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Securities code: 9932
May 30, 2024

To Stockholders with Voting Rights:

Masayuki Sugimoto
Representative Director and
President Executive Officer
SUGIMOTO & CO., LTD
5-7-27 Itachibori, Nishi-ku, Osaka,
Japan

**NOTICE OF CONVOCAION OF
THE 99TH ANNUAL STOCKHOLDERS' MEETING**

Dear Stockholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 99th Annual Stockholders' Meeting of SUGIMOTO & CO., LTD (the "Company"). The meeting will be held for the purposes described below.

In convening this Stockholders' Meeting, the Company has taken measures to provide the information electronically on the below website as the Notice of Convocation of the 99th Annual Stockholder's Meeting and Other Matters for Electronic Provision (Matters Omitted in the Issued Written Document).

The Company's website (https://www.sugi-net.co.jp/for_investors/meeting.html)

In addition to the above, information is also provided on the below website.

Tokyo Stock Exchange website

(<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>)

Please access the above website, enter the issue name (company name) or the securities code to run a search, and select "Basic information" and then "Documents for public inspection/PR information" to confirm the details.

If you are unable to attend the meeting, you can exercise your voting rights in writing or by electromagnetic means (the internet, etc.). Please review the Reference Documents for the Stockholders' Meeting shown in the matters for electronic provision and exercise your voting rights by 5:00 p.m. on Thursday, June 20, 2024.

- 1 Date and Time:** Friday, June 21, 2024 10:00 a.m. Japan time
(Reception opens at 9:00 a.m.)
- 2 Place:** The Ball Room, 10th floor, Hotel Hanshin Osaka
5-6-16 Fukushima, Fukushima-ku, Osaka, Japan
The venue has been changed from the previous year.
Please refer to the "Map of the venue for the 99th Annual Stockholders' Meeting" at the end of this notice.
- 3 Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company's 99th Fiscal Year (April 1, 2023 - March 31, 2024) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 99th Fiscal Year (April 1, 2023 - March 31, 2024)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Five (5) Directors

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
To save resources, please bring this Notice of Convocation with you.
- Should matters for electronic provision require a revision, the details will be posted on the websites shown above.
- The following are not included in the documents delivered to shareholders in accordance with relevant laws and regulations and Article 15 of the Articles of Incorporation of the Company. Therefore, the documents are part of the materials audited by Auditors and the Accounting Auditor in preparing their audit reports.
 - (1) Principal Lines of Business, Major Offices and Outlets, Status of Employees, Principal Lenders and Amount of Borrowings, Important Matters on the Current State of the Corporate Group, Matters on Share Acquisition Rights of the Company, Matters on Outside Officers, Status of the Accounting Auditor, Systems and Policies of the Company, and Basic Policy for Control of the Company in the Business Report
 - (2) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements in the Consolidated Financial Statements
 - (3) Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements in the Non-consolidated Financial Statements

Reference Documents for the Stockholders' Meeting

Proposals and References

Proposal 1: Appropriation of Surplus

The Company positions its dividend policy as one of the highest management priorities. Comprehensively taking into consideration the financial position, profit level, dividend payout ratio, and other factors, the Company proposes to pay the following year-end dividends for the 99th fiscal year, with an eye on constant and stable dividend payout. Internal reserves will be used to make investments for the future and further strengthen the corporate structure.

The annual dividend payout will be ¥70 per share, including the interim dividend of ¥35 already distributed.

1. Matters on year-end dividends
 - (1) Type of dividend property
Cash
 - (2) Allotment of dividend property and the total amount
¥35 per share of the Company's common stock Total: ¥352,737,525
 - (3) Effective date of dividends of surplus
June 24, 2024

Proposal 2: Partial Amendments to the Articles of Incorporation

- 1. Reasons for proposal
To prepare for future diversification of business activities, the Company proposes to make the following addition to Article 2 (Purpose) of the current Articles of Incorporation.
- 2. Details of amendments
The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses. (1) through (10) [Omitted] [Newly established] [Newly established] [Newly established] (11) All other work incidental to the above items</p>	<p>(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses. (1) through (10) [Unchanged] (11) <u>Development, sale, and maintenance of software and systems; sale of communication equipment;</u> (12) <u>Consulting about overall corporate management;</u> (13) <u>Maintenance and management as well as cleaning of machines and equipment within the plants; and</u> (14) All other work incidental to the above items</p>

Proposal 3: Election of Five (5) Directors

The terms of office of all five (5) Directors will expire at the conclusion of this Stockholders' Meeting. Accordingly, the election of five (5) Directors (of which two (2) are Outside Directors) is proposed.

The candidates for Directors are as follows.

No.	Name	Current positions, etc. at the Company	Attendance at the Board of Directors meetings
1	Masayuki Sugimoto [Reappointment]	Representative Director and President Executive Officer Corporate Strategy Division Manager	100% (16/16)
2	Masahiro Sugimoto [Reappointment]	Executive Chairman	100% (16/16)
3	Hiroyuki Imanaka [Reappointment]	Director and Managing Executive Officer Sales Division Manager	100% (16/16)
4	Yuki Tsuru [Reappointment] [Outside] [Independent]	Outside Director	100% (16/16)
5	Haruyuki Yoshida [New appointment] [Outside] [Independent]	—	—

No.	Name (Date of birth)	Career summary (Positions, responsibilities, and significant concurrent positions)	Number of shares of the Company held
1	Masayuki Sugimoto (July 31, 1984) [Reappointment]	April 2008 Joined the Company	87,750
		April 2019 Executive Officer and West Sales Department Manager	
April 2021 Managing Executive Officer, Management Division Manager, and SE Promotion Department			
June 2021 Executive Director, Managing Executive Officer, Management Division Manager, and SE Promotion Department			
June 2023 President, Executive Officer, Management Division Manager, and Corporate Planning Department Manager			
June 2023 Director, SUGIMOTO CO., LTD. (current position)			
April 2024 Representative Director and President Executive Officer, and Corporate Strategy Division Manager, the Company (current position)			
[Reason for nomination as candidate for Director] Mr. Masayuki Sugimoto is well-versed in a broad range of business fields through his duties as Representative Director, and has been exercising strong leadership in an ongoing company-wide business reform. The Company therefore considers that he is suitable as a Director and renominates him as a candidate for a Director.			
2	Masahiro Sugimoto (December 10, 1950) [Reappointment]	March 1974 Joined the Company	531,315
		December 1985 Executive Director	
June 1990 Managing Executive Director			
June 1996 Senior Managing Executive Director			
June 2000 President and Sales Division Manager			
December 2014 Director, SUGIMOTO CO., LTD.			
April 2019 President, Executive Officer, and Sales Division Manager, the Company			
June 2023 Executive Chairman (current position)			
[Reason for nomination as candidate for Director] Mr. Masahiro Sugimoto has a wealth of experience in and advanced knowledge on the Company's business activities. He has long engaged in corporate management since assuming the position of the Company's Director and has executed his duties appropriately during the terms of office. The Company therefore considers that he is suitable as a Director and renominates him as a candidate for a Director.			

No.	Name (Date of birth)	Career summary (Positions, responsibilities, and significant concurrent positions)	Number of shares of the Company held	
3	Hiroyuki Imanaka (April 23, 1974) [Reappointment]	April 1998 September 2009 April 2022 June 2022 June 2022 June 2023	Joined the Company Executive Officer and Third Direct Sales Department Manager Executive Officer, Direct Sales Control Department Manager, and Third Direct Sales Department Manager Executive Director & Executive Officer, Direct Sales Control Department Manager, and Third Direct Sales Department Manager Executive Director, Managing Executive Officer, Sales Division Manager, and Third Direct Sales Department Manager Executive Director, Managing Executive Officer, and Sales Division Manager (current position)	16,851
		<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Hiroyuki Imanaka has served as a sales office manager and a sales department manager at the Company and is well-versed in a broad range of business operations. He has made achievements in direct sales departments in the Kanto area, the Company's key market, and is expected to lead the entire sales operation going forward. The Company therefore considers that he is also suitable as a Director and renominates him as a candidate for a Director.</p>		
4	Yuki Tsuru (May 16, 1969) [Reappointment] [Outside] [Independent]	April 2000 April 2011 April 2015 February 2019 June 2020 June 2021 June 2022 June 2022 June 2023	Registered as an attorney-at-law (Joined the Tokyo Bar Association) Partner, Kyowa-Sogo Partners Law Office Member of Advisory Committee on Decision on Infringement Specialist, Japan Customs External Director, Hankyu Hanshin Holdings, Inc. (current position) Part-time Auditor, National Institute of Technology and Evaluation (current position) Outside Director, JAMCO Corporation (current position) Outside Director, the Company (current position) Director (Audit and Supervisory Committee Member), ARE Holdings, Inc. (current position)	—
		<p>[Reason for nomination as candidate for Outside Director and overview of expected roles]</p> <p>Ms. Yuki Tsuru has a high level of knowledge as an attorney-at-law. She is expected to give appropriate advice to the Company's management, especially in terms of compliance, and contribute to the enhancement of corporate governance. The Company therefore renominates her as a candidate for Outside Director.</p>		

No.	Name (Date of birth)	Career summary (Positions, responsibilities, and significant concurrent positions)	Number of shares of the Company held
5	Haruyuki Yoshida (March 27, 1959) [New appointment] [Outside] [Independent]	April 1981 Joined Kubota Corporation April 2013 Executive Officer January 2017 Managing Executive Officer January 2019 Senior Managing Executive Officer January 2022 Advisor June 2023 Outside Director, Okada Aiyon Corporation (current position)	—
	[Reason for nomination as candidate for Outside Director and overview of expected roles] Mr. Haruyuki Yoshida has long engaged in the management of Kubota Corporation. Based on a wealth of experience and broad insight, he is expected to supervise the Company's management, give appropriate advice on the overall corporate management, and contribute to the enhancement of corporate governance. The Company therefore nominates him as a candidate for Outside Director.		

- Notes:
1. There are no special interests between each candidate and the Company.
 2. Ms. Yuki Tsuru's name on the family register is Ms. Yuki Itami.
 3. Ms. Yuki Tsuru and Mr. Haruyuki Yoshida are candidates for Outside Directors. Ms. Yuki Tsuru will have served as Outside Director of the Company for two (2) years at the conclusion of this Stockholders' Meeting.
 4. Independence as candidate for Outside Director
 - (1) Ms. Yuki Tsuru and Mr. Haruyuki Yoshida neither intend to receive nor have received in the past two (2) years a large amount of money or other forms of property (excluding remuneration for Directors) from the Company or its specified related business operator.
 - (2) Neither Ms. Yuki Tsuru nor Mr. Haruyuki Yoshida is a spouse, a relative within the third degree of kinship, or what is equivalent thereto of an executive or an officer of the Company or its specified related business operator.
 - (3) If Ms. Yuki Tsuru is reelected, she will continue to serve as an independent director/auditor. If Mr. Haruyuki Yoshida is elected, the Company intends to designate him as an independent director/auditor under the rules of the Tokyo Stock Exchange.
 5. Agreement with Outside Directors to limit liability

The Company enters into agreements with Outside Directors to limit their liability. If Ms. Yuki Tsuru is reelected, the Company intends to continue the said agreement with her. If Mr. Haruyuki Yoshida is elected, the Company intends to enter into the said agreement with him. An overview of the agreement is as follows.

 - (1) Liability for damages to the Company caused by an Outside Director's negligence of duties will be limited to the minimum amount prescribed by laws and regulations.
 - (2) The above limitation to liability applies only when the Outside Director performed the duty that caused the liability in good faith and without gross negligence.
 6. Directors and officers liability insurance contract

The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act to cover legal damages and litigation expenses to be borne by the insured. Each candidate will be included in the insured under the said contract.

In addition, the Company plans to renew the insurance contract with the same contents at the next renewal.

[Reference] Guidelines for Election and Independence of External Officers

Article 1 (Purpose)

The purpose of these guidelines is to set criteria for election and independence of Outside Directors and External Auditors of the Company.

Article 2 (Outside Directors)

Outside Directors are elected from persons who satisfy the conditions set forth in the following items, regardless of gender or nationality.

- (i) A person who has a sincere personality; a high level of insight and skills; and broad knowledge and experience, as well as accomplishments in the area of expertise, that bring in diverse perspectives into the Company's Board of Directors
- (ii) A person who does not fall under any of the grounds for disqualification of directors set forth in the items of Article 331, paragraph 1 of the Companies Act
- (iii) A person who satisfies the requirements for Outside Directors set forth in Article 2, item (xv) of the Companies Act

Article 3 (External Auditor)

External Auditors are elected from persons who satisfy the requirements set forth in the following items, regardless of gender or nationality.

- (i) A person who has a sincere personality; a high level of insight and skills; and an advanced level of expertise and a wealth of experience, especially in such fields as law, accounting, and corporate management
- (ii) A person who does not fall under any of the grounds for disqualification of company auditors, set forth in the items of Article 331, paragraph 1 of the Companies Act and applied mutatis mutandis pursuant to Article 335 of the same Act
- (iii) A person who satisfies the requirements for Outside Company Auditors set forth in Article 2, item (xvi) of the Companies Act

Article 4 (Independence of Outside Officers)

(1) An Outside Director or an External Auditor (hereinafter collectively referred to as an "Outside Officer") of the Company who does not fall under any of the following items are considered as independent.

- (i) A major stockholder (holding 10% or more of the total voting rights as of the last day of the fiscal year ended most recently) of the Company or an executive thereof
- (ii) An entity for which the Company is a major business partner or an executive thereof
- (iii) A major business partner of the Company or an executive thereof
- (iv) The accounting auditor of the Company or its consolidated subsidiary, or an employee, etc. thereof who is in charge of audit of the Company or its consolidated subsidiary

- (v) An attorney-at-law, a judicial scrivener, a patent attorney, a certified public accountant, a consultant, etc. who receives money or other forms of property worth more than ¥10 million per year from the Company, excluding officer remuneration (In the case where an organization, such as a corporation or a partnership, receives the said property, a person who belongs to an organization where the property received from the Company accounts for more than 2% of the organization's annual income)
 - (vi) A principal lender to the Company (a lender whose name is listed as a principal lender in the Business Report for the fiscal year ended most recently) or an executive thereof
 - (vii) A person who receives donation worth more than ¥10 million per year from the Company (In the case where an organization, such as a corporation or a partnership, receives the said donation, an executive of an organization where the donation received from the Company accounts for more than 2% of the organization's annual income)
 - (viii) A person who fell under any of (i) to (vii) above in the past three (3) years
 - (ix) A relative within the second degree of kinship of an entity listed in any of (i) to (viii) above (limited to an important entity)
 - (x) A relative within the second degree of kinship of a director, an executive officer, a manager, an employee, or an accounting advisor (including an employee who performs its duties if the accounting advisor is a corporation) of the Company or its subsidiary
 - (xi) A relative within the second degree of kinship of a person who was a director, an executive officer, a manager, an employee, or an accounting advisor (including an employee who performs its duties if the accounting advisor is a corporation) of the Company or its subsidiary in the past three (3) years
 - (xii) Beyond what is provided for in the preceding items, a person who has a special reason, such as a potential conflict of interest with the Company, that prevents him/her from fulfilling an independent Outside Officer's duties
- (2) An Outside Officer considered as independent based on this Article shall notify the Company immediately when he/she ceases to be independent.
- (3) In this Article, being a major business partner means that business transactions exceed 2% of consolidated net sales (consolidated gross profit in the case of the Company) for the fiscal year ended most recently.

[Reference] Expected Composition of the Board of Directors After the Approval of Proposal 3

Knowledge, experience, and skills of Directors

Name	Corporate management/ Corporate strategy	Personnel/Labor/ HR development	Legal affairs/ Compliance	Sales/Marketing	IT/Digital
Masayuki Sugimoto	○	○	○	○	○
Masahiro Sugimoto	○	○	○	○	
Hiroyuki Imanaka		○		○	
Yuki Tsuru			○		○
Haruyuki Yoshida	○	○	○		