May 14, 1961)  Reelection  Attendance at Board of Directors meetings 17/17 (100%)	June 2019	Corporate Officer, General Manager of Corporate Planning and Strategy Division, General Planning Administration Division, Manager of Corporate Strategy and Planning Office	3,387
		Apr. 2020	Corporate Officer, General Manager of Corporate Planning and Strategy Division, Manager of Corporate Planning and Strategy Office	
		Apr. 2021	Managing Officer, General Manager of Corporate Planning and Strategy Division	
		Apr. 2022	Managing Officer, General Manager of Management Division	
		June 2022	Director and Managing Officer, General Manager of Management Division	
		Apr. 2023	Chief Financial Officer (current position)	
		Reasons for nomination as candidate for Director Michio Shirasaki has abundant experience and insight in the corporate planning and administrative divisions, and as a Director overseeing the administrative division, he has appropriately carried out important business operations and management decision-making and supervision. We request his continued election as a Director because we believe that he will be able to realize our management philosophy, promote Group management, and carry out more efficient operations of each company.		
4	Hikari Mori (June 14, 1963)  Reelection  Attendance at Board of Directors meetings 17/17 (100%)	Jan. 2015	Manager in charge of THE NORTH FACE Department	8,087
		Apr. 2015	Manager of THE NORTH FACE Department	
		Apr. 2016	Corporate Officer, Manager of THE NORTH FACE Department	
		Apr. 2017	Corporate Officer, Manager of THE NORTH FACE Department, Business Administration Division	
		Apr. 2018	Corporate Officer, Deputy General Manager of Business Division, Business Administration Division, Manager of THE NORTH FACE Department	
		Apr. 2019	Managing Officer, Deputy General Manager of Business Division	
		Apr. 2020	Managing Officer, General Manager of Business Division I	
		Apr. 2021	Managing Officer, General Manager of Business Division	
		June 2022	Director and Managing Officer, General Manager of Business Division	
		Apr. 2023	Director and Senior Managing Officer, General Manager of Business Division	
		Apr. 2024	Chief Operating Officer (current position)	
		Reasons for nomination as candidate for Director Hikari Mori has abundant experience and insight in the business and marketing divisions, and as a Director overseeing the business division, he has appropriately carried out important business operations and management decision-making and supervision. We believe that he is capable of realizing our management philosophy and executing our business strategies, and therefore we request his continued election as a Director.		

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
5	Takero Kaneda (July 7, 1963)  Reelection  Attendance at Board of Directors meetings 13/13 (100%)	July 2020	Deputy General Manager of Global Business Division	1,944
		Apr. 2021	Administration Officer, Deputy General Manager of Corporate Planning and Strategy Division, Manager of Corporate Planning and Strategy Office	
		Apr. 2022	Corporate Officer, General Manager of Corporate Planning and Strategy Division, Manager of Corporate Planning and Strategy Office	
		Apr. 2023	Managing Officer, General Manager of Corporate Planning and Strategy Division	
		Apr. 2024	Chief Strategy Officer	
		June 2024	Director and Chief Strategy Officer (current position)	
		Significant concurrent positions outside the Company Representative Director of Goldwin Venture Partners Inc.		
		Reasons for nomination as candidate for Director and expected role Takero Kaneda has abundant experience and insight in the corporate planning department and as a Director executing overall corporate planning, he has appropriately carried out important business operations and management decision-making and supervision. We request his continued election as a Director because we believe that he will be able to realize our management philosophy and he is capable of formulating and promoting Group management and growth strategies.		
6	Gen Arai (September 20, 1967)  New election	Apr. 1991	Joined the Company	5,821
		Apr. 2010	Manager of Compression Underwear Department, Business Administration Division	
		Apr. 2013	Manager of Goldwin Department, Business Administration Division	
		Apr. 2017	Corporate Officer, Manager of Goldwin Department, Global Business Division	
		Apr. 2019	Executive Officer, Manager of Goldwin Department, Global Business Division, General Planning Administration Division	
		Apr. 2020	Administration Officer, Manager of Goldwin Department, Global Business Division	
		Apr. 2021	Administration Officer, Deputy General Manager of Business Division	
		Apr. 2023	Managing Officer, General Manager of Development Division (current position)	
Reasons for nomination as candidate for Director and expected role Gen Arai has abundant experience and insight in both the business and development divisions and has appropriately carried out important business operations as an executive officer overseeing the development division. We request his election as a Director because we believe that he will be able to realize our management philosophy and he is capable of formulating and promoting Group management and growth strategies.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
7	Shinji Kawada (May 14, 1969)  New election	Apr. 1992	Joined the Company	2,444
		Apr. 2017	Manager of New Business Preparation Office, Global Business Division	
		Dec. 2017	Representative Director and President of WOOLRICH JAPAN INC.	
		Apr. 2023	Corporate Officer, General Manager of Goldwin Division, Manager of Overseas Sales Department of the Company	
		Aug. 2023	CEO of Goldwin America, Inc. (current position)	
		Apr. 2024	Corporate Officer, General Manager of Goldwin Division, Manager of Goldwin Marketing Department of the Company	
		Apr. 2025	Managing Officer, General Manager of Goldwin Division (current position)	
		Significant concurrent positions outside the Company CEO of Goldwin America, Inc.		
	Reasons for nomination as candidate for Director and expected role Shinji Kawada has abundant experience and insight from his roles in the business division and as a Director of Group companies, and has appropriately carried out important business operations as an executive officer responsible for implementing domestic and international strategies for the Goldwin brand. We request his election as a Director because we believe that he will be able to realize our management philosophy and he is capable of formulating and promoting Group management and growth strategies.			
8	Rie Akiyama (March 17, 1970)	Apr. 1999	Registered as attorney-at-law (Tokyo Bar Association)	—
	Reelection External Independent  Years in office 6 years  Attendance at Board of Directors meetings 17/17 (100%)	Apr. 1999	Member of Baba Law Office (now Baba & Sawada)	
		June 2019	External Director of the Company (current position)	
		June 2023	Outside Director and Audit & Supervisory Committee Member of Astellas Pharma Inc. (current position)	
	Reasons for nomination as candidate for external Director and expected role Although Rie Akiyama has not been directly involved in the management of a company, she has appropriately made decisions and supervised management based on her extensive experience and professional perspective as an attorney with expertise in the field of corporate legal affairs. We believe that she will continue to provide appropriate supervision and advice to the Board of Directors, and therefore we request her election as an external Director.			
Independence There is no conflict of interest between her and the Company other than remuneration for her services as a Director, so there is no risk of conflict of interest with general shareholders. Therefore, she satisfies the Criteria for Independence of Independent External Officers stipulated by the Company, and her independence is recognized. The Company has registered her as an independent officer with the Tokyo Stock Exchange. If her reelection is approved, the Company plans to continue this notification.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned			
9	Ichiro Yoshimoto (May 29, 1953)  Reelection External Independent  Years in office 4 years  Attendance at Board of Directors meetings 17/17 (100%)	Apr. 1978	Joined Nippon Telegraph and Telephone Public Corporation (now NTT)				
		Dec. 1998	Representative Director and COO of Starbucks Coffee Japan, Ltd.				
		May 2005	Senior Executive Officer and CAO of McDonald's Company (Japan), Ltd.				
		Mar. 2006	Board Member of Ronald McDonald House Charities Japan				
		Mar. 2014	Councilor				
		Oct. 2014	Representative Director, President, and Executive Officer of CMIC Co., Ltd.				
		Aug. 2018	Representative Director of University of Tokyo Warriors Club				
		Mar. 2021	Advisor				
		Apr. 2021	External Director of nobitel inc.				
		June 2021	External Director of the Company (current position)				
Reasons for nomination as candidate for external Director and expected role Ichiro Yoshimoto has a wide range of experience and achievements in corporate management, human resources development, sales and marketing, and global experience, and he has appropriately made decisions and supervised management based on his extensive experience and professional perspective as the Company aims to strengthen its overseas business. We believe that he will continue to provide appropriate supervision and advice to the Board of Directors, and therefore we request his election as an external Director.							
Independence There is no conflict of interest between him and the Company other than remuneration for his services as a Director, so there is no risk of conflict of interest with general shareholders. Therefore, he satisfies the Criteria for Independence of Independent External Officers stipulated by the Company, and his independence is recognized. The Company has registered him as an independent officer with the Tokyo Stock Exchange. If his reelection is approved, the Company plans to continue this notification.							
10	Dai Tamesue (May 3, 1978)  Reelection External Independent  Years in office 3 years  Attendance at Board of Directors meetings 17/17 (100%)	Aug. 2010	President of Athlete Society (current position)				
		Oct. 2015	Outside director of COLOPL, Inc.				
		July 2018	Representative Director of Deportare Partners Co., Ltd. (current position)				
		June 2022	External Director of the Company (current position)				
		Sep. 2022	Auditor of Japan Women's Empowerment Professional Football League				
		Committee membership, etc.					
		Since 2020	Ambassador of Laureus Sports for Good				
		Since 2021	Goodwill Ambassador of UNITAR				
		Reasons for nomination as candidate for external Director and expected role Dai Tamesue has abundant experience and professional insight gained over many years as an athlete, and has a proven track record in corporate management and sports promotion, and he has appropriately made decisions and supervised management based on his extensive experience and professional perspective. We believe that he will continue to provide appropriate supervision and advice to the Board of Directors, and therefore we request his election as an external Director.					
		Independence There is no conflict of interest between him and the Company other than remuneration for his services as a Director, so there is no risk of conflict of interest with general shareholders. Therefore, he satisfies the Criteria for Independence of Independent External Officers stipulated by the Company, and his independence is recognized. The Company has registered him as an independent officer with the Tokyo Stock Exchange. If his reelection is approved, the Company plans to continue this notification.					

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
11	Akira Tsuchiya (August 18, 1962)	Apr. 1983	Joined INFORMATION DEVELOPMENT CO., LTD.	
	Reelection	June 2019	Executive Corporate Officer of ID Holdings Corporation	
	External Independent	June 2024	External Director of the Company (current position)	
	Years in office 1 year	Apr. 2025	Executive Advisor of ID Holdings Corporation (current position)	
	Attendance at Board of Directors meetings 13/13 (100%)			
Reasons for nomination as candidate for external Director and expected role Akira Tsuchiya has long been involved in system development, designing core systems and launching security and infrastructure businesses. In addition, he has appropriately made decisions and supervised management based on his extensive experience and professional perspective, including the analysis and evaluation of business strategies and management information, in support of the Company's commitment to promoting digital transformation (DX) and enhancing IT capabilities. We believe that he will continue to provide appropriate supervision and advice to the Board of Directors, and therefore we request his election as an external Director.				
Independence There is no conflict of interest between him and the Company other than remuneration for his services as a Director, so there is no risk of conflict of interest with general shareholders. Therefore, he satisfies the Criteria for Independence of Independent External Officers stipulated by the Company, and his independence is recognized. The Company has registered him as an independent officer with the Tokyo Stock Exchange. If his reelection is approved, the Company plans to continue this notification.				
12	Naoko Imoto (May 20, 1976)	Sep. 2004	Planning and Research Member of Japan International Cooperation Agency (Peacebuilding)	
	Reelection	Sep. 2007	Chief of Education, Educational Officer, UNICEF	
	External Independent	July 2021	Representative of Board of Directors of SDGs in Sports (current position)	
	Years in office 1 year	June 2024	External Director of the Company (current position)	
	Attendance at Board of Directors meetings 13/13 (100%)	Committee membership, etc. Council Member of Nippon Badminton Association		
Reasons for nomination as candidate for external Director and expected role Although Naoko Imoto has not been directly involved in the management of a company, she has abundant experience as an athlete gained over many years as a swimmer, experience working in an international organization for about 20 years, as well as professional insight on SDGs in general, gender equality, and environment and climate change for sports organizations and athletes. At the Company, which actively promotes sustainability, she has appropriately made decisions and supervised management based on her extensive experience and professional perspective. We believe that she will continue to provide appropriate supervision and advice to the Board of Directors, and therefore we request her election as an external Director.				
Independence There is no conflict of interest between her and the Company other than remuneration for her services as a Director, so there is no risk of conflict of interest with general shareholders. Therefore, she satisfies the Criteria for Independence of Independent External Officers stipulated by the Company, and her independence is recognized. The Company has registered her as an independent officer with the Tokyo Stock Exchange. If her reelection is approved, the Company plans to continue this notification.				

- (Notes)
1. There is no special interest between each candidate and the Company.
  2. Rie Akiyama, Ichiro Yoshimoto, Dai Tamesue, Akira Tsuchiya, and Naoko Imoto are candidates for external Director.

3. The Company has entered into an agreement with Rie Akiyama, Ichiro Yoshimoto, Dai Tamesue, Akira Tsuchiya, and Naoko Imoto to limit their liability for damages under Article 423, paragraph (1) of the Companies Act, pursuant to Article 427, paragraph (1) of the said Act. If the five candidates are reelected, they will continue to hold such agreements.
4. The Company has concluded an officers' liability insurance agreement with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, which insures all Directors. Under such an insurance agreement, the legal damages and dispute expenses to be borne by the insured will be covered, and the Company will bear all premiums for all insured parties. If each candidate is appointed as a Director, each of them will be included in the insured parties of such insurance policy. The Company plans to renew such insurance agreement with similar terms during the term of office

## Proposal 2 Election of One Auditor

The term of office of Auditor Akiyuki Shiobara will expire at the conclusion of this meeting. Therefore, the Company proposes the election of one Auditor.

The candidate for Auditor is as follows.

In addition, the consent of the Board of Auditors has been obtained for this proposal.

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Fumio Okazaki (September 12, 1959)  New election External Independent	<p>Apr. 1982      Joined MITSUI &amp; CO., LTD.</p> <p>Apr. 2005      President, CEO, Mitsui Plastics, Inc.</p> <p>Apr. 2010      General Manager of Ammonia &amp; Sulfur Division, Performance Chemicals Business Unit, MITSUI &amp; CO., LTD.</p> <p>Oct. 2013      General Manager of Performance Chemicals Products Business Unit, Asia Pacific Business Unit</p> <p>Jul. 2017      Inspector, Internal Auditing Division</p> <p>Apr. 2021      General Manager of Internal Auditing Division, Mitsui DM Sugar Co., Ltd.</p>	—
<p>Reasons for nomination as candidate for external Auditor</p> <p>Fumio Okazaki has abundant experience in a trading company and deep knowledge of management and auditing. We believe that he will be able to enhance the Company's auditing services, and therefore we request his election as an Auditor.</p> <p>In the event that he is elected as an Auditor, the Company plans to submit notification to Tokyo Stock Exchange concerning his designation as an independent officer as provided for by the aforementioned exchange.</p>		

- (Notes)
1. There is no special interest between the candidate and the Company.
  2. Fumio Okazaki is a candidate for external Auditor.
  3. In the event that Fumio Okazaki is elected as an Auditor, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act, pursuant to Article 427, paragraph (1) of the said Act.
  4. The Company has concluded an officers' liability insurance agreement with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, which insures all Auditors. Under such an insurance agreement, the legal damages and dispute expenses to be borne by the insured will be covered, and the Company will bear all premiums for all insured parties. If the candidate is appointed as an Auditor, he will be included in the insured parties of such insurance policy. The Company plans to renew such insurance agreement with similar terms during the term of office.

**Proposal 3****Revision of the Amount of Remuneration for Directors**

The amount of remuneration for Directors of the Company was approved at the 73rd Annual General Meeting of Shareholders held on June 26, 2024 as an annual amount not exceeding 600 million yen (of which the amount of remuneration is up to 80 million yen per year for external Directors, not including the portion of employee salaries of Directors concurrently serving as employees), and has been in effect to this day.

In light of changes in the management environment and economic conditions, and after careful consideration of various factors, we propose to revise the annual monetary remuneration for Directors to an amount not exceeding 800 million yen (of which up to 100 million yen for external Directors), with the aim of ensuring an appropriate remuneration level that motivates sustainable corporate value enhancement and helps secure diverse and talented personnel. This proposal takes into account both the Company's financial condition and the external environment. Previously, remuneration amounts for Directors did not include employee salaries of those concurrently serving as employees. However, to enhance the transparency of Director remuneration and strengthen corporate governance, we propose that the revised remuneration amount under this resolution include the employee salaries of Directors concurrently serving as employees.

At the Board of Directors meeting held in March 2025, the Company resolved on the policy for determining individual remuneration for Directors, contingent on this proposal being approved as originally proposed. A summary of the policy is provided on pages 20 to 22 below. This proposal is deemed appropriate, as it contains the necessary and reasonable provisions for granting individual remuneration, etc. to Directors in accordance with that policy. In order to ensure the appropriateness of remuneration for Directors and the independence, objectivity, and transparency of the decision-making process, this proposal has been deliberated by the Nomination/Compensation Committee, which is chaired by an external Director and the majority of whose members are external Directors, and confirmed to be fair and reasonable.

Currently, there are twelve Directors (including five external Directors), and even if Proposal 1, "Election of Twelve Directors," is approved and passed as originally proposed, there will be no change in the number of Directors.



## Proposal 4

### Revision to Share-based Remuneration Plan for Directors

At the 70th Annual General Meeting of Shareholders held on June 24, 2021, it was approved that the maximum amount of monetary claims to be granted for the purpose of allotting restricted shares to Directors (excluding external Directors) shall be 95 million yen per year, and the maximum number of shares of common stock to be issued or disposed of shall be 15,000 shares per year.

As part of a revision to remuneration for Directors, the Company proposes to introduce a new performance-linked and restricted share-based remuneration plan (hereinafter, the “Plan”) for its Directors (excluding external Directors; hereinafter, the “Eligible Directors”). The aim is to provide stronger incentives by clearly linking their remuneration to Company performance and stock value, thereby promoting sustainable enhancement of corporate value over the medium to long term and further strengthening the sharing of value with shareholders. This Plan will be separate from the remuneration framework proposed for approval under Proposal 3, “Revision of the Amount of Remuneration for Directors,” and will replace the previous restricted share-based remuneration plan.

Under this Plan, remuneration granted to Eligible Directors for the purpose of allotting shares of the Company’s common stock will take the form of monetary claims, with a total annual limit of 500 million yen (including employee salaries of Directors concurrently serving as employees). The specific timing and details of each Eligible Director’s allotment will be determined separately by the Board of Directors. However, the remuneration amount assumes a lump-sum payment corresponding to the value of duties performed over multiple fiscal years, after the completion of a performance evaluation period (hereinafter, “Performance Evaluation Period”) predetermined by the Board of Directors.

Currently, there are twelve Directors (including five external Directors), and if Proposal 1, “Election of Twelve Directors,” is approved and passed as originally proposed, the number of Directors will be twelve (including five external Directors).

Eligible Directors shall, pursuant to a resolution of the Board of Directors, contribute in kind the entire amount of the monetary claims granted under the Plan and receive an allotment of the Company’s common stock. The total number of shares to be issued or disposed of under this Plan shall not exceed 40,000 shares per year. However, in the event of a stock split (including a gratis allotment of shares), reverse stock split, or any other event that necessitates an adjustment to the total number of shares to be issued or disposed of under the Plan following approval of this proposal, such number shall be reasonably adjusted. The same shall apply hereafter. As noted above, the monetary claims under the Plan are intended to be granted in a lump sum after the conclusion of the Performance Evaluation Period, as compensation for duties performed over multiple fiscal years. The total number of shares indicated above has been set with this structure in mind.

The per-share payment amount for the allotted stock will be determined by the Board of Directors based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day preceding the date of each Board resolution (or the most recent closing price prior to that date if no trades occurred; the same hereafter), within a range that does not result in particularly favorable terms for Eligible Directors subscribing to said shares.

The upper limit of remuneration under this proposal, the total number of shares to be issued or disposed of, and other conditions regarding the allotment of the Company’s common stock to Eligible Directors under this proposal have been determined in light of the above objectives, the Company’s business performance, and the policy for determining individual remuneration for Directors (If this proposal is approved, the relevant policy will be revised in line with the approved content, as described in the [Reference] section below). These conditions have been determined after consideration of various factors and are deemed appropriate.

#### Overview of the Plan

Under this Plan, the Company will issue or dispose of its common stock for Eligible Directors after the end of the Performance Evaluation Period, as remuneration for the period from the date of the first Annual General Meeting of Shareholders held after the start of the Performance Evaluation Period until immediately before the conclusion of the first Annual General Meeting of Shareholders held after the end of the Performance Evaluation Period (hereinafter, the “Applicable Period”), based on the Company’s performance during the Performance Evaluation Period. The specific Performance Evaluation Period shall be three years, and performance indicators (hereinafter, “Performance Evaluation Indicators”), such as ROE and ESG, shall be predetermined by the Board of Directors.

The initial Performance Evaluation Period, Applicable Period, and Performance Evaluation Indicators are outlined in the table below. The initial Performance Evaluation Period will cover the three fiscal years from the fiscal year ending March 31, 2026 through the fiscal year ending March 31, 2028. However, for each fiscal year beginning after

the fiscal year ending March 31, 2026, the Company may continue implementing the Plan within the scope approved under this proposal by treating each newly commencing fiscal year and the two following fiscal years as a new Performance Evaluation Period.

[Reference] Initial Performance Evaluation Period, Applicable Period, and Performance Evaluation Indicators

Performance Evaluation Period	Three fiscal years from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2028
Applicable Period	From the date of the Annual General Meeting of Shareholders for the fiscal year ended March 31, 2025 to immediately before the conclusion of the Annual General Meeting of Shareholders for the fiscal year ending March 31, 2028
Performance Evaluation indicators	Consolidated ROE and ESG

(1) Method of calculating the amount of monetary claims

The number of shares of common stock to be granted to each Eligible Director will be calculated based on formula 1) below, and the monetary claims to be granted will be calculated using formula 2).

1) Number of common shares to be issued or disposed of for each Eligible Director (\*1):

Base number of shares (\*2) × Payout ratio (\*3)

2) Amount of monetary claims to be granted to each Eligible Director

Number of common shares issued or disposed of for each Eligible Director × Share price at time of allotment (\*4)

(\*1) Any fractional shares less than one share resulting from the calculation shall be rounded down. However, if the monetary claims to be granted to each Eligible Director based on the results calculated using formulas 1) and 2) risk exceeding the maximum amount of monetary claims that may be granted under this Plan, the number of shares to be issued or disposed of for each Eligible Director shall be reduced using proportional allocation or other reasonable methods, within a range that does not exceed said upper limit.

(\*2) To be determined by the Company's Board of Directors in advance.

(\*3) To be determined by the Company's Board of Directors in advance within 0% to 200%, depending on the level of achievement for each Performance Evaluation Indicator during the Performance Evaluation Period.

(\*4) To be determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day preceding the date of the Board resolution concerning the issuance or disposal of the Company's common stock after the end of the Performance Evaluation Period, within a range that does not result in particularly favorable terms for Eligible Directors subscribing to the shares.

(2) Conditions for granting to Eligible Directors

In principle, the Company will issue or dispose of the number of shares of common stock calculated under item (1) above to each Eligible Director after the end of the Applicable Period, provided the following conditions are met.

1) The Eligible Director has continuously held the position of Director of the Company, or another position designated by the Board of Directors, throughout the Applicable Period.

2) The Eligible Director has not committed any act of misconduct as defined by the Board of Directors.

3) The Eligible Director satisfies any other requirements deemed necessary by the Board of Directors to fulfill the purpose of this Plan.

If a Director is newly appointed during the Applicable Period, or if there is a change in title, the Board of Directors will issue or dispose of a reasonably adjusted number of shares of common stock, based on the degree of achievement of performance targets, title-adjustment ratios, and the Director's period of service.

In the event that the Eligible Director resigns or retires from their appointment for a legitimate reason during the Applicable Period, or in the event that the Eligible Director resigns or retires due to death from their appointment from the date of the first Annual General Meeting of Shareholders held after the start of the

Performance Evaluation Period until the day of the resolution of the Board of Directors to issue or dispose of the Company's common stock under the Plan, the Company will provide a monetary payment in lieu of shares of common stock. The amount of money to be granted will be calculated by multiplying the base number of shares, adjusted based on the degree of achievement of performance targets and the Director's period of service, by the closing price of the Company's common stock on the Tokyo Stock Exchange on the date of the Director's resignation or retirement, within the total monetary claim limit set forth above.

Issuance or disposal of the Company's common stock and the granting of the associated monetary claims as contributions in kind under this Plan will be conditional upon the Eligible Director entering into a restricted share allotment agreement (hereinafter, the "Allotment Agreement") with the Company, which includes the provisions described in item (3) below. However, this does not apply if, at the time of such issuance or disposal of common stock and the associated monetary claims as contributions in kind, the individual is no longer a Director or does not hold a position designated by the Board of Directors.

(3) Overview of the restricted share allotment agreement

1) Transfer restriction period

The Eligible Director may not transfer, pledge, or otherwise dispose of the shares of the Company's common stock allotted under the Allotment Agreement (hereinafter, "Allotted Shares") during a period of between 3 and 30 years from the date of allotment, as predetermined by the Board of Directors (hereinafter, the "Transfer Restriction Period"; such restriction hereinafter referred to as the "Transfer Restriction").

2) Lifting of transfer restrictions, etc.

If the Eligible Director resigns or retires from a position at the Company or a Group company designated by the Board of Directors before the expiration of the Transfer Restriction Period, the Company shall automatically acquire the Allotted Shares without compensation, unless the resignation or retirement is due to expiration of term, death, or other justifiable reason. If the resignation or retirement is due to such justifiable reasons, the Company shall lift the Transfer Restriction on all Allotted Shares at the end of the Transfer Restriction Period.

3) Handling in the event of organizational restructuring, etc.

Notwithstanding item 1) above, if a matter related to organizational restructuring—such as a merger agreement in which the Company is the dissolving entity, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary—is approved by the Company's General Meeting of Shareholders (or by the Board of Directors if shareholder approval is not required), the Company may, by resolution of the Board of Directors, lift the Transfer Restriction on all Allotted Shares prior to the effective date of the reorganization.

4) Other matters

Other matters regarding the Allotment Agreement shall be determined by the Board of Directors of the Company.

(4) Handling in the event of organizational restructuring, etc.

If, during the Applicable Period, a matter related to organizational restructuring—such as a merger agreement in which the Company is the dissolving entity, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary—is approved by the Company's General Meeting of Shareholders (or by the Board of Directors if shareholder approval is not required), and only if the effective date of said reorganization is scheduled to occur prior to the date of issuance or disposal of the Company's common stock under this Plan, the Company shall, in lieu of allotting its common stock, pay a monetary amount. This amount shall be calculated by multiplying the base number of shares, reasonably adjusted according to the period from the start of the Applicable Period through the approval date of the reorganization, by the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day prior to the approval date.

[Reference] Proposed amendment to the policy on determining individual Director remuneration

● Background to the revision of the Director remuneration system

The Nomination/Compensation Committee has long recognized the relatively low proportion of variable remuneration in the Company's Director remuneration structure. In conjunction with the recent changes to the management structure, the Committee has conducted further deliberations on the ideal remuneration system for Directors, formulated a new remuneration policy, and decided to revise the overall structure of the current Director remuneration system. The new system will be subject to ongoing review in response to the Company's business growth and changes in the external environment.

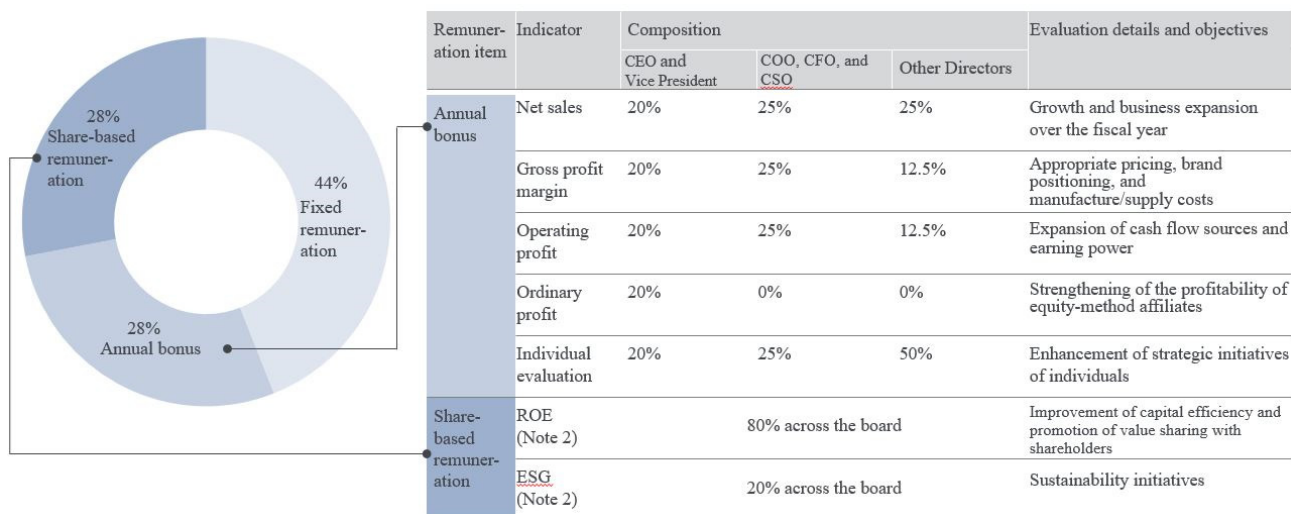
● Director Remuneration Policy

Basic Policy	<ol style="list-style-type: none"><li>(1) Instill awareness of the responsibility to enhance corporate value</li><li>(2) Motivate achievement of strategies and business plans</li><li>(3) Set at a level that reflects the weight of each individual's responsibilities and role</li><li>(4) Set at a level that is socially and market-wise appropriate for the Company</li><li>(5) Set at a level that enables acquisition and retention of top talent</li><li>(6) Keep total remuneration within a reasonable range in light of the Company's financial condition</li></ol>
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Remuneration Structure	<div>◆ Remuneration Level</div> <div>In line with the Basic Policy, remuneration is set at a competitive level appropriate to the Company, according to each Director’s responsibilities and role. In determining the level, objective factors are considered, including economic conditions, Company performance, levels at peer companies of similar size in Japan, and advice or survey data from external experts. Revisions will be made as needed in response to changes in the external environment.</div> <div>◆ Remuneration Composition</div> <div>Composed of fixed remuneration (basic remuneration and allowance) and performance-linked remuneration (annual bonus and share-based remuneration).</div> <div>[Fixed remuneration]</div> <div>Basic remuneration: Paid in accordance with the scale of responsibilities</div> <div>Allowance: Paid for supervisory duties of internal Directors and roles such as committee chairs held by certain external Directors</div> <div>[Performance-linked remuneration]</div> <div>Annual bonus: Short-term incentive linked to the Company’s and the individual’s performance in the current fiscal year, designed to strengthen awareness of annual performance improvement</div> <div>Share-based remuneration: Medium- to long-term incentive linked to performance over multiple years, aimed at motivating sustainable growth and enhancement of corporate value over the medium to long term as well as promoting the sharing of value with shareholders</div> <div>◆ Remuneration Ratio</div> <div>[Internal Directors]</div> <div>To strengthen motivation toward performance and corporate value enhancement, the proportion of fixed remuneration is reduced while performance-linked components are increased. The greater the responsibility and role, the higher the performance-linked and share-based remuneration components.</div> <table><tr><td>Fixed remuneration</td><td>Annual bonus</td><td>Share-based remuneration</td></tr><tr><td>44 – 53%</td><td>28 – 33%</td><td>18 – 28%</td></tr></table> <div>[External Directors]</div> <div>Given the nature of their roles, remuneration consists entirely (100%) of fixed remuneration.</div> <div>◆ Timing of Payment</div> <div>Fixed remuneration: In principle, paid monthly</div> <div>Annual bonus: Paid once a year at a fixed time</div> <div>Share-based remuneration: Delivered after the Performance Evaluation Period, with a Transfer Restriction Period in place</div>	Fixed remuneration	Annual bonus	Share-based remuneration	44 – 53%	28 – 33%	18 – 28%
Fixed remuneration	Annual bonus	Share-based remuneration					
44 – 53%	28 – 33%	18 – 28%					
Performance-linked Remuneration	Determined based on the degree of achievement of Company-wide and individual performance indicators. Revisions will be made as needed in response to changes in the external environment.						

Remuneration Governance	Individual remuneration amounts for Directors are determined by the Board of Directors, within the limit approved by the General Meeting of Shareholders, following deliberation by the Nomination/Compensation Committee, which is chaired by an external Director and the majority of whose members are external Directors.
	[CEO]
	Remuneration level and structure: Proposed by the Chairperson of the Nomination/Compensation Committee to the Committee
	Evaluation: Conducted by the Chairperson and external Director members, with the Chairperson making a proposal to the Committee
	[Internal Directors excluding the CEO]
	Remuneration level and structure: Proposed by the CEO to the Committee
	Evaluation: Conducted by the CEO and proposed to the Committee

- Target remuneration composition ratio (Note 1; in the case of the CEO) for the fiscal year ending March 31, 2026 and performance-linked remuneration indicators



- (Notes)
1. Indicates the composition ratio of amounts in the case where all performance-linked remuneration indicators meet their target values.
  2. The evaluation period for ROE and ESG shall be three consecutive fiscal years.

# Business Report

(From April 1, 2024 to March 31, 2025)

## 1. Current status of the corporate group

### (1) Business during the fiscal year under review

#### 1) Business progress and results

During the fiscal year under review (from April 1, 2024 to March 31, 2025), the Japanese economy remained a moderate recovery trend, backed by a pickup in personal income and strong inbound demand, but the economy remained highly uncertain due to the impact of rising prices of goods and geopolitical risks. In addition, structural issues such as the shrinking market size due to the progression of declining birthrate and population, the decline of local economies and the difficulty in securing labor force are becoming increasingly apparent.

Turning our attention to overseas markets, in the U.S., policy shift accompanying the change of government and uncertainties over tariff policies, including relations with China, affected market sentiment, leading to a more cautious attitude toward corporate capital investment and consumer spending. In China, the prolonged slump in the real estate market and sluggish personal consumption continue, but there are signs of recovery in service consumption such as dining out and leisure against a backdrop of government stimulus measures and promotion of investment in emerging industrial sectors, and the polarization of economic activities is progressing.

Currently, the effects of climate change are becoming more apparent in the apparel industry, accelerating a fundamental review of the conventional seasonal structure and approach to product supply. In addition, demand for high-value-added products with superior functionality and versatility is spreading not only to outdoor wear but also to everyday wear, and the market structure itself is undergoing a major transition. At the same time, positive medium- and long-term factors such as rising inbound demand, growing interest in experience-based consumption, and the establishment of functional wear in daily life are becoming clear.

Under such external circumstances, demand for summer products such as T-shirts and shorts grew from an early stage due to the record-breaking heat wave in the first half of the fiscal year. In particular, items with functional properties such as moisture-wicking, quick-drying, and contact cooling sensation performed well, especially in urban areas, becoming a factor in boosting sales. On the other hand, as the mild winter trend continued in the second half of the fiscal year and apparel companies moved up their clearance of winter merchandise, the Company restrained discount sales and maintained its sales stance of focusing on profits while maintaining appropriate inventory levels. Under such circumstances, the cold wave that hit in December and beyond provided a tailwind, and sales of winter goods were strong in the fourth quarter, with full-year net sales of 132,305 million yen (up 4.3% year on year).

Gross profit was 68,925 million yen (up 2.6% year on year). The gross profit margin dropped 0.8 percentage points year on year to 52.1% due to the impact of higher raw material prices and foreign exchange rate fluctuations. Selling, general and administrative expenses was 47,020 million yen (up 8.5% year on year) mainly due to an increase in personnel expenses, particularly J-ESOP (stock benefit trust), which had been expected as a one-time cost when the initial forecasts were formulated. Consequently, operating profit was 21,905 million yen (down 8.1% year on year).

YOUNGONE OUTDOOR Corporation, an equity-method affiliate in South Korea, secured profit growth year on year due to strong performance for year-round products and efficient execution with respect to selling, general and administrative expenses, despite some impact on the sales of spring and summer products due to the effects of climate change, including extreme heat. However, ordinary profit was 30,806 million yen (down 5.5%) due to the aforementioned decrease in operating profit.

Extraordinary income included the record of 1,156 million yen of gain on sale of trademark right related to the withdrawal of a brand following a review of the business portfolio, and extraordinary losses included

the record of 1,793 million yen of loss on valuation of investment securities due to a significant decline in the real value of some investment securities held by the Company compared to their acquisition cost. In addition, the record of income taxes was 5,765 million yen (down 29.7% year on year). As a result, profit attributable to owners of parent was 24,444 million yen (up 0.7% year on year).

2) Capital investment

There are no items to be noted.

3) Financing

There are no items to be noted.

4) Business transfer, absorption-type split, or incorporation-type split

Not applicable.

5) Acquisition of other company's business

Not applicable.

6) Succession to rights and obligations related to the business of other corporations, etc., as a result of absorption-type merger or absorption-type split

Not applicable.

7) Acquisition or disposal of shares, other equity, or stock acquisition rights, etc. of other companies

There are no items to be noted.



**(2) Assets and profit and loss for the three most recent fiscal years**

## 1) Trends in the corporate group's assets and profit and loss

(million yen)

Classification	71st fiscal year (Fiscal year ended March 31, 2022)	72nd fiscal year (Fiscal year ended March 31, 2023)	73rd fiscal year (Fiscal year ended March 31, 2024)	74th fiscal year (fiscal year under review) (Fiscal year ended March 31, 2025)
Net sales	98,235	115,052	126,907	132,305
Ordinary profit	20,285	28,083	32,601	30,806
Profit attributable to owners of parent	14,350	20,977	24,281	24,444
Earnings per share	316.30 yen	465.69 yen	539.09 yen	545.97 yen
Total assets	99,085	118,517	140,977	150,877
Net assets	63,411	80,056	100,170	111,203

## 2) Trends in the Company's assets and profit and loss

(million yen)

Classification	71st fiscal year (Fiscal year ended March 31, 2022)	72nd fiscal year (Fiscal year ended March 31, 2023)	73rd fiscal year (Fiscal year ended March 31, 2024)	74th fiscal year (fiscal year under review) (Fiscal year ended March 31, 2025)
Net sales	85,838	104,639	114,991	120,671
Ordinary profit	17,484	24,707	27,739	30,077
Profit	11,951	18,454	20,525	24,168
Earnings per share	263.41 yen	409.68 yen	455.70 yen	539.82 yen
Total assets	74,543	90,579	106,766	117,835
Net assets	42,065	54,788	69,085	79,681

### (3) Significant parent company and subsidiaries

1) Parent company

Not applicable.

2) Significant subsidiaries

Company name	Share capital (million yen)	Percentage of the Company's investment (%)	Principal business
and per se Co., Ltd.	45	100.0	Sales of sporting goods
WOOLRICH JAPAN INC.	100	100.0	Planning and sales of casual wear
nanamica inc.	60	96.7	Planning and sales of casual wear

(Note) As of January 1, 2025, BLACK & WHITE SPORTSWEAR CO., LTD. has changed its company name to and per se Co., Ltd.

### (4) Issues to be addressed

We are aiming to realize a new future for people and the planet by updating our common sense and rules through play, which is the origin of sports, and continually seeking the everchanging ideal image of people and nature.

To achieve this, we will always maintain an altruistic spirit as well as aim to sustainably enhance corporate value and regenerate the global environment.

The priority items of our five-year medium-term management plan, which started in the fiscal year ended March 31, 2025 (74th fiscal year), are as follows:

1) Global business promotion of the Goldwin brand

The Goldwin brand will continue to pursue business that coexists with nature, with a broad perspective on social and environmental issues.

We will develop the Goldwin brand around the world, not only in the domestic market but also in overseas markets, backed by the superiority of the Group's products.

2) Stable sustainable growth with a multi-brand strategy

We will develop products that focus on functionality and quality in each sector and establish brand positions to ensure customer satisfaction.

In addition, we will refine our multi-brand strategy and real demand-based business, and beyond the sports market, we will establish a position and presence in the lifestyle and fashion markets.

3) Establishing new businesses

In order to realize our corporate philosophy, we will pursue businesses related to “encounters” and “occasions” that provide rich experiences.

4) Investing in human capital

We will promote human capital management and foster human resources that serve as the source of our corporate value.

We believe that guiding employees to take on challenges and unlocking the potential of each individual expands the possibilities of the Company and paves the way for growth. In doing so, we will embody our Purpose: Envision new possibilities for humanity in nature.

5) Strengthening corporate governance

To realize our corporate philosophy, we will continue to work on strengthening our organizational operations infrastructure.

We will maintain a strong financial foundation, optimize group operations and management, strengthen relations with our stakeholders, and implement agile organizational management.

6) CSR and compliance structure

In order to be recognized as a trustworthy and necessary company in society, we must meet the high needs and reliability of the products we handle, comply with corporate ethics and laws, and actively address environmental issues as well as our own social contribution activities as a group.

Backed by a strong financial foundation maintained through a solid financial strategy, the Company will work on the above measures to strengthen the revenue base of our business and improve corporate value.

**(5) Principal business (as of March 31, 2025)**

Sporting goods-related business

Outdoor-related brand products: mountaineering wear, marine wear, outdoor equipment and related products

Athletic-related brand products: training wear, fitness wear, swimwear, rugby wear, golf wear and related products

Winter-related brand products: ski wear, snowboard wear and related products

Others: functional underwear, high-tech wear (dustproof clothing), etc.

**(6) Principal sales offices and factories (as of March 31, 2025)**

1) The Company

Name	Location
Head Office	Oyabe City, Toyama
Headquarters	Minato-ku, Tokyo
Osaka Branch	Osaka City, Osaka

2) Subsidiaries

Name	Location
and per se Co., Ltd.	Chiyoda-ku, Tokyo
WOOLRICH JAPAN INC.	Minato-ku, Tokyo
nanamica inc.	Shibuya-ku, Tokyo

(Note) As of January 1, 2025, BLACK & WHITE SPORTSWEAR CO., LTD. has changed its company name to and per se Co., Ltd.

**(7) Employees (as of March 31, 2025)**

1) Employees of the corporate group

Business category	Number of employees	Change from the end of the previous fiscal year
Sporting goods-related business	2,930	67 decrease

2) Employees of the Company

Number of employees	Change from the end of the previous fiscal year	Average age	Average years of service
2,591	13 increase	44.8 years old	16.4 years

(Note) The number of employees excludes employees seconded from the Company to other companies and includes employees seconded from other companies to the Company.

**(8) Principal lenders (as of March 31, 2025)**

(million yen)	
Lender	Loan amount
The Hokuriku Bank, Ltd.	100
Mizuho Bank, Ltd.	85
The Hokkoku Bank, Ltd.	66

**(9) Other important matters concerning the current status of the corporate group**

Not applicable.

## 2. Current status of the company

### (1) Status of shares (as of March 31, 2025)

- 1) Total number of authorized shares 184,000,000 shares
- 2) Total number of shares issued and outstanding 47,448,172 shares
- 3) Number of shareholders 11,352
- 4) Major shareholders (top ten)

Name of shareholder	Number of shares held (thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,876	10.6
MITSUI & CO., LTD.	4,367	9.5
Korea Securities Depository Samsung	3,377	7.3
Korea Securities Depository Shinhan Securities	2,109	4.6
The Hokuriku Bank, Ltd.	1,980	4.3
Custody Bank of Japan, Ltd. (Trust Account)	1,905	4.1
Custody Bank of Japan, Ltd. (Trust Account E)	1,694	3.7
GOLDWIN Nishida Tosaku Sports Promotion Memorial Foundation	1,692	3.7
Nishida Machinery Co., Ltd.	1,624	3.5
The Hokkoku Bank, Ltd.	1,225	2.7

(Note) Shareholding ratio is calculated excluding treasury shares (1,422,894 shares).

Treasury shares do not include the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets for the transaction to deliver the Company's shares through a trust to employees, etc.

- 5) Shares delivered during the fiscal year under review to corporate officers as consideration for their execution of duties

The details of the share-based remuneration delivered during the fiscal year under review are as follows.

Classification	Number of Shares	Number of Grantees
Directors (excluding external Directors)	6,354 shares	7

(Note) More details regarding the Company's share-based remuneration are provided in "2. (3) 4) Remuneration, etc. for Directors and Auditors for the fiscal year under review."

### (2) Status of share acquisition rights, etc. (as of March 31, 2025)

Not applicable.

### (3) Corporate officers

#### 1) Directors and Auditors (as of March 31, 2025)

Position in the Company	Name	Responsibilities and significant concurrent positions outside the Company
Chairman Representative Director	Akio Nishida	
President Representative Director	Takao Watanabe	President
Director	Yoshiteru Nishida	Senior Corporate Adviser
Director	Eiichiro Homma	Executive Vice President President and Representative Director of nanamica inc.
Director	Michio Shirasaki	Chief Financial Officer
Director	Hikari Mori	Chief Operating Officer
Director	Takero Kaneda	Chief Strategy Officer Representative Director and President of Goldwin Venture Partners Inc.
Director	Rie Akiyama	Outside Director and Audit & Supervisory Committee Member of Astellas Pharma Inc.
Director	Ichiro Yoshimoto	
Director	Dai Tamesue	President of Athlete Society Representative Director of Deportare Partners Co., Ltd.
Director	Akira Tsuchiya	Executive Corporate Officer of ID Holdings Corporation
Director	Naoko Imoto	Representative of Board of Directors of SDGs in Sports
Full-time Auditor	Osamu Sato	
Auditor	Akiyuki Shiobara	
Auditor	Hidenao Yoichi	
Auditor	Tsutomu Morita	

- (Notes)
- Five Directors, Rie Akiyama, Ichiro Yoshimoto, Dai Tamesue, Akira Tsuchiya, and Naoko Imoto are external Directors.
  - Three Auditors, Akiyuki Shiobara, Hidenao Yoichi and Tsutomu Morita, are external Auditors.
  - The Company has designated five Directors Rie Akiyama, Ichiro Yoshimoto, Dai Tamesue, Akira Tsuchiya, and Naoko Imoto, and three Auditors Akiyuki Shiobara, Hidenao Yoichi, and Tsutomu Morita as independent officers as stipulated by the Tokyo Stock Exchange, and has notified the exchange of such designation.

#### 2) Summary of details of limited liability agreement

Pursuant to Article 427, paragraph (1) of the Companies Act, each external Director and each Auditor has entered into an agreement with the Company to limit their liability for damages under Article 423, paragraph (1) of the said Act.

The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.

#### 3) Summary of contents of officers' limited liability insurance agreement

The Company has concluded an officers' limited liability insurance agreement with an insurance company as stipulated in Article 430-3 of the Companies Act, which covers all officers (including subsidiary officers, etc.) and managerial employees. A summary of the contents of said agreement is as follows.

- Coverage is provided for dispute expenses and damages incurred by the insured as a result of corporate lawsuits, third-party lawsuits, shareholder derivative suits, etc.
- Coverage is not provided for damages caused by criminal acts, etc. by the insured, as a measure to ensure that the insured's performance of his/her duties is not impaired.
- The Company pays all premiums for this agreement.

- 4) Remuneration, etc. for Directors and Auditors for the fiscal year under review
- i) Matters pertaining to the policy for determining the amount of remuneration, etc., for Directors and Auditors or the method for calculating the amount of such remuneration, etc.

The Company's basic policy for the officer remuneration system is to provide a fair remuneration system that is commensurate with the roles and responsibilities of each officer and to promote the Company's sustainable growth and medium- to long-term enhancement of corporate value. From the viewpoint of objectivity, the remuneration system and levels are reviewed in light of economic conditions, the Company's performance, and the standards of other companies, and the nomination and dismissal of candidates for Director are determined by the meeting of the Board of Directors after deliberation by the Nomination/Compensation Committee, a majority of majority members are external officers.

The Nomination/Compensation Committee consists of three or more members who are primarily independent external Directors, and the Chairperson is elected by independent external Directors. The nomination, dismissal, remuneration, etc. of Directors is reported to the Board of Directors after deliberations.

In the fiscal year under review, nine meetings were held, and the nine members (of which, five are independent external Directors) deliberated the ideal personnel composition for Directors, new candidates for Director, and candidates for dismissal.

Specifically, remuneration for internal Directors consists of basic remuneration, performance-linked remuneration, and non-monetary remuneration, while external Directors, who are responsible for supervisory functions, are paid only basic remuneration in light of their duties.

The basic remuneration of the Company's Directors is a monthly fixed remuneration, which is paid in equal monthly installments. Basic remuneration is based on position and responsibilities.

Performance-linked remuneration is paid to internal Directors in equal monthly installments in the following fiscal year, with the aim of raising awareness of the need to improve performance in each fiscal year. The amount of performance-linked compensation shall be determined based on Company-wide performance for each fiscal year. Target performance indicators shall be reviewed from time to time based on the review by the Corporate Strategy and Planning Office in response to changes in the business environment.

Non-monetary remuneration is granted to internal Directors in the form of restricted shares for the purpose of motivating them to achieve sustainable growth and increase corporate value over the medium to long term, as well as to strengthen the sharing of value with shareholders. The number of shares to be granted shall be determined in consideration of position and responsibilities. The timing and conditions of granting specific compensation, etc. shall be determined by the Board of Directors after consultation with the Nomination/Compensation Committee. Accordingly, the Company has judged that the contents are in line with the determination policy.

The percentage of remuneration by type for internal Directors is determined by the Board of Directors after consultation with the Nomination/Compensation Committee. The ratio of remuneration by type is 70:15:15 (base remuneration: performance-linked (monetary remuneration): performance-linked (non-monetary remuneration)).

The amount of remuneration for each individual shall be determined by the Board of Directors, after consultation with the Nomination/Compensation Committee, within the maximum amount of compensation resolved at the General Meeting of Shareholders.

The maximum amount of remuneration for Directors was resolved at the 73rd Annual General Meeting of Shareholders held on June 26, 2024 to be an annual amount not exceeding 600 million yen (of which up to 80 million yen for external Directors, not including employee salaries). As of the conclusion of the said General Meeting of Shareholders, the number of Directors was twelve (including five external Directors). In addition, separate from the abovementioned monetary remuneration, it has been resolved at the 70th Annual General Meeting of Shareholders held on June 24, 2021, that remuneration for granting restricted shares to Directors (excluding external Directors) will be in the form of monetary claims, with the total amount not exceeding 95 million yen per year (not including employee salaries

of Directors concurrently serving as employees). As of the conclusion of the said General Meeting of Shareholders, the number of Directors was four.

The maximum remuneration for Auditors was resolved at the 65th Annual General Meeting of Shareholders held on June 23, 2016 to be an annual amount not exceeding 70 million yen. As of the conclusion of the said General Meeting of Shareholders, the number of Auditors was four (including three external Auditors).

In addition, the Company abolished the retirement benefits system for Directors and Auditors as of the conclusion of the 54th Annual General Meeting of Shareholders held on June 29, 2005.

ii) Total amount of remuneration, etc. by officer category, total amount of remuneration, etc. by type of remuneration, etc., and number of eligible officers

Officer category	Total amount of remuneration, etc. (million yen)	Total amount of remuneration, etc. by type of remuneration, etc. (million yen)			Number of eligible officers
		Basic remuneration	Performance-linked remuneration	Non-monetary remuneration claims	
Directors (Of which, external Directors)	444 (48)	318 (48)	65	59	13 (6)
Auditors (Of which, external Auditors)	42 (24)	42 (24)	—	—	4 (3)
Total (Of which, external officers)	486 (72)	360 (72)	65	59	17 (9)

- (Notes)
1. The total amount of remuneration, etc. of Directors, basic remuneration, and number of eligible officers include one external Director who retired at the conclusion of the 73rd Annual General Meeting of Shareholders held on June 26, 2024.
  2. The total amount of remuneration, etc. of Directors does not include the portion of employee salaries of Directors concurrently serving as employees.
  3. The performance-linked remuneration (cash), the indicators of which vary depending on the Company's performance, are net sales, operating income, and ordinary income, and the actual results are net sales of 132,305 million yen, operating income of 21,905 million yen, and ordinary income of 30,806 million yen. The reason for selecting these indicators is that the Company has set targets for net sales, operating income, and ordinary income for each fiscal year in its Medium-Term Management Plan (from April 2021 to March 2026), and has judged it appropriate to link them to these indicators. The Company's performance-linked compensation (cash) is calculated from the base amount for each position multiplied by a coefficient determined by a table approved by the Board of Directors based on the evaluation rank of company-wide performance.
  4. Non-monetary remuneration claims are the Company's shares and the conditions, etc. when granting shares are as described in "i) Matters pertaining to the policy for determining the amount of remuneration, etc., for Directors and Auditors or the method for calculating the amount of such remuneration, etc." In addition, the details of the shares delivered during the fiscal year under review are provided in "2. (1) 5) Shares delivered during the fiscal year under review to corporate officers as consideration for their execution of duties."

5) Matters related to external officers

- i) Significant concurrent positions at other companies and relationship between the Company and such companies

Director Rie Akiyama is an outside Director and Audit & Supervisory Committee Member of Astellas Pharma Inc. There is no special relationship between the Company and Astellas Pharma Inc.

Director Dai Tamesue is Representative Director of Deportare Partners Co., Ltd. and President of Athlete Society. There is no special relationship between the Company and Deportare Partners Co., Ltd. and Athlete Society.

Director Akira Tsuchiya is an Executive Corporate Officer of ID Holdings Corporation. There is no special relationship between the Company and ID Holdings Corporation.

Director Naoko Imoto is Representative of Board of Directors of SDGs in Sports. There is no special relationship between the Company and SDGs in Sports.

- ii) Status of main activities during the fiscal year under review and summary of duties performed in relation to expected roles

Director Rie Akiyama	Attended 17 of the 17 meetings of the Board of Directors held during the fiscal year under review, and asked questions, expressed opinions, and made other comments as appropriate based mainly on her extensive experience and deep insight as a legal expert. In addition, she strengthens the governance system as Chairman of the Governance Committee. As a member of the Nomination/Compensation Committee, she deliberated from an objective perspective on personnel matters of the Representative Director and Directors and the composition of their remuneration.
Director Ichiro Yoshimoto	Attended 17 of the 17 meetings of the Board of Directors held during the fiscal year under review, and asked questions and expressed his opinions as appropriate based on his abundant experience and insight cultivated over many years as a corporate manager. As Chairperson of the Nomination/Compensation Committee, he deliberated from an objective perspective on personnel matters of the Representative Director and Directors and the composition of their remuneration. In addition, he strengthened the governance system as a member of the Governance Committee.
Director Dai Tamesue	Attended 17 of the 17 meetings of the Board of Directors held during the fiscal year under review, and asked questions and expressed his opinions as appropriate based on his abundant experience and insight cultivated over many years as an athlete. As a member of the Nomination/Compensation Committee, he deliberated from an objective perspective on personnel matters of the Representative Director and Directors and the composition of their remuneration.
Director Akira Tsuchiya	Since taking office on June 26, 2024, attended 13 of the 13 meetings of the Board of Directors held during the fiscal year under review, and asked questions and expressed his opinions as appropriate based on his abundant experience and insight in system development, digital transformation (DX) promotion, and IT capability enhancement. As a member of the Nomination/Compensation Committee, he deliberated from an objective perspective on personnel matters of the Representative Director and Directors and the composition of their remuneration.
Director Naoko Imoto	Since taking office on June 26, 2024, attended 13 of the 13 meetings of the Board of Directors held during the fiscal year under review, and asked questions and expressed her opinions as appropriate based on her abundant experience as an athlete and experience and insight gained through about 20 years of service at international organizations. As a member of the Nomination/Compensation Committee, she deliberated from an objective perspective on personnel matters of the Representative Director and Directors and the composition of their remuneration.
Auditor Akiyuki Shiobara	Attended 17 of the 17 meetings of the Board of Directors and 16 of the 16 meetings of the Board of Auditors held during the fiscal year under review, and asked questions, expressed opinions, and made other comments as appropriate based on his extensive knowledge and experience accumulated mainly in related industries from his background as a major trading company.
Auditor Hidenao Yoichi	Attended 17 of the 17 meetings of the Board of Directors and 16 of the 16 meetings of the Board of Auditors held during the fiscal year under review, and asked questions, expressed opinions, and made other comments as appropriate based on his extensive knowledge and experience accumulated mainly in related industries from his background as a major trading company.
Auditor Tsutomu Morita	Attended 17 out of 17 meetings of the Board of Directors and 16 out of 16 meetings of the Board of Auditors held during the fiscal year under review, and asked questions, expressed opinions, and made other comments as appropriate based mainly on his abundant experience and deep insight as a bank manager.



#### (4) Status of financial auditor

1) Name Ernst & Young ShinNihon LLC

2) Amount of remuneration, etc.

(million yen)

	Amount paid
• Amount of remuneration as financial auditor for the fiscal year under review	49
• Total amount of money and other financial benefits payable by the Company and its subsidiaries to the financial auditor	52

(Note) Because the audit contract between the Company and the financial auditor does not distinguish the amount of audit fees for audits based on the Companies Act and those for audits based on the Financial Instruments and Exchange Act, the amount of remuneration, etc. as financial auditor for the fiscal year under review includes the amount of remuneration for audits, etc. based on the Financial Instruments and Exchange Act.

3) Reasons for the consent of the Board of Auditors to the remuneration, etc. of the financial auditor

The Board of Auditors has obtained the necessary materials and reports from the Directors, related internal departments, and the financial auditor, and based on the analysis and evaluation of the audit plan and audit results for the previous fiscal year, has verified the appropriateness and reasonableness of the audit time and staffing plan and estimates of compensation in the audit plan for the fiscal year under review, and has given its consent regarding the amount of remuneration, etc. of the financial auditor.

4) Policy on dismissal or non-reappointment of the financial auditor

If the financial auditor is found to fall under any of the items of Article 340, paragraph (1) of the Companies Act, the Board of Auditors will dismiss the financial auditor with the unanimous consent of the Auditors.

In addition to the above cases, if it is deemed difficult for the accounting auditor to properly perform his or her duties, the Board of Corporate Auditors shall decide on the content of a proposal for the dismissal or non-reappointment of the accounting auditor, and the Board of Directors shall submit such proposal to the General Meeting of Shareholders based on such decision.

#### (5) System to ensure the appropriateness of business operations

In order to realize our management strategy mission as stated in the Group's corporate philosophy, management policy, and Code of Conduct by all officers and employees of the Goldwin Group, we have established an appropriate organization, rules and regulations, communicate information and monitor business execution, and we have established and maintains an internal control system as a framework. The internal control system is reviewed and improved as necessary to establish a system to execute business legally and efficiently.

##### I. Basic policy for internal control

The basic policy regarding the development of systems necessary to ensure the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries (below, the "Group") is as follows.

1. System to ensure that the execution of duties by Directors and employees of the Group complies with laws and regulations and the Articles of Incorporation

The Group shall ensure that the execution of duties by Directors and employees complies with laws and regulations by establishing a thorough compliance and monitoring system. In addition, the Company's Directors and employees do not have any relationship with any antisocial forces.

(1) The Board of Directors makes decisions on important matters and supervises the execution of duties by Directors in accordance with laws and regulations, the Articles of Incorporation, the Regulations of the Board of Directors, and other internal regulations.

- (2) Directors execute their duties in accordance with the roles determined by the Board of Directors and in accordance with laws and regulations, the Articles of Incorporation, resolutions of the Board of Directors, and internal regulations.
  - (3) The Company has adopted a corporate officer system to strengthen the decision-making and supervisory functions of the Board of Directors and to improve the efficiency of business execution. Corporate Officers execute their duties under the authority of the Board of Directors and the Representative Director, based on decisions made by the Board of Directors.
  - (4) Auditors audit the appropriateness of the execution of duties by Directors in accordance with the Regulations of the Board of Auditors and the Standards for Audits by Auditors.
  - (5) The Company has established a whistle-blowing system for the detection of violations of laws, the Articles of Incorporation, and internal regulations, and all officers and employees are informed of the system.
  - (6) We have established an Office of Internal Audits and a Compliance Department under the direct authority of the President. The Office of Internal Audits conducts periodic internal audits of the Group's overall operations in accordance with the Internal Audit Regulations to ensure compliance with laws and regulations, the Articles of Incorporation, and internal regulations, the appropriateness of procedures and content of the execution of duties, and evaluation of risk response. The Compliance Department handles compliance-related matters and carries out initiatives to raise employee awareness of compliance.
  - (7) With regard to the internal control over financial reporting of the Group, we are enhancing the system to evaluate, maintain, and improve the internal control based on the Financial Instruments and Exchange Act and other applicable domestic and foreign laws and regulations. In addition, the Company strives to ensure the appropriateness of its financial reporting by implementing checks and balances through segregation of duties and daily monitoring in the execution of its own operations.
  - (8) The Company conducts annual compliance training for all employees to ensure that they comply with laws and regulations, the Articles of Incorporation, and internal rules.
2. System for storage and management of information related to execution of duties by Directors
- Information related to the execution of duties by Directors shall be properly stored and managed in accordance with laws, regulations, and internal rules.
- (1) In accordance with the Document Handling Regulations and other internal regulations, Directors appropriately store and manage important information related to the execution of duties by Directors, such as minutes of General Meeting of Shareholders, meetings of the Board of Directors, Executive Management Meeting, and other meetings where Directors are involved in making decisions, and approval documents. The important information is accessible to Directors and Auditors at any time.
  - (2) Directors collect information to be disclosed promptly and comprehensively, and disclose it appropriately and accurately in a timely manner in accordance with laws and regulations.
3. Regulations and other systems for managing the risk of loss
- We will manage the risks of the entire Group in an integrated manner to prevent the occurrence of risk of loss. We will take all possible measures to minimize the loss in the event that a risk of loss should occur.
- (1) In order to deal with various risks, we have established various internal committees and responsible departments, as well as necessary risk management systems and methods, such as various management regulations, risk management standards, transaction limits, and reporting and monitoring systems, to comprehensively manage risks.
  - (2) From the viewpoint of ensuring the reliability of financial reporting, the Company promotes the development and operation of internal control over financial reporting.

4. System to ensure the efficient execution of duties by Directors

We will ensure the efficiency of the execution of duties by Directors by establishing a group corporate philosophy, clarifying the group management plan, and conducting appropriate business management of the Group.

- (1) Directors make necessary decisions in accordance with the organization and procedures stipulated in the Regulations of the Board of Directors, Executive Management Meeting Regulations, Subsidiary Management Regulations, Regulations for Requests for Approval, and other internal rules. These rules and regulations are reviewed as necessary or as needed for improvement.
- (2) In addition to regular monthly (in principle) meetings of the Board of Directors, extraordinary meetings of the Board of Directors are held as necessary to ensure flexibility in the execution of duties by Directors.
- (3) Directors hold an Executive Management Meeting attended by Corporate Officers and other employees in order to efficiently execute business operations based on the policies of the Board of Directors, and make decisions on business operations in a timely and more realistic manner.
- (4) Every year, the Governance Committee evaluates the effectiveness of the Board of Directors based on questionnaires from all Directors and Auditors. In addition, when analyzing the questionnaires, we obtain advice from external organizations to increase the transparency of evaluation. In the fiscal year under review, the Company conducted a questionnaire in December 2024, and confirmed that it has ensured effectiveness.
- (5) Various committees are set up for each important management theme as a complement to the management execution.
- (6) To ensure appropriate and efficient execution of duties, the authority and responsibilities of each officer are clarified.

5. System to ensure the appropriateness of operations in the Goldwin Group

We will ensure that the Group's corporate philosophy and management policies permeate each company, that compliance is thorough, and that operations are appropriate.

- (1) With respect to the management of subsidiaries, while respecting their autonomy, we share the basic ideas expressed in the Goldwin Group's Corporate Philosophy, Management Policy, and Corporate Code of Conduct, and other relevant documents.
- (2) The Company manages the management of its subsidiaries in accordance with the Subsidiary Management Regulations, Regulations for Requests for Approval, and other internal rules, and ensures the appropriateness of operations between the Company and its subsidiaries.
- (3) The Company has established rules for reporting and discussing important information, and pursues risk management and efficiency throughout the Group.
- (4) Auditors and the Office of Internal Audits conduct regular internal audits of subsidiaries to check the legality, appropriateness, and efficiency of their business operations. The results are reported to the Representative Director, the Director in charge, or the Board of Auditors, depending on the level of importance.
- (5) The Officer (Director or Corporate Officer) in charge of a subsidiary gains an understanding on the status of the system to ensure the appropriateness of operations of the subsidiary from time to time, and reports to the Board of Directors as necessary.

6. System concerning employees to assist the duties of Auditors and matters concerning the independence of such employees

When Auditors request employees to assist them in their duties, employees with sufficient reliability, experience, and expertise shall be appointed as full-time employees.

- (1) In the event that an Auditor requests the appointment of employees to assist him or her in the performance of his or her duties in order to enhance the effectiveness of his or her duties and ensure the smooth execution of audit duties, the Company stipulates that employees with sufficient experience and knowledge to perform the duties shall be appointed on a full-time basis.

- (2) In order to ensure the independence of employees assisting the Auditors, it is stipulated that decisions regarding personnel matters and authority, including the appointment and transfer of employees assisting the Auditors shall be made with the prior consent of the Board of Auditors.
  7. System for Directors and employees to report to Auditors and other systems related to reporting to Auditors
 

We will ensure that the Directors and employees of the Group have the opportunity and structure to appropriately report to the Auditors on the status of the execution of their duties.

    - (1) The Company stipulates that Directors and employees shall report the following matters to Auditors.
      - 1) Important matters resolved by the Board of Directors and the Executive Management Meeting
      - 2) Matters that may cause significant damage to the company
      - 3) Important monthly business conditions
      - 4) Status and results of internal audits
      - 5) Serious violations of laws, regulations, or the Articles of Incorporation
      - 6) Status and details of reporting through the internal whistle-blowing system
      - 7) Important compliance matters
    - (2) Matters that the Auditors deem necessary to be reported in the performance of their duties in addition to the above
  8. Other systems to ensure that Auditors perform audits effectively
    - (1) Auditors attend meetings of the Board of Directors, the Executive Management Meeting, and other important decision-making meetings as requested by the Auditors.
    - (2) Auditors hold regular hearings or meetings with Directors, Corporate Officers, Directors of subsidiaries, and other necessary employees in accordance with the audit policy and audit plan determined by the Board of Auditors.
    - (3) It is stipulated that the Office of Internal Audits shall cooperate with the Auditors in conducting audits when requested.
    - (4) The Company ensures that no person who reports to the Auditors shall be treated disadvantageously because of such report.
    - (5) The Company sets aside a certain budget each year to pay expenses incurred by Auditors in the performance of their duties. In addition, when an Auditor makes a request for advance payment of expenses incurred in the performance of his or her duties, the Company stipulates that such expenses or liabilities shall be promptly paid if the request is deemed justifiable.
  9. Basic policy and status of establishment for the elimination of antisocial forces
    - (1) The Company's Code of Conduct requires the Group to sever all relationships with antisocial forces and groups that threaten the order and safety of civil society, and to firmly reject any unreasonable demands by antisocial forces.
    - (2) The Group has established and strengthened a system for eliminating antisocial forces by designating a department to oversee antisocial forces, collecting and managing information within the Group, and cooperating with the police, organizations for the expulsion of organized crime groups, lawyers, and others.
- II. Outline of operation of systems to ensure appropriateness of operations
1. Overview of the operation of the internal control system
    - (1) Execution of duties by Directors
      - 1) The Company clarifies the rules for decision-making, including matters to be resolved by the Board of Directors, in accordance with the Regulations of the Board of Directors. The Board of Directors meets at least once a month in principle, and the five external Directors and three external Auditors, based on their professional knowledge and abundant experience, express their frank opinions at the Board of Directors meetings as appropriate, thereby fulfilling the functions of supervision and checks on management and business execution. The Board of Directors met 17 times this fiscal year.

- 2) The Company has introduced a corporate officer system for the purpose of implementing strategies flexibly and clarifying executive responsibilities, thereby ensuring efficient decision-making.
- 3) Regarding the management status of the Company's subsidiaries, the Officer (Director or Corporate Officer) in charge plays a central role in receiving reports on the status of achievement of business plans through interviews and other means, and confirms the status of management on a regular basis. The results are reported to the Board of Directors.

(2) Compliance

- 1) The Group has established a Code of Conduct and Compliance Department, and under the leadership of the Compliance Department, conducts annual compliance awareness surveys and training for all employees to ensure that they are fully aware of the Code. The training was completed for all employees through a web-based learning management system.
- 2) The Office of Internal Audits confirms compliance with operational procedures and manuals through internal audits and internal control assessments, and points out and recommends corrective actions to the relevant departments whenever issues requiring improvement or deficiencies are found. The identified issues requiring improvement or deficiencies are corrected by the relevant departments, and the Office of Internal Audits also confirms the results of the corrective actions.
- 3) The Group has established regulations regarding the whistle-blowing system, and has in place a system that allows direct reporting and consultation with the Compliance Department and the Manager of the Office of Internal Audits, as well as with outside attorneys or social insurance and labor consultants.  
The whistle-blowing system protects the anonymity of whistle-blowers and prohibits them from being treated unfavorably.
- 4) External Directors and external Auditors provide their opinions from an independent and objective standpoint at meetings of the Board of Directors and Board of Auditors, thereby ensuring the legality and appropriateness of the execution of duties.

(3) Risk management

- 1) The Group has established the Risk Management Regulations that stipulate the purpose, structure, and methods of risk management, and Emergency Action Procedures that define the procedures to be followed in the event of a crisis, which are communicated to all Group companies.  
In addition, the Group compiles risks of high importance in a Risk Catalog and implements preventive measures in accordance with the degree of impact.
- 2) The Information Security Committee identifies critical security risks and implements appropriate countermeasures. The Office of Internal Audits evaluates the implementation status of those measures and works on improvements.
- 3) We have a mission to contribute to the stability of society and local communities and fulfill our social responsibility and role through business continuity, while placing the highest priority on ensuring the safety of employees and their families. In order to establish an organizational structure and response measures that enable rapid recovery and restart of business in the event of an emergency, we have formulated and operated a Business Continuity Plan (BCP) and are implementing continuous updates.
- 4) In the event that new significant risks are expected to emerge, the Group's Board of Directors or the Executive Management Meeting will review the situation and take preventive measures.

(4) Execution of duties by Auditors

In accordance with the audit plan established by the Board of Auditors, all Auditors attend Board of Directors meetings and Sustainability Advisory Committee meetings to audit compliance with laws, regulations, and the Articles of Incorporation, management decision-making processes, and the maintenance and operation of the internal control environment, and express their opinions as necessary.

Full-time Auditors also attend the Executive Management Meeting, Governance Committee, Sustainability Committee, and other important meetings.

In addition, Auditors (and external Auditors and external Directors as appropriate) conduct on-site inspections and interviews with business and administrative divisions, offices, and self-managed stores, as well as with affiliated companies. Based on the findings and impressions obtained through such audit activities, they exchange opinions with the Directors of the Company and of its affiliated companies, and make recommendations as necessary.

In addition, in order to grasp the status of group governance and confirm the operation of internal controls, etc., the Company holds meetings of the Board of Auditors of Group companies to exchange opinions and information with the Auditors of affiliated companies, and works closely with the Office of Internal Audits to improve audit effectiveness and efficiency through mutual exchange of information and opinions on a regular and as-needed basis.

In addition, the Company receives audit plans (annual) and audit results (quarterly reviews and annual audits) from the financial auditor and exchanges information and opinions with them as appropriate, while monitoring the independence and appropriateness of the financial auditor's audits.

(5) System for reporting to Auditors

The Manager of the Office of Internal Audits reports to the Company's Auditors on the results of audits conducted by the Office of Internal Audits, and the Manager of the Compliance Department reports to the Company's Auditors on the status of reporting and consultation through internal reporting.

The Company's internal control system consists of the Company and its subsidiaries on a corporate group basis, and the status of its operation and the status of establishment and operation of internal control systems at subsidiaries are regularly reported to the Sustainability Committee, which is attended by Directors, Auditors, and presidents of affiliates.

This internal control system is continuously reviewed and improved in an effort to establish a more appropriate and efficient system.

At the Board of Directors meeting held on March 25, 2025, the Company's Board of Directors assessed the status of operation of each item stipulated in the basic policy for the fiscal year ended March 31, 2025, and confirmed that no significant deficiencies or inadequacies existed.

### III. Criteria for the independence of external officers

The Company has established standards regarding the independence of Outside Directors and Outside Corporate Auditors and appoints Independent Outside Directors and Outside Corporate Auditors who have no vested interest in the Company, and has notified the Tokyo Stock Exchange of all Outside Directors and Outside Corporate Auditors as independent officers and outside corporate auditors. The criteria for independence of outside directors and outside corporate auditors require that such outside directors and outside corporate auditors must not fall under any of the following categories.

1. A person who is not currently or has been for the past ten years a Director (excluding external Directors), Auditor (excluding external Auditors), or employee of the Company or its consolidated subsidiaries (below, collectively referred to as the "Group")
2. Have not fallen under any of the following prior to assuming office during the past three years, including the fiscal year under review
  - (1) A current major shareholder of the Company (Note 1) or its executive (Note 2)
  - (2) An executive of a company, etc., that falls under any of the following categories
    - 1) Major business partner of the Group (Note 3)
    - 2) A person in which the Group directly or indirectly holds 10% or more of the total voting rights, or an executive of such a person
  - (3) A person who belongs to an auditing firm that is a financial auditor of the Group
  - (4) Consultants, accountants, tax accountants, lawyers, judicial scriveners, patent attorneys, and other professionals who receive large amounts of money or other assets (Note 4) from the Group

- (5) A person who receives a substantial donation (Note 5) from the Group
- (6) An executive of a company that appoints an executive of the Group as a director or executive
- 3. Spouse or relative up to the second degree of kinship of a person falling under any of the categories in 2. above, if such person is a significant person (Note 6)
- 4. Notwithstanding the provisions of the preceding paragraphs, any other person who is deemed to have special circumstances that could cause a conflict of interest with the Company

(Notes)

- (Note 1) A major shareholder is a shareholder who holds 10% or more of the voting rights of the Company in its own name or in the name of others as of the end of the most recent fiscal year.
- (Note 2) Executive means an executive as defined in Article 2, paragraph (3), Item (vi) of the Regulation for Enforcement of the Companies Act.
- (Note 3) Major business partner means those whose transaction amount exceeds 2% of the Company's consolidated net sales or the other party's consolidated net sales.
- (Note 4) A large amount of money or other assets means, in the case of an individual, an annual average of 10 million yen or more over the past three fiscal years, or in the case of a corporation, etc., 2% or more of the consolidated net sales of the relevant corporation, etc.
- (Note 5) A substantial donation means an amount of money or other property that exceeds 10 million yen per year on average over the past three fiscal years. However, if the donee is a corporation, partnership, or other organization, the amount exceeding 2% of the total income or ordinary income of the organization, whichever is greater.
- (Note 6) A significant person means a director, executive officer, corporate officer, executive person in charge of business at or above the rank of general manager, or an executive person with equivalent authority.

## **(6) Basic policy on the persons who control decisions on the Company's financial and business policies**

### **1) Basic policy**

As a listed company that allows free trading of its shares, the Company does not generally reject so-called hostile takeovers that are conducted without the approval of the Board of Directors, as long as they contribute to the Company's corporate value and, in turn, the common interests of its shareholders. We believe that the decision on whether or not to sell shares to an acquirer and the decision on whether or not to entrust the management of a company to an acquirer should basically be left to the will of individual shareholders.

On the other hand, we believe that those who control decisions on the Company's financial and business policies should be those who make it possible to continuously ensure and enhance the corporate value of the Group and, in turn, the common interests of its shareholders (below, "common interests of shareholders").

However, there are some takeover attempts that do not contribute to the common interests of shareholders, depending on the manner in which they are conducted.

The elements that constitute the Company's corporate value are: 1) trademarks or sales rights to several sportswear brands (sports brands) with high added value and high image that are positioned in the top class of the industry; 2) superior creativity, planning and manufacturing know-how, and state-of-the-art research facilities to embody these brand values; 3) individual talented employees who support such creativity, planning, and manufacturing know-how; 4) the company's management resources, including a large number of suppliers and customers backed by relationships of trust cultivated over many years of business, as well as a trade area, etc., that includes self-managed stores; 5) a business foundation that will enable the company to expand its business and improve its performance in the future by developing new businesses, new products, and new markets, in addition to conducting its existing business based on these management resources; and 6) a management base that can generate stable cash flow through business activities to strengthen the company's capital in the future. Without an understanding of the essential sources of the Company's corporate value as described above, it is impossible to secure and sustainably enhance the Company's corporate value.

An acquirer who lacks such understanding, while making a temporary profit by conducting a large-scale acquisition of the Company's shares and focusing only on short-term economic efficiency, may undermine the Company's management resources and business foundation described above, or may act against the structure that generates the Company's corporate value by acquiring only certain brands or commercial rights and disposing of the rest, thereby impairing the continuity of the Company as a business entity, which would result in damage to the common interests of shareholders.

Thus, against an acquirer who harms the common interests of shareholders, the Board of Directors should be allowed to trigger countermeasures to the extent reasonable to protect the common interests of shareholders. However, because there can be a wide variety of takeover proposals, there may be cases where it is difficult to determine whether the content of the takeover proposal will contribute to or detract from the common interests of shareholders. In the event of a takeover bid, the Board of Directors will first discuss and negotiate with the takeover proposer, but in cases where certain requirements are met, such as where the takeover proposer provides the Company with appropriate, necessary, and sufficient information to determine whether the proposed acquisition would contribute to the common interests of shareholders and then makes a written request to the Company, or where the Company receives a recommendation from the Special Committee, it is desirable to have shareholders decide at a General Meeting of Shareholders whether or not to invoke countermeasures under the current plan in response to such takeover proposal.

In addition, in order to enable our shareholders to make an appropriate decision at the General Meeting of Shareholders as to whether or not a takeover proposal will contribute to securing and enhancing the common interests of shareholders, we believe that it is the responsibility of the Company's Board of Directors to ensure that the proposer of a takeover bid discloses necessary and sufficient information regarding the impact of such a takeover bid on our shareholders and the management of the Group, the details of the management policy and business plan of the Group intended by the acquirer, and the impact of such a takeover bid on the many stakeholders surrounding the Group.



2) Efforts to contribute to the realization of the basic policy

i) Status of efforts to enhance corporate value

Under the Group's five-year medium-term management plan (fiscal year ended March 31, 2025 to fiscal year ending March 31, 2029), we remain committed to our founding Corporate Philosophy: Achieving a rich and healthy life through sports. Goldwin's approach to product creation, experience creation, and environmental development—rooted in nature as its field of activity—aims to expand human potential and pursue the enrichment of nature itself. Through play, the origin of sport, we constantly challenge conventional norms and rules, exploring the ideal state of ever-evolving people and nature. Guided by our Purpose—Envision new possibilities for humanity in nature—we aim to shape a new future for both the planet and humanity. With our 74th anniversary as a turning point, we are determined to make a “Re-start,” expanding our demand-oriented business model centered on the Goldwin brand into global markets. We have committed to investing in growth areas that enable sustainable business development.

In the 74th fiscal year, which marks the first year of the aforementioned five-year medium-term management plan, strong inbound demand and the growing adoption of functional wear in daily life led to record-high net sales.

There is a growing inclination among individuals to contribute to the environment and society, and emerging new consumption trends, and companies adept at sensitively responding to these shifts are experiencing growth.

Under its long-term vision PLAY EARTH 2030, the Company is redoubling its efforts to promote manufacturing and building a management base. Fulfilling its responsibility to the future, the Company aims to evolve into an indispensable entity within society.

In addition, in our endeavor to strengthen our global business, we established a new business division in April 2023, thereby galvanizing our efforts to amplifying the brand power of our original “Goldwin” brand and advance our overseas expansion. While reestablishing its brand value as a premier brand in sports apparel, not only by pursuing product functionality but also by conveying the design narrative to customers, we also aim to expand sales and improve efficiency through redesigning the supply chain.

Going forward, we will strive to achieve sustainable growth in the future by actively investing in growth areas while maintaining and improving a solid financial foundation that can flexibly respond to changes in customers and markets.

ii) Efforts to strengthen corporate governance

In order to enhance the common interests of shareholders and realize sustainable growth and increase corporate value, we recognize that improving management efficiency, soundness, and transparency and enhancing corporate governance are important issues, and we are strengthening our corporate governance system.

Specifically, in order to ensure prompt and effective execution of business operations, the Company is enhancing its internal control functions and operating its rules of authority to ensure their effectiveness, while building a compliance system and taking initiatives in risk management, ensuring management transparency and fair information disclosure, etc.

Based on its fiduciary responsibility and accountability to shareholders, the Board of Directors makes decisions on important business operations and supervises business execution mainly led by five external Directors in order to ensure the Company's sustainable growth and enhance its corporate value over the medium to long term.

In addition, in order to clarify the management responsibility of each Director and to create a management structure that can quickly respond to changes in the business environment, the term of office of Directors is set at one year so that the will of shareholders can be promptly reflected.

The Company has introduced a corporate officer system. Corporate Officers appointed by the Board of Directors appropriately execute operations under the authority delegated to them in their respective areas based on the management strategies determined by the Board of Directors, thereby strengthening the supervisory function of the Board of Directors through five external Directors out of twelve Directors. Furthermore, three of the four Auditors on the Board of Auditors are external Auditors, who attend Board of Directors meetings to express their opinions and supervise the Directors' execution

of their duties, thereby ensuring the sound management of the company and enhancing its social credibility.

The Company has established the Nomination/Compensation Committee to ensure fairness and transparency in nominating Directors and Corporate Officers and determining their compensation. The Nomination/Compensation Committee, the majority of which are external Directors, deliberates matters related to the nomination of candidates for Directors and Auditors in response to inquiries from the Board of Directors, and reports the results of its deliberations to the Board of Directors. The Company has also established a Governance Committee to improve the effectiveness of the Board of Directors, one of the requirements of the corporate governance code, and to consider measures to address important governance risks.

iii) Returns to shareholders

Always recognizing that returning profits to shareholders is one of the most important issues for a company, our basic policy is to continue to pay stable dividends to shareholders while strengthening our financial position and management base.

The Company will implement various policies related to the above to enhance its corporate value and realize the interests of the Company and, in turn, the common interests of shareholders.

3) Efforts to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate in light of the basic policy

At the 73rd Annual General Meeting of Shareholders held on June 26, 2024, the Company resolved, with the approval of its shareholders, to introduce countermeasures to large-scale acquisitions of the Company's shares (below, the "Current Plan").

Specifically, any purchaser who intends to make a purchase or tender offer for shares that would result in the purchase of 20% or more of the Company's outstanding shares is required to submit the necessary information to the Board of Directors in advance. The Special Committee, which will be established by resolution of the Board of Directors of the Company, will evaluate and examine the details of the purchase, obtaining advice from outside experts, etc. as necessary. If the Special Committee determines that the purchaser does not comply with the Current Plan or that the purchase would damage the corporate value of the Company and, in turn, the common interests of shareholders, the Special Committee will recommend to the Board of Directors that countermeasures be implemented (implementation of a gratis allotment of stock acquisition rights with exercise conditions that the exercise by the purchaser, etc. is not permitted). If the Special Committee determines that it is reasonable to confirm the will of shareholders with respect to the implementation of a countermeasure, the Special Committee may recommend the Board of Directors of the Company to convene a General Meeting of Shareholders and submit a proposal for the implementation of the gratis allotment of stock acquisition rights.

If the Special Committee determines that the implementation of the countermeasure is not appropriate, it will make a recommendation to the Board of Directors not to implement the countermeasure.

The Board of Directors of the Company shall adopt a resolution for implementation or non-implementation of the countermeasures, respecting the recommendation of the Special Committee to the maximum extent. If the Special Committee recommends that the Board of Directors convene a General Meeting of Shareholders and submit a proposal for the implementation of the gratis allotment of stock acquisition rights, the Board of Directors shall convene a General Meeting of Shareholders and submit a proposal for the implementation of the gratis allotment of stock acquisition rights, unless it is extremely difficult to hold a General Meeting of Shareholders, in order to obtain the shareholders' intent.

In the event that the Company's Board of Directors passes any of the above resolutions, the Company will promptly disclose the details of such resolutions and other matters.

4) Judgment of the Board of Directors regarding efforts to realize the basic policy and the reasons for such judgment

The Current Plan was approved at the Company's 73rd Annual General Meeting of Shareholders held on June 26, 2024. The Current Plan may be abolished by a resolution of the Board of Directors of the Company even before the effective period of the Current Plan (until the conclusion of the first meeting of

the Board of Directors to be held after the Annual General Meeting of Shareholders relating to the last fiscal year ending within three years after the end of the Annual General Meeting of Shareholders held on June 26, 2024). In addition, since the term of office of the Company's Directors is set at one year, the intent of the shareholders will also be reflected every year through the agenda for the election of Directors. By having the Special Committee consisting of the Company's external Auditors and external experts, the Company believes that the Special Committee will be able to eliminate arbitrary decisions by the Company's management and ensure its objectivity and rationality, and at the same time, the Special Committee will be able to accurately understand the Company's actual situation and appropriately determine the impact on the Company's corporate value and the common interests of shareholders. In addition, the Current Plan is set up so that it will not be triggered unless predetermined reasonable objective requirements are met, and these objective requirements are consistent in content with the cases in which a person is deemed inappropriate as a person who controls decisions on the Company's financial and business policies in the Current Plan. In this way, it is not intended to maintain the status of the Company's Directors.

Please refer to the Company's website for details of the Current Plan.  
<https://www.goldwin.co.jp/corporate/info/ir/defense> (in Japanese)

**(7) Policy on the determination of dividends of surplus, etc.**

We always recognize that returning profits to shareholders is one of the most important issues for a company, and our basic policy is to continue to pay stable dividends to our shareholders while strengthening our financial position and management base.

Based on the above policy, the Company decided to pay a year-end dividend of 132 yen per share for the fiscal year ended March 31, 2025.

As a result, the total annual dividend for the fiscal year under review, including the second quarter dividend of 40 yen per share, will be 163 yen per share.

The Company's Articles of Incorporation stipulate that the Company may pay dividends from surplus, etc. by a resolution of the Board of Directors.

[Reference] Breakdown of annual dividends

Record date	Dividend per share (Yen)		
	End of second quarter	Year-end	Annual
Results for the current year	40.00	123.00	163.00
Previous year (fiscal year ended March 31, 2024)	30.00	132.00	162.00

(Note) The year-end dividend of 132.00 yen for the fiscal year ended March 31, 2024 includes a commemorative dividend of 10.00 yen due to the relocation of the headquarters.

## Consolidated Financial Statements

### Consolidated Balance Sheet (as of March 31, 2025)

(Unit: million yen)

Account	Amount	Account	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	<b>93,438</b>	<b>Current liabilities</b>	<b>37,391</b>
Cash and deposits	52,526	Notes and accounts payable - trade	4,294
Notes receivable - trade	53	Electronically recorded obligations - operating	15,915
Accounts receivable - trade	14,064	Current portion of long-term borrowings	354
Electronically recorded monetary claims - operating	5,419	Lease liabilities	718
Merchandise and finished goods	17,884	Accounts payable - other	3,192
Work in process	372	Income taxes payable	1,993
Raw materials and supplies	962	Accrued consumption taxes	519
Other current assets	2,157	Accrued expenses	2,130
Allowance for doubtful accounts	(3)	Contract liabilities	866
<b>Non-current assets</b>	<b>57,438</b>	Provision for bonuses	857
<b>Property, plant, and equipment</b>	<b>10,824</b>	Provision for share awards	4,993
Buildings and structures	2,604	Other current liabilities	1,556
Land	4,679	<b>Non-current liabilities</b>	<b>2,282</b>
Leased assets	1,899	Lease liabilities	1,557
Other property, plant, and equipment	1,641	Retirement benefit liability	186
<b>Intangible assets</b>	<b>2,808</b>	Other non-current liabilities	537
Trademark right	626	<b>Total liabilities</b>	<b>39,674</b>
Software	519	<b>Net assets</b>	
Software in progress	1,605	<b>Shareholders' equity</b>	<b>106,289</b>
Other intangible assets	56	<b>Share capital</b>	<b>7,079</b>
<b>Investments and other assets</b>	<b>43,805</b>	<b>Capital surplus</b>	<b>1,578</b>
Investment securities	33,014	<b>Retained earnings</b>	<b>113,468</b>
Retirement benefit asset	2,947	<b>Treasury shares</b>	<b>(15,838)</b>
Guarantee deposits	3,201	<b>Accumulated other comprehensive income</b>	<b>4,093</b>
Distressed receivables	19	<b>Valuation difference on available-for-sale securities</b>	<b>1,771</b>
Deferred tax assets	2,410	<b>Deferred gains or losses on hedges</b>	<b>(5)</b>
Other investments and other assets	2,301	<b>Foreign currency translation adjustment</b>	<b>2,418</b>
Allowance for doubtful accounts	(88)	<b>Remeasurements of defined benefit plans</b>	<b>(90)</b>
		<b>Non-controlling interests</b>	<b>820</b>
		<b>Total net assets</b>	<b>111,203</b>
<b>Total assets</b>	<b>150,877</b>	<b>Total liabilities and net assets</b>	<b>150,877</b>

(Note) Amounts are rounded down to the nearest million yen.

**Consolidated Statement of Income** (from April 1, 2024 to March 31, 2025)

(Unit: million yen)

Account	Amount	
<b>Net sales</b>		<b>132,305</b>
Cost of sales		63,379
<b>Gross profit</b>		<b>68,925</b>
Selling, general and administrative expenses		47,020
<b>Operating profit</b>		<b>21,905</b>
<b>Non-operating income</b>		
Interest income	32	
Dividend income	105	
Share of profit of entities accounted for using equity method	8,446	
Other non-operating income	489	9,073
<b>Non-operating expenses</b>		
Interest expenses	38	
Loss on cancellation of insurance policies	19	
Commitment fee	16	
Other non-operating expenses	98	172
<b>Ordinary profit</b>		<b>30,806</b>
<b>Extraordinary income</b>		
Gain on sale of investment securities	344	
Gain on sale of trademark right	1,156	
Gain on liquidation of subsidiaries	327	1,827
<b>Extraordinary losses</b>		
Loss on disposal of non-current assets	38	
Impairment losses	161	
Loss on store closings	43	
Loss on valuation of investment securities	1,793	
Extra retirement payments	209	
Loss on business withdrawal	147	
Other extraordinary losses	20	2,415
<b>Profit before income taxes</b>		<b>30,218</b>
Income taxes - current	6,585	
Income taxes - deferred	(819)	5,765
<b>Profit</b>		<b>24,452</b>
Profit attributable to non-controlling interests		8
<b>Profit attributable to owners of parent</b>		<b>24,444</b>

(Note) Amounts are rounded down to the nearest million yen.

# Consolidated Statement of Changes in Equity (from April 1, 2024 to March 31, 2025)

(Unit: million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Beginning balance as of April 1, 2024	7,079	1,548	97,061	(10,362)	95,326
Changes during the fiscal year					
Dividends of surplus			(8,036)		(8,036)
Profit attributable to owners of parent			24,444		24,444
Purchase of treasury shares				(6,013)	(6,013)
Disposal of treasury shares		30		537	568
Net changes in items other than shareholders' equity during the fiscal year					
Total changes during the fiscal year	—	30	16,407	(5,475)	10,962
Ending balance as of March 31, 2025	7,079	1,578	113,468	(15,838)	106,289

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Beginning balance as of April 1, 2024	1,812	40	2,927	(100)	4,680	162	100,170
Changes during the fiscal year							
Dividends of surplus							(8,036)
Profit attributable to owners of parent							24,444
Purchase of treasury shares							(6,013)
Disposal of treasury shares							568
Net changes in items other than shareholders' equity during the fiscal year	(40)	(46)	(508)	9	(586)	658	71
Total changes during the fiscal year	(40)	(46)	(508)	9	(586)	658	11,033
Ending balance as of March 31, 2025	1,771	(5)	2,418	(90)	4,093	820	111,203

(Note) Amounts are rounded down to the nearest million yen.

## Non-consolidated Financial Statements

### Balance Sheet (as of March 31, 2025)

(Unit: million yen)

Account	Amount	Account	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	<b>84,901</b>	<b>Current liabilities</b>	<b>36,683</b>
Cash and deposits	45,225	Notes payable - trade	13
Notes receivable - trade	53	Electronically recorded obligations - operating	15,484
Electronically recorded monetary claims - operating	5,370	Accounts payable - trade	3,264
Accounts receivable - trade	13,221	Short-term borrowings	2,000
Merchandise and finished goods	16,544	Current portion of long-term borrowings	354
Work in process	372	Lease liabilities	460
Raw materials and supplies	962	Accounts payable - other	3,549
Accounts receivable - other	1,590	Income taxes payable	1,364
Prepaid expenses	390	Accrued expenses	1,953
Other current assets	1,169	Provision for bonuses	806
Allowance for doubtful accounts	(1)	Provision for share awards	4,993
<b>Non-current assets</b>	<b>32,934</b>	Other current liabilities	2,439
<b>Property, plant, and equipment</b>	<b>8,471</b>	<b>Non-current liabilities</b>	<b>1,470</b>
Buildings	2,228	Lease liabilities	938
Structures	54	Long-term accounts payable - other	277
Land	4,337	Other non-current liabilities	254
Leased assets	1,098	<b>Total liabilities</b>	<b>38,153</b>
Other property, plant, and equipment	751	<b>Net assets</b>	
<b>Intangible assets</b>	<b>2,746</b>	<b>Shareholders' equity</b>	<b>77,947</b>
Trademark right	626	<b>Share capital</b>	<b>7,079</b>
Software	468	<b>Capital surplus</b>	<b>1,573</b>
Software in progress	1,605	Legal capital surplus	258
Other intangible assets	46	Other capital surplus	1,314
<b>Investments and other assets</b>	<b>21,715</b>	<b>Retained earnings</b>	<b>85,133</b>
Investment securities	4,486	Legal retained earnings	1,763
Shares of subsidiaries and associates	2,964	Other retained earnings	83,369
Investments in capital	11	Retained earnings brought forward	83,369
Investments in capital of subsidiaries and associates	2,516	<b>Treasury shares</b>	<b>(15,838)</b>
Long-term loans receivable	1,410	<b>Valuation and translation adjustments</b>	<b>1,733</b>
Distressed receivables	18	<b>Valuation difference on available-for-sale securities</b>	<b>1,738</b>
Guarantee deposits	2,935	<b>Deferred gains or losses on hedges</b>	<b>(5)</b>
Prepaid pension costs	3,050	<b>Total net assets</b>	<b>79,681</b>
Deferred tax assets	2,910	<b>Total liabilities and net assets</b>	<b>117,835</b>
Other investments and other assets	1,766		
Allowance for doubtful accounts	(355)		
<b>Total assets</b>	<b>117,835</b>		

(Note) Amounts are rounded down to the nearest million yen.

**Statement of Income** (from April 1, 2024 to March 31, 2025)

(Unit: million yen)

Account	Amount	
<b>Net sales</b>		<b>120,671</b>
Cost of sales		55,725
<b>Gross profit</b>		<b>64,945</b>
Selling, general and administrative expenses		45,305
<b>Operating profit</b>		<b>19,640</b>
<b>Non-operating income</b>		
Interest and dividend income	9,974	
Rental income	90	
Sales commissions received	252	
Other non-operating income	466	10,784
<b>Non-operating expenses</b>		
Interest expenses	29	
Loss on investments in investment partnerships	111	
Depreciation of assets for rent	42	
Provision of allowance for doubtful accounts	102	
Other non-operating expenses	62	347
<b>Ordinary profit</b>		<b>30,077</b>
<b>Extraordinary income</b>		
Gain on sale of investment securities	344	
Gain on sale of trademark right	1,156	1,500
<b>Extraordinary losses</b>		
Loss on disposal of non-current assets	35	
Impairment losses	161	
Loss on store closings	34	
Loss on valuation of investment securities	1,844	
Extra retirement payments	186	
Loss on business withdrawal	134	
Other extraordinary losses	205	2,602
<b>Profit before income taxes</b>		<b>28,975</b>
Income taxes - current	5,525	
Income taxes - deferred	(718)	4,806
<b>Profit</b>		<b>24,168</b>

(Note) Amounts are rounded down to the nearest million yen.



**Statement of Changes in Equity (from April 1, 2024 to March 31, 2025)**

(Unit: million yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholder s' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings		
Beginning balance as of April 1, 2024	7,079	258	1,284	1,542	1,763	67,237	69,000	(10,362)	67,261
Changes during the fiscal year									
Dividends of surplus						(8,036)	(8,036)		(8,036)
Profit						24,168	24,168		24,168
Purchase of treasury shares								(6,013)	(6,013)
Disposal of treasury shares			30	30				537	568
Net changes in items other than shareholders' equity during the fiscal year									
Total changes during the fiscal year	—	—	30	30		16,132	16,132	(5,475)	10,686
Ending balance as of March 31, 2025	7,079	258	1,314	1,573	1,763	83,369	85,133	(15,838)	77,947

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Beginning balance as of April 1, 2024	1,787	37	1,824	69,085
Changes during the fiscal year				
Dividends of surplus				(8,036)
Profit				24,168
Purchase of treasury shares				(6,013)
Disposal of treasury shares				568
Net changes in items other than shareholders' equity during the fiscal year	(48)	(42)	(91)	(91)
Total changes during the fiscal year	(48)	(42)	(91)	10,595
Ending balance as of March 31, 2025	1,738	(5)	1,733	79,681

(Note) Amounts are rounded down to the nearest million yen.

# Accounting Audit Report on the Consolidated Financial Statements

## Independent Auditor's Report (Translation)

May 22, 2025

Goldwin Inc.  
To the Board of Directors

Ernst & Young ShinNihon LLC  
Kanazawa Office

Designated Limited Liability Partner  
Operating Partner  
Certified Public Accountant Yasuhiro Yasuda

Designated Limited Liability Partner  
Operating Partner  
Certified Public Accountant Takahiro Kawagishi

### *Audit Opinion*

Pursuant to Article 444, paragraph (4) of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity, and the notes to the consolidated financial statements of Goldwin Inc. (the "Company") applicable to the fiscal year from April 1, 2024 to March 31, 2025.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and results of operations of the Group, which consisted of the Company and its consolidated subsidiaries, applicable to the fiscal year ended March 31, 2025, in accordance with accounting principles generally accepted in Japan.

### *Basis for Audit Opinion*

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Information*

The other information consists of the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. Furthermore, the Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the process for reporting the other information.

The other information does not fall under the scope of our opinion on the consolidated financial statements, and we express no opinion on the other information.

Our responsibility in auditing the consolidated financial statements is to read through the other information and, in the course of reading, consider whether there are any material differences between the other information and the consolidated financial statements or our knowledge obtained in the course of our audit, and to pay attention to whether there are any other signs of material errors in the other information in addition to such material differences. If, based on the work we have performed, we determine that there are material errors in the other information, we are required to report that fact.

We have nothing to report with respect to the other information.

### *Responsibilities of Management, Audit & Supervisory Board Members, and the Audit & Supervisory Board for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes establishing and operating such

internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

#### *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and perform audit procedures that address the risks of material misstatement. Select audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider, in making those risk assessments, internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and the notes thereto are in accordance with accounting standards generally accepted in Japan, as well as evaluate the overall presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly represent the underlying transactions and accounting events.
- Plan and conduct the audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which serves as the basis for expressing an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and review of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related measures in order to eliminate obstruction factors or safeguards to reduce obstruction factors to acceptable levels.

*Conflicts of Interest*

Our firm and the designated engagement partners have no interest in the Company and its consolidated subsidiaries which should be disclosed in accordance with the Certified Public Accountants Act.

# Accounting Audit Report on the Non-consolidated Financial Statements

## Independent Auditor's Report (Translation)

May 22, 2025

Goldwin Inc.  
To the Board of Directors

Ernst & Young ShinNihon LLC  
Kanazawa Office

Designated Limited Liability Partner  
Operating Partner  
Certified Public Accountant Yasuhiro Yasuda

Designated Limited Liability Partner  
Operating Partner  
Certified Public Accountant Takahiro Kawagishi

### *Audit Opinion*

Pursuant to Article 436, paragraph (2), item (i) of the Companies Act, we have audited the accompanying non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, the notes to the non-consolidated financial statements and the related supplemental schedules (collectively, “non-consolidated financial statements, etc.”) of Goldwin Inc. (the “Company”) applicable to the 74th fiscal year from April 1, 2024 to March 31, 2025. In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations of the Company, applicable to the fiscal year ended March 31, 2025, in accordance with accounting principles generally accepted in Japan.

### *Basis for Audit Opinion*

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements, etc. in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Information*

The other information consists of the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. Furthermore, the Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the process for reporting the other information.

The other information does not fall under the scope of our opinion on the non-consolidated financial statements, etc., and we express no opinion on the other information.

Our responsibility in auditing the non-consolidated financial statements, etc. is to read through the other information and, in the course of reading, consider whether there are any material differences between the other information and the non-consolidated financial statements, etc. or our knowledge obtained in the course of our audit, and to pay attention to whether there are any other signs of material errors in the other information in addition to such material differences.

If, based on the work we have performed, we determine that there are material errors in the other information, we are required to report that fact.

We have nothing to report with respect to the other information.

*Responsibilities of Management, Audit & Supervisory Board Members, and the Audit & Supervisory Board for the Non-consolidated Financial Statements, Etc.*

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan. This includes establishing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error. In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

*Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.*

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the decisions of users taken on the basis of the non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and perform audit procedures that address the risks of material misstatement. Select audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider, in making those risk assessments, internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the non-consolidated financial statements, etc. is not expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements, etc. and the notes thereto are in accordance with accounting standards generally accepted in Japan, as well as evaluate the overall presentation, structure, and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-consolidated financial statements, etc. fairly represent the underlying transactions and accounting events.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related measures in order to eliminate obstruction factors or safeguards to reduce obstruction factors to acceptable levels.

*Conflicts of Interest*

Our firm and the designated engagement partners have no interest in the Company which should be disclosed in accordance with the Certified Public Accountants Act.

## Audit Report of the Board of Auditors

### Audit Report

The Board of Auditors has prepared this Audit Report based on the audit reports prepared by each Auditor regarding the execution of duties by the Directors for the 74th fiscal year from April 1, 2024 to March 31, 2025, and after due deliberation, we hereby report as follows.

#### 1. Method and Details of Audit by Auditors and the Board of Auditors

- (1) The Board of Auditors established the audit policy, assignment of duties, etc., received reports from each Auditor on the status and results of their audits, received reports from the Directors, etc. and the financial auditor on the status of execution of their duties, and requested explanations as necessary.
- (2) Each Auditor, in accordance with the auditing standards for Auditors established by the Board of Auditors and in accordance with the auditing policy, assignment of duties, etc., communicated with the Directors, the internal audit division, and other employees, etc., endeavored to collect information and develop the auditing environment, and conducted audits in the following manner.
  - 1) Attended meetings of the Board of Directors and other important meetings, received reports from Directors, employees, and others regarding the execution of their duties, requested explanations as necessary, reviewed important approval documents, etc., and investigated the status of operations and assets at the headquarters and principal business offices. Also communicated and exchanged information with Directors and Auditors of subsidiaries, and received business reports from subsidiaries as necessary.
  - 2) Regarding the contents of the resolution of the Board of Directors regarding the establishment of a system to ensure that the execution of duties by the Directors complies with laws and regulations and the Articles of Incorporation and other systems stipulated in Article 100, paragraphs (1) and (3) of the Regulation for Enforcement of the Companies Act as necessary to ensure the properness of business operations of a corporate group consisting of a stock company and its subsidiaries, which are described in the Business Report, and the systems established in accordance with such resolution (internal control system), we regularly received reports from Directors, employees, and others on the status of establishment and operation of such systems, sought explanations as necessary, and expressed our opinions.

With respect to internal control over financial reporting, we received reports from Directors, etc. and Ernst & Young ShinNihon LLC on the status of evaluation and audit of such internal control, and requested explanations as necessary.
  - 3) With respect to the basic policy stipulated in Article 118, Item (iii)-a and the initiatives stipulated in Article 118, Item (iii)-b of the Regulation for Enforcement of the Companies Act, which are described in the Business Report, we reviewed the details thereof, based on the deliberations at the meetings of the Board of Directors and other relevant meetings.
  - 4) We monitored and verified whether the financial auditor maintained its independence and conducted appropriate audits, and received reports from the accounting auditor on the execution of its duties and requested explanations as necessary. In addition, we received notice from the financial auditor that systems to ensure proper execution of duties (matters set forth in each item of Article 131 of the Regulation on Corporate Accounting) are maintained in accordance with the “Quality Control Standards for Audits” (Business Accounting Council) and other relevant standards, and requested explanations as necessary.

Based on the above methods, we have examined the Business Report and supporting schedules, non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity, and notes to non-consolidated financial statements) and supporting schedules, and consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity, and notes to consolidated financial statements) for the fiscal year under review.



## 2. Results of Audit

### (1) Results of audit of Business Report, etc.

- 1) In our opinion, the Business Report and supporting schedules present fairly the condition of the Company in conformity with applicable laws and regulations and the Articles of Incorporation.
- 2) In our opinion, there were no instances of misconduct or material facts in violation of laws and regulations or the Articles of Incorporation in connection with the Directors' performance of their duties.
- 3) In our opinion, the contents of the resolution of the Board of Directors regarding the internal control system are fair and reasonable. We also find no matters to be pointed out with regard to the contents of the Business Report and the execution of duties by the Directors regarding the said internal control system. With respect to internal control over financial reporting, we have received reports from Directors, etc. and Ernst & Young ShinNihon LLC that it was effective as of the date of this Audit Report.
- 4) We found no matters to be pointed out with regard to the basic policy on the nature of persons controlling decisions on the company's financial and business policies stated in the Business Report. We confirm that each of the initiatives set forth in Article 118, Item (iii)-b of the Regulation for Enforcement of the Companies Act described in the Business Report is in line with such basic policy, is not detrimental to the common interests of the Company's shareholders, and is not intended to maintain the status of the Company's corporate officers.

### (2) Results of audit of non-consolidated financial statements and supplementary schedules

In our opinion, the auditing methods and results of the financial auditor, Ernst & Young ShinNihon LLC, are appropriate.

### (3) Results of audit of consolidated financial statements

In our opinion, the auditing methods and results of the financial auditor, Ernst & Young ShinNihon LLC, are appropriate.

May 22, 2025

Goldwin Inc. Board of Auditors  
Full-time Auditor Osamu Sato  
Auditor (External Auditor) Akiyuki Shiobara  
Auditor (External Auditor) Hidenao Yoichi  
Auditor (External Auditor) Tsutomu Morita