

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities identification code: 5930  
May 30, 2024

To our shareholders:

Toshihiko Shiozaki  
Chairman of the Board of Directors  
**Bunka Shutter Co., Ltd.**  
1-17-3, Nishikata, Bunkyo-ku, Tokyo

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

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

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 to be provided in electronic format) in electronic format, and posts this information on the Company’s website. Please access the website below by using the internet address shown below to review the information.

The Company’s website:

<https://www.bunka-s.co.jp/ir/individual/meeting/> (in Japanese)

In addition to the Company’s website, the matters to be provided in electronic format are also posted on the website of the Tokyo Stock Exchange. Please review this information from the internet address shown below.

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 “Bunka Shutter” in “Issue name (company name)” or the Company’s securities code “5930” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or the Internet, etc. Should you wish to do so, please review the Reference Documents for the General Meeting of Shareholders and exercise your voting right no later than 5:30 p.m., Monday, June 17, 2024 (Japan Standard Time).

**1. Date and Time:** Tuesday, June 18, 2024 at 10:00 a.m. (Japan Standard Time)

**2. Venue:** 2F Hall, Head Office of the Company  
1-17-3, Nishikata, Bunkyo-ku, Tokyo

**3. Purposes:**

**Items to be reported:**

1. Business Report and Consolidated Financial Statements for the 78th Term (from April 1, 2023 to March 31, 2024), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. Non-Consolidated Financial Statements for the 78th Term (from April 1, 2023 to March 31, 2024)

**Items to be resolved:****<Company proposals> (Proposals 1 to 3)**

- Proposal 1:** Appropriation of surplus
- Proposal 2:** Election of seven (7) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)
- Proposal 3:** Revision of the amount of remuneration for Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)

**< Shareholder proposals (Proposals 4 to 8) >**

- Proposal 4:** Appropriation of surplus
- Proposal 5:** Revision of the provisions of articles with regard to the disposition of cross-shareholdings held below the cost-of-capital
- Proposal 6:** Revision of the provisions of articles with regard to the disclosure of cross-shareholdings held below the cost-of-capital
- Proposal 7:** Disclose the criteria for any performance-linked and stock-based remuneration paid to the Representative Director
- Proposal 8:** Add a clawback provision on remuneration made to Directors

**4. Guide to Exercising Voting Rights:**

- (1) Exercising voting rights in writing

Please indicate your approval or disapproval of the proposals on the voting form and return it by postal mail to reach us no later than 5:30 p.m., Monday, June 17, 2024 (Japan Standard Time).

- (2) Exercising voting rights via the Internet, etc.

If you are exercising your voting rights via the Internet, etc., please exercise your voting rights by 5:30 p.m., Monday, June 17, 2024 (Japan Standard Time).

- (3) If you exercise your voting rights both in writing and via the Internet, etc., the votes made via the Internet, etc., shall prevail. If you exercise your voting rights multiple times via the Internet, etc., the vote submitted last shall prevail.

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

Note that, when convening this General Meeting of Shareholders, paper-based documents (the “documents to be delivered”) stating matters to be provided in electronic format will be delivered to all shareholders regardless of whether they have made a request for delivery of such documents. Provided, however, that the system to ensure the properness of operations, overview of operational status of the system to ensure the properness of operations, basic policy on company control, consolidated statement of changes in shareholders’ equity, notes to consolidated financial statements, non-consolidated statement of changes in shareholders’ equity, and notes to non-consolidated financial statements are not provided in the documents to be delivered under laws and provisions of the Company’s Articles of Incorporation. The Audit and Supervisory Committee Members and financial auditor have audited the documents to be audited, including the matters listed above.

In addition, if revisions to the matters to be provided in electronic format arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's aforementioned website and the TSE website.

### **Guidance for the Exercise of Voting Rights**

There are three methods to exercise your voting rights as indicated below.

#### **Exercise of voting rights by attending the General Meeting of Shareholders**

Please submit the voting form at the reception desk.

Date and time: Tuesday, June 18, 2024, 10:00 a.m. (Japan Standard Time)

#### **Exercise of voting rights in writing (by postal mail)**

Complete the voting form by indicating your approval or disapproval of the proposals and return it without affixing a stamp.

Exercise due date: To be received no later than 5:30 p.m. on Monday, June 17, 2024 (Japan Standard Time)

#### **Exercise of voting rights via the Internet**

Indicate your approval or disapproval of the proposals in accordance with the instructions on page 5.

Exercise due date: No later than 5:30 p.m. on Monday, June 17, 2024 (Japan Standard Time)

- \* In the case that voting rights are exercised in duplicate, via both in writing (via postal mail) and via the Internet, etc., the vote via the Internet, etc. shall be deemed valid.
- \* If you exercise your voting rights multiple times via the Internet, the last vote cast shall be considered valid.

#### **Exercising voting rights in writing**

Exercise due date: To be received no later than 5:30 p.m. on Monday, June 17, 2024 (Japan Standard Time)

Please indicate your approval or disapproval on the voting form and return it to us.

If you agree with the opinion of the Board of Directors of the Company, please mark ○ in the disapproval box in the fields for approval or disapproval of shareholder proposals.

- \* If there is no indication of approval or disapproval for each proposal, it will be treated as an indication of approval for the Company proposals and disapproval for the shareholder proposals.

#### **■How to fill out the voting form**

Proposal 1 through 3 are proposals presented by the Board of Directors of the Company.

Proposal 4 through 8 are proposals made by certain shareholders.

The Board of Directors is opposed to all of these proposals. Please refer to page 18 for further details

- ▶ If “for”: please circle “For”
- ▶ If “against”: please circle “Against”

## **Guidance for the Exercise of Voting Rights via the Internet, etc.**

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

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

- 1 Please scan the QR Code located on the bottom right of the voting form.
  - \* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
- 2 Indicate your approval or disapproval in accordance with the instructions to be shown on the screen.

### **Please note that exercising voting rights by using “Smart Vote” method is available only once.**

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

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

### **Method 2: Entering the Voting Right Exercise Code and Password**

Website for exercising your voting rights: <https://www.web54.net>

- 1 Please access the website for exercising your voting rights.
- 2 Enter your voting right exercise code as listed on the voting form.
- 3 Enter the password printed on the voting form.
- 4 Indicate your approval or disapproval in accordance with the instructions to be shown on the screen.

In case you need instructions for how to operate your personal computer or smartphone in order to exercise your voting rights via the Internet, please contact:  
Sumitomo Mitsui Trust Bank, Limited  
Dedicated phone line for Stock Transfer Agency Web Support  
Telephone: 0120-652-031 (toll-free within Japan only)  
(Business hours: 9:00 a.m.–9:00 p.m.)

\* Institutional investors may use the platform operated for institutional investors by ICJ, Inc. to electronically exercise the voting rights.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Matters

#### <Company proposals> (Proposals 1 to 3)

##### **Proposal 1:** Appropriation of surplus

For the appropriation of surplus, the Company proposes the following year-end dividends for the 78th term, taking into account the Company's operating results for the current fiscal year, with a view to maintaining a stable financial base by securing sustainable profits and continuing to pay stable dividends to shareholders.

##### Matters related to year-end dividends

(1) Type of dividend property

Cash

(2) Allocation of dividend property to shareholders and total amount thereof

34 yen per common share of the Company

Total amount of dividends: 2,429,465,410 yen

(The Company has already paid 21 yen per share as an interim dividend on December 1, 2023. The total dividend for the fiscal year will therefore amount to 55 yen per share.)

(3) Effective date of distribution of dividends of surplus

June 19, 2024

**Proposal 2:** Election of seven (7) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)

The terms of office of all seven (7) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. Therefore, the Company proposes that seven (7) Directors (excluding those who serve as Audit and Supervisory Committee Members) be elected.

This proposal has been deliberated, etc. of the Nomination/Remuneration Committee, which is chaired by an independent Outside Director and the majority of whose members are independent Outside Directors, in response to the inquiry of the Board of Directors. The Audit and Supervisory Committee of the Company has determined that all candidates are qualified.

The names of the Director candidates (excluding those who concurrently serve as Audit and Supervisory Committee Members) as well as the reasons for their nomination are shown below.

No.	Name	Gender	Current position and responsibilities in the Company	
1	Toshihiko Shiozaki	Male	Representative Director and Chairman of the Board of Directors	Reelection
2	Hiroyuki Ogura	Male	Representative Director and President, Executive President	Reelection
3	Mitsuru Mita	Male	Director-Managing Operating Officer and responsible for sales, design, and construction	Reelection
4	Haruhiko Ichikawa	Male	Director-Managing Operating Officer and responsible for management operations and overseas	Reelection
5	Tadahito Ooka	Male	Managing Operating Officer and responsible for manufacturing, new business, and product development	New election
6	Nobuki Goto	Male	–	New election Outside Independent officer
7	Reiko Kusunose	Female	–	New election Outside Independent officer

- Notes:
1. Nobuki Goto and Reiko Kusunose are candidates for new Outside Directors, and the Company plans to register them as independent officers with the Tokyo Stock Exchange.
  2. If the election of Nobuki Goto and Reiko Kusunose is approved, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company plans to enter into agreements with them to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. The upper limit on liability for damages under the agreements will be the total of the amounts prescribed in the items of Article 425, paragraph (1) of the Companies Act.
  3. The Company has entered into a liability insurance contract for officers, etc. with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, and such insurance contract will cover the damage to be incurred by the insured, including the Company's Directors, in cases where liability for damages is incurred by the insured. In addition, such insurance contract is expected to be renewed with the same contents at the next renewal.

4. In February 2024, NIPPO CORPORATION, a company that Reiko Kusunose, a candidate for Outside Director, serves as an Outside Director, received information that a subsidiary of NIPPO CORPORATION has been shipping an asphalt mixture manufactured by blending recycled concrete aggregate as a new specification mixture. Following an investigation, NIPPO CORPORATION confirmed that asphalt mixture containing recycled concrete aggregate had been used in some construction projects ordered by the Ministry of Land, Infrastructure, Transport and Tourism and two expressway companies, which have designated the use of the new specification mixture. NIPPO CORPORATION reported its findings to the orderers and in April 2024, announced to the public that it would investigate and consult on its response as well as take measures to prevent recurrence.

Reiko Kusunose has previously pointed out the importance of compliance with laws and regulations at NIPPO CORPORATION's Board of Directors meetings, and has been involved in overseeing the operation of the internal reporting system, supervising the operation of the risk management system, and suggesting improvements. Since this issue came to light, she has fulfilled her responsibilities as an Outside Director by monitoring the situation by performing appropriate investigations, strengthening the system for complying with laws and regulations, and making recommendations regarding the prevention of recurrence.

5. The name of Reiko Kusunose on her family register is Reiko Ishii.



No.	Name (Date of birth)	Brief history, position and responsibilities	
1	Toshihiko Shiozaki December 13, 1947  Reelection	Mar. 1970	Joined the Company
		Apr. 1984	Manager of Fukuoka Factory of the Company
		Apr. 1987	Manager of Fukuoka Office of the Company
		Apr. 1990	Manager of Chiba Office of the Company
		Apr. 1993	Manager of Systems Department of the Company
		Oct. 1998	Manager of Human Resources Department of the Company
		Apr. 2006	Operating Officer and Manager of Human Resources Department of the Company
		Apr. 2007	Operating Officer and responsible for management operations of the Company
		June 2007	Director-Senior Operating Officer and responsible for management operations of the Company
		Apr. 2009	Director-Senior Operating Officer and General Manager of Planning Administration Division of the Company
		Apr. 2011	Director-Managing Operating Officer and responsible for management operations of the Company
		June 2012	Director-Senior Managing Operating Officer and responsible for management operations of the Company
		Apr. 2016	Representative Director and President, and Executive President of the Company
Apr. 2021	Chairman of the Board of Directors of the Company (present position)		
<p>■Significant concurrent positions outside the Company Chairman of Japan Rolling Shutters &amp; Doors Association</p>			
<p>■Special interest in the Company None</p>			
<p>■Number of the Company's shares owned 98,200</p>			
<p>■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members): Since joining the Company in 1970, Toshihiko Shiozaki has been responsible for production, sales, and the management of the head office, which has given him wide-ranging experience in a vast area of operations in the Group. Since assuming office of Director of the Company in 2007, he has been supervising primarily the management department and business execution in Group companies, and contributing to the expansion of the Group's business operations. Subsequently, in 2016, he assumed office of Representative Director and President, where he strongly led the implementation of the five-year Medium-Term Management Plan. Since assuming office of Representative Director and Chairman of the Board of Directors in 2021, he has discharged his directorial duties by chairing the Board of Directors and engaging in business management of the entire Group. In addition to the above, at present, he also serves as Chairman of Japan Rolling Shutters &amp; Doors Association, and works to promote and enhance social business activities related to safety and security, such as the spread and promotion of fire-protection facilities and projects. On this basis, the Company believes that Toshihiko Shiozaki remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</p>			

No.	Name (Date of birth)	Brief history, position and responsibilities	
2	Hiroyuki Ogura March 24, 1955 Reelection	July 1980	Joined the Company
		Apr. 2002	Manager of Minami Kyushu Office of the Company
		Apr. 2005	Manager of Kyushu Special Sales Office of the Company
		Apr. 2008	Manager of Chugoku-Shikoku Branch of the Company
		Apr. 2010	Operating Officer and Manager of Kyushu Branch of the Company
		Apr. 2011	Operating Officer and General Manager of West Japan Business Division of the Company
		June 2011	Director-Senior Operating Officer and General Manager of West Japan Business Division of the Company
		Apr. 2016	Director-Senior Operating Officer and General Manager of Building Materials Business Division of the Company
		Apr. 2018	Director-Managing Operating Officer and responsible for sales of the Company
Apr. 2021	Representative Director and President, and Executive President of the Company (present position)		
<b>■Significant concurrent positions outside the Company</b> None			
<b>■Special interest in the Company</b> None			
<b>■Number of the Company's shares owned</b> 33,500			
<b>■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members):</b> Since joining the Company in 1980, Hiroyuki Ogura has gained wide-ranging business experience and specialized insight primarily in sales operations. Since assuming office of Director of the Company in 2011, he has served as a supervisor of sales in West Japan and operations for major general contractors, as well as chief supervisor of the sales operations, and since assuming office of Representative Director and President in 2021, he has discharged his directorial duties by strongly leading efforts to implement the three-year Medium-Term Management Plan, as well as working on the implementation of the new Medium-Term Management Plan from 2024, and contributed to the expansion of the Group's business operations. On this basis, the Company believes that Hiroyuki Ogura remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.			

No.	Name (Date of birth)	Brief history, position and responsibilities	
3	Mitsuru Mita December 4, 1958  Reelection	Apr. 1982	Joined the Company
		Apr. 2001	Manager of Tama Office of the Company
		Apr. 2005	Manager of Kanagawa Office of the Company
		Apr. 2009	Manager of Fukuoka Office of the Company
		Apr. 2011	Manager of Chubu Office of the Company
		Apr. 2013	Operating Officer and General Manager of Special Demand Division of the Company
		Apr. 2014	Representative Director and President of Bunka Shutter Services Co., Ltd.
		Apr. 2018	Managing Operating Officer and General Manager of Building Materials Business Division of the Company
		June 2018	Director-Senior Operating Officer and General Manager of Building Materials Business Division of the Company
		Apr. 2021	Director-Managing Operating Officer and General Manager of East Japan Business Division of the Company
		Apr. 2024	Director-Managing Operating Officer and responsible for sales, design, and construction (present position)
<b>■Significant concurrent positions outside the Company</b> None			
<b>■Special interest in the Company</b> None			
<b>■Number of the Company's shares owned</b> 16,900			
<b>■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members):</b> Since joining the Company in 1982, Mitsuru Mita has gained wide-ranging business experience and specialized insight primarily in sales operations. In recent years, he has contributed to the expansion of the Group's business operations; since 2013, he has been responsible for new business, and since 2014, he has served as President of a subsidiary of the Group that provides after-sales support of the Company's support. Since his appointment as Director of the Company in 2018, he has fulfilled the duties of Director, for example, he has been largely in charge of major general contractors and served as a supervisor of sales in East Japan, and since 2024, as a chief supervisor of the Company's sales, design, and construction. On this basis, the Company believes that Mitsuru Mita remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.			

No.	Name (Date of birth)	Brief history, position and responsibilities	
	Haruhiko Ichikawa January 27, 1960 Reelection	Apr. 1983	Joined the Company
		Apr. 2007	Manager of Human Resources Department of the Company
		Apr. 2012	Manager of Human Resources & General Affairs Department of the Company
		Apr. 2013	Operating Officer and Manager of Human Resources & General Affairs Department of the Company
		Apr. 2016	Managing Operating Officer and responsible for management operations of the Company
		June 2018	Director-Senior Operating Officer and responsible for management operations of the Company
		Apr. 2021	Director-Managing Operating Officer and responsible for management operations of the Company
		Apr. 2024	Director-Managing Operating Officer and responsible for management operations and overseas of the Company (present position)
4	<p>■Significant concurrent positions outside the Company None</p>		
	<p>■Special interest in the Company None</p>		
	<p>■Number of the Company's shares owned 20,600</p>		
	<p>■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members): Since joining the Company in 1983, Haruhiko Ichikawa has gained specialized insight primarily in head office management—specifically, HR and general affairs—as well as wide-ranging business experience in sales promotion. Since 2016, he has discharged his directorial duties by contributing to the expansion of the Group's business operations by supervising head office operations, including accounting, finance, and group management operations, and has continued to do so as chief supervisor of head office operations since his appointment as Director of the Company in 2018, as well as since 2024 additionally in the role of the supervisor of overseas. On this basis, the Company believes that Haruhiko Ichikawa remains well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him once again for the position of Director.</p>		

No.	Name (Date of birth)	Brief history, position and responsibilities	
	Tadahito Ooka April 5, 1960 New election	Apr. 1984	Joined the Company
		Apr. 2013	Manager of Akita Factory of the Company
		Apr. 2015	Manager of Manufacturing Planning Department of the Company
		Apr. 2018	Operating Officer and Manager of Manufacturing Planning Department of the Company
		Apr. 2020	Managing Operating Officer and responsible for manufacturing of the Company
		Apr. 2024	Managing Operating Officer and responsible for manufacturing, new business, and product development of the Company (present position)
5	<p>■Significant concurrent positions outside the Company None</p>		
	<p>■Special interest in the Company None</p>		
	<p>■Number of the Company's shares owned 3,000</p>		
	<p>■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members): Since joining the Company in 1984, Tadahito Ooka has gained business experience and specialized insight primarily in manufacturing and technical operations. Since 2020, he has served as a chief supervisor of the Company's manufacturing operations, including manufacturing, quality assurance, and purchasing, as well as since 2024 additionally in the role of the supervisor of new business and product development, and contributed to the expansion of the Group's business operations. On this basis, the Company believes that Tadahito Ooka is well-suited to the task of making decisions on the Group's management policies and corporate strategy; therefore, the Company has nominated him for the position of Director.</p>		

No.	Name (Date of birth)	Brief history, position and responsibilities	
6	Nobuki Goto June 13, 1960  New election Outside Independent officer	Apr. 1983	Joined Tokio Marine & Fire Insurance Co., Ltd. (currently Tokio Marine & Nichido Fire Insurance Co., Ltd.)
		Dec. 1990	Seconded to Tokio Marine MC Asset Management Co., Ltd. (currently Tokio Marine Asset Management Co., Ltd.)
		July 1999	Manager of Investment Department I of Tokio Marine Asset Management Co., Ltd.
		July 2003	Manager of Investment Investigation Department of Tokio Marine Asset Management Co., Ltd.
		Apr. 2006	Executive Officer, Head of Investment Trust Business Division of Tokio Marine Asset Management Co., Ltd.
		July 2013	President & CEO of Tokio Marine Property Investment Management, Inc. (merged into Tokio Marine Asset Management Co., Ltd. in October 2016)
		Oct. 2016	Managing Director and Head of Property Investment Division of Tokio Marine Asset Management Co., Ltd.
		Apr. 2018	Managing Director and Head of Alternative Investment Division of Tokio Marine Asset Management Co., Ltd.
		Apr. 2020	Managing Director and Head of Administration Division of Tokio Marine Asset Management Co., Ltd.
		Apr. 2022	Managing Director and Head of Investment Division of Tokio Marine Asset Management Co., Ltd. (resigned in March 2024)
■Significant concurrent positions outside the Company		None	
■Special interest in the Company		None	
■Number of the Company's shares owned		0	
<p>■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members) and outline of expected roles:  Nobuki Goto has gained wide-ranging insight from his experience in the management of a major asset management company and a high level of expertise from the perspective of investors and shareholders. On this basis, the Company believes that he can leverage his experience and expertise to enhance the supervisory function of the Board of Directors through discussions from an independent and objective standpoint; therefore, the Company has newly nominated him to serve as Outside Director.  He is a former employee of Tokio Marine &amp; Nichido Fire Insurance Co., Ltd., which holds shares of the Company, and was employed by Tokio Marine Asset Management Co., Ltd., a Group company, for more than 30 years. However, the shareholding ratio of the Company's shares by both companies is 2.18% in the case of Tokio Marine &amp; Nichido Fire Insurance Co., Ltd. and less than 1% in the case of Tokio Marine Asset Management Co., Ltd. He retired from Tokio Marine Asset Management Co., Ltd. in March 2024. In addition, the scale of transactions between the Company and other companies where he worked in the past, including Tokio Marine &amp; Nichido Fire Insurance Co., Ltd., is less than 1% of the annual consolidated net sales of the companies concerned and the Company; therefore, he has independence.</p>			

No.	Name (Date of birth)	Brief history, position and responsibilities	
7	Reiko Kusunose October 2, 1965 New election Outside Independent officer	Apr. 1990	Joined The Sumitomo Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation)
		Aug. 1998	Joined Hyperion K.K. (currently Oracle Corporation)
		Oct. 2001	Joined Fuji Heavy Industries Ltd. (currently SUBARU CORPORATION)
		Oct. 2005	General Manager of Corporate Communications and Investor Relations Office of Fuji Heavy Industries Ltd.
		July 2011	Senior Manager of North America Business Planning Department, Subaru Overseas Sales & Marketing Division 1 of Fuji Heavy Industries Ltd.
		June 2013	CFO of Water Technology GBU of LIXIL Corporation
		Apr. 2015	Executive Officer, CFO of LIXIL Water Technology Japan of LIXIL Corporation
		July 2019	Director, General Manager of Accounting Standardization Promotion Department, Accounting and Finance Division of LIXIL Corporation
		Feb. 2020	Senior Corporate Officer and Assistant CFO of Nippon Sheet Glass Co., Ltd.
		July 2020	Senior Executive Officer and CFO of Nippon Sheet Glass Co., Ltd. (resigned in June 2023)
<p>■Significant concurrent positions outside the Company            Outside Director of NIPPO CORPORATION            Outside Director of TEIJIN LIMITED (scheduled to assume office in June 2024)</p>			
<p>■Special interest in the Company            None</p>			
<p>■Number of the Company's shares owned            0</p>			
<p>■Reasons for nomination as a candidate for Director (excluding those who concurrently serve as Audit and Supervisory Committee Members) and outline of expected roles:            Reiko Kusunose has a wealth of experience and expertise, including wide-ranging insight gained from her involvement in the management of a major manufacturing company, as well as experience in the overseas business and IR operations and having served as CFO at multiple manufacturing companies. On this basis, the Company believes that she can leverage her experience and expertise to enhance the supervisory function of the Board of Directors through discussions from an independent and objective standpoint; therefore, the Company has newly nominated her to serve as Outside Director.            She is a former employee of Sumitomo Mitsui Banking Corporation, one of the Company's major creditors. However, she retired from Sumitomo Mitsui Banking Corporation in December 1996, more than 20 years ago, and has had a diverse career at operating companies. In addition, the scale of transactions between the Company and the companies she previously worked for, including Sumitomo Mitsui Banking Corporation, is less than 1% of the annual consolidated net sales of the Company and the companies concerned; therefore, she has independence.</p>			

<Reference> Composition of the Board of Directors after this Ordinary General Meeting of Shareholders (Skill Matrix)

In order for the Company and the Group to achieve sustainable growth and enhance corporate value over the medium and long term, the Company is currently implementing a new three-year Medium-Term Management Plan formulated based on its “Corporate Motto,” “Management Philosophy,” and “CSR Charter” that have been passed on since its founding, with the basic theme of “Aiming to Create Permanent Corporate Value,” and it is promoting business measures to achieve the Plan’s goals.

With regard to the composition of the Board of Directors, from the perspective of realizing the above basic theme and ensuring the diversity and expertise of the Board of Directors, the Company has appointed persons with management experience at other companies and legal and finance experts, etc., and it has identified the skills necessary for the management of the Company, taking into consideration a balance of professionals who can demonstrate strengths in management in each business field and those who are suitable for maintaining and improving business administration and compliance.

If Proposals 2 is approved in its original form at this Ordinary General Meeting of Shareholders, the composition and expertise of the Board of Directors are as follows.

	Gender	Business Management	Industry Knowledge/Insight	Governance, Risk Management, Internal Control	Personnel and Labor Affairs, Human Resources Development, Social Issues	Financial Accounting, Finance, M&A, Dialogue	Sales Marketing	Product Development, Quality Control, Manufacturing, Procurement	International Experience Foreign Business
Toshihiko Shiozaki	Male	○	○	○	○	○	○	○	
Hiroyuki Ogura	Male	○	○	○	○	○	○		
Mitsuru Mita	Male	○	○				○		
Haruhiko Ichikawa	Male	○	○	○	○	○			○
Tadahito Ooka	Male		○					○	
Nobuki Goto	Male	○				○			
Reiko Kusunose	Female	○	○		○	○			○
Nariyuki Matsuyama	Male		○	○	○			○	
Shozo Fujita	Male	○		○	○				○
Kazufumi Abe	Male			○	○	○		○	
Yoshihiko Hayasaka	Male	○	○	○			○		
Kazue Shimamura	Female			○	○	○	○		

Note: The table does not represent all the insight and experience possessed by each person.



**Proposal 3:** Revision of the amount of remuneration for Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)

The amount of remuneration for Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) of the Company was approved at the 71st Ordinary General Meeting of Shareholders held on June 27, 2017 as 600 million yen or less per year (however, excluding the portion of employee salaries), and this amount has remained unchanged until now. If Proposal 2, “Election of seven (7) Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)” is approved in its original form at this Ordinary General Meeting of Shareholders, taking into consideration that the number of Outside Directors will increase by two (2), and that the responsibilities and required roles of Outside Directors are increasing from the perspective of further strengthening corporate governance, the Company proposes that the amount of remuneration for Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) remain unchanged at the current amount of 600 million yen or less per year, of which the amount of remuneration for Outside Directors shall be newly set at 50 million yen or less per year. The amount of remuneration for Directors will continue not to include employee salaries for Directors concurrently serving as employees. In addition, remuneration for Outside Directors will consist solely of base remuneration.

This proposal has been determined by the Board of Directors after deliberation, etc. by the Nomination/Remuneration Committee, which is chaired by an independent Outside Director and the majority of whose members are independent Outside Directors, in consideration of the purpose of revising the aforementioned amount of remuneration, in response to the inquiry of the Board of Directors. In addition, the policy for determining the content of remuneration for individual Directors of the Company is as described on pages 43 to 44 of the Business Report. This proposal is necessary and rational for the payment of remuneration, etc. in accordance with this policy. Based on the above, the Company has determined that the details of this proposal are appropriate.

Separately, an amount of share-based remuneration of 600 million yen or less for the period from the fiscal year ended March 31, 2023 to the fiscal year ending March 31, 2027 for Directors (excluding Audit and Supervisory Committee Members and Outside Directors) was approved at the 76th Ordinary General Meeting of Shareholders held on June 21, 2022, and this amount remains unchanged.

If Proposal 2, “Election of seven (7) Directors (excluding those who concurrently service as Audit and Supervisory Committee Members)” is approved in its original form, the number of Directors (excluding those who concurrently service as Audit and Supervisory Committee Members) will be seven (7) (including two (2) Outside Directors).

**< Shareholder proposals (Proposals 4 to 8) >**

Proposals 4 through 8 are proposed by two (2) shareholders.

The headings, subjects, details and grounds for the proposals have been sorted for each proposal, and have been written as the original of the proposals submitted by the shareholders.

Proposals 4 and 5 below (hereinafter referred to as “Proposals to Amend Remuneration”) are subject to approval or rejection of other proposals (including a proposal proposed by the Company) at this Ordinary General Meeting of Shareholders. If any adjustment is required to any wording, the wording relating to the Proposals to Amend Remuneration shall be read as the wording after the necessary adjustments. For a detailed description of each of the shareholder proposals below, please refer to <https://stracap.jp/5930-BUNKA/> or the special website link <https://stracap.jp/> at the upper right corner of the website of Strategic Capital, Inc. All Company figures in each shareholder proposal are based on consolidated financial statements unless stated as (non-consolidated).

The Company’s Note: “Proposals 4 and 5” above refer to Proposals 7 and 8.

## < Shareholder proposals >

### Proposal 4: Appropriation of surplus

#### 1. Proposal details

(1) Type of dividend property

Cash

(2) Allocation of dividend property and total amount thereof

127 yen, less the amount of dividends per share of common share-based on the proposal for the appropriation of surplus proposed by the Board of Directors of the Company that was approved at the 78th Ordinary General Meeting of Shareholders, the amount of dividends per share of common stock determined by the Board of Directors of the Company by the date of the 78th Ordinary General Meeting of Shareholders as the appropriation of surplus at the end of the fiscal year ended March 31, 2024 (including the planned appropriation thereof) pursuant to Article 39 of the Company's Articles of Incorporation, and the amount of interim dividends per share of common stock of 21 yen for the fiscal year ended March 31, 2024 (the sum of these amounts is hereinafter referred to as the "Company's Dividend Amount"), which shall be added to the Company's Dividend Amount to be distributed.

If the amount of net income per share for the 78th term rounded down to the nearest yen (hereinafter referred to as the "Actual EPS") is different from 127 yen, the first amount of 127 yen shall be read as the Actual EPS.

The total amount of dividends shall be the amount obtained by multiplying the number of shares subject to dividends as of the record date of voting rights at the 78th Ordinary General Meeting of Shareholders of the Company.

(3) Effective date of distribution of dividends of surplus

The day following the date of the 78th Ordinary General Meeting of Shareholders of the Company

This proposal shall be additionally proposed as independent from and compatible with any proposals other than this proposal approved at the 78th Ordinary General Meeting of Shareholders.

#### 2. Grounds for proposal

This proposal expects the Company to pay its entire net income as dividends, as well as to adopt 100% dividend payout ratio in the future, medium- to long-term capital policy.

As of the end of March 2023, the Company's equity ratio was 46.6%, and the Company's net cash (cash, deposits and securities, etc. minus interest-bearing debt) amounted to 31.8 billion yen as of the end of March 2023, which was over 20% of its market capitalization as of the end of March 2024.

In addition, the Company's ROE and P/B ratio have, over a long period, been inferior to those of Sanwa Holdings Corporation (hereinafter referred to as "Sanwa HD"), which also mainly handles shutters, and with which the Company shares the domestic market.

Accordingly, it is not necessary to retain funds within the Company, as any further increase in the company's equity will only result in a decline in ROE and thus a decline in the P/B ratio as well. The Company should use interest-bearing debt for business-related investment and should return its net income to shareholders to increase shareholder value.

[Opinion of the Company's Board of Directors on Proposal 4]

The Company's Board of Directors is opposed to this Proposal 4.

The Company's basic policy on dividend policy is to determine the amount of dividends in consideration of the business performance of the fiscal year, with a view to maintaining a stable financial base by securing sustainable profits and continuing to pay stable dividends to shareholders.

With this in mind, in the previous Medium-Term Management Plan, which was implemented until fiscal year 2023, a benchmark for the dividend payout ratio was 35%. We will endeavor to further enhance shareholder returns as a key theme in the new Medium-Term Management Plan that began in fiscal year 2024, setting a benchmark for the dividend payout ratio of 40%.

At the same time, we believe that we must further endeavor to respond to ESG and enhance our human capital, based on the Company's management philosophy, while also meeting the expectations of all stakeholders by leveraging our superior quality to contribute to the development of society. In addition, we continue to believe that our most important issue is investment for sustainable and stable growth, while responding promptly to changes in circumstances in Japan, such as the fiscal year 2024 issue in work styles in the logistics and construction fields, and financial policies.

This Shareholder Proposal proposes to distribute all net income for the fiscal year ended March 31, 2024, as dividends, but we believe that paying such a dividend may hinder the achievement of medium- and long-term management challenges, while also causing concerns that it will be difficult to implement stable returns to shareholders in the future.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

**Proposal 5:** Revision of the provisions of articles with regard to the disposition of cross-shareholdings held below the cost-of-capital

1. Proposal details

We require to add new Article in the current Articles of Incorporation as set forth below.

Chapter 8: Policy Shareholdings

Disposal of Policy Shareholdings

Article 43.

If there are any listed shares held by the Company for purposes other than pure investment for which the benefits of holding such shares are less than the capital cost, at the Company's Board of Directors meetings held during the previous fiscal year, Representative Directors must report such fact to the Board of Directors. If there are shares for which the holding benefits are reported to be less than the capital cost, and which the Company continues to hold at the end of the previous fiscal year (hereinafter referred to as "Shares Not Subject to Reduction"), the Company shall sell all Shares Not Subject to Reduction during the current fiscal year.

2. Grounds for proposal

Although the Proposing Shareholders believe that the Company should not hold any policy shareholdings, this proposal first requests the disposal of only those Shares Not Subject to Reduction for which the benefits of holding the shares are less than the capital cost.

The Company discloses that its policy is to determine the rationality of its policy shareholdings by "evaluating whether the related revenues meet the Company's capital cost." The Proposing Shareholders had recognized that, in light of this policy, the Shares Not Subject to Reduction would be reduced immediately and that, at least until reduced, the benefits would be disclosed as being less than the capital cost.

However, in reality, although the Company has reported to the Board of Directors that the benefits of its holdings are less than the capital cost for several shares, it will not reduce these holdings, and the Company does not disclose the fact that the benefits are less than the capital cost.

Despite the policy of reducing policy shareholdings being important information that affects investment decisions, the Company's stance is grossly dishonest to its shareholders. We request the Company to reduce its policy shareholdings in accordance with its own disclosed policy.

The Company's Board of Directors is opposed to this Proposal 5.

The policy shareholdings held by the Company are shares that we have already been holding for the medium to long term. Each year, for each individual issuing company, we determine whether the related revenues such as received-dividend and related-business transaction meet the Company's capital cost, and use the results of this evaluation to determine the appropriateness of our holdings. If the Company determines that shares issued by a particular issuer are no longer considered reasonable or necessary to hold, it is the Company's policy to promote to sell such shares and to reduce the number of such shares held by the Company. Based on the above policy, the Company is reducing the policy shareholdings and the ratio of policy shareholdings to consolidated net assets has been reduced from 15.8% as of the fiscal year ended March 31, 2018 to 9.3% as of the fiscal year ended March 31, 2024. The Company's Board of Directors makes decisions on the appropriateness of holding individual shares with respect to policy shareholdings for which related revenues such as received-dividend and related-business transaction fall below the Company's capital cost, based on the rationality and necessity of holding such shares, with reference to the results of evaluation of the capital cost. However, it is possible that the related revenues of such individual shares may temporarily fall below the capital cost due to factors such as reduced dividends caused by special circumstances. Based on these circumstances, decisions are made by comprehensively considering related revenues, including future order schedules and the prospect of increased dividends.

As stated above, the Company's Board of Directors makes a comprehensive judgment on the appropriateness of holdings based on the results of evaluation of whether related revenues such as received-dividend and related-business transaction meet the Company's capital cost for each individual issuing company. We believe that requiring the Company to uniformly dispose of policy shareholdings that are below the capital cost, as proposed in the Shareholder Proposal lacks management flexibility, and that it is inappropriate to stipulate such a rigid policy on the disposal of policy shareholdings in the Articles of Incorporation.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

**Proposal 6:** Revision of the provisions of articles with regard to the disclosure of cross-shareholdings held below the cost-of-capital

#### 1. Proposal details

Subject to the rejection of Proposal 2, we require to add new Article in the current Articles of Incorporation as set forth below.

#### Chapter 8: Policy Shareholdings

##### Information Disclosure

##### Article 43.

If there are any listed shares held by the Company for purposes other than pure investment for which the benefits of holding such shares are less than the capital cost, at the Company's Board of Directors meetings held during the previous fiscal year, Representative Directors must report such fact to the Board of Directors. If there are shares for which the holding benefits are reported to be less than the capital cost, and which the Company continues to hold at the end of the previous fiscal year (hereinafter referred to as "Shares Not Subject to Reduction"), the Company shall disclose in its Annual Securities Report the name of each issuing company of Shares Not Subject to Reduction and the grounds for the continued holding (however, limited to shares that are required to be listed by issuing company as specified investment shares in Annual Securities Reports).

#### 2. Grounds for proposal

This proposal requests disclosure of the names of issuing companies of the Shares Not Subject to Reduction that the Company continues to hold and the grounds for holding such shares in the event that the previous proposal is rejected.

First, despite the policy of reducing policy shareholdings being important information that directly affects shareholders' investment decisions, the Company's stance of not disclosing even the fact that there are shares for which the benefits of holding are less than the capital cost, is dishonest to its shareholders.

Furthermore, this stance violates Principle 1.4 of Japan's Corporate Governance Code (hereinafter referred to as the "CGC"), which states that the appropriateness of holdings should be assessed and the details of this assessment should be disclosed.

The CGC is the most important soft law, and at a company with a history of repeated violations of the law, thorough awareness of the standards is especially required, and compliance with the CGC, with which the Company claims to be compliant, is required.

If the Company is to be compliant with CGC Principle 1.4, it should at least disclose the content of the assessment, in other words the names of issuing companies of the Shares Not Subject to Reduction and the grounds for determining it should continue to hold such shares, in accordance with the wording "(omitted) The results of this assessment should be disclosed."

[Opinion of the Company's Board of Directors on Proposal 6]

The Company's Board of Directors is opposed to this Proposal 6.

The criteria for determining the appropriateness of holding individual policy shareholdings held by the Company based on the capital cost is as described in the Board of Directors' opinion on Proposal 5. This Shareholder Proposal requires disclosure of the names of the shares held and the grounds for continuing to hold them for policy shareholdings for which the benefits of holding have fallen below the capital cost. However, Furthermore, uniformly disclosing in the Annual Securities Report policy shareholdings for which the benefits of holding have fallen below the capital cost, as proposed in the Shareholder Proposal is not required by laws and regulations. The Company legally and appropriately discloses its policy shareholdings in its Annual Securities Report in accordance with laws and regulations, and we do not believe aforementioned disclosure to be necessary. We also believe that it is inappropriate in light of the nature of the Articles of Incorporation, as the fundamental rules of the Company, to stipulate such a rigid policy on the disclosure of policy shareholdings in the Articles of Incorporation.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**



**Proposal 7:** Disclose the criteria for any performance-linked and stock-based remuneration paid to the Representative Director

#### 1. Proposal details

This proposal requests disclosure of the amount and calculation method of performance-linked remuneration or share-based remuneration to be paid to Representative Directors.

The current remuneration plan (monetary remuneration was approved at the General Meeting of Shareholders held on June 27, 2017, and share-based remuneration was approved at the General Meeting of Shareholders held on June 21, 2022) for Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members; the same applies hereafter) and the remuneration plan for Directors after the change shall be as follows.

Matters concerning remuneration for the Company's Directors that are not specified below shall be applied in accordance with the current remuneration plan and the provisions of other proposals approved at this Ordinary General Meeting of Shareholders.

(Current remuneration plan for Directors)

The maximum amount of monetary remuneration for Directors shall be 600 million yen per year.

The amount of share-based remuneration for Directors shall be 600 million yen or less per five (5) fiscal years and a maximum number of shares of 60,000 points or less per year.

(Remuneration plan for Directors after amendment)

The maximum amount of monetary remuneration for Directors shall be 600 million yen per year (of which, the maximum amount of fixed remuneration shall be 300 million yen, and the maximum amount of other performance-linked remuneration shall be 300 million yen).

The amount of share-based remuneration for Directors shall be 600 million yen or less per five (5) fiscal years and a maximum number of shares of 60,000 points or less per year.

However, if the Company provides performance-linked remuneration or share-based remuneration (hereinafter referred to as "Variable Remuneration, etc.") to Directors with representation authority, the Company shall announce the total amount of Variable Remuneration, etc. and the calculation method thereof through TDnet by the end of the previous fiscal year for fiscal years in which the Variable Remuneration, etc. is provided to such Directors.

#### 2. Grounds for proposal

This proposal requests disclosure of remuneration of Variable Remuneration, etc. for Representative Directors, who bear the heaviest responsibility for increasing the Company's shareholder value.

Sanwa HD, which operates in the same industry as the Company, has successfully increased shareholder value by far more than the Company in aspects such as the absolute level of the stock price indicator, stock price performance, and capital efficiency. Sanwa HD's President Yasushi Takayama's remuneration exceeds 100 million yen, and since the fiscal year ended March 31, 2019, remuneration for "persons whose total consolidated remuneration exceeds 100 million yen" has been disclosed each year, thereby also ensuring transparency in terms of the remuneration for top management.

In contrast, despite failing to increase shareholder value, the Company does not even disclose individual remuneration.

In light of the Company's current failure to increase shareholder value, the Company should at least disclose the Variable Remuneration, etc. paid to Representative Directors, and it should explain management results and the validity of remuneration to shareholders.

The Company's Board of Directors is opposed to this Proposal 7.

At a meeting of the Board of Directors held on May 12, 2022, the Company passed a resolution concerning policies for determining the content of remuneration for individual Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members) of the Company, defining the Company's policy on performance-linked remuneration and the policy on non-monetary remuneration, etc.

First, the Company's policy on performance-linked remuneration stipulates that, with respect to executive bonuses which are performance-linked remuneration, with reference to survey data of executive remuneration by an external professional organization, of the total amount of Officer remuneration, a standard amount for the total amount of executive bonuses shall be set based on the ratio of each type of remuneration, and the total amount of executive bonuses shall be calculated by the degree of achievement of profitability indicators, etc. Specifically, the total amount of executive bonuses is calculated by calculating the target achievement ratio multiplier based on the degree of achievement of consolidated operating income, etc., and multiplying this target achievement ratio multiplier by the standard amount of total executive bonuses.

The policy on non-monetary remuneration, etc. stipulates that, with respect to performance-linked share-based remuneration, with reference to survey data of executive remuneration by an external professional organization, of the total amount of Officer remuneration, each Director shall be granted a fixed number of points for each position based on the ratio of each type of compensation and share-based remuneration points calculated by multiplying the degree of achievement of profitability and capital efficiency indicators by the base points for each position, and will receive shares of the Company in proportion to the number of points granted. Specifically, the share-based remuneration points are calculated by calculating the target achievement ratio multiplier based on the fixed number of points for each position and the degree of achievement of ROE, etc., and multiplying this target achievement ratio multiplier by the base points for each position. Furthermore, the ratio of "monthly remuneration," "executive bonus" (when 100% of the target is achieved), and "share-based remuneration" (when 100% of the target is achieved) is determined at a ratio of 6:3:1, with reference to the data, etc. from an external professional organization's survey on Directors' remuneration.

Based on the above policy for determining the content of remuneration for individual Directors, and in order to strengthen objectivity and accountability in relation to the remuneration of Directors, the Nomination/Remuneration Committee, chaired by an independent Outside Director and a majority of whose members are independent Outside Directors, deliberates individual remuneration amounts and the total amount in advance, in response to the inquiry of the Board of Directors, and submits a report concerning the total amount of remuneration, then the Board of Directors makes a decision.

With regard to disclosure, the Company legally and appropriately discloses in its Business Report and Annual Securities Report the total amount of remuneration by officer category, the total amount of remuneration by type, and the number of officers, in accordance with laws and regulations. In particular, the Annual Securities Report includes individual disclosure of the amount of remuneration for Directors whose total amount of consolidated remuneration, etc. is 100 million yen or more. The Company believes it provides sufficient disclosure for confirmation by shareholders of the validity of the level of remuneration and the relationship between business performance and the level of remuneration.

Thus, the Company's Board of Directors believes that the procedures for determining executive bonuses and share-based remuneration, which are performance-linked remuneration, are appropriate and transparent, and that the remuneration levels, calculation methods, and disclosure methods are appropriate.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

**Proposal 8:** Add a clawback provision on remuneration made to Directors

1. Proposal details

This proposal requests the deferment of remuneration to be paid to Directors who are liable for damages in connection with losses incurred by the Company due to its violation of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (hereinafter referred to as the “Antimonopoly Act”).

The current remuneration plan (monetary remuneration was approved at the General Meeting of Shareholders held on June 27, 2017, and share-based remuneration was approved at the General Meeting of Shareholders held on June 21, 2022) for Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members; the same applies hereafter) and the remuneration plan for Directors after the change shall be as follows.

Matters concerning remuneration for the Company’s Directors that are not specified below shall be applied in accordance with the current remuneration plan and the provisions of other proposals approved at this Ordinary General Meeting of Shareholders.

(Current remuneration plan for Directors)

The maximum amount of monetary remuneration for Directors shall be 600 million yen per year.

The amount of share-based remuneration for Directors shall be 600 million yen or less per five (5) fiscal years and a maximum number of shares of 60,000 points or less per year.

(Remuneration plan for Directors after amendment)

The maximum amount of monetary remuneration for Directors shall be 600 million yen per year.

The amount of share-based remuneration for Directors shall be 600 million yen or less per five (5) fiscal years and a maximum number of shares of 60,000 points or less per year.

However, with respect to the Company’s Directors who served as Directors of the Company during the period from May 16, 2007 to November 18, 2008 (hereinafter referred to as the “Administrative Monetary Penalty Calculation Period”) and were the basis for the calculation of the administrative monetary penalty in the two administrative monetary penalty orders (hereinafter referred to as the “Administrative Monetary Penalty”) issued to the Company by the Japan Fair Trade Commission on June 9, 2010 (hereinafter referred to as the “Directors Involved”), the payment of remuneration shall be deferred, paid, or forfeited in accordance with the following provisions.

(1) Types of remuneration subject to deferment and forfeiture

Remuneration to be paid in accordance with a resolution of the General Meeting of Shareholders, which is to be determined and paid following this Ordinary General Meeting of Shareholders and which the Nomination/Remuneration Committee deems lawful to be subject to deferment and forfeiture of payment, or for which the Directors Involved agree to deferment and forfeiture of payment.

(2) Period during which the payment of remuneration may be deferred

The period until a judgment is finalized with respect to the action to revoke the payment order for the Administrative Monetary Penalty (hereinafter referred to as a “Final Judgement”).

(3) Treatment of remuneration for which payment has been deferred and forfeiture of remuneration

(a) In the event that the payment order for the Administrative Monetary Penalty is revoked in the Final Judgment

The Company shall pay the Directors Involved the total amount of the remuneration for which payment has been deferred, plus interest equivalent to the statutory interest rate.

(b) In the event that the payment order for the Administrative Monetary Penalty is not revoked in the Final Judgment, and the validity of the payment order for the Administrative Monetary Penalty and the amount of the Administrative Monetary Penalty are determined

The Company shall forfeit all remuneration that has been deferred for payment and shall forfeit all remuneration to the Directors Involved until the amount of the Administrative Monetary Penalty authorized in the Final Judgment is reached.

## 2. Grounds for proposal

This proposal requests that payment of remuneration to Chairman Toshihiko Shiozaki be deferred.

Chairman Toshihiko Shiozaki was a Director during the period that the administrative monetary penalty was calculated, failed to prevent the violation of the Antimonopoly Act, and was one of the people responsible for causing huge losses to the Company. We have no choice but to assess that he significantly lacks the necessary qualities as Director.

With respect to the payment of an administrative monetary penalty for violating the Antimonopoly Act, this case involved negligence on the part of Directors, and the court ruled that the people who were Directors during the Administrative Monetary Penalty Calculation Period are liable for damages equivalent to the administrative monetary penalty, and therefore, we believe that Chairman Toshihiko Shiozaki is similarly liable to the Company.

The Company is fighting to have the administrative monetary penalty order revoked, but lost the trial and its case in the higher court. In light of the current situation, deferring remuneration for the Directors Involved until the court's decisions on the revocation of the administrative monetary penalty order is finalized, and then forfeiting payment as necessary, will contribute to improving the Company's governance and increasing shareholder value.

[Opinion of the Company's Board of Directors on Proposal 8]

The Company's Board of Directors is opposed to this Proposal 8.

At a meeting of the Board of Directors held on May 12, 2022, the Company passed a resolution concerning the policy for determining the content of remuneration for individual Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members) of the Company.

In order to strengthen objectivity and accountability in relation to the remuneration of Directors, the Nomination/Remuneration Committee, chaired by an independent Outside Director and a majority of whose members are independent Outside Directors, deliberates individual remuneration amounts and the total amount in advance, in response to the inquiry of the Board of Directors, and submits a report concerning the total amount of remuneration, then the Board of Directors makes a decision. The specific monthly amounts of remuneration for each Director and executive bonuses are determined for each Director based on the results of deliberation by the Nomination/Remuneration Committee, while taking into consideration the Company's business performance and other factors, and the determination is therefore delegated to Representative Director Toshihiko Shiozaki and Representative Director Hiroyuki Ogura. The reason for the delegation is that the Company has determined that the Representative Director is suitable to determine the individual amounts for each Director based on the results of deliberation by the Nomination/Remuneration Committee, while taking into consideration the Company's overall business performance and other factors. Governance concerning the procedures for determining the amount of remuneration, etc. of the Company's Directors including Representative Directors, is functioning effectively.

In addition, if we need to consider whether to return or defer remuneration to Directors, the Board of Directors, the Nomination/Remuneration Committee, and other appropriate bodies will need to make an appropriate decision after sufficient discussion, taking into consideration the specific individual circumstances regarding whether to return or defer remuneration and the amount involved, etc.

However, the content of the Shareholder Proposal does not take into account specific individual circumstances, rather, it makes Directors subject to deferment or forfeiture of remuneration, etc., regardless of whether they have violated their duty of care of a good manager, based solely on the fact that they held the position of Director during a certain period of time that was used as the basis for calculating a specific administrative monetary penalty. We believe that this is unfair in light of the Company's approach to the return or deferment of remuneration described above, and that it deviates from the so-called claw back clause or so-called malus clause introduced in Director remuneration practices. We also believe that this may reduce or limit the authority and decision-making flexibility of the Board of Directors, the Nomination/Remuneration Committee, and other bodies, and prevent appropriate institutional decision-making.

Therefore, **the Company's Board of Directors is opposed to this shareholders proposal.**

## **Business Report**

(From April 1, 2023 to March 31, 2024)

### **1. Business Progress and Achievements of the Corporate Group**

#### (1) Overview of business during the fiscal year

##### 1) Business activities and results

During the fiscal year, the Japanese economy continued its moderate recovery trend as economic activity normalized and inbound tourism demand picked up following the reclassification of COVID-19 to a Class 5 Infectious Disease. Improvements in employment and income backed by wage increases and other factors also are also contributing to the recovery.

At the same time, its outlook remains uncertain due to the prolonged conflict in Ukraine, instability in the Middle East, persistent high prices, and supply-side constraints stemming from labor shortages.

In the areas of the construction and housing industries in which the Bunka Shutter Group operates, although private capital expenditure is recovering and construction demand remains firm, the number of new housing starts has weakened amid soaring construction costs, resulting in an uncertain outlook.

Under these circumstances, the Bunka Shutter Group posted net sales of ¥221,076 million (up 11.0% year-over-year). With regard to profits, as a result of all Group segments exerting the utmost effort to secure profits by increasing sales, cutting costs, and other measures, operating income increased 49.4% year-over-year to ¥14,472 million, ordinary income grew 59.5% year-over-year to ¥15,941 million, and net income attributable to owners of the parent also was up 34.0% year-over-year to ¥10,582 million.

An overview of business segments is provided below:

##### (Shutter Business)

In the shutter business, the strong performance of heavy-duty shutters for large-scale distribution warehouses and large commercial complexes led to an increase in net sales of 15.5% year-over-year to ¥91,094 million, as well as an increase in operating income of 39.9% year-over-year to ¥8,718 million.

##### (Construction-Related Materials Business)

In the construction-related materials business, the strong performance of steel doors for large commercial complexes, factories and warehouses led to an increase in net sales of 9.2% year-over-year to ¥87,870 million, as well as an increase in operating income of 67.4% year-over-year to ¥4,427 million.

##### (Service Business)

The service business saw strong performance in emergency repairs and periodic maintenance services. Including the performance of a consolidated subsidiary Bunka Shutter Service Co., Ltd., net sales increased 8.7% year-over-year to ¥29,115 million, and operating income also increased 16.3% year-over-year to ¥5,280 million.

##### (Refurbishment Business)

In the refurbishment business, we are focusing our efforts on the building renovation business and the refurbishment business for residential properties. The sluggish performance of the refurbishment business for residential properties led to a decrease in net sales of 6.2% year-over-year to ¥5,973 million after including the performance of the consolidated subsidiary BX Yutoriform Co., Ltd., as well as an operating loss of ¥17 million.

(Other Business)

In other business, the water-sealing business, which handles water-sealing equipment for dealing with the social problems of torrential rain, etc., remained strong, so net sales increased 5.4% year-over-year to ¥7,022 million, and operating income also rose 16.5% year-over-year to ¥1,095 million.

2) Capital investments

Capital investments during the fiscal year under review totaled ¥4,826 million, mainly for system development expenses associated with digitalizing operations as part of digital transformation (DX), PC terminals and peripheral equipment costs, and renewal and maintenance expenses for facilities for factories, etc.

3) Financing

For the three years from October 2023 to October 2026, the Company entered into commitment line agreements with financial institutions with a lending limit of ¥7.0 billion in order to raise funds efficiently and stabilize its financial base.

In addition, during the fiscal year under review, the Company issued corporate bonds as follows:

Category	Date of issue	Total amount issued	Interest rate	Redemption date
Domestic unsecured straight bonds	January 24, 2024	¥10,000 million	0.674% per annum	January 24, 2029

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

Not applicable.

5) Acquisition of business of other companies

Not applicable.

6) Succession of rights and obligations concerning business of other juridical persons, etc. by absorption-type merger or absorption-type split

Not applicable.

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

BX BUNKA AUSTRALIA PTY LTD, a wholly owned subsidiary of the Company, acquired the entire shares of DOORWORKS AUSTRALIA PTY LTD and SPRINT ROLLER SHUTTERS PTY LTD, which are shutter manufacturers in Australia, on April 20, 2023 and September 1, 2023, respectively, making both companies its wholly owned subsidiaries.

In addition, BX BUNKA NEW ZEALAND LIMITED, a wholly owned subsidiary of the Company, acquired the entire shares of Windsor Doors Limited, Windsor Doors (South Island) Limited, Jones Door Company (2005) Limited, and Doors 2000 Limited, which are manufacturing and sales companies of garage doors in New Zealand, on May 24, 2023, making these companies its wholly owned subsidiaries.

## (2) Issues to be addressed

The Japanese economy is expected to see continued moderate recovery backed by firm domestic demand primarily in private consumption and capital investments. However, the future is still unpredictable as there is no sign yet of a path to the resolution of the Russia-Ukraine situation and Ukraine and the situation in the Middle East is growing more unstable, while Japan is mired in multiple downward pressures to its economy, such the so-called “2024 problem” hitting the logistics and construction industries and elevated costs due to the excessive weakening of the yen.

Under these circumstances, in fiscal year 2024, the Bunka Shutter Group launched a new three-year Medium-Term Management Plan under the underlying basic theme of “Aiming to Create Permanent Corporate Value.” We will prioritize the visualization of tasks as we work to create a mechanism for permanently creating profits and developing human resources for the next generation.

For fiscal year 2024, the first year of the plan, we have set a theme of “thorough visualization of business processes.” Based on this theme, we will continuously implement basic activities in the sales process with the aim of strengthening sales capabilities and improving customer satisfaction. We will also work on measures, such as further strengthening sales of disaster prevention, mitigation, and environmental products, building a production system infrastructure, reducing manufacturing costs in response to changes in the social environment, improving skills in design, installation, and construction; and investing in human capital to maximize BX Group value.

### Responding to climate change risks

The Group considers responding to climate change to be an important issue that should be resolved immediately. We have announced the “BX Group 2050 Declaration of Decarbonization,” and are promoting full-fledged initiatives aimed at decarbonization.

As a “mitigation” aspect of our efforts to reduce greenhouse gas emissions, we obtained SBT certificate (science-based greenhouse gas emission reduction target for private companies) on October 16, 2023. We are also promoting specific initiatives, such as rationalizing energy use and equalizing electricity demand in our business activities in accordance with the Group’s Environmental Policy, procuring electricity from renewable energy sources at our operating sites, and enhancing loading efficiency with the introduction of “new logistics systems.”

Moreover, in the product development field, we are further expanding our lineup of environmentally friendly products, such as “SGD” environmentally friendly steel doors, which combine a reduction in materials weight through thin plate with CO<sub>2</sub> emissions reduction through the adhesive method.

At the same time, in terms of adaptations to avoid and reduce the impact of the changing climate in the future, we have set a new keyword, “heat shielding and insulation,” for which we expect demand to grow in the future. We will offer timely and accurate proposals to customers and users by focusing on the areas covering this key word through increasing sales of HaruCool heat shielding sheets, which control the rise of indoor temperatures during extremely hot weather, while also by expanding our lineup of water-sealing-related products that can support various locations and applications as solutions to protect buildings and others from disasters due to the social problems of torrential rain and severe rainstorms.

### Developing human capital

For any company, human resources are a vital asset. With this in mind, we pursue various investments (measures) in human resources aimed at increasing employee satisfaction, fulfillment, and engagement. We will also maximize human resource value through enhancements in areas such as productivity and creativity, in our bid to achieve sustainable corporate growth, and in turn, increase our corporate value.

We will specifically curb long working hours through the visualization of working hours, and use digital transformation to further pursue improvements in work efficiency and productivity, while at the same time expanding the child-care leave and family-care leave system, thereby expanding our personnel systems to be able to flexibly adapt to the lifestyles of individual employees. In addition, as part of our efforts to innovate education for maximizing the value of our human resources, we are



developing career maps and visualizing career paths of our employees to help them in their career development. We will also promote measures for nurturing the growth of junior employees in particular. For example, alongside our traditional on-the-job training, we are also introducing a mentor system that helps to alleviate the concerns and problems that can arise in the workplace.

In June 2023, the Group established its Policy on Diversity and Inclusion. Based on this policy, we will create an environment where everyone can use their individuality and maximize their abilities. By embracing various values and perspectives, we will strive to create new value, linking this to the growth of the Group.

#### Respecting human rights

In November 2022, the Group established the Bunka Shutter Group Human Rights Policy, which is based on the United Nations Guiding Principles on Business and Human Rights. By considering the degrees to which our business activities affect our stakeholders, we have identified important human rights issues that we must prioritize.

Based on our human rights policy, we are carrying out various measures to promote respect for human rights. We have formulated human rights due diligence implementation guidelines for identifying and evaluating human rights risks related to business, including the supply chain, and for reducing such risks and preventing violations from occurring. From February 2024, we conducted employee questionnaire on human rights as part of our efforts to be a “company that values people,” which is the culture that our Group has passed down.

#### Promoting CSR

The Group is constantly aware of its “Corporate Motto (Honesty, Hard work, and Service),” which is the starting point of its business activities, as well as its “Management Philosophy” and “CSR Charter.” We are committed to conducting our business activities in compliance with all laws and regulations. We are strongly aware to pursuit of profit in a fair business environment. We understand that contribution to society at large through our business activities is the key to building a relationship of trust with society, and we are constantly working to improve our compliance system.

The Group will emphasize ESG (Environment, Society, Governance), which is an important topic for sustainable company growth and development, and SDGs (Sustainable Development Goals) while improving the corporate value of the Group and strengthening initiatives directed at the development of a sustainable society by actively promoting CSR (Corporate Social Responsibility) even further.

As noted above, the Group is committed to carrying out businesses geared to the resolution of constantly changing social challenges by evolving continually as a “Comfortable Environment Solutions Group.”

We remain grateful to all of our stakeholders for their ongoing assistance, advice, and support.

### (3) Policy on decisions on dividends and other appropriation of surplus

The Company’s basic policy on dividend policy is to determine the amount of dividends in consideration of the business performance of the fiscal year, with a view to maintaining a stable financial base by securing sustainable profits and continuing to pay stable dividends to shareholders.

As part of the Company’s efforts to develop a more flexible dividend policy, the Company amended its Articles of Incorporation at the 71st Ordinary General Meeting of Shareholders of the Company held in June 2017 and, pursuant to the provisions of Article 459, paragraph (1) of the Companies Act, the Company has stipulated that dividends of surplus may be paid by resolution of the Board of Directors. With regard to dividends of surplus for the fiscal year under review (year-end dividend), the Company will submit a proposal to the General Meeting of Shareholders in accordance with the above basic policy as before and will consult with shareholders regarding the decision.

#### (4) Assets and profit and loss

##### 1) Changes in assets and profit and loss of the corporate group

(Millions of yen, unless otherwise noted)

Item \ By fiscal year	75th term FY2020	76th term FY2021	77th term FY2022	78th term FY2023 (Fiscal year under review)
Net sales	173,143	182,313	199,179	221,076
Ordinary income	11,910	9,081	9,992	15,941
Net income attributable to owners of the parent	8,399	6,706	7,899	10,582
Net income per share (Yen)	117.16	97.97	121.66	157.11
Total assets	168,350	169,205	177,246	206,879
Net assets	84,482	82,512	82,776	103,924
Net assets per share (Yen)	1,175.90	1,225.96	1,348.39	1,458.84

- Notes:
1. Net income per share is calculated based on the average total number of shares outstanding during the period, excluding treasury shares.
  2. Net assets per share is calculated based on the total number of shares outstanding at the end of the period, excluding treasury shares.
  3. In calculating the amount of “net income per share,” the Company’s shares held by the trust for the share-based remuneration for Directors are included in the number of treasury shares deducted from the average number of shares outstanding during the period. They are also included in the number of treasury shares deducted from the total number of issued shares at the end of the period in calculating the amount of “net assets per share.”

##### 2) Changes in assets and profit and loss of the Company

(Millions of yen, unless otherwise noted)

Item \ By fiscal year	75th term FY2020	76th term FY2021	77th term FY2022	78th term FY2023 (Fiscal year under review)
Net sales	116,810	119,422	128,366	141,603
Ordinary income	9,209	6,707	9,618	9,917
Net income	7,338	5,865	9,532	7,223
Net income per share (Yen)	102.32	85.64	146.76	107.21
Total assets	130,603	128,753	134,546	155,748
Net assets	69,812	66,359	66,247	82,189
Net assets per share (Yen)	973.45	987.52	1,081.00	1,155.08

- Notes:
1. Net income per share is calculated based on the average total number of shares outstanding during the period, excluding treasury shares.
  2. Net assets per share is calculated based on the total number of shares outstanding at the end of the period, excluding treasury shares.
  3. In calculating the amount of “net income per share,” the Company’s shares held by the trust for the share-based remuneration for Directors are included in the number of treasury shares deducted from the average number of shares outstanding during the period. They are also included in the number of treasury shares deducted from the total number of issued shares at the end of the period in calculating the amount of “net assets per share.”

#### (5) Significant parent company and subsidiaries

##### 1) Parent company

Not applicable.

## 2) Significant subsidiaries

Name	Share capital	Shareholding ratio of the Company	Principal lines of business
BX Shinsei Seiki Co., Ltd.	200 million yen	100.0%	Manufacture and sale of electric switches, various elevators, and measuring instruments
Bunka Shutter Service Co., Ltd.	110 million yen	100.0%	Repair and inspection of various shutters, etc.
BX Yutoriform Co., Ltd.	90 million yen	100.0%	Design, construction, and contracting of refurbishment and related businesses
BX Tenpal Co., Ltd.	30 million yen	100.0%	Manufacture and sale of awnings, etc. for commercial facilities and housing
BX Nishiyama Tetsumou Co., Ltd.	10 million yen	100.0%	Manufacture and sale of foundation reinforcement units, welded wire mesh, lathes, etc. for residential use
BX BUNKA AUSTRALIA PTY LTD	110 million AUD	100.0%	Manufacture and sale of garage doors and various shutters
BX BUNKA NEW ZEALAND LIMITED	50 million NZD	100.0%	Manufacture and sale of garage doors

Note: BX BUNKA AUSTRALIA PTY LTD and BX BUNKA NEW ZEALAND LIMITED are categorized as specified subsidiaries.

### (6) Principal lines of business (as of March 31, 2024)

The Group manufactures and sells various shutters, housing materials, building materials, construction hardware, etc., and conducts maintenance, inspection, and repair thereof, as well as insurance agency business, and home refurbishment business.

### (7) Major offices and factories (as of March 31, 2024)

#### 1) The Company's offices

Name	Location	Name	Location
Hokkaido Branch	Hokkaido	Door/Partition Business Department	Tokyo Prefecture
Tohoku Branch	Miyagi Prefecture	Shutter Business Department	Tokyo Prefecture
Kanetsu Branch	Gunma Prefecture	Water-Sealing Division	Tokyo Prefecture
Higashi Kanto Branch	Chiba Prefecture	Maintenance Business Department	Tokyo Prefecture
Metropolitan Area Branch	Tokyo Prefecture	Overseas Business Department	Tokyo Prefecture
Metropolitan Area Building Construction Materials Branch	Tokyo Prefecture	Chubu Branch	Aichi Prefecture
Renovation Branch	Tokyo Prefecture	Kansai Branch	Osaka Prefecture
East Japan Design and Construction Management Department	Tokyo Prefecture	House Construction Materials West Japan Branch	Osaka Prefecture
Door Management Department	Tokyo Prefecture	West Japan Design and Construction Management Department	Osaka Prefecture
House Construction Materials East Japan Branch	Tokyo Prefecture	Chugoku-Shikoku Branch	Hiroshima Prefecture
Sales Promotion Department	Tokyo Prefecture	Kyushu Branch	Fukuoka Prefecture

## 2) Factories of the Company

Name	Location	Name	Location
Chitose Factory	Hokkaido	Himeji Factory	Hyogo Prefecture
Akita Factory	Akita Prefecture	Gochaku Factory	Hyogo Prefecture
Oyama Factory	Tochigi Prefecture	Fukuoka Factory	Fukuoka Prefecture
Takegawa Factory	Shizuoka Prefecture		

## 3) Major business offices of subsidiaries

Name	Location	Main lines of business
Bunka Shutter Service Co., Ltd.	Tokyo Prefecture	Repair and inspection of various shutters, etc.
BX Shinsei Seiki Co., Ltd.	Hyogo Prefecture	Manufacture and sale of electric switches, various elevators, and measuring instruments
BX Tenpal Co., Ltd.	Tokyo Prefecture	Manufacture and sale of awnings, etc. for commercial facilities and housing
BX Aiwa Co., Ltd.	Tokyo Prefecture	Insurance agency, lease introduction and brokerage, and travel business
BX Okinawa Bunka Shutter Co., Ltd.	Okinawa Prefecture	Manufacture and sale of various shutters and related products
BX Kensei Co., Ltd.	Oita Prefecture	Manufacture and sale of steel fittings and steel doors
BX Bunka Panel Co., Ltd.	Osaka Prefecture	Manufacture and sale of movable partitions, toilet booths, and metal doors
BX TR Co., Ltd.	Saitama Prefecture	Manufacture and sale of metal doors, partitions, etc. for entrances of detached houses, apartments, etc.
BX Yutoriform Co., Ltd.	Tokyo Prefecture	Design, construction, and contracting of refurbishment and related businesses
BX Koun Co., Ltd.	Aichi Prefecture	Manufacture and sale of stainless steel building materials, stainless steel specified fire protection equipment, etc.
BX Tetsuya Co., Ltd.	Chiba Prefecture	Manufacture, sale, and on-site construction of steel frames, steel doors, metal window frames, and various types of construction hardware
BX Tohoku Tetsuya Co., Ltd.	Yamagata Prefecture	Manufacture, sale, and on-site construction of steel frames, steel doors, metal window frames, and various types of construction hardware
BX Asahi Kenzai Co., Ltd.	Tokushima Prefecture	Manufacture and sale of steel building materials and steel doors
BX Nishiyama Tetsumou Co., Ltd.	Tokyo Prefecture	Manufacture and sale of foundation reinforcement units, welded wire mesh, lathes, etc. for residential use
BX Kaneshin Co., Ltd.	Tokyo Prefecture	Manufacture and sale of various types of hardware for construction
BX Tosho Co.,Ltd.	Kanagawa Prefecture	Architectural design of wooden houses
BX Rootes Co.,Ltd.	Osaka Prefecture	Manufacture and sale of various shutters and doors
BX BUNKA VIETNAM Co., Ltd.	Socialist Republic of Viet Nam	Manufacture and sale of various shutters and doors
BX BUNKA AUSTRALIA PTY LTD	Commonwealth of Australia	Manufacture and sale of garage doors and various shutters
BX BUNKA NEW ZEALAND LIMITED	New Zealand	Manufacture and sale of garage doors
ECOWOOD Co., Ltd.	Fukuoka Prefecture	Manufacture and sale of recycled wood and plastic composites

(8) Employees (as of March 31, 2024)

1) Employees of the corporate group

Business category	Number of employees
Shutter Business	2,410 (569)
Construction-Related Materials Business	1,507 (443)
Service Business	1,027 (129)
Refurbishment Business	158 (48)
Other	101 (26)
Company-wide (common)	87 (11)
Total	5,290 (1,226)

Notes: 1. The number of employees is the number of full-time employees (excluding employees seconded from the Group to outside the Group and including employees seconded from outside the Group to the Group), and the number of temporary employees (including contract employees, part-time employees, and employees on temporary contracts, excluding dispatched employees) is indicated separately in parentheses by the average number of employees per year.

2. The number of employees listed as company-wide (common) is the number of employees belonging to administrative divisions that cannot be categorized into specific segments.

2) Employees of the Company

Number of employees	Change from the end of the previous fiscal year	Average age	Average years of service
2,173	Increase of 126 persons	43.0 years old	16.1

Business category	Number of employees
Shutter Business	1,477 (459)
Construction-Related Materials Business	590 (222)
Service Business	6 (2)
Refurbishment Business	4 (10)
Other	9 (8)
Company-wide (common)	87 (11)
Total	2,173 (712)

Notes: 1. The number of employees is the number of full-time employees (excluding employees seconded from the Company to outside the Company and including employees seconded from outside the Company to the Company), and the number of temporary employees (including contract employees, part-time employees, and employees on temporary contracts, excluding dispatched employees) is indicated in parentheses by the average number of employees per year.

2. The number of employees listed as company-wide (common) is the number of employees belonging to administrative divisions that cannot be categorized into specific segments.

(9) Major creditors (as of March 31, 2024)

(Millions of yen)

Creditors	Loan balance
Mizuho Bank, Ltd.	1,650
Sumitomo Mitsui Trust Bank, Limited	1,350
Sumitomo Mitsui Banking Corporation	1,050
MUFG Bank, Ltd.	950

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

On June 9, 2010, the Company received a cease and desist order and surcharge payment order from the Japan Fair Trade Commission for alleged acts violating the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (“nationwide price cartel”). Subsequently, the Company submitted a request for an appeal to the Japan Fair Trade Commission, and was fighting the above orders through the appeal procedures since 2010.

In the appeal verdict on September 1, 2020, the Company’s assertions were not recognized, and the Company therefore filed a lawsuit seeking to overturn the appeal verdict on September 30, 2020, and was disputing the verdict at the Tokyo High Court. In response to the above, on April 7, 2023, the Tokyo High Court rendered a judgment that all the Company’s claims were to be dismissed, and on April 20, 2023, in objection to this judgment, the Company filed a final appeal and petitioned for the acceptance of the final appeal at the Supreme Court.

## 2. Current Status of the Company

### (1) Shares (as of March 31, 2024)

- |   |   |
|---|---|
| 1) Total number of authorized shares        | 288,000,000                                       |
| 2) Total number of issued shares            | 72,196,487<br>(including 741,622 treasury shares) |
| 3) Number of shares per unit                | 100   |
| 4) Number of shareholders                   | 5,001   |
| 5) Major shareholders (top 10 shareholders) |   |

Name	Ownership of the Company's shares	
	Number of shares held	Shareholding ratio
	Shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	7,035,600	9.84
Bunka Shutter Affiliate Companies Holdings Association	5,998,677	8.39
The Dai-ichi Life Insurance Company, Limited	3,260,978	4.56
INTERTRUST TRUSTEES (CAYMAN) LIMITED SOLELY IN ITS CAPACITY AS TRUSTEE OF JAPAN-UP	2,992,900	4.18
Bunka Shutter Employee Holdings Association	2,991,425	4.18
Mizuho Bank, Ltd.	2,534,873	3.54
Nippon Active Value Fund PLC	2,489,400	3.48
Custody Bank of Japan, Ltd. (Trust Account)	2,363,400	3.30
INTERTRUST TRUSTEES CAYMAN LIMITED AS TRUSTEE OF JAPAN-UP UNIT TRUST	1,700,000	2.37
Yodogawa Steel Works, Ltd.	1,669,000	2.33

Note: Treasury shares (741,622 shares) are excluded when calculating shareholder ratios. Furthermore, treasury shares do not include 300,000 of the Company's shares held by Custody Bank of Japan, Ltd. (trust account) as trust assets for the "Officer Share Delivery Trust."

- 6) Other important matters concerning the shares  
Pursuant to a resolution at the 76th Ordinary General Meeting of Shareholders held on June 21, 2022, the Company introduced a performance-linked and share-based remuneration plan for Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) of the Company. As of March 31, 2024, the trust account for the trust for delivering shares with the eligible persons as beneficiaries held a total of 300,000 of the Company's shares.

### (2) Share acquisition rights, etc. (as of March 31, 2024)

Not applicable.

(3) Directors and Audit and Supervisory Committee Members of the Company

1) Directors (as of March 31, 2024)

Position	Name	Gender	Responsibilities in the Company and significant concurrent positions outside the Company, etc.
Representative Director and Chairman of the Board of Directors	Toshihiko Shiozaki	Male	Chairman of Japan Rolling Shutters & Doors Association
Representative Director and President	Hiroyuki Ogura	Male	Executive President
Director	Yoshinori Shimamura	Male	Senior Managing Operating Officer and Responsible for New Business, Product Development, and Overseas
Director	Yoshinori Fujita	Male	Managing Operating Officer and Responsible for Sales, Design, and Construction
Director	Mitsuru Mita	Male	Managing Operating Officer and General Manager of East Japan Business Division
Director	Haruhiko Ichikawa	Male	Managing Operating Officer and Responsible for Management Operations
Director	Hiroki Yamasaki	Male	Senior Operating Officer and General Manager of Sales Development Business Division
Director-Audit and Supervisory Committee Member (full-time)	Nariyuki Matsuyama	Male	
Director-Audit and Supervisory Committee Member (outside / part-time)	Shozo Fujita	Male	Outside Director of Eco's Co., Ltd. Outside Audit & Supervisory Board Member of SANKI ENGINEERING CO., LTD.
Director-Audit and Supervisory Committee Member (outside / part-time)	Kazufumi Abe	Male	
Director-Audit and Supervisory Committee Member (outside / part-time)	Yoshihiko Hayasaka	Male	
Director-Audit and Supervisory Committee Member (outside / part-time)	Kazue Shimamura	Female	Professor of Faculty of Commerce of Waseda University

- Notes:
1. Shozo Fujita, Kazufumi Abe, Yoshihiko Hayasaka, and Kazue Shimamura are Outside Directors.
  2. The Company has designated Shozo Fujita, Kazufumi Abe, Yoshihiko Hayasaka, and Kazue Shimamura as independent officers pursuant to the provisions of the Tokyo Stock Exchange and has registered them with the exchange.
  3. In order to strengthen the audit and supervisory functions of the Audit and Supervisory Committee, Director Nariyuki Matsuyama has been elected as a full-time Audit and Supervisory Committee Member in order to attend important internal meetings, collect information from Executive Directors, employees, etc., and collaborate with the Internal Audit Department.
  4. Changes in responsibilities in the Company and significant concurrent positions outside the Company, etc. after the end of the fiscal year are as follows.

Date	Position	Name	Responsibilities in the Company and significant concurrent positions outside the Company, etc.
April 1, 2024	Director	Mitsuru Mita	Managing Operating Officer and responsible for sales, design, and construction
April 1, 2024	Director	Haruhiko Ichikawa	Managing Operating Officer and responsible for management operation, and overseas
April 1, 2024	Director	Yoshinori Shimamura	
April 1, 2024	Director	Yoshinori Fujita	
April 1, 2024	Director	Hiroki Yamasaki	



(Reference)

Operating Officers (excluding those who concurrently serve as Directors) as of April 1, 2024 are as follows.

Managing Operating Officer	Tadahito Ooka	Responsible for Manufacturing, New Business, and Product Development
Managing Operating Officer	Makoto Ishii	Manager of Renewal Branch
Managing Operating Officer	Sadayuki Shindo	Manager of Safety and Environment Department
Managing Operating Officer	Shinya Masutani	General Manager of House Construction Materials Business Division
Managing Operating Officer	Yukio Hasumi	Manager of Oyama Factory
Managing Operating Officer	Koji Takahashi	General Manager of West Japan Business Division
Managing Operating Officer	Akifumi Takahashi	Manager of Corporate Planning Department
Managing Operating Officer	Satoshi Onose	Manager of East Japan Business Division
Operating Officer	Koichiro Motoki	Manager of Design and Construction Planning Department
Operating Officer	Osamu Amano	Manager of Shutter Business Department
Operating Officer	Koichi Nishimura	Manager of Accounting Department
Operating Officer	Takashi Shimizu	Manager of Product Development Department
Operating Officer	Takahiro Goto	General Manager of Door/Partition Business Department
Operating Officer	Tadashi Takahashi	Manager of House Construction Materials East Japan Branch
Operating Officer	Norifumi Yamada	Manager of Metropolitan Area Branch
Operating Officer	Shuzo Murai	Manager of Kansai Branch

2) Outline of the contents of the liability limitation agreement

At the 71st Ordinary General Meeting of Shareholders held on June 27, 2017, the Company amended its Articles of Incorporation to include the following provisions regarding liability limitation agreements for Directors (excluding those who are Executive Directors, etc.) as follows.

Liability Limitation Agreement with Directors (excluding those who are Executive Directors, etc.)

The Company may enter into an agreement with Directors (excluding those who are Executive Directors, etc.) to bear the liability of such Directors as set forth in Article 423, paragraph (1) of the Companies Act up to the amount prescribed by laws and regulations in cases where such Directors act in good faith and without gross negligence.

3) Outline of the contents of directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, in which Directors (including Directors who concurrently serve as Audit and Supervisory Committee Members) of

the Company are included as insured persons. The insurance policy shall cover compensation for damages and litigation costs incurred by the insured person in case where a claim for damages is made to the insured person due to an act (including omission) based on the position of directors or officers of the Company. However, to ensure that the appropriateness of the insured's performance of duties is not impaired, measures are taken so that the policy does not cover damages arising from the cases caused by actions taken in the knowledge that the action violates laws or regulations. In principle, the Company pays the insurance premium.

4) Total amount of remuneration, etc. for Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) and Directors who concurrently serve as Audit and Supervisory Committee Members

Category of Officers	Total amount of remuneration, etc. (Millions of yen)	Total amount of remuneration, etc. by type (millions of yen)			Number of eligible officers (persons)
		Fixed remuneration	Performance-linked remuneration		
			Bonuses	Share-based remuneration	
Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members)	476	303	132	41	7
Directors (Audit and Supervisory Committee Members) (excluding Outside Directors)	21	21	–	–	1
Outside Directors and Outside Audit and Supervisory Committee Members	40	40	–	–	5
Total	537	364	132	41	13

- Notes:
1. The main business performance indicator for executive bonuses, which are performance-linked remuneration, is consolidated operating income, and the actual result was 14,472 million yen.
  2. The main business performance indicators for share-based remuneration, which is performance-linked remuneration, are ROE, etc., and the actual result was 11.4%.
  3. The amount paid to Directors does not include the portion of employee salaries of Directors concurrently serving as employees.
  4. The maximum amount of monetary remuneration for Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) was approved at the 71st Ordinary General Meeting of Shareholders held on June 27, 2017 as 600 million yen or less per year (however, excluding the portion of employee salaries). The number of Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) as of the conclusion of the General Meeting of Shareholders was nine (9). In addition, separately to the amount of monetary remuneration, an amount of share-based remuneration of 600 million yen or less and a maximum number of shares of 60,000 points or less per five (5) fiscal years were approved at the 76th Ordinary General Meeting of Shareholders held on June 21, 2022. The number of Directors (excluding those who concurrently serve as Audit and Supervisory Committee Members) as of the conclusion of the General Meeting of Shareholders was seven (7).
  5. The maximum amount of remuneration for Directors who concurrently serve as Audit and Supervisory Committee Members was approved at the 71st Ordinary General Meeting of Shareholders held on June 27, 2017 as 100 million yen or less per year. The number of Directors who concurrently serve as Audit and Supervisory Committee Members as of the conclusion of the General Meeting of Shareholders was five (5).

- 5) Matters pertaining to the policy on the determination of the amount of remuneration, etc. for officers or the calculation method thereof

At a meeting of the Board of Directors held on May 12, 2022, the Company passed a resolution concerning the policy for determining the content of remuneration for individual Directors (excluding Directors who concurrently serve as Audit and Supervisory Committee Members) of the Company as follows. When making this Board of Directors' resolution, the Board of Directors consulted with and received a report from the Nomination/Remuneration Committee concerning the content of the resolution in advance. In addition, at the 76th Ordinary General Meeting of Shareholders held on June 21, 2022, the introduction of a performance-linked and share-based remuneration plan was approved, with the aim of increasing Directors' awareness of enhancing performance in the medium to long term and contributing to growing enterprise value, by clarifying the link between Directors' remuneration and the Company's performance and stock value, and allowing them to share with all shareholders the risks and rewards of stock price fluctuations.

The Company's basic policy regarding the remuneration, etc., for Directors of the Company is to determine appropriate levels of remunerations, etc., for each individual Director based on his/her role and responsibilities, etc., within the limit of the total amount of remuneration, etc. for each monetary and share-based remuneration determined by the General Meeting of Shareholders, in order to realize the Company's management policy and ongoing medium- to long-term improvement of the Company's corporate value. Directors' remuneration consists of "monthly remuneration," "executive bonus," and "share-based remuneration." However, Directors who concurrently serve as Audit and Supervisory Committee Members are paid only monthly remuneration in view of their duties.

In addition, with regard to remuneration, etc. for each individual Director for the current fiscal year, the Board of Directors has confirmed that the method of determining the details of remuneration, etc. and the resulting details of remuneration, etc. are consistent with the decision-making policy approved by the Board of Directors, and judged that they are in line with such decision-making policy.

The policy for determining the content of remuneration, etc. for individual Directors are as follows.

A. Policy on base remuneration

Monthly remuneration shall be in cash, and the amount of remuneration shall be set in consideration of the position, responsibility, level of contribution, and balance with the salary of the employees.

B. Policy on performance-linked remuneration

Executive bonuses, which are performance-linked remuneration, shall be monetary remuneration. Of the total amount of Directors remuneration, the total amount of bonuses to Directors is calculated based on the degree of achievement of profitability indicators and other factors by setting a standard amount of total executive bonuses based on d. below, with reference to data from a survey of Directors remuneration by an external professional organization. Specifically, the total amount of executive bonuses is calculated by calculating the target achievement ratio multiplier based on the degree of achievement of consolidated operating income, etc., and multiplying this target achievement ratio multiplier by the standard amount of total executive bonuses. The share-based remuneration is performance-linked remuneration, the details of which are described in C below.

C. Policy on non-monetary remuneration, etc.

Non-monetary remuneration shall be performance-linked share-based remuneration. Share-based remuneration is aimed at increasing Directors' awareness of enhancing performance in the medium to long term and contributing to growing enterprise value, by clarifying the link between Directors' remuneration and the Company's performance and stock value, and allowing them to share with all shareholders the risks and rewards of stock price fluctuations. Of the total amount of Directors remuneration, the Company grants to each Director shares of the Company in proportion to the number of share-based remuneration

points, calculated based on a fixed number of points for each position as well as the degree of achievement of profitability and capital efficiency indices based on d. below, with reference to data from a survey of Directors remuneration by an external professional organization. Specifically, the share-based remuneration points are calculated by calculating the target achievement ratio multiplier based on the fixed number of points for each position and the degree of achievement of ROE, etc., and multiplying this target achievement ratio multiplier by the base points for each position.

D. The ratio of “monthly remuneration,” “executive bonus” (when 100% of the target is achieved), and “share-based remuneration” (when 100% of the target is achieved) is determined at a ratio of 6:3:1, with reference to the data, etc. from an external professional organization’s survey on Directors’ remuneration.

E. Policy on the timing and conditions for granting remuneration, etc.

Monthly remuneration shall be paid as one-twelfth of the annual amount for the current month in accordance with the date of payment of employee salaries, and in the case of payment of executive bonuses, such bonuses shall be paid in accordance with a. above by a resolution of the Board of Directors and paid promptly thereafter. In addition, with respect to share-based remuneration, the Company’s shares shall be paid in accordance with the prescribed procedures upon retirement of a Director in proportion to the number of points granted, pursuant to the internal regulations separately stipulated in C above.

F. Matters concerning delegation of decisions on remuneration, etc.

In order to strengthen objectivity and accountability in relation to the remuneration of Directors, the Nomination/Remuneration Committee, a majority of whose members are independent Outside Directors, deliberates individual remuneration amounts and the total amount in advance, in response to the inquiry of the Board of Directors, and submits a report concerning the total amount of remuneration, then the Board of Directors makes a decision. The specific monthly amounts of remuneration for each Director and executive bonuses are determined for each Director based on the results of deliberation by the Nomination/Remuneration Committee, while taking into consideration the Company’s business performance and other factors, and the determination is therefore delegated to Representative Director and Chairman of the Board of Directors Toshihiko Shiozaki and Representative Director and President, and Executive President Hiroyuki Ogura. The reason for the delegation is that the Company has determined that the Representative Director is suitable to determine the individual amounts for each Director based on the results of deliberation by the Nomination/Remuneration Committee, while taking into consideration the Company’s overall business performance and other factors.

## 6) Matters concerning Outside Directors and Outside Audit and Supervisory Committee Members

### A. Significant concurrent positions outside the Company

- Shozo Fujita, a Director-Audit and Supervisory Committee Member, is an Outside Director of Eco’s Co., Ltd., and an Outside Audit & Supervisory Board Member of SANKI ENGINEERING CO., LTD.  
There is no special relationship between the Company and Eco’s Co., Ltd., and SANKI ENGINEERING CO., LTD.
- Kazue Shimamura, a Director-Audit and Supervisory Committee Member, is a Professor of the Faculty of Commerce at Waseda University.  
There is no special relationship between the Company and Faculty of Commerce of Waseda University.

B. Activities of Outside Directors and Outside Audit and Supervisory Committee Members at Board of Directors meetings and Audit and Supervisory Committee meetings during the fiscal year

a. Attendance at Board of Directors meetings and Audit and Supervisory Committee meetings held in the fiscal year

Category	Board of Directors (held eight times)		Audit and Supervisory Committee (held nine times)	
	Number of times of attendance	Attendance rate	Number of times of attendance	Attendance rate
Shozo Fujita, Director	Eight times	100.0%	Eleven times	100.0%
Kazufumi Abe, Director	Eight times	100.0%	Eleven times	100.0%
Yoshihiko Hayasaka, Director	Eight times	100.0%	Ten times	90.9%
Kazue Shimamura	Six times	100.0%	Eight times	100.0%

Notes: Since Kazue Shimamura, a Director-Audit and Supervisory Committee Member, was elected at the Ordinary General Meeting of Shareholders held on June 20, 2023, the numbers of Board of Directors meetings and Audit and Supervisory Committee meetings differ from those for other Outside Directors. The numbers of Board of Directors meetings and Audit and Supervisory Committee meetings after her appointment as Director of the Company are six times and eight times, respectively.

b. Outline of the major activities during the fiscal year and duties performed in relation to the role expected to be fulfilled

- Shozo Fujita, as a former public prosecutor and lawyer, has extensive knowledge and deep insight in the legal field. He has provided advice on the Company's business activities and otherwise made proposals for strengthening corporate governance by, for example, expressing opinions at the Board of Directors meetings and other important internal meetings.

In addition, he contributes to ensuring the validity and appropriateness of the decision-making of the Company's Board of Directors and the Audit and Supervisory Committee by, for example, expressing opinions on the election of candidates for Director, the amount of individual remuneration, etc. for each Director at the Nomination/Remuneration Committee.

- Kazufumi Abe, who has abundant practical experience at a metal materials manufacturer and deep insight gained through his work experience as an Audit & Supervisory Board Member, has provided advice on the Company's business activities and otherwise made proposals for strengthening corporate governance by, for example, expressing opinions at the Board of Directors meetings and other important internal meetings.

In addition, he contributes to ensuring the validity and appropriateness of the decision-making of the Company's Board of Directors and the Audit and Supervisory Committee by, for example, expressing opinions on the election of candidates for Director, the amount of individual remuneration, etc. for each Director at the Nomination/Remuneration Committee.

- Yoshihiko Hayasaka has wide-ranging insight from his involvement in the management of a major construction company, as well as abundant practical experience in the construction industry. He has provided advice on the Company's business activities and otherwise made proposals for the strengthening of corporate governance by, for example, expressing opinions at the Board of Directors meetings and other important internal meetings and contributed to ensuring the adequacy and appropriateness of decision-making by the Company's Board of Directors and the Audit and Supervisory Committee.

In addition, he contributes to ensuring the validity and appropriateness of the decision-making of the Company's Board of Directors and the Audit and Supervisory Committee

by, for example, expressing opinions on the election of candidates for Director, the amount of individual remuneration, etc. for each Director at the Nomination/Remuneration Committee.

- Kazue Shimamura, who is Professor of the Faculty of Commerce at Waseda University, has extensive knowledge and wide-ranging insight as an expert in the field of commerce, mainly in academia. She has provided advice on the Company’s business activities and otherwise made proposals for the strengthening of corporate governance by, for example, expressing opinions at the Board of Directors meetings and other important internal meetings.

In addition, she contributes to ensuring the validity and appropriateness of the decision-making of the Company’s Board of Directors and the Audit and Supervisory Committee by, for example, expressing opinions on the election of candidates for Director, the amount of individual remuneration, etc. for each Director at the Nomination/Remuneration Committee.

(4) Financial auditor

- 1) Name Crowe Toyo & Co.
- 2) Amount of remuneration, etc.

	Amount paid
1) Amount of remuneration, etc. for financial auditor for the fiscal year	53 million yen
2) Total amount of money and other economic benefits that the Company and subsidiaries should pay to the financial auditor	55 million yen

- Notes:
1. Under the audit agreement between the Company and the financial auditor, the amount of audit fees, etc. for audits based on the Companies Act and those based on the Financial Instruments and Exchange Act are not categorized, and it is practically impossible to categorize them. Therefore, the amount in 1) above indicates the total amount of these fees, etc.
  2. The Company’s Audit and Supervisory Committee has agreed on the amount of remuneration, etc. for the financial auditor after conducting necessary verification of the content of the financial auditor’s audit plan, evaluation and analysis of the audit results for the previous fiscal year, the status of the execution of accounting audit duties, and the appropriateness of the grounds for calculating the remuneration estimates.

3) Contents of non-audit services

The Company commissioned and paid the accounting auditor for the preparation of a comfort letter for the issuance of the Bunka Shutter Co., Ltd. 1st unsecured bonds, which is a service other than the work described in Article 2, Paragraph (1) of the Certified Public Accountants Act (non-audit services).

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

If the Company’s Audit and Supervisory Committee deems it necessary for such cases as due to the Company’s reasons, due to matters stipulated in the Company’s Regulations on Audit and Supervisory Committee and other regulations, or if the execution of duties by a financial auditor is hindered, the Company’s Audit and Supervisory Committee shall make a decision on a proposal for dismissal or refusal of reappointment, and the Company’s Board of Directors shall submit such proposal to the General Meeting of Shareholders based on such proposal.

In addition, if the Company’s Audit and Supervisory Committee finds that the financial auditor falls under any of the items set forth in each item of Article 340, paragraph (1) of the Companies Act, the Company’s Audit and Supervisory Committee shall dismiss the financial auditor based on a resolution of the Audit and Supervisory Committee. In this case, the Director who concurrently serves as an Audit and Supervisory Committee Member elected by the Company’s Audit and

Supervisory Committee shall report the fact of the dismissal of the financial auditor and the reason for the dismissal at the first General Meeting of Shareholders convened after the dismissal.

Note: The amounts and the number of shares shown in this business report are rounded down to the nearest whole number.

## Consolidated Balance Sheet

(As of March 31, 2024)

(Millions of yen)

Assets		Liabilities	
Account	Amount	Account	Amount
<b>Current assets</b>	<b>120,049</b>	<b>Current liabilities</b>	<b>65,559</b>
Cash and deposits	40,151	Notes and accounts payable - trade	15,604
Notes and accounts receivable - trade, and contract assets	46,935	Electronically recorded obligations - operating	21,552
Electronically recorded monetary claims - operating	10,631	Short-term borrowings	1,352
Merchandise and finished goods	9,818	Current portion of long-term borrowings	817
Work in process	1,406	Lease liabilities	1,090
Raw materials and supplies	8,654	Income taxes payable	4,334
Other current assets	2,752	Accrued consumption taxes	2,151
Allowance for doubtful accounts	(302)	Accrued expenses	6,697
<b>Non-current assets</b>	<b>86,830</b>	Contract liabilities	4,244
<b>Property, plant and equipment</b>	<b>38,707</b>	Provision for bonuses	4,809
Buildings and structures	12,320	Provision for bonuses for directors (and other officers)	182
Machinery, equipment and vehicles	6,406	Provision for loss on construction contracts	373
Tools, furniture and fixtures	877	Other current liabilities	2,346
Land	13,121	<b>Non-current liabilities</b>	<b>37,395</b>
Leased assets	1,297	Bonds payable	10,000
Right-of-use assets	4,028	Long-term borrowings	3,209
Construction in progress	654	Lease liabilities	4,907
<b>Intangible assets</b>	<b>19,474</b>	Deferred tax liability	1,847
Goodwill	11,318	Provision for retirement benefits for directors (and other officers)	247
Leased assets	57	Retirement benefit liability	16,433
Other intangible assets	8,098	Provision for share awards for directors (and other officers)	69
<b>Investments and other assets</b>	<b>28,648</b>	Guarantee deposits received	565
Investment securities	19,940	Asset retirement obligations	53
Retirement benefit asset	1,397	Other non-current liabilities	61
Deferred tax assets	4,939	<b>Total liabilities</b>	<b>102,954</b>
Other investments and other assets	2,626		
Allowance for doubtful accounts	(254)	<b>Shareholders' equity</b>	<b>95,716</b>
		Share capital	15,051
		Capital surplus	11,292
		Retained earnings	70,476
		Treasury shares	(1,103)
		<b>Accumulated other comprehensive income</b>	<b>8,052</b>
		Valuation difference on available-for-sale securities	5,026
		Revaluation reserve for land	(46)
		Foreign currency translation adjustment	908
		Remeasurements of defined benefit plans	2,163



(Millions of yen)

<b>Assets</b>		<b>Liabilities</b>	
Account	Amount	Account	Amount
		<b>Non-controlling interests</b>	<b>155</b>
		<b>Total net assets</b>	<b>103,924</b>
<b>Total assets</b>	<b>206,879</b>	<b>Total liabilities and net assets</b>	<b>206,879</b>

## Consolidated Statements of Income

(From April 1, 2023 to March 31, 2024)

(Millions of yen)

Account	Amount	
<b>Net sales</b>		<b>221,076</b>
<b>Cost of sales</b>		<b>161,727</b>
<b>Gross profit</b>		<b>59,349</b>
<b>Selling, general and administrative expenses</b>		<b>44,876</b>
<b>Operating profit</b>		<b>14,472</b>
<b>Non-operating income</b>		
Interest income	51	
Dividend income	266	
Surrender value of insurance policies	136	
Share of profit of entities accounted for using equity method	448	
Foreign exchange gains	791	
Gain on sale of scraps	121	
Other non-operating income	234	2,051
<b>Non-operating expenses</b>		
Interest expenses	333	
Bond issuance costs	56	
Commitment fees	25	
Other non-operating expenses	168	583
<b>Ordinary income</b>		<b>15,941</b>
<b>Extraordinary income</b>		<b>23</b>
<b>Extraordinary losses</b>		<b>91</b>
<b>Profit before income taxes</b>		<b>15,873</b>
Income taxes - current	5,899	
Income taxes - deferred	(625)	5,273
<b>Profit</b>		<b>10,599</b>
<b>Profit attributable to non-controlling interests</b>		<b>17</b>
<b>Profit attributable to owners of parent</b>		<b>10,582</b>

## Balance Sheet

(As of March 31, 2024)

(Millions of yen)

<b>Assets</b>		<b>Liabilities</b>	
Account	Amount	Account	Amount
<b>Current assets</b>	<b>76,637</b>	<b>Current liabilities</b>	<b>45,563</b>
Cash and deposits	17,169	Notes payable - trade	2,967
Notes receivable - trade	5,805	Electronically recorded obligations - operating	17,246
Electronically recorded monetary claims - operating	9,093	Accounts payable - trade	7,211
Accounts receivable - trade	22,876	Short-term loans payable	1,000
Contract assets	6,053	Current portion of long-term borrowings	800
Merchandise and finished goods	6,780	Lease liabilities	468
Work in process	463	Accounts payable - other	402
Raw materials and supplies	4,797	Income taxes payable	2,614
Advance payments to suppliers	1,181	Accrued consumption taxes	1,383
Prepaid expenses	348	Accrued expenses	4,911
Accounts receivable - other	553	Contract liabilities	2,843
Short-term loans receivable	1,459	Deposits received	209
Advances paid	65	Provision for bonuses	2,855
Other current assets	17	Provision for bonuses for directors (and other officers)	132
Allowance for doubtful accounts	(27)	Provision for loss on construction contracts	373
<b>Non-current assets</b>	<b>79,110</b>	Notes payable - facilities	142
<b>Property, plant and equipment</b>	<b>20,899</b>	<b>Non-current liabilities</b>	<b>27,995</b>
		Bonds payable	10,000
		Long-term borrowing	3,200
Buildings	7,267	Lease liabilities	694
Structures	817	Provision for retirement benefits	13,153
Machinery and equipment	2,718	Provision for share awards for directors (and other officers)	69
Vehicles	5	Provision for loss on business of subsidiaries and associates	295
Tools, furniture and fixtures	508	Guarantee deposits received	527
Land	8,290	Long-term unearned revenue	7
Leased assets	993	Asset retirement obligations	47
Construction in progress	296	<b>Total liabilities</b>	<b>73,558</b>
<b>Intangible assets</b>	<b>1,682</b>		
Patent right	19		
Software	1,219		
Leasehold interests in land	105		
Telephone subscription right	131		
Leased assets	41		
Other intangible assets	165		

(Millions of yen)

<b>Assets</b>		<b>Liabilities</b>	
Account	Amount	Account	Amount
<b>Investments and other assets</b>	<b>56,529</b>	<b>Net assets</b>	
Investment securities	9,670	<b>Shareholders' equity</b>	<b>77,950</b>
Shares of subsidiaries and associates	26,639	<b>Share capital</b>	<b>15,051</b>
Investments in capital	17	<b>Capital surplus</b>	<b>11,248</b>
Long-term loans receivable	14,976	Legal capital surplus	9,151
Distressed receivables	157	Other capital surplus	2,097
Long-term prepaid expenses	16	<b>Retained earnings</b>	<b>52,748</b>
Guarantee deposits	23	Other retained earnings	52,748
Business insurance funds	407	Reserve for tax-purpose reduction entry of land	31
Leasehold deposits	922	General reserve	46,000
Deferred tax assets	3,321	Retained earnings brought forward	6,716
Prepaid pension costs	1,322	<b>Treasury shares</b>	<b>(1,098)</b>
Other investments, etc.	194	<b>Valuation and translation adjustments</b>	<b>4,238</b>
Allowance for doubtful accounts	(1,139)	<b>Valuation difference on available-for-sale securities</b>	<b>4,238</b>
		<b>Total net assets</b>	<b>82,189</b>
<b>Total assets</b>	<b>155,748</b>	<b>Total liabilities and net assets</b>	<b>155,748</b>

## Statement of Income

(From April 1, 2023 to March 31, 2024)

(Millions of yen)

Account	Amount	
<b>Net sales</b>		<b>141,603</b>
<b>Cost of sales</b>		<b>108,862</b>
<b>Gross profit</b>		<b>32,740</b>
<b>Selling, general and administrative expenses</b>		<b>26,251</b>
<b>Operating income</b>		<b>6,489</b>
<b>Non-operating income</b>		
Interest income	323	
Dividend income	2,315	
Foreign exchange gains	856	
Other non-operating income	226	3,721
<b>Non-operating expenses</b>		
Interest expenses	55	
Bond expenses	12	
Bond issuance costs	56	
Provision of allowance for doubtful accounts	6	
Other non-operating expenses	162	294
<b>Ordinary income</b>		<b>9,917</b>
<b>Extraordinary income</b>		
Gain on sale of non-current assets	0	
Gain on sale of investment securities	15	15
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	22	
Provision for loss on business of subsidiaries and associates	77	100
<b>Income before income taxes</b>		<b>9,832</b>
Income taxes - current	2,936	
Income taxes - deferred	(327)	2,608
<b>Net income</b>		<b>7,223</b>

## Accounting Audit Report on the Consolidated Financial Statements

### Independent Auditor's Report (Translation)

May 17, 2024

Bunka Shutter Co., Ltd.

To the Board of Directors

Crowe Toyo & Co.

Tokyo Office

Designated Engagement Partner

Certified Public Accountant, Makoto Hayasaki

Designated Engagement Partner

Certified Public Accountant, Hajime Hirai

### Report on the Audit of the Consolidated Financial Statements

#### Audit Opinion

We have audited the consolidated financial statements that are comprised of the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the related notes of Bunka Shutter Co., Ltd. (the "Company") and its consolidated subsidiaries (collectively referred to as the "Group"), as of March 31, 2024 and for the fiscal year from April 1, 2023 to March 31, 2024 in accordance with Article 444, paragraph (4) of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period for which the consolidated financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

#### Basis for Audit Opinion

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

#### Other Information

The other information comprises the information included in the Business Report and the accompanying supplemental schedules. Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Group's other information reporting process.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, including the design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error. This includes the establishment and operation of the internal control which the management determines is necessary to prepare the consolidated financial statements that are free from material misstatements whether due to fraud or error, and to properly present it.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern, and disclosing matters related to a going concern as applicable in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

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

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

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

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

and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements represent the underlying transactions and accounting events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

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

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures taken to remove obstacles or safeguards applied in order to reduce them to an acceptable level.

#### Remuneration-related Information

The amounts of remuneration paid to the audit firm and persons belonging to the same network as the audit firm for audit certification services and non-audit services for the Company and its subsidiaries for the fiscal year under review are XX million yen and XX million yen, respectively.

#### Interest

Our firm and the designated engagement partners do not have any interest in the Group that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.



## Accounting Audit Report on the Non-consolidated Financial Statements

### Independent Auditor's Report (Translation)

May 17, 2024

Bunka Shutter Co., Ltd.

To the Board of Directors

Crowe Toyo & Co.

Tokyo Office

Designated Engagement Partner

Certified Public Accountant, Makoto Hayasaki

Designated Engagement Partner

Certified Public Accountant, Hajime Hirai

Report on the Audit of the Non-consolidated Financial Statements

#### Audit Opinion

We have audited the non-consolidated financial statements that are comprised of the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, the related notes and the accompanying supplemental schedules (collectively, “non-consolidated financial statements, etc.”) of Bunka Shutter Co., Ltd. (the “Company”), as of March 31, 2024 and for the 78th fiscal year from April 1, 2023 to March 31, 2024 in accordance with Article 436, paragraph (2), item (i) of the Companies Act.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period for which the non-consolidated financial statements, etc. were prepared, in accordance with accounting principles generally accepted in Japan.

#### Basis for Audit Opinion

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

#### Other Information

The other information comprises the information included in the Business Report and the accompanying supplemental schedules. Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Group's other information reporting process.

Our opinion on the non-consolidated financial statements, etc. does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the non-consolidated financial statements, etc., our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements, etc. or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Responsibilities of Management and the Audit and Supervisory Committee for the Non-consolidated Financial Statements, Etc.

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan, including the design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error. This includes the establishment and operation of the internal control which the management determines is necessary to prepare the consolidated financial statements that are free from material misstatements whether due to fraud or error, and to properly present it.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of the Company's ability to continue as a going concern, and disclosing matters related to a going concern as applicable in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements, Etc.

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

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

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, etc., whether due to fraud or error, and design and perform audit procedures responsive to those risks. The auditor shall design and perform audit procedures that address the risk of material misstatement. The procedures selected to be applied depend on the auditor's judgment. In addition, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, in making those risk assessments, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit of the non-consolidated financial statements, etc. is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements, etc. or, if such notes are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the presentation of the non-consolidated financial statements, etc. and the notes thereto are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-consolidated financial statements, etc. represent the underlying transactions and accounting events in a manner that achieves fair presentation.

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

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures taken to remove obstacles or safeguards applied in order to reduce them to an acceptable level.

#### Remuneration-related Information

The amounts of remuneration paid to the audit firm and persons belonging to the same network as the audit firm for audit certification services and non-audit services for the Company and its subsidiaries for the fiscal year under review are XX million yen and XX million yen, respectively.

#### Interest

Our firm and the designated engagement partners do not have any interest in the Company that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

## **Audit Report of the Audit and Supervisory Committee**

### **Audit Report**

The Audit and Supervisory Committee has audited the execution of duties by Directors for the 78th fiscal year from April 1, 2023 to March 31, 2024. We report the method and results as follows.

#### **1. Method and details of the audit**

With regard to the details of the resolutions of the Board of Directors on the matters listed in Article 399-13, paragraph (1), item (i), (b) and (c) of the Companies Act and the system (internal control system) developed based on such resolutions, the Audit and Supervisory Committee received periodic reports on the status of the relevant establishment and operation from Directors, employees, etc., requested explanations as necessary, expressed opinions, and conducted audits in the following manner.

- 1) In accordance with the Auditing, etc., Standards of the Audit and Supervisory Committee established by the Audit and Supervisory Committee, and in accordance with the audit policy, division of duties, etc. for the fiscal year, in cooperation with the Internal Audit Department, we attended important meetings (to prevent the spread of COVID-19, including remote attendance, etc.), received reports on matters related to the execution of duties from Directors, employees, etc., requested explanations as necessary, inspected important approval documents, etc., and investigated the status of operations and assets of the head office and major business offices through audits, etc. In addition, with regard to subsidiaries, we communicated with and exchanged information with directors, etc. of subsidiaries, received business reports from subsidiaries as necessary, and investigated the status of business and assets through audits, etc.
- 2) With regard to the basic policy set forth in Article 118, item 3, (a) of the Regulations for Enforcement of the Companies Act and the initiatives set forth in (b) of the said item, which is stated in the business report, we reviewed the contents thereof in light of the status, etc. of deliberations at the meetings of the Board of Directors and other meetings.
- 3) We monitored and verified whether the financial auditor maintained an independent position and conducted appropriate audits, received reports from the financial auditor on the status of the execution of the duties, and requested explanations as necessary. In addition, we received a notice from the financial auditor that “systems for ensuring that the performance of the duties of the financial auditor are being carried out correctly” (matters listed in each item of Article 131 of the Regulations on Corporate Accounting) have been established in accordance with “Quality Control Standards for Audits” (issued by the Business Accounting Council) and other standards and requested explanations as necessary.

Based on the methods described above, we reviewed the business report and the accompanying supplementary schedules, the non-consolidated financial statements for the fiscal year under review (the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, and the notes to consolidated financial statements) and the accompanying supplemental schedules, and the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity, and the notes to consolidated financial statements).

#### **2. Result of Audit**

##### **(1) Results of audit of business report, etc.**

- 1) We have found that the business report and the accompanying supplementary schedules accurately represent the status of the Company in accordance with laws and regulations and the Articles of Incorporation.

- 2) We have not found any misconduct or material fact in violation of laws and regulations or the Articles of Incorporation concerning the execution of duties by the Directors.
- 3) We have found that the Board of Directors' resolution on the internal control system is appropriate. In addition, we have not found any matter that should be pointed out, including internal control over financial reporting, regarding the operation status of said internal control system.
- 4) We have not found any matter that should be pointed out with regard to the basic policy on the persons who control the decision concerning financial and business policies of the Company stated in the business report.

(2) Results of audit of financial statements and the accompanying supplementary schedules

We confirm that the auditing method and results of the Independent Auditor, Crowe Toyo & Co., are appropriate.

(3) Results of audit of consolidated financial statements

We confirm that the auditing method and results of the Independent Auditor, Crowe Toyo & Co., are appropriate.

May 20, 2024

Audit and Supervisory Committee, Bunka Shutter Co., Ltd.

Audit and Supervisory Committee Member (full-time),  
Nariyuki Matsuyama (Seal)

Audit and Supervisory Committee Member  
(outside and independent officer),  
Shozo Fujita (Seal)

Audit and Supervisory Committee Member  
(outside and independent officer),  
Kazufumi Abe (Seal)

Audit and Supervisory Committee Member  
(outside and independent officer),  
Yoshihiko Hayasaka (Seal)

Audit and Supervisory Committee Member  
(outside and independent officer),  
Kazue Shimamura (Seal)

Note: Audit and Supervisory Committee Members Shozo Fujita, Kazufumi Abe, Yoshihiko Hayasaka, and Kazue Shimamura are Outside Directors as prescribed in Article 2, item (xv) and Article 331, paragraph (6) of the Companies Act.

## Shareholder Memo

Fiscal year	From April 1 of each year to March 31 of the following year
Ordinary General Meeting of Shareholders	June
Record date	March 31 Any other certain date for which public notice is given in advance, if necessary.
Record date for dividends Year-end dividends Interim dividends	March 31 September 30
Method of public notice	Available on the Company's website (URL <a href="https://www.bunka-s.co.jp/">https://www.bunka-s.co.jp/</a> ) However, if there is an accident or other unavoidable reason that means a notice cannot be made by electronic public notice, the Company will publish it in the Nihon Keizai Shimbun. *The balance sheet and the statement of income are disclosed in EDINET (electronic corporate disclosure system under the Financial Instruments and Exchange Act).
Shareholder register administrator	1-4-1 Marunouchi, Chiyoda-ku, Tokyo Sumitomo Mitsui Trust Bank, Limited
Account management institution for special account	1-4-1- Marunouchi, Chiyoda-ku, Tokyo Sumitomo Mitsui Trust Bank, Limited
Mailing address	Postal code: 168-0063 2-8-4 Izumi, Suginami-ku, Tokyo Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank, Limited
(Telephone inquiries)	Telephone: 0120-782-031 (toll-free within Japan only) Brokerage services are provided at the head office of Sumitomo Mitsui Trust Bank, Limited and its branches throughout Japan.

Applications for address change, purchase or increase of shares less than one unit, and others

Please inform the securities company with a shareholder's account.

Any shareholder who has opened a special account due to the absence of an account at a securities company is requested to submit an application to Sumitomo Mitsui Trust Bank, Limited, the account management institution for the special account.

Payment of dividends payable

Please make an application to Sumitomo Mitsui Trust Bank, Limited, the shareholder register administrator.