

April 28, 2025

To whom it may concern:

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Representative: Kazuhiro Uekado
President and Representative Director
Securities code: 9052
Listing: Prime Market of the Tokyo Stock
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Notice Regarding Amendment to the Articles of Incorporation

Sanyo Electric Railway Co., Ltd. (hereinafter the “Company”) hereby announces that, at its Board of Directors meeting held today, it resolved to submit a proposal of amendment to the Articles of Incorporation to the 136th Annual General Meeting of Shareholders scheduled to be held in June 2025. The details are as follows.

1. Purpose of amendment to the Articles of Incorporation

- (1) The Company has decided to transition from a company with an audit & supervisory board to a company with an audit and supervisory committee subject to approval at the 136th Annual General Meeting of Shareholders scheduled to be held in June 2025 as disclosed in “Notice Regarding Transition to Company with Audit and Supervisory Committee and Changes in Officers (Change of President, Etc.)” released today. The purpose of this transition is to strengthen the supervisory function of the Board of Directors and to further enhance and strengthen the corporate governance. Accordingly, the Company wishes to make changes such as establishing new provisions regarding Directors Who Are Audit and Supervisory Committee Members and the Audit and Supervisory Committee, and deleting provisions regarding Audit & Supervisory Board Members and Audit & Supervisory Board, which are necessary for the transition to a company with an audit and supervisory committee. Additionally, to enhance management efficiency and enable swift decision-making in business execution, the Company will establish a new provision that allows the delegation of all or part of important business execution decisions to Directors.
- (2) To make it possible to enter into limited liability agreements with Directors other than executive Directors, etc., Article 27 of the current Articles of Incorporation will be amended as provided in the proposed amendment of Article 28. The consent of each Audit & Supervisory Board Member has been obtained for the amendment of the proposed amendment of Article 28.
- (3) Other necessary changes, including correction of words and phrases, will be made.

2. Content of amendment to the Articles of Incorporation

Please see the attachment for the content of the amendment.

3. Schedule

Date of the Annual General Meeting of Shareholders to amend the Articles of Incorporation:

June 2025 (scheduled)

Effective date of amendment to the Articles of Incorporation:

June 2025 (scheduled)

[Attachment]

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendment
<p style="text-align: center;">Chapter 1 General Provisions</p> <p>(Purpose)</p> <p>Article 2</p> <p>The purpose of the Company shall be to engage in the following business activities:</p> <p>1.-11. (Omitted)</p> <p>12. <u>General travel business, domestic travel business,</u> and travel agency business</p> <p>13.-16. (Omitted)</p> <p>17. <u>General worker-dispatching business and specified worker-dispatching business,</u> and management consulting business</p> <p>18.-23. (Omitted)</p> <p>(Organs)</p> <p>Article 4</p> <p>The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs:</p> <p>1. Board of Directors;</p> <p>2. <u>Audit & Supervisory Board Members;</u></p> <p>3. <u>Audit & Supervisory Board; and</u></p> <p>4. Financial Auditor</p> <p style="text-align: center;">Chapter 3 General Meeting of Shareholders</p> <p>(Chairperson)</p> <p>Article 16</p> <p><u>The President</u> shall chair general meetings of shareholders, <u>and</u> in cases where <u>the President</u> is unable to do so, another Director who is designated in accordance with an order of priority determined in advance by resolution of the Board of Directors shall chair the general meeting of shareholders.</p> <p style="text-align: center;">Chapter 4 Directors and Board of Directors</p> <p>(Number of Directors)</p> <p>Article 20</p> <p>The Company shall have not more than 15 Directors.</p> <p>(Election of Directors)</p> <p>Article 21</p> <p>Directors shall be elected by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their voting rights at such meeting are present.</p> <p>Resolutions for the election of Directors shall not be conducted by cumulative voting.</p>	<p style="text-align: center;">Chapter 1 General Provisions</p> <p>(Purpose)</p> <p>Article 2</p> <p>The purpose of the Company shall be to engage in the following business activities:</p> <p>1.-11. (Unchanged)</p> <p>12. Travel business and travel agency business</p> <p>13.-16. (Unchanged)</p> <p>17. Worker-dispatching business and management consulting business</p> <p>18.-23. (Unchanged)</p> <p>(Organs)</p> <p>Article 4</p> <p>The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs:</p> <p>1. Board of Directors;</p> <p>2. <u>Audit and Supervisory Committee; and</u></p> <p>(Deleted)</p> <p>3. Financial Auditor</p> <p style="text-align: center;">Chapter 3 General Meeting of Shareholders</p> <p>(Chairperson)</p> <p>Article 16</p> <p><u>The Representative Director</u> shall chair general meetings of shareholders. In cases where <u>there are two or more Representative Directors,</u> or where <u>the Representative Director</u> is unable to do so, another Director who is designated in accordance with an order of priority determined in advance by resolution of the Board of Directors shall chair the general meeting of shareholders.</p> <p style="text-align: center;">Chapter 4 Directors and Board of Directors</p> <p>(Number of Directors)</p> <p>Article 20</p> <p>The Company shall have not more than 15 Directors. <u>Of the Directors of the Company, not more than five shall be Directors Who Are Audit and Supervisory Committee Members.</u></p> <p>(Election of Directors)</p> <p>Article 21</p> <p><u>The election of Directors shall be presented with the election of Directors Who Are Audit and Supervisory Committee Members and the election of other Directors presented as separate proposals, and each</u> shall be elected by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their voting rights at such meeting are present.</p> <p>Resolutions for the election of Directors shall not be conducted by cumulative voting.</p>

Current Articles of Incorporation	Proposed amendment
<p>(Term of Office of Directors)</p> <p>Article 22</p> <p>The term of office of a Director shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within <u>two years</u> after the election of the Director.</p> <p><u>The term of office of a Director who is elected to fill a vacancy or increase the number of Directors shall be the same as the remaining term of the other Directors who are in office at the time.</u></p>	<p>(Term of Office of Directors)</p> <p>Article 22</p> <p>The term of office of a Director <u>(excluding Directors Who Are Audit and Supervisory Committee Members)</u> shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within <u>a year</u> after the election of the Director.</p> <p><u>The term of office of a Director Who Is an Audit and Supervisory Committee Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within two years after the election of the Director.</u></p> <p><u>The term of office of a Director Who Is an Audit and Supervisory Committee Member who is elected as the substitute for a Director Who Is an Audit and Supervisory Committee Member who retired from office before the expiration of the term of office shall be the same as the remaining term of the retired Director Who Is an Audit and Supervisory Committee Member.</u></p> <p><u>The efficacy of the election of a substitute Director who Is an Audit and Supervisory Committee Member shall be until the beginning of the annual general meeting of shareholders for the last business year out of the business years terminating within two years after his/her election.</u></p>
<p>(Representative Directors, etc.)</p> <p>Article 23</p> <p>The Board of Directors shall appoint Representative Director(s) by its resolution.</p> <p><u>The Board of Directors may appoint, by its resolution, one Director and Chair, one President, one Vice President, one or a small number of Senior Managing Directors, and one or a small number of Managing Directors.</u></p>	<p>(Representative Directors)</p> <p>Article 23</p> <p>The Board of Directors shall appoint Representative Director(s) by its resolution <u>from among Directors (excluding Directors Who Are Audit and Supervisory Committee Members).</u></p>
<p>(Convocation of Board of Directors Meetings)</p> <p>Article 24</p> <p>When convening a Board of Directors meeting, a notice shall be sent to each Director <u>and Audit & Supervisory Board Member</u> at least three days prior to such meeting.</p> <p>However, this period may be shortened in case of emergency.</p>	<p>(Convocation of Board of Directors Meetings)</p> <p>Article 24</p> <p>When convening a Board of Directors meeting, a notice shall be sent to each Director at least three days prior to such meeting.</p> <p>However, this period may be shortened in case of emergency.</p>
<p>(Newly Established)</p>	<p><u>(Delegation of Decisions on Execution of Important Operations)</u></p> <p><u>Article 26</u></p> <p><u>Pursuant to the provisions of Article 399-13, paragraph (6) of the Companies Act, the Company may, by resolution of the Board of Directors, delegate all or part of decisions on the execution of important operations (excluding the matters listed in each item of paragraph (5) of the same Article) to Directors.</u></p>
<p>(Remuneration, etc. of Directors)</p> <p>Article 26</p> <p>Remuneration, bonuses and other economic benefits given to Directors by the Company in consideration for the execution of duties <u>(hereinafter, the “Remuneration, Etc.”)</u> shall be determined by resolution of a general meeting of shareholders.</p>	<p>(Remuneration, etc. of Directors)</p> <p>Article 27</p> <p>Remuneration, bonuses and other economic benefits given to Directors by the Company in consideration for the execution of duties shall be determined by resolution of a general meeting of shareholders, <u>keeping the remuneration, etc. of Directors Who Are Audit and Supervisory Committee Members and those of other Directors separate.</u></p>

Current Articles of Incorporation	Proposed amendment
<p>(Limited Liability Agreement With <u>Outside</u> Directors) <u>Article 27</u> Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with an outside Director, limiting liability for damages arising from neglecting assigned duties; provided, however, that the limit of liability under such agreement shall be as prescribed by laws and regulations.</p> <p>(Newly Established)</p> <p>Chapter 5 <u>Audit & Supervisory Board Members and Audit & Supervisory Board</u> <u>(Number of Audit & Supervisory Board Members)</u> <u>Article 28</u> <u>The Company shall have not more than five Audit & Supervisory Board Members.</u></p> <p><u>(Election of Audit & Supervisory Board Members)</u> <u>Article 29</u> <u>Audit & Supervisory Board Members shall be elected by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their voting rights at such meeting are present.</u></p> <p><u>(Efficacy of Election for Substitute Audit & Supervisory Board Members)</u> <u>Article 30</u> <u>The efficacy of the election of a substitute Audit & Supervisory Board Member shall be until the beginning of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after his/her election.</u></p> <p><u>(Term of Office of Audit & Supervisory Board Members)</u> <u>Article 31</u> <u>The term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the Audit & Supervisory Board Member.</u> <u>The term of office of an Audit & Supervisory Board Member who is elected as the substitute for an Audit & Supervisory Board Member who retired from office before the expiration of the term of office shall be the same as the remaining term of the retired Audit & Supervisory Board Member.</u></p>	<p>(Limited Liability Agreement With Directors) <u>Article 28</u> Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with a Director <u>(excluding a person who is an executive Director, etc.)</u>, limiting liability for damages arising from neglecting assigned duties; provided, however, that the limit of liability under such agreement shall be as prescribed by laws and regulations.</p> <p><u>(Regulations of the Board of Directors)</u> <u>Article 29</u> <u>Items concerning the Board of Directors shall be in accordance with the Regulations of the Board of Directors established by the Board of Directors, in addition to laws and regulations and these Articles of Incorporation.</u></p> <p>Chapter 5 <u>Audit and Supervisory Committee</u></p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current Articles of Incorporation	Proposed amendment
<p><u>(Full-Time Audit & Supervisory Board Members and Standing Audit & Supervisory Board Members)</u></p> <p><u>Article 32</u></p> <p><u>The Audit & Supervisory Board shall appoint full-time Audit & Supervisory Board Member(s) by its resolution.</u></p> <p><u>It may also appoint standing Audit & Supervisory Board Member(s) from full-time Audit & Supervisory Board Members with a majority agreement of the Audit & Supervisory Board.</u></p>	(Deleted)
<p><u>(Convocation of Audit & Supervisory Board Meetings)</u></p> <p><u>Article 33</u></p> <p><u>When convening an Audit & Supervisory Board meeting, a notice shall be sent to each Audit & Supervisory Board Member at least three days prior to such meeting.</u></p> <p><u>However, this period may be shortened in case of emergency.</u></p>	(Deleted)
<p><u>(Remuneration, etc. of Audit & Supervisory Board Members)</u></p> <p><u>Article 34</u></p> <p><u>The Remuneration, Etc. of Audit & Supervisory Board Members shall be determined by resolution of a general meeting of shareholders.</u></p>	(Deleted)
<p><u>(Limited Liability Agreement With Outside Audit & Supervisory Board Members)</u></p> <p><u>Article 35</u></p> <p><u>Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with an outside Audit & Supervisory Board Member, limiting liability for damages arising from neglecting assigned duties; provided, however, that the limit of liability under such agreement shall be as prescribed by laws and regulations.</u></p>	(Deleted)
(Newly Established)	<p><u>(Full-Time Audit and Supervisory Committee Members)</u></p> <p><u>Article 30</u></p> <p><u>The Audit and Supervisory Committee shall appoint full-time Audit and Supervisory Committee Member(s) by its resolution.</u></p>
(Newly Established)	<p><u>(Convocation of Audit and Supervisory Committee Meetings)</u></p> <p><u>Article 31</u></p> <p><u>When convening an Audit and Supervisory Committee, a notice shall be sent to each Audit and Supervisory Committee Member at least three days prior to such meeting.</u></p> <p><u>However, this period may be shortened in case of emergency.</u></p>
(Newly Established)	<p><u>(Regulations of the Audit and Supervisory Committee)</u></p> <p><u>Article 32</u></p> <p><u>Items concerning the Audit and Supervisory Committee shall be in accordance with the Regulations of the Audit and Supervisory Committee established by the Audit and Supervisory Committee, in addition to laws and regulations and these Articles of Incorporation.</u></p>
Chapter 6 Accounts	Chapter 6 Accounts
(Business Year)	(Business Year)
<u>Article 36</u>	<u>Article 33</u>
to (Omitted)	to (Unchanged)

Current Articles of Incorporation	Proposed amendment
(Exclusion Period for Dividends) <u>Article 39</u>	(Exclusion Period for Dividends) <u>Article 36</u>

Note: Some underlining does not coincide with the Japanese version because of translation adjustments.