

(Translation for reference only)

Securities Code: 9831

May 24, 2024

NOTICE OF THE 47TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholder:

YAMADA HOLDINGS CO., LTD. (the “Company”) hereby announces that the 47th Ordinary General Meeting of Shareholders will be held on Thursday, June 27, 2024, at 10:00 a.m., Japan Standard Time (reception desk opens at 9:00 a.m.) at the Company’s headquarters (Convention Hall, 12F), 1-1 Sakae-cho, Takasaki, Gunma, Japan.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format. This information is posted on each of the following websites, so please access one of those websites to confirm the information.

The Company’s website:

<https://www.yamada-holdings.jp/ir/> (in Japanese)

Tokyo Stock Exchange (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 “YAMADA HOLDINGS” in “Issue name (company name)” or the Company’s securities code “9831” 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]”)

Website for posting informational materials for the general meeting of shareholders:

<https://d.sokai.jp/9831/teiji/> (in Japanese)

If you are unable to attend the meeting in person, you may exercise your voting rights by Internet voting or postal voting. Prior to voting, please examine the attached reference documents for the General Meeting of Shareholders. Please vote in one of the ways described below and ensure that your vote reaches us by 6:00 p.m. on Wednesday, June 26, 2024.

To exercise your voting rights in writing (by post):

Indicate “for” or “against” for each agenda item listed on the enclosed Voting Rights Exercise Form, and return it by post to reach us by the above deadline.

To exercise your voting rights by Internet:

Please access the website for exercising voting rights and exercise your voting rights by indicating your vote “for” or “against” for each agenda item listed by the above deadline. For details, please refer to “Exercising Voting Rights by the Internet” (Japanese only).

Sincerely yours,

Noboru Yamada
Representative Director, Chairperson and President CEO
YAMADA HOLDINGS CO., LTD.
1-1 Sakae-cho, Takasaki, Gunma, Japan

MEETING AGENDA

Items to Be Reported:

1. The Business Report, Consolidated Financial Statements and report on auditing results of Consolidated Financial Statements by independent accountants and Audit & Supervisory Board for the 47th term (from April 1, 2023 to March 31, 2024)
2. The Non-Consolidated Financial Statements for the 47th term (from April 1, 2023 to March 31, 2024)

Items to Be Resolved:

Item 1: Proposal for Appropriation of Surplus

Item 2: Partial Amendments to the Articles of Incorporation

Item 3: Election of Seven Directors (Excluding Those Who Are Audit and Supervisory Committee Members)

Item 4: Election of Five Directors Who Are Audit and Supervisory Committee Members

Item 5: Determination of Amount of Remuneration for Directors (Excluding Those Who Are Audit and Supervisory Committee Members)

Item 6: Determination of Amount of Remuneration for Directors Who Are Audit and Supervisory Committee Members

Item 7: Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Those Who Are Audit and Supervisory Committee Members and Outside Directors)

* If attending the meeting in person, please present the voting form at the reception desk.

* Among the matters subject to measures for electronic provision, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents in accordance with the provisions of laws and regulations and Article 16, paragraph 2 of the Articles of Incorporation of the Company.

- “Subscription rights to shares,” “Important Sales Offices and Plants,” “Status of Independent Accountants,” and “System for Ensuring the Properness of Business Operations and Implementation of that System,” as part of Business Report
- Consolidated Statements of Changes in Net Assets and Notes to Consolidated Financial Statements
- Non-Consolidated Statements of Changes in Net Assets and Notes to the Non-Consolidated Financial Statements

Therefore, the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements in which the items above are mentioned are subject to documents that have been audited by independent accountants in preparing an accounting audit report and by Audit & Supervisory Board Members in preparing an audit report.

* If circumstances arise whereby revisions should be made to the matters subject to measures for electronic provision, versions of such matters before revision and after revision shall be published on the websites mentioned on the previous page.

Item 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- (1) With a view to further reinforcing its corporate governance structure, improving corporate value and achieving further sustained corporate growth and medium- to long-term corporate value enhancement, the Company plans to shift to a company with an Audit and Supervisory Committee. Accordingly, this item is to make required amendments including the new formulation of provisions related to Audit and Supervisory Committee Members and the Audit and Supervisory Committee, the deletion of the provisions related to Audit & Supervisory Board Members and Audit & Supervisory Board, the number of Directors.
- (2) To give flexibility to the operation of the General Meetings of Shareholders, the chairperson of the General Meetings of Shareholders (Article 15 of current Articles of Incorporation) will be changed.
- (3) In line with the diversification of the business content of the Company and its subsidiaries, we will make additions and necessary changes to our business purpose (Article 2 of current Articles of Incorporation) and reorganize the descriptions.
- (4) In addition, in conjunction with the above revisions, we will make required changes such as the arrangement of the proper numbering of articles. The amendments to the Articles of Incorporation will be effective at the time of the conclusion of the General Meetings of Shareholders.

2. Details of the amendments

Details of the proposed amendments are as follows.

(Underlined parts show changes.)

Current Articles of Incorporation	Proposed Amendments
Chapter I General Provisions	Chapter I General Provisions
Article 1. (Omitted)	Article 1. (Unchanged)
Article 2. (Purpose) (Omitted)	Article 2. (Purpose) (Unchanged)
1. - 8. (Omitted)	1. - 8. (Unchanged)
9. Sales, manufacturing and construction, inspection, repair, maintenance services <u>and contracting</u> for solar power generation equipment, charging facilities, hot water/drainage facilities, air conditioning equipment, housing equipment, and their ancillary equipment.	9. Sales, manufacturing and construction, inspection, repair, <u>and</u> maintenance services for solar power generation equipment, charging facilities, hot water/drainage facilities, air conditioning equipment, housing equipment, and their ancillary equipment, <u>as well as contracting for electrical construction.</u>
10. - 26. (Omitted)	10. - 26. (Unchanged)
27. Sales of food products, drinking water, clothes, <u>cosmetic products</u> , pet products, leather products and cigarette. (Newly established)	27. Sales of food products, drinking water, clothes, pet products, leather products and cigarette.
	<u>28. Manufacturing, sales, export and import for soap, cosmetic products, detergent, tooth paste, quasi-pharmaceutical products, reagents, pigments, Chinese herbal medicines, health food products, soft drinks, seasonings, food, drink, food additives, etc.</u>
<u>28. - 31.</u> (Omitted)	<u>29. - 32.</u> (Unchanged)

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">(Newly established)</p> <p><u>32. - 37.</u> (Omitted)</p> <p>Article 3. (Omitted)</p> <p>Article 4. (Organs)</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) Audit & Supervisory Board Member</p> <p><u>(3) Audit & Supervisory Board</u></p> <p>(4) Accounting Auditor</p> <p>Article 5. (Omitted)</p> <p style="text-align: center;">Chapter II Shares</p> <p>Articles 6. – 13. (Omitted)</p> <p style="text-align: center;">Chapter III General Meetings of Shareholders</p> <p>Article 14. (Omitted)</p> <p>Article 15. (Chairperson)</p> <p><u>Representative</u> Director serves as the chairperson of general meetings of shareholders. <u>In the absence or disability of Representative</u> Director, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall take his place.</p> <p>Articles 16. – 19. (Omitted)</p> <p style="text-align: center;">Chapter IV Directors and Board of Directors</p> <p>Article 20. (Number of Directors)</p> <p>The Company shall have not more than <u>11</u> Directors.</p> <p style="text-align: center;">(Newly established)</p>	<p><u>33. Management, operation and administration of various sports clubs, sports schools and sports support business.</u></p> <p><u>34. - 39.</u> (Unchanged)</p> <p>Article 3. (Unchanged)</p> <p>Article 4. (Organs)</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</u></p> <p>(Deleted)</p> <p>(3) Accounting Auditor</p> <p>Article 5. (Unchanged)</p> <p style="text-align: center;">Chapter II Shares</p> <p>Articles 6. – 13. (Unchanged)</p> <p style="text-align: center;">Chapter III General Meetings of Shareholders</p> <p>Article 14. (Unchanged)</p> <p>Article 15. (Chairperson)</p> <p><u>Unless otherwise provided for by laws and regulations, Director who is designated in advance by the Board of Directors</u> serves as the chairperson of general meetings of shareholders. <u>When the Director has difficulties performing as the chairperson,</u> another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall take his place.</p> <p>Articles 16. – 19. (Unchanged)</p> <p style="text-align: center;">Chapter IV Directors and Board of Directors</p> <p>Article 20. (Number of Directors)</p> <p><u>1. The Company shall have not more than 7 Directors (excluding Directors who are Audit and Supervisory Committee Members).</u></p> <p><u>2. The Company shall have not more than 5 Directors who are Audit and Supervisory Committee Members.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>Article 21. (Method of Election)</p> <p>1. Directors shall be elected by resolution of a general meeting of shareholders.</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> <p>Article 22. (Term of Office)</p> <p>1. 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</u> years after the election of the Director.</p> <p style="text-align: center;">(Newly established)</p> <p>2. The term of office of a Director who is elected to fill a vacancy <u>or to increase the number of Directors</u> shall expire when the terms of office of the <u>incumbent Directors</u> expire.</p> <p>Article 23. (Representative Director and Director with Special Titles)</p> <p>1. The Board of Directors shall, by making a resolution, appoint Representative Director. Furthermore, <u>additional</u> Representative Directors may be appointed as necessary by resolution of the Board of Directors and each Representative Director shall represent the Company.</p> <p>2. (Omitted)</p> <p>Article 24. (Omitted)</p>	<p>Article 21. (Method of Election)</p> <p>1. Directors <u>(excluding Directors who are Audit and Supervisory Committee Members) and Directors who are Audit and Supervisory Committee Members</u> shall be elected <u>separately</u> by resolution of a general meeting of shareholders.</p> <p>2. (Unchanged)</p> <p>3. (Unchanged)</p> <p>Article 22. (Term of Office)</p> <p>1. 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>one</u> year after the election of the Director.</p> <p>2. <u>Notwithstanding the provisions of the preceding paragraph, the term of office of a Director who is 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>3. The term of office of a Director <u>who is Audit and Supervisory Committee Member</u> who is elected to fill a vacancy <u>left by a Director who is Audit and Supervisory Committee Member who has retired from office before the expiration of the term of office</u> shall expire when the term of office of the <u>retired Director who is Audit and Supervisory Committee Member</u> was set to expire.</p> <p>Article 23. (Representative Director and Director with Special Titles)</p> <p>1. The Board of Directors shall, by making a resolution, appoint Representative Director <u>from among Directors (excluding Directors who are Audit and Supervisory Committee Members)</u>. Furthermore, Representative Director may be appointed <u>from Directors (excluding Directors who are Audit and Supervisory Committee Members)</u> as necessary by resolution of the Board of Directors and each Representative Director shall represent the Company.</p> <p>2. (Unchanged)</p> <p>Article 24. (Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
<p>Article 25. (Convocation Notice of Board of Directors Meetings)</p> <p>1. The convocation notice of a Board of Directors meeting shall be dispatched to each Director <u>and each Audit & Supervisory Board Member</u> at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</p> <p>2. With the consent of all Directors <u>and Audit & Supervisory Board Members</u>, a Board of Directors meeting may be held without following the convening procedures.</p>	<p>Article 25. (Convocation Notice of Board of Directors Meetings)</p> <p>1. The convocation notice of a Board of Directors meeting shall be dispatched to each Director at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</p> <p>2. With the consent of all Directors, a Board of Directors meeting may be held without following the convening procedures.</p>
<p>Article 26. (Omitted)</p>	<p>Article 26. (Unchanged)</p>
<p>Article 27. (Minutes of Meetings of the Board of Directors)</p> <p>1. In accordance with laws and regulations, the minutes of meetings of the Board of Directors shall be prepared in writing or electro and magnetic record. Attended Directors <u>and Audit & Supervisory Board Members</u> should sign, affix his/her name and impress a seal or electrically sign the document.</p>	<p>Article 27. (Minutes of Meetings of the Board of Directors)</p> <p>1. In accordance with laws and regulations, the minutes of meetings of the Board of Directors shall be prepared in writing or electro and magnetic record. Attended Directors should sign, affix his/her name and impress a seal or electrically sign the document.</p>
<p>2. (Omitted)</p>	<p>2. (Unchanged)</p>
<p>Article 28. (Omitted)</p>	<p>Article 28. (Unchanged)</p>
<p>Article 29. (Remuneration, Etc.)</p> <p>Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties to Directors shall be determined by resolution of a general meeting of shareholders.</p>	<p>Article 29. (Remuneration, Etc.)</p> <p>Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties to Directors shall be determined <u>separately for Directors who are Audit and Supervisory Committee Members and Directors who are not Audit and Supervisory Committee Members</u> by resolution of a general meeting of shareholders.</p>
<p style="text-align: center;">Chapter V <u>Audit & Supervisory Board Members and Audit & Supervisory Board</u></p>	<p style="text-align: center;">Chapter V <u>Audit and Supervisory Committee</u></p>
<p>Article 30. (Number of Audit & Supervisory Board Members)</p> <p><u>The Company shall have not more than four Audit & Supervisory Board Members.</u></p>	<p>(Deleted)</p>
<p>Article 31. (Method of Election)</p> <p><u>1. Audit & Supervisory Board Member shall be elected by resolution of a general meeting of shareholders.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>2. Resolutions on the election of Audit & Supervisory Board Members shall be adopted 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>(Deleted)</p>
<p><u>Article 32. (Term of Office)</u></p>	<p>(Deleted)</p>
<p><u>1. 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 Director.</u></p>	
<p><u>2. 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 continue until the time when the term of the retired Audit & Supervisory Board Member was set to expire.</u></p>	<p>(Deleted)</p>
<p><u>Article 33. (Full-time Audit & Supervisory Board Members)</u></p>	<p><u>Article 30. (Full-time Audit and Supervisory Committee Members)</u></p>
<p><u>The Audit & Supervisory Board shall appoint full-time Audit & Supervisory Board Member(s) by its resolution.</u></p>	<p><u>The Audit and Supervisory Committee may appoint full-time Audit and Supervisory Committee Member(s) from among Directors who are Audit and Supervisory Committee Members by its resolution.</u></p>
<p><u>Article 34. (Convocation Notice of Audit & Supervisory Board Meetings)</u></p>	<p><u>Article 31. (Convocation Notice of Audit and Supervisory Committee Meetings)</u></p>
<p><u>1. The convocation notice of an Audit & Supervisory Board meeting shall be dispatched to each Audit & Supervisory Board Member at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</u></p>	<p><u>1. The convocation notice of an Audit and Supervisory Committee meeting shall be dispatched to each Audit and Supervisory Committee Member at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</u></p>
<p><u>2. With the consent of all Audit & Supervisory Board Members, an Audit & Supervisory Board meeting may be held without following the convening procedures.</u></p>	<p><u>2. With the consent of all Audit and Supervisory Committee Members, an Audit and Supervisory Committee meeting may be held without following the convening procedures.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>Article <u>35</u>. (Method of resolution of the <u>Audit & Supervisory Board</u>)</p> <p>Unless otherwise provided for by laws and regulations, resolutions of <u>Audit & Supervisory Board</u> shall be adopted by a majority of the votes of the <u>Audit & Supervisory Board Members</u>.</p> <p>Article <u>36</u>. (Minutes of Meetings of the <u>Audit & Supervisory Board</u>)</p> <p>In accordance with laws and regulations, the minutes of meetings of the <u>Audit & Supervisory Board</u> shall be prepared in writing or electro and magnetic record. Attended <u>Audit & Supervisory Board Members</u> should sign, affix his/her name and impress a seal or electrically sign the document.</p> <p>Article <u>37</u>. (Regulations of the <u>Audit & Supervisory Board</u>)</p> <p>Items concerning the <u>Audit & Supervisory Board</u> shall be in accordance with the Regulations of the <u>Audit & Supervisory Board</u> established by the <u>Audit & Supervisory Board</u>, in addition to laws and regulations and these Articles of Incorporation.</p> <p>Article <u>38</u>. (Remuneration, Etc.)</p> <p><u>Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties to Audit & Supervisory Board Members shall be determined by resolution of a general meeting of shareholders.</u></p>	<p>Article <u>32</u>. (Method of resolution of the <u>Audit and Supervisory Committee</u>)</p> <p>Unless otherwise provided for by laws and regulations, resolutions of <u>Audit and Supervisory Committee</u> shall be adopted by a majority <u>at a meeting where a majority of Audit and Supervisory Committee Members entitled to participate in resolutions are present.</u></p> <p>Article <u>33</u>. (Minutes of Meetings of the <u>Audit and Supervisory Committee</u>)</p> <p>In accordance with laws and regulations, the minutes of meetings of the <u>Audit and Supervisory Committee</u> shall be prepared in writing or electro and magnetic record. Attended <u>Audit and Supervisory Committee Members</u> should sign, affix his/her name and impress a seal or electrically sign the document.</p> <p>Article <u>34</u>. (Regulations of the <u>Audit and Supervisory Committee</u>)</p> <p>Items concerning the <u>Audit and Supervisory Committee</u> shall be in accordance with the Regulations of the <u>Audit and Supervisory Committee</u> established by the <u>Audit and Supervisory Committee</u>, in addition to laws and regulations and these Articles of Incorporation.</p> <p style="text-align: center;">(Deleted)</p>
<p style="text-align: center;">Chapter VI Accounting Auditor</p> <p>Articles <u>39. – 40</u>. (Omitted)</p> <p>Article <u>41</u>. (Remuneration, Etc.)</p> <p>The remuneration, etc. to Accounting Auditor shall be determined by Representative Director with the approval of the <u>Audit & Supervisory Board</u>.</p> <p style="text-align: center;">Chapter VII Accounts</p> <p>Articles <u>42. – 45</u>. (Omitted)</p>	<p style="text-align: center;">Chapter VI Accounting Auditor</p> <p>Articles <u>35. – 36</u>. (Unchanged)</p> <p>Article <u>37</u>. (Remuneration, Etc.)</p> <p>The remuneration, etc. to Accounting Auditor shall be determined by Representative Director with the approval of the <u>Audit and Supervisory Committee</u>.</p> <p style="text-align: center;">Chapter VII Accounts</p> <p>Articles <u>38. – 41</u>. (Unchanged)</p>

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

Item 3: Election of Seven Directors (Excluding Those Who Are Audit and Supervisory Committee Members)

In the event that Item 2 “Partial Amendments to the Articles of Incorporation” is approved and adopted as originally proposed, the Company will make a transition to a company with an Audit and Supervisory Committee at the conclusion of this General Meeting of Shareholders, and the terms of all the current eight Directors will expire.

Therefore, the Company proposes to elect seven Directors (excluding those who are Audit and Supervisory Committee Members; applicable to the rest of this item).

This item shall become effective on the condition that the amendments to the Articles of Incorporation in Item 2 “Partial Amendments to the Articles of Incorporation” take effect.

The candidates for Directors are as follows:

Areas in which the Company particularly expects the display of skills based on the expertise and experience of candidates for Directors are described on pages 27 to 28.

No.	Name	Current Positions in the Company (Positions in Significant Subsidiaries)	
1	Noboru Yamada	Representative Director, Chairperson and President CEO	Reelection
2	Megumi Kogure	Representative Director and Senior Managing Executive Officer	Reelection
3	Yoshinori Ueno	(Representative Director, President of YAMADA DENKI CO., LTD.)	New election
4	Kenichi Koyano	Advisor (Representative Director and President of YAMADA FINANCE SERVICE Co., Ltd.)	New election
5	Tsuyoshi Nagano	Executive Officer	New election
6	Tsukasa Tokuhira	Outside Director	Reelection Outside Independent
7	Miki Mitsunari	Outside Director	Reelection Outside Independent

Note: The Company has entered into a directors and officers liability insurance policy as stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance policy covers costs for compensation for damages and litigation costs incurred by the insured person arising from claims for compensation for damages related to the execution of his or her duties.

In the event that the election is approved as originally proposed in this item and each candidate assumes the office as Director, each candidate will be included as an insured in the policy.

The Company bears all the insurance premiums of the insured and plans to renew the insurance policy with the same contents during the term of office.

No. 1	Noboru Yamada (Born on February 11, 1943)	Number of Shares Owned: 28,924,520 Years Served as Director: 41 years Attendance at the Board of Directors Meetings During the Current Fiscal Year: 94% (17/18 times)
Reelection	<p>[Brief History, Positions and Responsibilities in the Company]</p> September 1983 Representative Director, President of the Company June 2008 Representative Director, Chairperson and CEO June 2013 Representative Director, President and CEO April 2016 Representative Director, Chairperson and Chairperson of the Board of Directors June 2019 Representative Director, Chairperson April 2021 Representative Director, Chairperson and CEO September 2021 Representative Director, Chairperson and President CEO [present post] <p>[Significant Concurrent Positions]</p> Representative Director, Chairperson of Tecc Planning Co., Ltd. Representative Director of Yamada Noboru Memorial Foundation <p>[Reasons for Nomination as Candidate for Director]</p> <p>Noboru Yamada has, since the foundation of the Company in 1973, directed the management of the Company and the Group as a whole for many years through flexible thinking and innovative management. He has demonstrated strong leadership not constrained by the industry with the management philosophy of “Creation and Challenge” and “Appreciation and Trust,” and has helped the Company achieve growth to become a representative Japanese company in the retail industry. The Group transitioned to a holding company structure in October 2020, and the candidate always took a hands-on approach to lead management reforms from a unique perspective as he led the Group as a whole as its Chief Executive Officer, while striving to strengthen the management supervisory function and governance as well as train his successor. The Company is planning to make a transition to a company with an Audit and Supervisory Committee. The Company recognizes that the training of successors with an eye on the future remains an important issue in addition to the further strengthening of governance, the Group’s sustainable growth and improvement in corporate value. The candidate’s management track record over many years, innovative and extensive knowledge and demonstration of strong leadership is crucial for maximizing Group synergies and achieving its business goals by promoting the Group’s “Total-Living (Kurashi-Marugoto)” strategy. We accordingly seek his reelection as Director.</p>	

Note: Noboru Yamada, a candidate for Director, is the Representative Director and Chairperson of Tecc Planning Co., Ltd. The Company has a business relationship, including the leasing of real estate, with Tecc Planning Co., Ltd., but the transaction amount is less than 0.1% of consolidated net sales.

No. 2	Megumi Kogure (Born on October 18, 1976)	Number of Shares Owned: 42,513 Years Served as Director: 6 years Attendance at the Board of Directors Meetings During the Current Fiscal Year: 100% (18/18 times)
Reelection	<p>[Brief History, Positions and Responsibilities in the Company]</p> <p>May 2012 General Manager, Head of Secretary Office of the Company</p> <p>May 2017 Junior Executive Officer, Head of Secretary Office</p> <p>April 2018 Executive Officer, Head of Secretary Office and Head of Human Resources Development Office</p> <p>June 2018 Director and Senior Executive Officer, Head of Secretary Office and Head of Human Resources Development Office</p> <p>April 2019 Director and Senior Executive Officer, Head of Secretary Office and General Manager of Human Resources and General Affairs Division</p> <p>June 2020 Director and Managing Executive Officer, General Manager of Human Resources and General Affairs Division</p> <p>October 2020 Director</p> <p>October 2020 Director and Managing Executive Officer, General Manager of Human Resources and General Affairs Division of YAMADA DENKI CO., LTD. [Resigned from post in April 2022]</p> <p>April 2021 Director and Executive Officer in charge of Human Resources and General Affairs Division of the Company</p> <p>April 2022 Representative Director and Senior Managing Executive Officer in charge of Human Resources and General Affairs Division [present post]</p> <p>[Significant Concurrent Positions]</p> <p>None</p> <p>[Reasons for Nomination as Candidate for Director]</p> <p>Megumi Kogure has more than ten years of experience in retail sales of household electrical appliances at the Company's stores, followed by her appointment as Head of Secretary Office then as Executive Officer of the Company since April 2018. Since her appointment as Director in June 2018, she has served in positions such as General Manager of Human Resources and General Affairs Division, and she assumed the position of Representative Director in April 2022. She has particularly promoted "people" focused reforms in sustainability initiatives through the business of the Group's ESG management. "Personnel (human resources)" are the Group's most important and biggest management resource. The candidate has fulfilled her responsibilities by promoting reforms and improvements from her hands-on point of view, which is her strength, in relation to areas such as "employee-friendly workplaces (increase employee satisfaction, curb long working hours, increase the percentage of employees taking paid leave, etc.)," "inclusive and healthy economy (increase the ratio of female managers, increase the percentage of female and male employees taking childcare leave, etc.)," and the training of next-generation executive candidates. The Company is planning to make a transition to a company with an Audit and Supervisory Committee, and will promote the "Total-Living (Kurashi-Marugoto)" strategy for further strengthening of governance, sustainable growth, and improvement in corporate value. At the root of this is "employees" (= personnel (human resources)), who are important stakeholders, and it is no exaggeration to state that corporate growth cannot be achieved without "personnel (human resources)." We accordingly seek her reelection as Director, so that she can demonstrate her management ability with hands-on point of view.</p>	

Note: There are no conflicts of interest between the candidate for Director, Megumi Kogure and the Company.

No. 3	Yoshinori Ueno (Born on December 2, 1971)	Number of Shares Owned: 72,497 Years Served as Director: – Attendance at the Board of Directors Meetings During the Current Fiscal Year: –
New election	<p>[Brief History, Positions and Responsibilities in the Company]</p> <p>March 2010 Deputy General Manager of New Medium-Term Business Plan Promotion Office of Best Denki Co., Ltd.</p> <p>April 2014 Joined Yamada Denki Co., Ltd. (currently the Company) Head of Sales Strategy Office, Sales and Marketing Division</p> <p>April 2016 General Manager of Sales Strategy Division</p> <p>June 2016 Director and Senior Executive Officer, General Manager of Sales Strategy Division and Head of Housing Collaboration Sales Strategy Office</p> <p>April 2018 Director and Managing Executive Officer, General Manager of Product Division</p> <p>October 2019 Director and Managing Executive Officer, General Manager of Sales Products Division</p> <p>June 2020 Director and Senior Managing Executive Officer, General Manager of Sales Products Division</p> <p>October 2020 Director</p> <p>October 2020 Director and Senior Managing Executive Officer, General Manager of Sales Products Division of YAMADA DENKI CO., LTD.</p> <p>April 2021 Director and Executive Officer in charge of Sales Products Division of the Company</p> <p>April 2022 Director and Executive Officer [Resigned from post in June 2022]</p> <p>April 2022 Representative Director, President of YAMADA DENKI CO., LTD.</p> <p>February 2023 Representative Director, President and General Manager of Sales and Marketing Division of YAMADA DENKI CO., LTD.</p> <p>April 2024 Representative Director, President of YAMADA DENKI CO., LTD. [present post]</p> <p>[Significant Concurrent Positions] Representative Director, President of YAMADA DENKI CO., LTD.</p> <p>[Reasons for Nomination as Candidate for Director] Yoshinori Ueno served in positions such as General Manager of Sales Strategy Division of the Company before his appointment as Director in June 2016. Following the Company's transition to a holding company structure in October 2020, he assumed (concurrently) the position of Director of YAMADA DENKI CO., LTD. ("YAMADA DENKI"), the core operating company of the Group's electrical segment, and became the Representative Director of YAMADA DENKI in April 2022. He subsequently resigned from Director of the Company in June 2022 at the end of his term in order to concentrate on the management reform of YAMADA DENKI. He fulfilled his responsibilities by promoting the reform of YAMADA DENKI and making a significant contribution to the restoration of its business performance in the midst of major changes in the social and economic environment, including a reactionary drop from COVID-19, high raw material prices, and rising infrastructure costs. The Company is planning to make a transition to a company with an Audit and Supervisory Committee. His management skills are crucial for achieving business goals by promoting the "Total-Living (Kurashi-Marugoto)" strategy by demonstrating Group synergies in the electrical segment, the core business of the Group, as well as other segments (housing, financial, environment, and other) for further strengthening of governance, sustainable growth, and improvement in corporate value. We accordingly seek his election as Director.</p>	

Note: There are no conflicts of interest between the candidate for Director, Yoshinori Ueno and the Company.

No. 4	Kenichi Koyano (Born on January 28, 1961)	Number of Shares Owned: 7,000 Years Served as Director: – Attendance at the Board of Directors Meetings During the Current Fiscal Year: –
New election	<p>[Brief History, Positions and Responsibilities in the Company]</p> <p>June 2009 Managing Executive Officer, Deputy General Manager of Administration Division of the Company</p> <p>April 2012 Managing Executive Officer, Head of Finance Office, Administration Division, and General Manager of Affiliates Profitability Management Department</p> <p>June 2012 Director and Managing Executive Officer, Head of Finance Office, Administration Division, and General Manager of Affiliates Profitability Management Department</p> <p>June 2013 Director and Senior Executive Officer, Head of Finance Office, Administration Division, and Head of Affiliates Management Office and General Manager of Affiliates Profitability Management Department</p> <p>June 2014 Director and Senior Executive Officer, Deputy General Manager of Administration Division</p> <p>March 2015 Director and Senior Executive Officer, General Manager of Administration Division and Head of Affiliates Management Office</p> <p>April 2016 Director and Senior Executive Officer, General Manager of Administration Division</p> <p>May 2016 Representative Director and President of YAMADA FINANCE SERVICE Co., Ltd. [present post]</p> <p>July 2017 Executive Officer of the Company</p> <p>April 2019 Advisor [present post]</p> <p>[Significant Concurrent Positions]</p> <p>Representative Director and President of YAMADA FINANCE SERVICE Co., Ltd. Representative Director and President of House Depot Partners Co., Ltd. Representative Director and President of Yamada Financial Co., Ltd.</p> <p>[Reasons for Nomination as Candidate for Director]</p> <p>Kenichi Koyano has extensive knowledge and a wealth of experience in the workplace focused on finance through his experience at a financial institution. He was appointed as Executive Officer in June 2009 and as Director in June 2012 and served in positions such as General Manager of Administration Division. He established YAMADA FINANCE SERVICE Co., Ltd. in May 2016, and resigned at the end of June 2017 in order to concentrate on launching a new finance business. He subsequently demonstrated his strong leadership as a representative of the Group’s financial segment by launching, supervising, and managing various finance businesses, including a card business, insurance business, loan business, and bank agency business. He also contributed greatly to the development of the Group’s financial segment and business performance by actively promoting the expansion of business areas through M&A and business alliances among other measures, thus fulfilling his responsibilities. The Company is planning to make a transition to a company with an Audit and Supervisory Committee. Support from a financial perspective, including loans, is essential for responding to a wide range of customer needs and promoting the “Total-Living (Kurashi-Marugoto)” strategy for further strengthening of governance, sustainable growth and improvement in corporate value. His management skills are crucial for achieving the Group’s business goals, and we accordingly seek his election as Director.</p>	

- Notes:
1. There are no conflicts of interest between the candidate for Director, Kenichi Koyano and the Company.
 2. Kenichi Koyano is Representative Director and President of Yamada Financial Co., Ltd. However, he is scheduled to retire from his position as Representative Director and President and assume the position of Director of that company at the conclusion of that company’s ordinary general meeting of shareholders to be held in May 2024.

No. 5	Tsuyoshi Nagano (Born on January 20, 1967)	Number of Shares Owned: 4,200 Years Served as Director: – Attendance at the Board of Directors Meetings During the Current Fiscal Year: –
New election	<p>[Brief History, Positions and Responsibilities in the Company]</p> <p>May 2015 Representative Director and President of SBI Wealth Partner Co., Ltd.</p> <p>March 2017 Managing Director of Sharaku Partners Co., Ltd.</p> <p>December 2018 Representative Director and President of Social Mobility, Inc.</p> <p>November 2020 Joined the Company In charge of special assignment in Chairman’s Office</p> <p>November 2020 Outside Director of FOMM Corporation [present post]</p> <p>May 2022 Director-General of Large-Scale Consumer Electronics Distribution Association [present post]</p> <p>April 2024 Executive Officer, Head of Integrated Corporate Planning Office of the Company [present post]</p> <p>[Significant Concurrent Positions] None</p> <p>[Reasons for Nomination as Candidate for Director]</p> <p>Tsuyoshi Nagano has, since joining The Sanwa Bank, Limited (currently MUFG Bank, Ltd.), engaged in sales, business development, new business development, system development, and marketing at domestic and overseas financial institutions such as Citibank, N.A., Mizuho Trust & Banking Co., Ltd., and Credit Suisse Securities (Japan) Limited. He has a wealth of experience in both practical and managerial aspects, including management experience as Representative Director and President at SBI Wealth Partner Co., Ltd., and consulting work for government agencies and corporations, including social system design, at Sharaku Partners Co., Ltd. After joining the Company in November 2020, he has been in charge of special assignment directly under Representative Director, Chairperson of the Company, and has contributed to future-oriented M&A and capital and business alliances for the expansion and growth of the Group’s business areas by utilizing his past experience and agility. In addition, in 2022 he established a general incorporated association as Director-General of Large-Scale Consumer Electronics Distribution Association to promote industry-wide collaboration. The Company is planning to make a transition to a company with an Audit and Supervisory Committee. The importance of support for the Plus strategy such as M&A and open innovation for each segment is increasing for the promotion of the “Total-Living (Kurashi-Marugoto)” strategy for further strengthening of governance, sustainable growth and improvement in corporate value. We also believe that it is important to enhance corporate value through dialogue with securities markets through investor relations and other activities. His management skills are crucial for achieving the Group’s business goals, and we accordingly seek his election as Director.</p>	

Note: There are no conflicts of interest between the candidate for Director, Tsuyoshi Nagano and the Company.

No. 6	Tsukasa Tokuhira (Born on May 3, 1954)	Number of Shares Owned: 23,000 Years Served as Outside Director: 10 years Attendance at the Board of Directors Meetings During the Current Fiscal Year: 100% (18/18 times)
<div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">Reelection</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">Outside</div> <div style="border: 1px solid black; padding: 2px;">Independent</div>	<p>[Brief History, Positions and Responsibilities in the Company]</p> <p>April 1977 Joined Hanbai Noritsu Zoshin Honbu Co., Ltd.</p> <p>April 1984 Manager of Guidance Division at Hanbai Noritsu Zoshin Honbu Co., Ltd.</p> <p>February 1987 Representative Director and President of Fic Limited [present post]</p> <p>July 2007 Representative Director and President of Cross Co., Ltd. [present post]</p> <p>June 2014 Outside Director of the Company [present post]</p> <p>[Significant Concurrent Positions]</p> <p>Representative Director and President of Fic Limited Representative Director and President of Cross Co., Ltd.</p> <p>[Reasons for Nomination as Candidate for Outside Director and Overview of Expected Roles]</p> <p>Tsukasa Tokuhira conducts his own investigations and analysis of areas ranging from sales floors to the market environment in Japan as well as the United States, China, and other countries as an expert consultant in the household electrical appliance industry. His education, seminars, reports, and consulting services based on these investigations have been highly regarded not only in the household electrical appliance industry, but also in other retail and securities industries. He also provides valuable opinions and advice from a hands-on point of view based on his wealth of experience and knowledge gained over many years in relation to the Company's management. He also excels at consultation on combining stores and EC, which is one important theme in the retail industry overall. He provides market analysis and suggestions, advice and support from a hands-on point of view in relation to the expansion and integration of the e-commerce business that makes maximum use of the Group's store infrastructure. The Company is planning to make a transition to a company with an Audit and Supervisory Committee. As an independent outside Director, his objective analysis and advice from a third-party perspective and suggestions to the Company's management are crucial for further strengthening of governance, sustainable growth and improvement in corporate value as well as promoting the "Total-Living (Kurashi-Marugoto)" strategy that the Group is aiming for. We accordingly seek his reelection as Director.</p>	

- Notes:
1. There are no conflicts of interest between the candidate for Director, Tsukasa Tokuhira and the Company.
 2. Tsukasa Tokuhira is a candidate for outside Director of the Company.
The Company has submitted notification to Tokyo Stock Exchange, Inc. that Tsukasa Tokuhira has been appointed as an independent officer as provided for in Article 436-2 of the Securities Listing Regulations of the aforementioned exchange. If the reelection of Tsukasa Tokuhira is approved, the Company plans for his appointment as an independent officer to continue.
 3. Facts relating to the Company or its specified associated service provider:
N/A
 4. Outside Director and the Limitation Liability Agreement:
N/A

No. 7	Miki Mitsunari (Born on February 29, 1972)	Number of Shares Owned: 4,600 Years Served as Outside Director: 4 years Attendance at the Board of Directors Meetings During the Current Fiscal Year: 100% (18/18 times)
<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Reelection</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div>	<p>[Brief History, Positions and Responsibilities in the Company]</p> <p>April 1994 Joined TOKYU LAND CORPORATION</p> <p>February 2001 Joined Fuji Sogo Research Institute (currently Mizuho Information & Research Institute, Inc.)</p> <p>September 2011 President of FINEV inc. [present post]</p> <p>March 2020 Outside Director of Funai Soken Holdings Inc. [Resigned from post in March 2023]</p> <p>June 2020 Director (part-time) of Japan Accreditation Board [present post]</p> <p>June 2020 Outside Director of the Company [present post]</p> <p>June 2022 Outside Director of Solasto Corporation [present post]</p> <p>June 2023 Outside Director of YUASA TRADING CO., LTD. [present post]</p> <p>[Significant Concurrent Positions]</p> <p>President of FINEV inc. Director (part-time) of Japan Accreditation Board Outside Director of Solasto Corporation Outside Director of YUASA TRADING CO., LTD.</p> <p>[Reasons for Nomination as Candidate for Outside Director and Overview of Expected Roles]</p> <p>Miki Mitsunari has a wealth of expertise and consulting skills in matters such as sustainability initiatives including climate-related and natural environment in line with corporate strategies, and evaluation, analysis, and visualization using geographic information systems (GIS), and provides support to many companies. The Group has set three SDG priority areas for solving social issues through the business to meet the needs of wide-ranging stakeholders through ESG and sustainability management, and actively promotes sustainability initiatives. The Company is planning to make a transition to a company with an Audit and Supervisory Committee, and we believe that ESG and sustainability management, along with such matters as store and area analysis that leverages GIS and other digital information, cannot be separated from the Group in order to further strengthen governance and promote the Group's "Total-Living (Kurashi-Marugoto)" strategy, and will instead become even more important going forward. We believe that her objective and incisive advice as an independent outside Director based on her wealth of knowledge will continue to be crucial for improving the corporate value of the Group through ESG and sustainability management, and accordingly seek her reelection as Director.</p>	

- Notes:
1. Director candidate Miki Mitsunari is an outside Director of YUASA TRADING CO., LTD., a company with which the Company has such transactions as the purchase and sale of mainly electrical machinery and equipment. However, the amount of transactions with that company is less than 0.0001% of the Company's consolidated sales.
 2. Miki Mitsunari is a candidate for outside Director of the Company.
The Company has submitted notification to Tokyo Stock Exchange, Inc. that Miki Mitsunari has been appointed as an independent officer as provided for in Article 436-2 of the Securities Listing Regulations of the aforementioned exchange. If the reelection of Miki Mitsunari is approved, the Company plans for her appointment as an independent officer to continue.
 3. Facts relating to the Company or its specified associated service provider:
N/A
 4. Outside Director and the Limitation Liability Agreement:
N/A

Item 4: Election of Five Directors Who Are Audit and Supervisory Committee Members

In the event that Item 2 “Partial Amendments to the Articles of Incorporation” is approved and adopted as originally proposed, the Company will make a transition to a company with an Audit and Supervisory Committee at the conclusion of this General Meeting of Shareholders.

Therefore, the Company proposes to elect five Directors who are Audit and Supervisory Committee Members.

The approval of the Audit & Supervisory Board has been received for this item.

This item shall become effective on the condition that the amendments to the Articles of Incorporation in Item 2 “Partial Amendments to the Articles of Incorporation” take effect.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

Areas in which the Company particularly expects the display of skills based on the expertise and experience of candidates for Directors who are Audit and Supervisory Committee Members are described on pages 27 to 28.

No.	Name	Current Positions in the Company	
1	Makoto Igarashi	Full-time Audit & Supervisory Board Member	New election
2	Kenji Yamazaki	Executive Officer	New election
3	Somuku Iimura	Outside Audit & Supervisory Board Member	New election Outside Independent
4	Kunimitsu Yoshinaga	Outside Director	New election Outside Independent
5	Hirohisa Ishii	Outside Audit & Supervisory Board Member	New election Outside Independent

- Notes:
- The Company has entered into a directors and officers liability insurance policy as stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance policy covers costs for compensation for damages and litigation costs incurred by the insured person arising from claims for compensation for damages related to the execution of his or her duties. In the event that the election is approved as originally proposed in this item and each candidate assumes the office as Director, each candidate will be included as an insured in the policy.
The Company bears all the insurance premiums of the insured and plans to renew the insurance policy with the same contents during the term of office.
 - Somuku Iimura, Kunimitsu Yoshinaga and Hirohisa Ishii are candidates for outside Directors of the Company.
The Company has submitted notification to Tokyo Stock Exchange, Inc. that Somuku Iimura, Kunimitsu Yoshinaga and Hirohisa Ishii have been appointed as independent officers as provided for in Article 436-2 of the Securities Listing Regulations of the aforementioned exchange. If their elections are approved, the Company plans for their appointments as independent officers to continue.
 - Outside Director and the Limitation Liability Agreement:
N/A

<p>No. 1</p>	<p>Makoto Igarashi (Born on August 4, 1964)</p>	<p>Number of Shares Owned: 53,000 Years Served as Audit & Supervisory Board Member: 10 years Attendance at the Board of Directors Meetings During the Current Fiscal Year: 94% (17/18 times) Attendance at the Audit & Supervisory Board Meetings During the Current Fiscal Year: 92% (11/12 times)</p>
<p>New election</p>	<p>[Brief History, Positions and Responsibilities in the Company]</p> <p>June 1999 Director, Manager of Accounting Division of the Company</p> <p>April 2001 Managing Director, Deputy General Manager of Merchandise Division</p> <p>May 2003 Senior Managing Director, General Manager of Administration Division</p> <p>June 2004 Director and Senior Managing Executive Officer, General Manager of Administration Division</p> <p>January 2005 Director and Senior Managing Executive Officer, General Manager of Sales and Marketing Division</p> <p>June 2007 Director and Senior Managing Executive Officer, General Manager of Administration Division and Head of Affiliates Management Office</p> <p>June 2008 Director and Senior Managing Executive Officer, Head of Overseas Business Strategy Office</p> <p>March 2010 Director and Senior Managing Executive Officer, Head of Overseas Business Strategy Office and Head of LABI Development Office</p> <p>April 2012 Director and Senior Managing Executive Officer, CFO, General Manager of Administration Division</p> <p>June 2013 Director and Managing Executive Officer, CFO, General Manager of Administration Division</p> <p>June 2014 Full-time Audit & Supervisory Board Member [present post]</p> <p>[Significant Concurrent Positions]</p> <p>Audit & Supervisory Board Member of YAMADA DENKI CO., LTD. Audit & Supervisory Board Member of YAMADA JUKEN HOLDINGS Co., LTD. Audit & Supervisory Board Member of YAMADA HOMES CO., LTD. Audit & Supervisory Board Member of Housetec Inc. Audit & Supervisory Board Member of YAMADA FINANCE SERVICE Co., Ltd. Audit & Supervisory Board Member of Tecc Planning Co., Ltd.</p> <p>[Reasons for Nomination as Candidate for Director Who Is an Audit and Supervisory Committee Member]</p> <p>Makoto Igarashi has a wealth of wide-ranging experience and expertise. After joining the Company, he was appointed Director in 1999 after being the Manager of Accounting Division. He was subsequently appointed Deputy General Manager of Merchandise Division and General Manager of Sales and Marketing Division. Before being appointed the Company's Audit & Supervisory Board Member in 2014, he worked in positions such as Head of Overseas Business Strategy Office, Head of LABI Development Office, CFO and General Manager of Administration Division. Based on his conviction that the issues and problems are always in the workplace, the candidate has given much importance to on-site audits, and has fulfilled his responsibilities through appropriately identifying and providing advice among other measures. The Group is promoting "Total-Living (Kurashi-Marugoto)" as its business strategy. The Company transitioned to a holding company structure in October 2020 and is now planning to make a transition to a company with an Audit and Supervisory Committee, which will require stronger governance than ever before. His wealth of experience and expertise, his policy of focusing on the workplace, and his appropriate advice and suggestions backed by these attributes will strengthen the Group's auditing functions. We accordingly seek his election as Director who is an Audit and Supervisory Committee Member.</p>	

Note: There are no conflicts of interest between the candidate for Director, Makoto Igarashi and the Company.

No. 2	Kenji Yamazaki (Born on January 28, 1968)	Number of Shares Owned: 1,000 Attendance at the Board of Directors Meetings During the Current Fiscal Year: – Attendance at the Audit & Supervisory Board Meetings During the Current Fiscal Year: –
<div style="border: 1px solid black; padding: 2px; display: inline-block;">New election</div>	<p>[Brief History, Positions and Responsibilities in the Company]</p> November 1997 Joined Yamada Denki Co., Ltd. (currently the Company) September 1998 MD of Product Department May 1999 General Manager of Information System Department July 2000 Head of Internal Audit Office, Administration Division January 2002 Head of Internal Audit Office, and General Manager of Management Department, Administration Division April 2002 General Manager of Management Department, Administration Division March 2006 Junior Executive Officer and Head of Internal Audit Office April 2007 Senior Administrative Executive Officer and Head of Internal Audit Office April 2009 Executive Officer and Head of Internal Audit Office April 2012 Senior Executive Officer and Head of Internal Audit Office May 2013 Assistant Executive Officer and Head of Internal Audit Office April 2020 Assistant Executive Officer, Head of Audit Office, and General Manager of Audit Department No.1 April 2021 Executive Officer, Head of Audit Office, and General Manager of Audit Department No.1 [present post] June 2021 Audit & Supervisory Board Member of YAMADA DENKI CO., LTD. [present post] [Significant Concurrent Positions] Audit & Supervisory Board Member of YAMADA DENKI CO., LTD. [Reasons for Nomination as Candidate for Director Who Is an Audit and Supervisory Committee Member] Kenji Yamazaki served as MD (Buyer) of the Product Department and General Manager of the Information System Department after joining the Company and subsequently was appointed as Head of Internal Audit Office in July 2000. He then served as General Manager of Management Department, Administration Division before being reappointed as Head of Internal Audit Office in March 2006. In 2006, the Companies Act was revised to make it mandatory for large companies to establish an internal control system and an audit department. In response to this, as the head of an independent internal audit department, he developed and strengthened the internal audit system within the Company and the Group, and developed a system for checking and evaluating the status of the internal control system and its operation. The Group’s transition to a holding company structure in October 2020, as well as the expansion of its business areas and scale, required further strengthening of its internal audit system. To address this, he has fulfilled his responsibilities by providing suggestions and advice based on audits and evaluations of governance and risk management systems by strengthening the organization of the internal audit department, improving and standardizing audit capabilities through human resource development, and establishing and operating an effective and efficient audit system. The Group is promoting “Total-Living (Kurashi-Marugoto)” as its business strategy, and is now planning to make a transition to a company with an Audit and Supervisory Committee, which will require stronger governance than ever before. His wealth of experience and expertise in auditing, as well as appropriate advice and suggestions backed by such experience and expertise, will strengthen the Group’s auditing functions. We accordingly seek his election as Director who is an Audit and Supervisory Committee Member.	

- Notes:
1. There are no conflicts of interest between the candidate for Director, Kenji Yamazaki and the Company.
 2. Kenji Yamazaki is scheduled to assume positions of Audit & Supervisory Board Member at four of the Company’s Group companies as detailed below:
Audit & Supervisory Board Member of Yamada Environmental Resource Development Holdings Co.,

Ltd. (Extraordinary General Meeting of Shareholders held May 2024)

Audit & Supervisory Board Member of YAMADA FINANCE SERVICE Co., Ltd. (Ordinary General Meeting of Shareholders held in May 2024)

Audit & Supervisory Board Member of YAMADA SMALL AMOUNT SHORT TERM INSURANCE CO., LTD. (Ordinary General Meeting of Shareholders held in June 2024)

Audit & Supervisory Board Member of House Depot Partners Co., Ltd. (Ordinary General Meeting of Shareholders held in June 2024)

No. 3	Somuku Iimura (Born on April 14, 1953)	Number of Shares Owned: – Years Served as Audit & Supervisory Board Member: 8 years Attendance at the Board of Directors Meetings During the Current Fiscal Year: 100% (18/18 times) Attendance at the Audit & Supervisory Board Meetings During the Current Fiscal Year: 100% (12/12 times)
<div style="border: 1px solid black; padding: 2px; display: inline-block;">New election</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div>	<p>[Brief History, Positions and Responsibilities in the Company]</p> <p>April 1986 Registered as an attorney at law</p> <p>April 1986 Joined Masuda & Ejiri</p> <p>October 1988 Transferred to Rogers & Wells in U.S. (currently Clifford Chance LLP)</p> <p>July 1991 Returned to Masuda & Ejiri</p> <p>January 1992 Partner of Masuda & Ejiri</p> <p>July 2007 Joined Nishimura & Asahi Partner of Nishimura & Asahi</p> <p>June 2014 Outside Director of Maruha Nichiro Corporation [present post]</p> <p>June 2016 Outside Audit & Supervisory Board Member of the Company [present post]</p> <p>February 2017 Outside Corporate Auditor of NACHI-FUJIKOSHI CORP. [Resigned from post in February 2020]</p> <p>January 2019 Joined Nishimura & Asahi</p> <p>January 2020 Joined Natori Law Office (currently ITN Law Office) Senior Partner of Natori Law Office</p> <p>May 2020 Corporate Auditor of SANYO SHOKAI LTD. [present post]</p> <p>June 2020 Outside Director of The Furukawa Battery Co., Ltd. [present post]</p> <p>December 2020 Representative attorney-at-law of ITN Law Office [present post]</p> <p>[Significant Concurrent Positions]</p> <p>Outside Director of Maruha Nichiro Corporation Corporate Auditor of SANYO SHOKAI LTD. Outside Director of The Furukawa Battery Co., Ltd. Representative attorney-at-law of ITN Law Office</p> <p>[Reasons for Nomination as Candidate for Outside Director Who Is an Audit and Supervisory Committee Member and Overview of Expected Roles]</p> <p>Somuku Iimura provides useful suggestions and advice to the management of the Group from a third-party perspective in a fair and neutral position based on his wealth of experience and superior insight as an attorney at law over many years. He provided wide-ranging, substantial advice when the Company transitioned to a holding company structure in October 2020, from the preliminary preparation stage to the establishment of the new structure, thus fully fulfilling his responsibilities as an independent outside Audit & Supervisory Board Member in terms of legal matters and the strengthening of corporate governance. In addition, he has been appointed as an outside officer of several other companies, which we recognize as an indication that his abilities are very significant in strengthening corporate management and governance. The Group is promoting “Total-Living (Kurashi-Marugoto)” as its business strategy, and is now planning to make a transition to a company with an Audit and Supervisory Committee, which will require stronger governance than ever before. His extensive experience and expertise in legal matters, as well as appropriate advice and suggestions backed by such experience and expertise, will strengthen the Group’s auditing functions. We accordingly seek his election as independent outside Director who is an Audit and Supervisory Committee Member.</p>	

Notes: 1. Candidate for Director Somuku Iimura is representative attorney-at-law of ITN Law Office. The Company is receiving legal and other advice from Somuku Iimura when necessary. However, concerning the scale of annual transactions between the Company and the aforementioned law firm constitutes an insignificant amount that is less than 0.0002% of the consolidated net sales of the Company, and the Company considers that there is no materiality that could cause relationships of special interest to arise.

2. Facts relating to the Company or its specified associated service provider:
N/A

No. 4	Kunimitsu Yoshinaga (Born on November 20, 1945)	Number of Shares Owned: 4,100 Years Served as Outside Director: 2 years Attendance at the Board of Directors Meetings During the Current Fiscal Year: 100% (18/18 times) Attendance at the Audit & Supervisory Board Meetings During the Current Fiscal Year: –
<input type="checkbox"/> New election <input type="checkbox"/> Outside <input type="checkbox"/> Independent	<p>[Brief History, Positions and Responsibilities in the Company]</p> <p>October 1970 Joined the Ministry of Finance</p> <p>May 1991 Consul of the Consulate General of Japan in New York and Counselor of the Embassy of Japan in the United States of America</p> <p>July 1995 Vice-Governor of Iwate Prefecture</p> <p>July 1998 Director-General of the Kanto Local Finance Bureau</p> <p>July 1999 Director of the European Bank for Reconstruction and Development</p> <p>August 2002 Senior Vice President of the Japan International Cooperation Agency</p> <p>June 2005 Joined THE TOWA BANK, LTD. as Managing Director</p> <p>June 2006 Representative Director and Vice President of THE TOWA BANK, LTD.</p> <p>May 2007 Representative Director and President of THE TOWA BANK, LTD.</p> <p>June 2020 Representative Director, Chairperson of THE TOWA BANK, LTD.</p> <p>June 2021 Corporate Advisor of THE TOWA BANK, LTD. [Resigned from post in June 2022]</p> <p>June 2022 Honorary Advisor of THE TOWA BANK, LTD.</p> <p>June 2022 Outside Director of the Company [present post]</p> <p>[Significant Concurrent Positions]</p> <p>None</p> <p>[Reasons for Nomination as Candidate for Outside Director Who Is an Audit and Supervisory Committee Member and Overview of Expected Roles]</p> <p>Kunimitsu Yoshinaga has served in the Ministry of Finance, as Vice-Governor of Iwate Prefecture, as Director-General of the Kanto Local Finance Bureau, and as President of THE TOWA BANK, LTD. amongst other positions. In particular, he has a track record of setting the example for a new approach to banking during his time at a financial institution, launching flexible and swift measures not constrained by old customs, such as promoting proactive customer support initiatives. Since his appointment as an outside Director of the Company in June 2022, he has utilized his knowledge and wealth of experience to provide suggestions and advice to the Company’s financial institutions and related divisions, particularly the Administration Division, including the promotion of YAMADA NEOBANK in the Group’s financial segment, fully fulfilling his responsibilities as an independent outside Director. The Group is promoting “Total-Living (Kurashi-Marugoto)” as its business strategy, and is now planning to make a transition to a company with an Audit and Supervisory Committee, which will require stronger governance than ever before. His extensive experience and expertise in financial matters, as well as appropriate advice and suggestions backed by such experience and expertise, will strengthen the Group’s auditing functions. We accordingly seek his election as independent outside Director who is an Audit and Supervisory Committee Member.</p>	

- Notes:
1. There are no conflicts of interest between the candidate for Director, Kunimitsu Yoshinaga and the Company.
 2. Facts relating to the Company or its specified associated service provider:
Kunimitsu Yoshinaga has been a business executor of THE TOWA BANK, LTD., which has been a specified associated service provider (a major business partner) of the Company for the past ten years. His other positions and responsibilities at THE TOWA BANK, LTD. are as listed in the column in the above “Brief History, Positions and Responsibilities in the Company.” Further, he became Honorary Advisor to THE TOWA BANK, LTD. in June 2022. Such Honorary Advisor position does not have any decision-making authority within THE TOWA BANK, LTD. organizational structure nor is it remunerated.

No. 5	Hirohisa Ishii (Born on September 19, 1958)	Number of Shares Owned: – Years Served as Audit & Supervisory Board Member: 1 year Attendance at the Board of Directors Meetings During the Current Fiscal Year: *100% (14/14 times) Attendance at the Audit & Supervisory Board Meetings During the Current Fiscal Year: *100% (9/9 times)
	*The number only covers the Board of Directors meetings and Audit & Supervisory Board meetings held after his appointment on June 2023.	
<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">New election</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Outside</div> <div style="border: 1px solid black; padding: 2px;">Independent</div>	[Brief History, Positions and Responsibilities in the Company] April 1982 Joined The Dai-Ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.) November 2000 Deputy General Manager, Derivative Trading Group, Financial Market Division of The Dai-Ichi Kangyo Bank, Limited April 2007 General Manager of Distribution Division of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) April 2010 Executive Officer, Joint Head of Global Markets Unit (Sales & Trading) of Mizuho Corporate Bank, Ltd. April 2013 Vice President and Executive Officer of Mizuho Asset Management Co., Ltd. (currently Asset Management One Co., Ltd.) June 2013 Representative Director, Executive Vice President of Mizuho Asset Management Co., Ltd. [Resigned from post in September 2016] October 2016 Administrative Officer of Mizuho Bank, Ltd. [Resigned from post in October 2017] June 2017 Representative Director, Vice President of Heart Agency Co., Ltd. June 2018 Representative Director, President of Heart Agency Co., Ltd. [present post] [Scheduled to resign as Representative Director, President and become Special Advisor of Heart Agency Co., Ltd. in June 2024] June 2019 Outside Audit & Supervisory Board Member of TOTOKU ELECTRIC CO., LTD. (currently TOTOKU INC.) June 2020 Outside Director, Audit and Supervisory Committee Member of TOTOKU ELECTRIC CO., LTD. [Resigned from post in March 2023] June 2023 Outside Audit & Supervisory Board Member of the Company [present post]	

	<p>[Significant Concurrent Positions] None</p> <p>[Reasons for Nomination as Candidate for Outside Director Who Is an Audit and Supervisory Committee Member and Overview of Expected Roles] Hirohisa Ishii possesses experience of working in a wide-ranging departments and occupations, including domestic and overseas sales departments and back-office departments, since his time at The Dai-Ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.). In addition, even after business integration of three banks, The Dai-Ichi Kangyo Bank, Limited, The Fuji Bank, Limited, and The Industrial Bank of Japan, Limited, he held significant posts in Mizuho Bank, Ltd., Mizuho Corporate Bank, Ltd., Mizuho Asset Management Co., Ltd. (currently Asset Management One Co., Ltd.) as Representative Director. He possesses very valuable abilities, with a wealth of experience and knowledge both as a “practitioner” and as a “manager.” He has provided suggestions and advice based on his experience in the execution of operations and investments in the indirect divisions of the Group, including finance and accounting, fully fulfilling his responsibilities as an independent outside Audit & Supervisory Board Member. The Group is promoting “Total-Living (Kurashi-Marugoto)” as its business strategy, and is now planning to make a transition to a company with an Audit and Supervisory Committee, which will require stronger governance than ever before. His extensive experience and expertise in finance, accounting, and investment matters, as well as appropriate advice and suggestions backed by such experience and expertise, will strengthen the Group’s auditing functions. We accordingly seek his election as independent outside Director who is an Audit and Supervisory Committee Member.</p>
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- Notes:
1. There are no conflicts of interest between the candidate for Director, Hirohisa Ishii and the Company.
 2. Facts relating to the Company or its specified associated service provider:
Hirohisa Ishii has been a business executor of Mizuho Bank, Ltd., which has been a specified associated service provider (a major business partner) of the Company for the past ten years. His other positions and responsibilities at Mizuho Bank, Ltd. are as listed in the column in the above “Brief History, Positions and Responsibilities in the Company.”
 3. Hirohisa Ishii is scheduled to resign as Representative Director, President of Heart Agency Co., Ltd. and become Special Advisor of Heart Agency Co., Ltd. in June 2024.

(Reference) Skill Matrix of candidates for Directors

The areas in which the Company particularly expects the display of skills (knowledge and experience) by Directors to fulfill their roles and responsibilities and appropriately demonstrate their decision-making and management supervisory functions in order to realize the Group's management philosophy, promote the "Total-Living (Kurashi-Marugoto)" strategy, and strengthen governance through the transition to a company with an Audit and Supervisory Committee are selected as follows. We believe the Board of Directors as a whole has the necessary skills.

Name	Attribute	Areas in which the Company particularly expects the display of skills				
		Corporate Management and Organization Management	Internal Control (incl. Legal and Risk Management)	Store Development	Marketing	Logistics and Services
Noboru Yamada		●	●	●	●	●
Megumi Kogure		●	●			
Yoshinori Ueno		●	●	●	●	●
Kenichi Koyano		●	●			
Tsuyoshi Nagano		●	●			
Tsukasa Tokuhira	Independent Outside				●	
Miki Mitsunari	Independent Outside			●		
Makoto Igarashi (Audit and Supervisory Committee Member)		●	●			
Kenji Yamazaki (Audit and Supervisory Committee Member)		●	●			
Somuku Imura (Audit and Supervisory Committee Member)	Independent Outside		●			
Kunimitsu Yoshinaga (Audit and Supervisory Committee Member)	Independent Outside					
Hirohisa Ishii (Audit and Supervisory Committee Member)	Independent Outside					

Name	Attribute	Areas in which the Company particularly expects the display of skills			
		IT/DX	Personnel, Human Resources Development and Training	Finance and Accounting	ESG and Sustainability
Noboru Yamada					●
Megumi Kogure			●		●
Yoshinori Ueno		●			
Kenichi Koyano				●	●
Tsuyoshi Nagano		●			
Tsukasa Tokuhira	Independent Outside		●		
Miki Mitsunari	Independent Outside	●			●
Makoto Igarashi (Audit and Supervisory Committee Member)				●	
Kenji Yamazaki (Audit and Supervisory Committee Member)		●			
Somuku Jimura (Audit and Supervisory Committee Member)	Independent Outside				
Kunimitsu Yoshinaga (Audit and Supervisory Committee Member)	Independent Outside			●	
Hirohisa Ishii (Audit and Supervisory Committee Member)	Independent Outside			●	

Note: “●” indicates areas for which the Company has particular expectations, but this is not an indicator of all knowledge and experience.

Item 5: Determination of Amount of Remuneration for Directors (Excluding Those Who Are Audit and Supervisory Committee Members)

The amount of remuneration for Directors of the Company is currently a total annual amount of not more than ¥750 million (excluding employee salaries of Directors who concurrently serve as employees), as resolved by the 31st Ordinary General Meeting of Shareholders, held on June 27, 2008.

In the event that Item 2 “Partial Amendments to the Articles of Incorporation” is approved and adopted as originally proposed, the Company will make a transition to a company with an Audit and Supervisory Committee at the conclusion of this General Meeting of Shareholders.

Accordingly, in conjunction with the transition to a company with an Audit and Supervisory Committee, the Company seeks to newly establish the amount of remuneration for Directors (excluding those who are Audit and Supervisory Committee Members) and proposes an annual amount of not more than ¥750 million (of which, the amount for outside Directors is to be not more than ¥50 million).

We believe this item to be appropriate, having been decided by the Board of Directors after discussion based on the “Policy for determining content of remuneration, etc. for individual Directors” and giving comprehensive consideration to factors such as the Company’s business scale, remuneration levels, other companies’ remuneration levels, number of eligible Directors, and trends going forward.

As in the past, the aforementioned remuneration amounts do not include employee salaries of Directors who concurrently serve as employees.

Currently, there are eight Directors (three of whom are outside Directors); however, if Item 2 “Partial Amendments to the Articles of Incorporation” and Item 3 “Election of Seven Directors (Excluding Those Who Are Audit and Supervisory Committee Members)” are approved and adopted as originally proposed, the number of Directors (excluding those who are Audit and Supervisory Committee Members) will be seven (two of whom being outside Directors).

This item shall become effective on the condition that the amendments to the Articles of Incorporation in Item 2 “Partial Amendments to the Articles of Incorporation” take effect.

Item 6: Determination of Amount of Remuneration for Directors Who Are Audit and Supervisory Committee Members

In the event that Item 2 “Partial Amendments to the Articles of Incorporation” is approved and adopted as originally proposed, the Company will make a transition to a company with an Audit and Supervisory Committee at the conclusion of this General Meeting of Shareholders.

Accordingly, the Company proposes to newly establish the remuneration amount for Directors who are Audit and Supervisory Committee Members as an annual amount of not more than ¥68 million.

We believe this item to be appropriate, having been resolved by the Board of Directors after discussion by the Audit & Supervisory Board giving comprehensive consideration to factors such as economic conditions, the Company’s business scale, the number of Directors who are Audit and Supervisory Committee Members, the level at other companies, duties and responsibilities to be performed by Audit and Supervisory Committee Members in the Company’s governance, and trends going forward.

If Item 2 “Partial Amendments to the Articles of Incorporation” and Item 4 “Election of Five Directors Who Are Audit and Supervisory Committee Members” are approved and adopted as originally proposed and take effect, the number of Directors who are Audit and Supervisory Committee Members will be five.

This item shall become effective on the condition that the amendments to the Articles of Incorporation in Item 2 “Partial Amendments to the Articles of Incorporation” take effect.

Item 7: Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Those Who Are Audit and Supervisory Committee Members and Outside Directors)

In the event that Item 5 “Determination of Amount of Remuneration for Directors (Excluding Those Who Are Audit and Supervisory Committee Members)” is approved, the amount of the remuneration, etc. for our Directors (excluding Directors who are Audit and Supervisory Committee Members) shall be not more than ¥750 million or per year (not more than ¥50 million for outside Directors). Moreover, at the 42nd General Meeting of Shareholders held on June 27, 2019, the Company was approved to set the total amount of monetary claim paid to grant restricted shares separately from the amount of remuneration, etc. to the Company’s Directors (excluding outside Directors) and the total number of the Company’s common stock issued or disposed by the Company to be not more than ¥450 million per year (however, this does not include the amount paid as salary for employee to a Director who serves concurrently as an employee) and not more than 1,000,000 shares per year, respectively.

In the event that Item 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will shift to a company with an Audit and Supervisory Committee. To provide our Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors. Hereinafter referred to as the “Target Directors.”) with incentive to achieve sustainable improvement of the corporate value of the Company and promote the value sharing with shareholders further, we would like to pay remuneration to grant restricted shares to the Target Directors separately from Item 5 “Determination of Amount of Remuneration for Directors (Excluding Those Who Are Audit and Supervisory Committee Members)”

Although the Company was approved to set the amount of share remuneration-type stock option remunerations to be not more than ¥450 million per year at the 39th General Meeting of Shareholders held on June 29, 2016, the Company will abolish the share remuneration-type stock option system, excluding those that have been already granted, and will not newly issue share acquisition right as stock options to Directors of the Company. In the event that this item and Item 5 are approved, the remuneration for our Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) will consist of basic remuneration and bonus (short-term incentive), medium-term restricted share remuneration (medium-term incentive) and long-term restricted share remuneration (long-term incentive).

Based on this item, remuneration paid to the Target Directors to grant restricted shares should be monetary claim. The total amount should be not more than ¥900 million per year as the sum of not more than ¥450 million per year of medium-term restricted share remuneration and not more than ¥450 million per year of long-term restricted share remuneration (however, excluding the amount paid as salary for employee to a Director who serves concurrently as an employee). Specific payment period and allocation for each Target Director shall be determined at the Board of Directors.

Current number of Directors is eight (including three outside Directors). In the event that Item 2 “Partial Amendments to the Articles of Incorporation” and Item 3 “Election of Seven Directors (Excluding Those Who Are Audit and Supervisory Committee Members)” approved as originally proposed, the number of directors will be seven (excluding Directors who are Audit and Supervisory Committee Members and including two outside Directors).

Furthermore, based on the resolution of the Board of Directors of the Company, the Target Directors shall pay all monetary claim granted under this item as in-kind contribution and have the Company’s common stock issued or disposed. The total number of the Company’s common stock to be issued or disposed should be not more than 2,000,000 shares per year, by adding medium-term restricted share remuneration (not more than 1,000,000 shares per year) and long-term restricted share remuneration (not more than 1,000,000 shares per year). (However, when stock split or reverse stock split was executed for the Company’s common stock (including allotment without contribution of the Company’s common stock) or any other event that requires the adjustment of the total number of the Company’s common stock to be issued or disposed as restricted share occurred, the total number shall be adjusted within a reasonable range.)

The paid-in amount per share will be determined at the Board of Directors meeting based on the closing price of the Company’s common stock at the Tokyo Stock Exchange on the previous trading day of each resolution of the Board of Directors (When no trade was made on that day, closing price on the immediately preceding trading day) within the scope that will not be particularly favorable amount to the Target Directors who will receive the common stock. Moreover, concerning the issuance or disposal of the

Company's common stock and the payment of monetary claims as contribution in-kind, as a condition, the Company and the Target Directors shall enter into a restricted share allotment agreement that includes following content (hereinafter referred to as the "Allotment Agreement"). As for the conditions to grant restricted shares to the Target Directors based on this Item including upper limit of the amount of remuneration and the total number of the Company's common share issued or disposed based on this item, please refer to the above purpose, the Company's business conditions and the policy concerning the determination of the details of individual remuneration, etc. for the Company's Directors. (If this proposal is approved, the aforementioned policy is scheduled to be amended to be consistent with the approved content. Please refer to "(Reference) Policy for determining content of individual remuneration, etc. for individual Directors following the transition to a company with an Audit and Supervisory Committee (Planned)".) We determined them considering various matters and believe that they are adequate.

This item is to take effect, provided that the amendments to the Articles of Incorporation under Item 2 "Partial Amendments to the Articles of Incorporation" becomes effective.

In the event that this item is approved as originally proposed at this General Meetings of Shareholders, the Company plans to grant similar restricted share to our subsidiaries' Directors.

Overview of the Allotment Agreement

(1) Transfer restriction period

For the Company's common share granted with the allotment agreement (hereinafter referred to as the "Allotted Shares"), the Target Directors may not transfer, create a security interest or dispose in other ways (hereinafter referred to as the "Transfer Restriction") for the period between three to five years that the Company's Board of Directors determines in advance in case of medium-term restricted share remuneration and 60 years in case of long-term restricted share remuneration (hereinafter referred to the "Transfer Restriction Period").

(2) Handling at the time of resignation or retirement from office of assigned post or company

When the Target Director resigned one of the officer's posts in the Company or the Company's subsidiaries that were determined by the Company's Board of Directors in advance or left office before the end of the transfer restriction period, the Company shall acquire the allotted shares without contribution except when the resignation or retirement has a justifiable reason such as the maturity of term of office and decease.

(3) Cancellation of transfer restriction period

Notwithstanding the provisions of (1) above, the Company may cancel transfer restriction for all Allotted Shares at the maturity of the Transfer Restriction Period provided that the Target Director has been holding one of the officer's posts of the Company or the Company's subsidiaries that were determined by the Company's Board of Directors in advance, during the transfer restriction period without interruption. However, when the Target Director resigned one of the posts specified in (2) above or left office before the end of the transfer restriction period due to a justifiable reason such as the maturity of the term and decease as defined in (2) above, the number of the Allotted Shares of which transfer restriction will be cancelled and the timing of the cancellation of the transfer restriction shall be adjusted reasonably as required. Otherwise, following the provisions above, immediately after the transfer restriction is lifted, the Company shall obtain the Allotted Shares of which transfer restriction has not been cancelled without contribution.

(4) Handling at the time of reorganization, etc.

Notwithstanding the provisions of (1) above, when a matter related reorganization, such as merger agreement in which the Company becomes an extinguished company, stock exchange agreement or stock transfer plan in which the Company becomes a wholly owned subsidiary, was approved at the Company's General Meeting of Shareholders (the Company's Board of Directors when the approval of the Company's General Meeting of Shareholders is not required for the reorganization, etc.) during the transfer restriction period, the transfer restriction for the Allotted Shares of the number determined reasonably based on the period from the beginning of the transfer restriction period to the date that the reorganization, etc. was approved will be cancelled prior to the effective date of the reorganization, etc. In addition, in the case specified above, the Company will acquire the Allotted Shares for which transfer restrictions have not been lifted

immediately after the transfer restrictions have been lifted without contribution.

(5) Other items

Other items concerning the Allotment Agreement shall be determined at the Company's Board of Directors.

(Reference) Policy for determining content of individual remuneration, etc. for individual Directors following the transition to a company with an Audit and Supervisory Committee (Planned)

The remuneration for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) (the "Target Directors") is decided based on a resolution of the Board of Directors after the original proposal has been referred to the Nomination and Remuneration Committee for comment, which involves an examination by that committee giving consideration to matters including the scope of each remuneration amount approved at general meetings of shareholders, conformity with rules and regulations, level of contribution, financial position and economic situation, and a report has been given to Board of Directors.

The remuneration of the Target Directors shall consist of basic remuneration and bonuses as short-term incentive, "share-based remuneration with medium-term transfer restriction" as medium-term incentive and "share-based remuneration with long-term transfer restriction" as long-term incentive.

The basic remuneration shall be determined after giving comprehensive consideration to the Director's rank, assigned duties, role, the Company's performance, etc. For bonuses, there will not be any specific conditions that need to be met, but instead an amount of allocation will be determined after giving comprehensive consideration the Company's performance, and the Director's performance evaluation with respect to duties executed.

In addition, the remuneration of other Directors (the Directors who are Audit and Supervisory Committee Members and outside Directors), excluding the Target Directors, shall consist of a fixed remuneration only to ensure the function of supervising management is effectively performed.

BUSINESS REPORT

Fiscal Year ended March 31, 2024

I. Status of the Group

(1) Review of Operations for the Fiscal Year

[On background of economies at home and abroad]

During the fiscal year under review, the post-pandemic socioeconomic activities are increasingly returning to normal, and we are seeing a resurgence in the flow of people and an increase of foreign tourists through inbound tourism, along with further growth in personal consumption and corporate capital investment, which has placed the Japanese economy on a course of moderate recovery. On the other hand, the outlook still remains uncertain mainly due to progression of yen depreciation due to effects including the monetary policies of Japan and the United States, and the rising price of commodities, caused by a sharp rise in energy resource and raw material prices stemming from the prolongation of the situation in Ukraine and the Middle East.

In the consumer electrical appliance retail industry, the pace of recovery in the flow of people and normalization of the economy has further increased as the novel coronavirus disease (COVID-19) was downgraded to a Class V infectious disease under the law for controlling infectious diseases in May 2023. However, the spending of consumers has occurred mainly in areas such as leisure and services, and the consumer electrical appliance retail industry has experienced a general decline in customers visiting stores. In addition, while demand for seasonal home appliances fluctuated significantly mainly due to the record-breaking summer heat wave and warm winter, inbound demand recovered, and sales of high-added-value products such as refrigerators and washing machines designed for energy efficiencies, short-time home appliances such as automated cooking appliances, and beauty appliances, among others, steadily increased.

[On the Company's efforts]

Against the backdrop of this situation, in the second year of the "YAMADA HLDGS 2025 Mid-term business plan," the Group worked to build a structure that continuously increases revenues and profits with the following four key measures for the achievement of targets: "active store development," "strengthening our e-commerce," "active development of SPA products," and "achieving targets by setting goals for issues for each operating company."

Consolidated net sales for the fiscal year under review decreased 0.5% year on year to ¥1,592,009 million, operating profit decreased 5.8% year on year to ¥41,489 million, ordinary profit decreased 6.0% year on year to ¥47,037 million, and profit attributable to owners of parent decreased 24.4% year on year to ¥24,055 million. The main reasons for these results are (1) a decrease in demand for durable consumer goods such as home appliances due to increasingly defensive spending patterns of consumers in the face of high prices, declining real wages and diminished disposable income, (2) a reactionary drop in the demand for stay-at-home products, (3) a shift in a consumer mindset to leisure and services as the flow of people recovered and the economy normalized in this post-pandemic era, leading to a decrease in customers visiting home appliance stores, (4) sluggish sales of seasonal home appliances due to a warm winter, (5) a temporary loss of sales opportunities mainly due to streamlining sales offices to improve sales and profits in the housing business, and higher selling, general and administrative expenses due to the expansion of sales personnel and aggressive advertising investment, (6) another upfront cost arising from large-scale renovations of stores and investment in advertising to increase sales and market share in the overseas business, and (7) recording losses due to natural disasters such as the 2024 Noto Peninsula Earthquake.

Our efforts produced steady results in areas we have been promoting to strengthen performance improvement: an increase in market share and sales through aggressive store development; and appropriate inventory management based on sellout management and securing of gross profit and negotiated profit. We will continue these reforms aiming at business growth in the next fiscal year and beyond.

[On number of stores]

The number of consolidated retail stores, including those overseas at the end of the fiscal year under review encompassing 23 new store openings and 46 store closures, was 1,005 directly-managed stores

(comprising 975 stores directly managed by Yamada Denki and 30 stores operated by other consolidated subsidiaries). The total number of stores of the Group, including the stores managed by franchise stores, was 11,151.

(2) Trends in Operating Results and Assets

	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Net sales (millions of yen)	1,752,506	1,619,379	1,600,586	1,592,009
Ordinary profit (millions of yen)	98,875	74,136	50,064	47,037
Profit attributable to owners of parent (millions of yen)	51,798	50,555	31,824	24,055
Basic earnings per share (yen)	62.82	60.96	40.25	34.78
Total assets (millions of yen)	1,252,599	1,271,668	1,271,181	1,288,994
Net assets (millions of yen)	672,545	676,277	611,775	624,174

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant revised ASBJ regulations from the beginning of fiscal 2021, and each figure for fiscal 2021 onward is the figure after applying the accounting standard and relevant revised ASBJ regulations.

(3) Issues the Group will be Addressing

As for the fiscal year ending March 31, 2025, while personal consumption is expected to continue to increase moderately due to improved sentiment and recovery in socioeconomic activities against the backdrop of higher wage growth, etc., the outlook for Japan's economy remains uncertain due to the yen's depreciation caused by the monetary policies of Japan and the United States, as well as soaring energy prices associated with geopolitical risks, among others, and vigilance should be exercised.

In this market environment, in order to achieve long-term growth, the Company will promote five priority measures under the "Total-Living (Kurashi-Marugoto)" strategy: "active development of area stores by business category with LIFE SELECT as the core," "strengthening our e-commerce," "active development of SPA products," "strengthening complete proposals of Total-Living (Kurashi-Marugoto) through YAMADA Smart House," and promote measures to "achieve targets by setting goals for issues by each operating company." In addition, the Group is promoting ESG and sustainability management, and will advance greater efforts than ever to build a recycling-oriented society and invest in human capital. Furthermore, we will actively expand into overseas markets where future growth is expected (as of the March 31, 2024, we have a total of 30 stores in Indonesia, Malaysia, and Singapore), and will implement the following priority measures for each segment to build a structure for sustainable corporate growth.

Electrical Business

(1) Expand market share by developing area stores with LIFE SELECT stores as the core, (2) improve profitability by maintaining an optimized pricing strategy, (3) expand the e-commerce business by utilizing the most of our group infrastructure, (4) improve the product profit ratio by expanding SPA products and 50th anniversary commemorative models, (5) expand the growth businesses of renovation and furniture and home interiors, (6) improve merchandise turnover by optimizing inventory management and reforming the balance sheet, and (7) strengthen human resource development by assigning person in charge of 12 branch training and education.

In addition, as part of review of the cost structure by making use of the Company's unique infrastructure, such as by streamlining our logistics bases and reforming logistics costs in response to the 2024 problem, optimizing personnel allocation through store consolidation and streamlining, shifting sales promotion to digital by strengthening acquisition of digital members, and optimizing and maximizing measures through the use of DX, in order to improve productivity and business efficiency.

Housing Business

We will promote the following initiatives: (1) strengthen our sales structure by actively hiring new personnel, (2) promote the use of DX to shorten and level the period between receiving orders and starting construction, (3) expand custom-built and built-for-sale housing through a strategy of selling subdivided and detached houses with land, (4) expand sales of smart houses and introduce and strengthen sales promotion of home electrical appliances and furniture, (5) expand second-hand home purchase and resale business, and (6) strengthen our connections with real estate agents and utilize Group management resources, such as "Housing Consultation Counters" that leverage the Yamada Denki network.

Financial Business

(1) Further product revision of YAMADA NEOBANK housing loans and collaboration with home appliance, furniture and interiors, and renovation sales schemes, (2) expansion of house card LABI Card business and contribution to the construction of big data, and (3) development and sales of various insurance products that have high affinity with the Company.

In addition, we will continue to develop and propose various financial products (loans, payment services, and various types of insurance) from the customer's perspective that can serve as a driving force for the expansion of our "Total-Living (Kurashi-Marugoto)" strategy.

Environment Business

The Group will promote a self-contained group-wide resource and environment system, including: (1) strengthening the production system for reused products by establishing a reuse and recycling system, including strengthening the purchase of home appliances and building a new reuse plant (CIC Yamaguchi Plant: construction to start in 2024), and (2) starting construction of an energy plant (waste incineration power

generation facility: scheduled to start operation in 2026), among others.

II. System for ensuring the properness of business operations and implementation of that system

The following is a summary of the systems to ensure that the directors perform their duties in compliance with the applicable laws and the Company's Articles of Incorporation and to ensure that all other operations by the Company are carried out in a proper manner (most recently revised on March 1, 2024).

System for ensuring the properness of business operations

1. System for ensuring that directors and employees perform their duties in compliance with the applicable laws and regulations and the Articles of Incorporation

a Compliance Committee

Directors in charge of compliance shall organize the Compliance Committee, which is involved in formulating corporate ethics policies and basic policy and standards on compliance with laws and regulations (compliance provisions), and establish codes of conduct on that basis requiring that directors and employees act in accordance with laws and regulations, the Articles of Incorporation and the Company's employment rules and other internal rules.

Education to directors and employees shall be provided to ensure thorough implementation in this regard led by the Compliance Committee. These initiatives are reported on a regular basis to the Board of Directors and the Audit & Supervisory Board.

b Establishment of the ESG/Sustainability Promotion Committee

The Company shall establish the ESG/Sustainability Promotion Committee, in full recognition of the significance of corporate social responsibility, as a means of putting ESG and Sustainability Promotion-focused management into practice as part of the management policy. The CSR Committee shall pursue initiatives based on the Code of Conduct and Code of CSR Ethics in areas that include compliance, labor, customer satisfaction, environmental and social issues and the progress status shall be confirmed at each sectional meeting.

c Whistle-blowing system

Upon becoming aware of incidents involving the performance of duties by the Company's directors and employees that are questionable in terms of laws and regulations, individuals regardless of their position shall report such matters directly to the organizational contact set up to receive internal reports, pursuant to the regulations on the whistle-blowing system. The Compliance Committee shall endeavor to make the existence of the whistle-blowing system known.

d Audit Office

The Audit Office shall operate independently of the Company's operating divisions. It shall perform internal audits on legal compliance of individual sectors and audits encompassing areas such as, information security management systems (ISMS), information systems, information security and personal information protection. It shall also audit work processes and other operations of individual sectors, and take steps to uncover and prevent improprieties and to improve processes.

2. System for storage and control of information concerning the directors' performance of their duties

a Manager in charge of information storage and management

With respect to the storage and management of information pertaining to the directors' performance of duties, the Company shall store the documents set forth below (including electro and magnetic records thereof) along with related materials under the responsibility of the director in charge of general affairs and in accordance with the Company's Regulations on Document Management and Handling.

i. Minutes of General Meetings of Shareholders

ii. Minutes of meetings of the Board of Directors

iii. Financial statements

iv. Internal circulars for managerial decision (ringi-sho)

v. Minutes of meetings of respective committees

vi. Documents otherwise designated in the Company's Regulations on Document Management and Handling

b Amendments to the Regulations on Document Management and Handling

Approval of the Board of Directors shall be obtained when amending the Regulations on Document Management and Handling.

c The Company shall develop regulations related to protection of personal information and

management of trade secrets, and store and manage personal information and important trade secrets in an appropriate and safe manner.

3. Regulations on management of risk of loss and other systems

a Risk Management Committee

The director in charge of risk management shall organize the Risk Management Committee and formulate the Risk Management Basic Regulations. Accordingly, the committee shall categorize risks in the regulations and establish specific risk management systems.

b Crisis management system in the event of disaster

The director in charge of risk management shall prepare a disaster response measures manual and develop crisis management system in accordance with the manual. The director in charge of risk management shall endeavor to make details of the manual known and provide education regarding disaster response.

4. System to ensure that directors perform their duties efficiently

When making decisions on allocating duties of directors and conferring segregations of duties and authority of individual sectors, the Board of Directors (or the representative directors) shall be careful not to make decisions that would result in bloated back-office operations, overlapping administrative sectors, intertwined areas of authority or would otherwise significantly impede efficiency.

5. System for ensuring the properness of business operations of the Group consisting of the Company, its parent company and its subsidiaries

a The Company shall establish a system in which the directors of the Company shall each oversee the management and performance of subsidiaries under their respective control and ensure the properness of such business operations.

b The Company's subsidiaries shall execute their business operations in accordance with basic agreements for operating companies and internal regulations of the respective subsidiaries, and such agreements and regulations shall be reviewed as needed.

c To achieve optimal performance and budget management of its subsidiaries, the Company shall hold monthly sectional meetings for each operating company for managing subsidiaries' overall performance and budgets on the basis of medium-term business plans and annual budgets, and furthermore hold sectional meetings with its principal subsidiaries as appropriate.

d When deemed necessary, the Audit Office may conduct audits related to business operations of subsidiaries.

6. System for reporting to the Company on matters pertaining to performance of duties by subsidiaries' directors, etc.

a The Company shall stipulate the procedures and content of reporting to the Company from subsidiaries in basic agreements for operating companies and provide appropriate guidance and advice on matters reported, while respecting the autonomy of subsidiary management.

b The Company shall ensure the properness of subsidiary business operations by receiving reports on the status of subsidiary management and financial position at meetings of the Executive Officers or monthly sectional meetings for each business segment.

7. Regulations on management of risk of loss of subsidiaries and other systems

a The Company shall make its Risk Management Basic Regulations thoroughly known to its subsidiaries.

b The Company shall receive weekly risk management and compliance status reports from all of its subsidiaries, by receiving checklists for monitoring compliance.

c Each subsidiary of the Company shall establish basic policies on risk management.

d In the event that a Director of the Company receives a report on risk of loss from a subsidiary under their respective control, it shall investigate the relevant facts in the case and report the matter to the director in charge of risk management.

8. System for ensuring that subsidiaries' directors, etc. perform their duties efficiently

a The Company's Board of Directors shall formulate medium-term business plans, medium- to long-term business strategy in which subsidiaries are involved, and coordinate with subsidiaries in

- establishing key management goals based on such plans and strategies, and making progress in that regard.
- b The Company shall stipulate procedures in its basic agreements for operating companies with respect to individual matters for approval involving its subsidiaries, and take steps to streamline decision-making in that regard.
9. System for ensuring that subsidiaries' directors, etc. and employees perform their duties in compliance with the applicable laws and regulations and the Articles of Incorporation
- a The Company shall verify the status of subsidiaries' operations using weekly checklists for monitoring compliance, and report such outcomes to the Compliance Committee as necessary.
- b The Company's whistle-blowing system shall also be used by its subsidiaries to prevent violations of laws and regulations and the Articles of Incorporation. The Company shall receive reports regarding the status of any disciplinary action taken on the basis of violations of laws and regulations or the Articles of Incorporation.
- c In order to perform audits on the appropriateness of the execution of duties by directors and employees in coordination with Audit & Supervisory Board members of a subsidiary, directors, Audit & Supervisory Board members or employees of the Company may concurrently serve as Audit & Supervisory Board members of a subsidiary.
10. System regarding employees to assist duties of Audit & Supervisory Board members when the Audit & Supervisory Board members request to assign such employees, and matters regarding the independence of such employees from the directors
- a Assigning an employee to act as an audit assistant
When an Audit & Supervisory Board member requests directors that an employee be assigned as an audit assistant to assist in his or her duties, the directors shall make the necessary organizational changes and personnel rotations upon consulting with the Audit & Supervisory Board member.
- b Duties of an audit assistant
Audit assistants shall be formally posted as assistant to Audit & Supervisory Board member and assist with duties of Audit & Supervisory Board members and Audit & Supervisory Board operations as instructed and ordered.
- c Independence of an audit assistant
- i. An audit assistant shall work under the instructions and orders of an Audit & Supervisory Board member, and as such is not subject to the instructions or orders of directors or any person positioned as his or her superior or the like in the organization unit to which the audit assistant belongs.
- ii. In performing their tasks, audit assistants may gather all information necessary for the audit.
- iii. Consent of the relevant Audit & Supervisory Board member must be obtained for matters involving personnel rotations (this includes consent for the transfer destination in case of personnel transfer), personnel evaluation and disciplinary action of an audit assistant.
11. Matters regarding ensuring effectiveness of Audit & Supervisory Board members' instructions to employees to assist them in their duties
- a Supervisory authority
Audit & Supervisory Board Members may instruct audit assistants as necessary for conducting audit work, and audit assistants shall have the authority to conduct necessary investigations based on such instructions.
- b Cooperative framework
When an audit assistant concurrently serves as an employee of another department, priority must be given to the employee's duties pertaining to the Audit & Supervisory Board member. Moreover, superiors of the other department with which the employee concurrently serves, and directors, must provide support as necessary upon request with respect to performance of such duties.
12. System for directors and employees to report to Audit & Supervisory Board members and the system concerning other reports to Audit & Supervisory Board members
- a Directors' obligation to report
A director must promptly report to an Audit & Supervisory Board member with respect to any discovery of an incident where work performed by another director or an employee is in violation of

- laws and regulations, or threatens to cause significant damage to the Company.
- b Employees' right to report
An employee may report to an Audit & Supervisory Board member with respect to any discovery of an incident where work performed by a director or another employee is in violation of laws and regulations, or threatens to cause significant damage to the Company.
 - c Internal reporting
The organizational contact set up to receive internal reports shall report matters involving the status of internal reporting to an Audit & Supervisory Board member.
13. System for reporting to Audit & Supervisory Board members by the following in subsidiaries: directors, accounting advisors, audit & supervisory board members, executive officers, executive members, persons executing duties set forth in Article 598, Paragraph 1 of the Companies Act, persons equivalent to such persons, and employees, or persons who receive reports from the foregoing persons
- a Directors and employees of a subsidiary shall immediately report to the director of the Company, in charge of the subsidiary under its respective control, if they discover an incident that significantly damages the subsidiary or threatens to do so, or otherwise if they discover a material incident involving violation of laws and regulations, the articles of incorporation or internal regulations within the subsidiary.
 - b With respect to matters involving reports received from directors of subsidiaries, any matters that Directors are to report to Audit & Supervisory Board members of the Company shall be those determined through mutual consultation between Directors and Audit & Supervisory Board members.
14. System for ensuring that persons who have reported matters are not treated disadvantageously on the grounds of their reporting
- a Persons who have reported matters to an Audit & Supervisory Board member shall not be treated disadvantageously in any way on the grounds of their reporting as set forth in the preceding paragraphs.
 - b When making decisions regarding the whistleblower with respect to personnel rotation, performance evaluation and disciplinary action, the fact of whistleblowing must not be a consideration, and the whistleblower may request an Audit & Supervisory Board member to conduct an inquiry into the reason for personnel rotation, performance evaluation and disciplinary action.
15. Matters regarding policies pertaining to procedures for prepayment or reimbursement of expenses arising with respect to performance of an Audit & Supervisory Board member's duties, or otherwise processing of expenses or debt obligations arising with respect to performance of such duties
- a Presentation of budget
The Audit & Supervisory Board shall present a preliminary budget to the Company with respect to expenses deemed necessary in performing duties.
 - b Claims for expenses, etc.
Directors may not reject the hereinafter listed claims made by an Audit & Supervisory Board member, etc. with respect to performance of his or her duties, unless it has been demonstrated that an expense or debt obligation pertaining to the claim is unnecessary with respect to performance of the Audit & Supervisory Board member's duties.
 - i. Claim for prepayment of expenses
 - ii. Claim for reimbursement of expenses already paid and interest on such amounts accrued after the date of payment
 - iii. Claim for making repayment to a person to whom a debt obligation is owed (or provision of reasonable guarantee of such amount in cases where the repayment due date of the obligation has not yet arrived)
16. System for ensuring that Audit & Supervisory Board members perform audits effectively
Audit & Supervisory Board members are provided preliminary explanations with respect to annual plans to be implemented by the Audit Office, and may ask for revisions to such plans and make other such requests. Moreover, Audit & Supervisory Board members may be appropriately provided reports regarding the status of internal audit implementation, and may call for performance of additional audits, improvement of business operations and other such requests, when deemed necessary.

[Overview of implementation of system for ensuring the properness of business operations]

1. Compliance initiatives

Directors attended monthly Compliance Committee meetings where they confirmed the status of compliance management at each subsidiary, identified issues, and discussed improvement measures and so forth. Moreover, at compliance sectional meetings, a theme was decided each month and training regularly implemented for officers and employees of the Company and its subsidiaries to help raise awareness of compliance issues.

2. Risk management initiatives

Directors attended monthly Risk Management Committee meetings where they endeavored to identify risks and implement appropriate measures to prevent the emergence of risks, in an effort to control them. Moreover, efforts to heighten disaster awareness included Company-wide emergency preparedness training simulating large-scale disasters held twice during the year.

3. Initiatives to ensure properness and efficiency in performance of duties

Senior management attended monthly Management meetings where they endeavored to make swift decisions and execute business operations efficiently.

4. Performance of Audit & Supervisory Board members' duties

A system was established to ensure appropriate implementation of audits, with one Full-time Audit & Supervisory Board Member assigned to serve in that position. The Full-time Audit & Supervisory Board Member attended Management meetings and other important internal meetings where he appropriately provided his opinions, and otherwise endeavored to ensure effectiveness of audits by gaining an understanding of important Company information and sharing such information in coordination with the Audit Office and other relevant departments.

5. Initiatives to ensure appropriate compliance and risk management in the Company's subsidiaries, and properness and efficiency in performance of duties

Objectives and policies formulated on the basis of medium-term business plans and medium- to long-term business strategy were shared with the Company's subsidiaries, and meetings were regularly held to ascertain progress made with respect to business performance and budget management as appropriate to the inherent characteristics of respective subsidiaries.

The Legal Affairs Office receives reports on the status of internal control and compliance from respective subsidiaries and regularly reports such content to the Compliance Committee, and establishes a system that enables immediate collaboration to identify and respond to risks as they arise.

The Company has established within its Audit Office a Business Audit Department for subsidiaries, which regularly performed audits of subsidiaries in order to ensure their appropriate work processes and actively cooperated with their audit departments in an effort to enhance governance.

The Company's Audit & Supervisory Board members concurrently served as Audit & Supervisory Board members of its subsidiaries, regularly received reports at the meetings of the Executive Officers and Audit Office briefings, and compiled details on the status of management and other necessary information, striving to ensure effectiveness of audit.

CONSOLIDATED BALANCE SHEETS

As of March 31, 2024

(Millions of yen)

ASSETS	
Current assets:	
Cash and time deposits	55,236
Notes receivable - trade	4,357
Accounts receivable - trade	78,455
Accounts receivable from completed construction contracts	1,523
Operating loans	14,322
Merchandise and finished goods	351,151
Real estate for sale	61,018
Costs on construction contracts in progress	7,259
Work in process	1,216
Raw materials and supplies	5,792
Other current assets	58,804
Allowance for doubtful accounts	(1,707)
Total current assets	637,431
Non-current assets:	
Property and equipment:	
Buildings and structures, net	205,961
Land	206,309
Lease assets, net	13,640
Construction in progress	2,474
Other, net	10,490
Total property and equipment, net	438,876
Intangible assets	40,633
Investments and other assets:	
Investment securities	15,474
Long-term loans receivable	2,547
Net defined benefit asset	3,089
Deferred tax assets	52,399
Guarantee deposits	77,421
Other assets	23,065
Allowance for doubtful accounts	(1,943)
Total investments and other assets	172,053
Total non-current assets	651,563
Total assets	1,288,994

CONSOLIDATED BALANCE SHEETS

As of March 31, 2024

(Millions of yen)

LIABILITIES AND NET ASSETS	
LIABILITIES:	
Current liabilities:	
Notes and accounts payable	99,024
Accounts payable for construction contracts	14,261
Short-term loans payable	131,566
Current portion of long-term loans payable	59,577
Lease obligations	5,387
Income taxes payable	6,401
Contract liabilities	46,310
Advances received on construction contracts in progress	19,010
Provision for bonuses	14,215
Other provisions	5,618
Other current liabilities	60,271
Total current liabilities	461,646
Long-term liabilities:	
Long-term loans payable	108,197
Lease obligations	11,108
Provision for directors' retirement benefits	288
Provision for product warranties	1,485
Other provisions	93
Net defined benefit liability	33,983
Asset retirement obligations	38,275
Other long-term liabilities	9,739
Total long-term liabilities	203,173
Total liabilities	664,819
NET ASSETS:	
Shareholders' equity:	
Common stock	71,149
Capital surplus	74,670
Retained earnings	597,151
Treasury stock, at cost	(129,934)
Total shareholders' equity	613,036
Accumulated other comprehensive income:	
Valuation difference on available-for-sale securities, net of taxes	91
Foreign currency translation adjustments	2,133
Remeasurements of defined benefit plans	1,192
Total accumulated other comprehensive income	3,417
Subscription rights to shares	2,184
Non-controlling interests	5,536
Total net assets	624,174
Total liabilities and net assets	1,288,994

(Millions of yen with fractional amounts discarded, unless otherwise noted)

CONSOLIDATED STATEMENTS OF INCOME

Fiscal year ended March 31, 2024

		(Millions of yen)
Net sales		1,592,009
Cost of sales		1,137,791
Gross profit		454,217
Selling, general and administrative expenses		412,727
Operating profit		41,489
Non-operating income:		
Interest income	610	
Purchase discounts	2,229	
Sales of electric power	1,773	
Other	5,242	9,856
Non-operating expenses:		
Interest expenses	1,720	
Cost of sales of electric power	526	
Other	2,062	4,309
Ordinary profit		47,037
Extraordinary income:		
Gain on sales of non-current assets	1,698	
Gain on revision of retirement benefit plan	1,572	
Other	4	3,275
Extraordinary loss:		
Loss on disposal of non-current assets	604	
Impairment loss	7,943	
Loss on disaster	1,444	
Other	1,086	11,078
Profit before income taxes		39,234
Income taxes-current		13,686
Income taxes-deferred		769
Profit		24,777
Profit attributable to non-controlling interests		722
Profit attributable to owners of parent		24,055

(Millions of yen with fractional amounts discarded, unless otherwise noted)

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2023	71,124	74,653	581,540	(121,784)	605,535
Changes of items during the period					
Issuance of new shares	24	24			48
Cash dividends			(8,499)		(8,499)
Profit attributable to owners of parent			24,055		24,055
Purchase of treasury stock				(9,220)	(9,220)
Disposal of treasury stock		(42)		1,070	1,027
Change in scope of consolidation			114		114
Increase by merger			(59)		(59)
Change in ownership interest of parent due to transactions with non-controlling interests		34			34
Other changes in the period, net					-
Total changes of items during the period	24	16	15,610	(8,150)	7,501
Balance at March 31, 2024	71,149	74,670	597,151	(129,934)	613,036

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities, net of taxes	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at April 1, 2023	(1,139)	1,943	(1,719)	(914)	1,963	5,191	611,775
Changes of items during the period							
Issuance of new shares							48
Cash dividends							(8,499)
Profit attributable to owners of parent							24,055
Purchase of treasury stock							(9,220)
Disposal of treasury stock							1,027
Change in scope of consolidation							114
Increase by merger							(59)
Change in ownership interest of parent due to transactions with non-controlling interests							34
Other changes in the period, net	1,230	189	2,911	4,331	220	344	4,897
Total changes of items during the period	1,230	189	2,911	4,331	220	344	12,398
Balance at March 31, 2024	91	2,133	1,192	3,417	2,184	5,536	624,174

(Millions of yen with fractional amounts discarded, unless otherwise noted)

NON-CONSOLIDATED BALANCE SHEETS

As of March 31, 2024

(Millions of yen)

ASSETS	
Current assets:	
Cash and time deposits	4,304
Accounts receivable - trade	53,804
Raw materials and supplies	2
Short-term loans receivable from subsidiaries and affiliates	81,950
Prepaid expenses	2,910
Accounts receivable-other	18,586
Current portion of guarantee deposits	2,932
Other current assets	4,550
Allowance for doubtful accounts	(13,639)
Total current assets	155,402
Non-current assets:	
Property and equipment:	
Buildings	129,363
Structures	84
Machinery and equipment	2
Vehicles	0
Tools, furniture and fixtures	121
Land	170,869
Lease assets, net	188
Construction in progress	62
Total property and equipment, net	300,692
Intangible assets:	
Leasehold right	30,872
Other assets	1,249
Total intangible assets	32,122
Investments and other assets:	
Investment securities	7,672
Stocks of subsidiaries and affiliates	37,794
Long-term loans receivable from subsidiaries and affiliates	3,983
Long-term prepaid expenses	2,507
Deferred tax assets	15,244
Guarantee deposits	39,597
Other assets	217
Allowance for doubtful accounts	(485)
Total investments and other assets	106,533
Total non-current assets	439,348
Total assets	594,751

NON-CONSOLIDATED BALANCE SHEETS

As of March 31, 2024

(Millions of yen)

LIABILITIES AND NET ASSETS	
LIABILITIES:	
Current liabilities:	
Accounts payable	70,534
Short-term loans payable	68,015
Current portion of long-term loans payable	54,374
Lease obligations	52
Accounts payable-other	4,120
Accrued expenses	149
Income taxes payable	795
Advances received	249
Deposits received from subsidiaries and associates	0
Provision for bonuses	774
Provision for directors' bonuses	81
Other current liabilities	1,180
Total current liabilities	200,327
Long-term liabilities:	
Long-term loans payable	97,354
Lease obligations	158
Provision for retirement benefits	23,072
Asset retirement obligations	30,635
Other long-term liabilities	3,886
Total long-term liabilities	155,107
Total liabilities	355,434
NET ASSETS:	
Shareholders' equity:	
Common stock	71,149
Capital surplus	79,924
Legal capital surplus	71,067
Other capital surplus	8,856
Retained earnings	216,023
Legal retained earnings	312
Other retained earnings	215,711
General reserve	163,135
Retained earnings brought forward	52,576
Treasury stock, at cost	(129,934)
Total shareholders' equity	237,162
Valuation and translation adjustments:	(30)
Valuation difference on available-for-sale securities, net of taxes	(30)
Subscription rights to shares	2,184
Total net assets	239,316
Total liabilities and net assets	594,751

(Millions of yen with fractional amounts discarded, unless otherwise noted)

NON-CONSOLIDATED STATEMENTS OF INCOME

Fiscal year ended March 31, 2024

(Millions of yen)

Operating revenue		
Management fee income	12,590	
Real estate lease revenue	14,752	
Dividend income	37,500	64,842
Operating expenses		
Cost of real estate lease revenue	10,593	10,593
Operating gross profit		54,249
Selling, general and administrative expenses		20,465
Operating profit		33,783
Non-operating income:		
Interest income	523	
Purchase discounts	2,147	
Other	1,988	4,660
Non-operating expenses:		
Interest expenses	1,083	
Other	684	1,768
Ordinary profit		36,675
Extraordinary income:		
Gain on sales of non-current assets	1,653	
Other	4	1,658
Extraordinary loss:		
Loss on disposal of non-current assets	28	
Impairment loss	9	
Loss on cancellation of rental contracts	12	
Loss on valuation of investment securities	99	
Other	2	152
Profit before income taxes		38,182
Income taxes-current		2,213
Income taxes-deferred		(184)
Profit		36,153

(Millions of yen with fractional amounts discarded, unless otherwise noted)

NON-CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity									
	Common stock	Capital surplus			Retained earnings				Treasury stock, at cost	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
						General reserve	Retained earnings brought forward			
Balance at April 1, 2023	71,124	71,043	8,899	79,942	312	129,135	58,921	188,368	(121,784)	217,652
Changes of items during the period										
Issuance of new shares	24	24		24						48
Provision of general reserve						34,000	(34,000)	-		-
Cash dividends							(8,499)	(8,499)		(8,499)
Profit							36,153	36,153		36,153
Purchase of treasury stock									(9,220)	(9,220)
Disposal of treasury stock			(42)	(42)					1,070	1,027
Other changes in the period, net										
Total changes of items during the period	24	24	(42)	(18)	-	34,000	(6,345)	27,654	(8,150)	19,510
Balance at March 31, 2024	71,149	71,067	8,856	79,924	312	163,135	52,576	216,023	(129,934)	237,162

	Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities, net of taxes	Total valuation and translation adjustments		
Balance at April 1, 2023	(1,339)	(1,339)	1,963	218,276
Changes of items during the period				
Issuance of new shares				48
Provision of general reserve				-
Cash dividends				(8,499)
Profit				36,153
Purchase of treasury stock				(9,220)
Disposal of treasury stock				1,027
Other changes in the period, net	1,308	1,308	220	1,529
Total changes of items during the period	1,308	1,308	220	21,040
Balance at March 31, 2024	(30)	(30)	2,184	239,316

(Millions of yen with fractional amounts discarded, unless otherwise noted)