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Securities Code: 3397

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To Our Shareholders:

Takaya Awata (Mr.)
President (CEO)
TORIDOLL Holdings Corporation
1-21-1 Dogenzaka, Shibuya-ku, Tokyo

Notice of the 34th Annual General Meeting of Shareholders

You are hereby notified of the convocation of the 34th Annual General Meeting of Shareholders of TORIDOLL Holdings Corporation (the “Company”) to be held as described below.

When convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the contents of the reference documents for the General Meeting of Shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, which are posted on the various websites listed below, so please access any of these websites to review the information.

Company’s website:

<https://www.toridoll.com/ir/stock/meeting/> (in Japanese)

Website for the General Meeting of Shareholders materials:

<https://d.sokai.jp/3397/teiji/> (in Japanese)

Tokyo Stock Exchange website (TSE Listed Company Information Service):

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

(Access the above TSE website, enter “TORIDOLL Holdings” in the “Issue name (company name)” or the Company’s securities code “3397” 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].”)

Shareholders unable to attend the meeting on the day may exercise their voting rights via the internet, etc. or in writing, as described in “Procedures for Exercising Voting Rights” (page 3). They are therefore asked to review the Reference Documents for General Meeting of Shareholders and to exercise their voting rights by no later than 6:00 p.m. on Wednesday, June 26, 2024 (JST).

1. Date and Time: Thursday, June 27, 2024, at 10:00 a.m. (JST) (reception begins at 9:00 a.m.)

2. Venue: Bellesalle Shibuya Garden
1F, Sumitomo Fudosan Garden Tower,
16-17, Nampeidaicho, Shibuya-ku, Tokyo

3. Purpose of Meeting

Matters to be reported:

1. The business report, consolidated financial statements and the results of the audit of consolidated financial statements by Financial Auditor and the Audit & Supervisory Committee for the 34th fiscal year (from April 1, 2023 to March 31, 2024)
2. Non-consolidated financial statements for the 34th fiscal year (from April 1, 2023 to March 31, 2024)

Matters to be resolved:

Proposal No. 1 Election of Five Directors (Excluding Directors who are Audit & Supervisory Committee Members)

Proposal No. 2 Election of One Substitute Director who is an Audit & Supervisory Committee Member

Please be aware that no gifts will be prepared for the Meeting. In addition, please note that no social event for shareholders will be held. Your kind understanding is appreciated.

Procedures for Exercising Voting Rights

When attending the Meeting in person

Please present the enclosed voting form at the reception desk on the day of the Meeting.

Please bring this notice with you in order to save resources.

When not attending the Meeting in person

Exercising your voting rights via the Internet, etc.

Please log into the website as specified by the Company and indicate your approval or disapproval of the agenda by 6:00 p.m. on Wednesday, June 26, 2024 (JST).

Exercising your voting rights in writing (Voting Right Exercise Form)

Please indicate your vote of approval or disapproval of each proposal in the enclosed voting form and return this form for receipt by 6:00 p.m. on Wednesday, June 26, 2024 (JST).

If no indication of approval or disapproval is made for each proposal in the returned voting form, it will be treated as an indication of approval.

- Among items for which measures for providing information in electronic format are to be taken, the following documents are not provided in the documents delivered to shareholders who have requested the delivery of paper-based documents in accordance with Paragraph 2 of Article 14 of the Articles of Incorporation and government regulations - “The Company’s Criteria for the Independence of Outside Directors,” “Share Acquisition Rights, etc. of the Company,” “Summary of Details of Indemnity Agreement,” “Summary of Details of Directors and Officers Liability Insurance Policy,” “Financial Auditor,” “Systems to Ensure That Directors Perform Their Duties in Compliance With Relevant Laws and Regulations and the Articles of Incorporation, and Other Systems to Ensure Propriety of Operations of the Company, and Operational Status of These Systems” “Consolidated Statements of Changes in Equity,” “Notes to Consolidated Financial Statements,” “Statements of Changes in Equity,” and “Notes to Non-consolidated Financial Statements.” Furthermore, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements which are included in the documents attached to this notice of Annual General Meeting of Shareholders are (i) part of the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements that are audited when the Audit & Supervisory Committee creates its audit report, and (ii) also a part of the Consolidated Financial Statements and Non-consolidated Financial Statements that are audited when the Financial Auditor creates its accounting audit report.
- If any changes have been made to items subject to measures for electronic provision arise, a notice of the changes and details of the items before and after the changes will be posted online on the Company’s aforementioned website and other websites listed on page 1.

Instructions on Exercising Voting Rights via the Internet, Etc.

“Smart Exercise[®]” by scanning the login QR Code

You can log into the website for exercising voting rights without entering the voting right exercise code and password.

1 Please scan the QR Code provided at the bottom right of the voting form.

* QR Code is a registered trademark of DENSO WAVE INCORPORATED.

2 Please follow the instructions on the screen and indicate your approval or disapproval.

“Smart Exercise[®]” can be used to exercise your voting rights one time only.

After exercising your voting rights, in order to change your initial vote, please access the desktop website and enter the voting right exercise code and password printed on the voting form to log in, then exercise your voting rights again.

* Scanning the QR Code again will take you to the desktop website.

By entering the voting right exercise code and password

Website for exercising voting rights: <https://soukai.mizuho-tb.co.jp/> (in Japanese)

1 Please access the website for exercising voting rights.

Click “Continue”

2 Enter the voting right exercise code given on the voting form.

Enter the voting right exercise code

Click “Next”

3 Enter the password given on the voting form.

Enter the password

Please set a new password to use in the future

Click “Enter”

4 Please follow the instructions on the screen and indicate your approval or disapproval.

If you have any queries regarding how to operate your PC, smartphone or cell phone to exercise your voting rights via the Internet, please contact the support desk shown below.

Internet Help Hotline, Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.

0120-768-524

(Hours: 9:00 a.m. to 9:00 p.m., excluding year end and new year holidays)

Institutional investors can use the electronic voting platform for institutional investors operated by ICJ, Inc.

Notes:

- Shareholder shall bear the expenses for connection to the Internet.
- The password is a means to verify the identity of the person exercising voting rights as a shareholder. Please keep the password safe until the end of this General Meeting of Shareholders. The Company will not be able to respond to inquiries about the password by telephone. The Company will not contact you to ask for your password.
- If the password is entered incorrectly for a certain number of times, the account will be locked and unusable. If this occurs, please complete the procedures as indicated by the guidance shown on-screen.
- Although operational checks have been carried out on the website for exercising voting rights on most devices that connect to the Internet, please note, there is a possibility that the site may be unable to be used on the shareholder’s device.
- If a shareholder exercises their voting rights both in writing and via the Internet, etc., only the exercise of voting rights via the Internet, etc. will be accepted.
- If voting rights are exercised more than once via the Internet, etc., only the last exercise shall be accepted.

Reference Documents for General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Election of Five Directors (Excluding Directors who are Audit & Supervisory Committee Members)

At the conclusion of this meeting, the term of office for all five Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire. Therefore, the Company proposes the election of five Directors.

When selecting the Director candidates, the Nomination Committee, members of which include all four Independent Outside Directors who constitute a majority, has been consulted. Furthermore, taking into account deliberations by the Nomination Committee, the Audit & Supervisory Committee has determined that the proposal is appropriate, based on the judgment that the election of each candidate will contribute to the improvement of the Company's corporate value.

The candidates for Director are as follows:

Candidate no.	Name			Current position and responsibility in the Company	Attendance at Board of Directors meetings
1	Takaya Awata	Male	Reelection	President (CEO)	100% (18/18)
2	Takashi Sugiyama	Male	Reelection	Executive Vice President (COO) General Manager of International Business Division	100% (18/18)
3	Satoshi Yamaguchi	Male	Reelection	Director (CFO) General Manager of Finance Division and Finance Department	100% (11/11)
4	Kenichi Tanaka	Male	New election	Executive Officer (CHHO) General Manager of Happiness Human Support Division	-
5	Rieko Shofu	Female	Reelection Candidate for Outside Director Independent Director	Director	91% (10/11)

- Notes:
- Ms. Rieko Shofu's legal name is Rieko Fujino. However, she is referred to by the name she uses during her professional duties.
 - The attendance rate at meetings of the Board of Directors for Mr. Satoshi Yamaguchi and Ms. Rieko Shofu includes only meetings of the Board of Directors that were held on or after their appointment on June 29, 2023.
 - In addition to the number of meetings of the Board of Directors shown in the table above, there was one written resolution that was regarded as a resolution of a meeting of the Board of Directors based on Article 370 of the Companies Act and the Company's Articles of Incorporation.

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p>Takaya Awata October 28, 1961 (62 years old) Male Reelection</p> <p>Attendance at Board of Directors meetings: 100% (18/18) Length of tenure at the conclusion of this meeting: 34 years</p>	<p>Aug. 1985 Self-employed (opened Toridoll Sanban-Kan) June 1990 Established Toridoll Ltd., President Oct. 1995 The Company changed its organizational structure to Toridoll corporation (currently, TORIDOLL Holdings Corporation), President (CEO) (current position)</p>	27,579,761 shares
<p>Reasons for nomination as candidate for Director: The Company has once again nominated Mr. Takaya Awata as a candidate for Director based on its judgment that he is necessary for the sustainable growth and medium to long-term improvement of the Company's corporate value in the future as he possesses a deep understanding of the Company's business gained through consistent involvement in the Company's operations since its establishment as well as swift and accurate decision-making skills and excellent risk management capabilities.</p> <p>Note: In addition to the number of meetings of the Board of Directors described above, there was one written resolution that was regarded as a resolution of a meeting of the Board of Directors based on Article 370 of the Companies Act and the Company's Articles of Incorporation.</p>			
2	<p>Takashi Sugiyama May 23, 1977 (47 years old) Male Reelection</p> <p>Attendance at Board of Directors meetings: 100% (18/18) Length of tenure at the conclusion of this meeting: 3 years</p>	<p>Apr. 2001 Joined Deloitte Tohmatsu Consulting Co., Ltd. (currently ABeam Consulting Ltd.) Oct. 2006 Joined ABeam M&A Consulting Ltd. (currently PwC Advisory LLC) July 2015 Joined Deloitte Tohmatsu Consulting LLC. June 2017 Executive Officer and Partner Feb. 2019 Joined the Company July 2019 General Manager of International Business Preparation Office, International Business Division Oct. 2019 General Manager of International Business Planning Department, International Business Division Feb. 2020 Executive Officer and General Manager of International Business Division Apr. 2021 Director of Tam Jai International Co. Limited (current position) June 2021 Managing Director and General Manager of International Business Division June 2022 Executive Vice President (COO) and General Manager of International Business Division (current position)</p> <p>Role in the Company General Manager of International Business Division Significant concurrent positions outside the Company Director of Tam Jai International Co. Limited</p>	5,793 shares
<p>Reasons for nomination as candidate for Director: The Company has once again nominated Mr. Takashi Sugiyama as a candidate for Director based on its judgment that his capabilities are necessary for the future management of the Company as he possesses experience and insight related to international business that he has developed through work at management consulting firms, and has utilized this experience and insight to contribute to the advancement of our international business since joining the Company.</p> <p>Note: In addition to the number of meetings of the Board of Directors described above, there was one written resolution that was regarded as a resolution of a meeting of the Board of Directors based on Article 370 of the Companies Act and the Company's Articles of Incorporation.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p>Satoshi Yamaguchi October 7, 1974 (49 years old) Male Reelection</p> <p>Attendance at Board of Directors meetings: 100% (11/11) Length of tenure at the conclusion of this meeting: 1 year</p>	<p>Apr. 1997 Joined Japan Leasing Corporation (currently Sumitomo Mitsui Finance and Leasing Company, Limited)</p> <p>Apr. 2002 Joined M.P.Technologies, Inc (Ascentech K.K.)</p> <p>May 2007 Joined J-payment Company</p> <p>May 2008 Joined P&E Directions, Inc.</p> <p>Nov. 2012 Joined Japan Display Inc.</p> <p>Feb. 2020 Joined the Company as General Manager of Finance Department, Administration Division</p> <p>Oct. 2020 General Manager of Finance Division and Finance Department</p> <p>July 2022 Executive Officer (CFO), General Manager of Finance Division and Finance Department</p> <p>June 2023 Director (CFO), General Manager of Finance Division and Finance Department (current position)</p> <p>Role in the Company General Manager of Finance Division and Finance Department</p>	1,207 shares
<p>Reasons for nomination as candidate for Director: The Company has nominated Mr. Satoshi Yamaguchi as a candidate for Director based on its judgment that his capabilities continue to be necessary for the future management of the Company as he possesses experience and insight related to financial operations and management planning, including fund management and procurement that he has developed through work at financial institutions, information communication companies, management consulting firms and electrical equipment manufacturers, and has utilized this experience and insight to contribute to supervision of finance operations of the Company, formulation of financial policies and strategies, and establishment and enhancement of the financial base since joining the Company.</p>			
4	<p>Kenichi Tanaka December 2, 1967 (56 years old) Male New election</p>	<p>Apr. 1990 Joined Fujitsu Limited</p> <p>June 2003 Joined the Japan Headquarters of General Electric International Inc.</p> <p>May 2009 Joined Burberry Japan K.K.</p> <p>Sept. 2010 Joined Burberry Asia Limited</p> <p>Jan. 2016 Joined Suntory Holdings Limited as General Manager of Global Human Resources Department</p> <p>Jan. 2020 Joined Suntory Beverage & Food Limited as Executive Officer and Head of Global HR Department</p> <p>Sept. 2021 Joined Suntory Holdings Limited as Deputy Chief Human Resources Officer</p> <p>Feb. 2024 Joined the Company as Executive Officer (CPOO)</p> <p>May 2024 Executive Officer (CHHO), General Manager of Happiness Human Support Division (current position)</p> <p>Role in the Company General Manager of Happiness Human Support Division</p>	- shares
<p>Reasons for nomination as candidate for Director: The Company has nominated Mr. Kenichi Tanaka as a candidate for Director based on its judgment that his capabilities are necessary for the future management of the Company as he possesses experience and insight related to human resources planning and global human resources that he has developed through work at electronics manufacturers and beverage companies, and has utilized this experience and insight to contribute to the construction of a global strategy, systems, and frameworks for the people and organizations of the Company since joining the Company.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	<p style="text-align: center;">Rieko Shofu July 13, 1967 (56 years old) Candidate for Outside Director Independent Director Female Reelection</p> <p>Attendance at Board of Directors meetings: 91% (10/11) Length of tenure at the conclusion of this meeting: 1 year</p>	<p>Apr. 1990 Joined Hakuodo Inc. June 2007 General Manager of the Corporate Design Department of Hakuodo Inc. Aug. 2011 Executive Officer and Executive Manager of Hakuodo Consulting Inc. May 2015 President and CEO of Sensing Asia Ltd. (current position) Apr. 2016 Deputy Director of Corporate Planning Headquarters and Director of Corporate Planning Department of POKKA SAPPORO Food & Beverage Ltd. Mar. 2017 Director of Corporate Planning Headquarters and Director of Corporate Planning Department of POKKA SAPPORO Food & Beverage Ltd. Mar. 2018 Group CEO of POKKA CORPORATION (SINGAPORE) PTE. LTD. Jan. 2020 Group CEO of POKKA PTE. LTD. Jul. 2020 Director and Senior Executive Managing Director of Sapporo Group Foods Ltd. Mar. 2022 Director of Sapporo Holdings Limited and Director of POKKA SAPPORO Food & Beverage Ltd. Jan. 2023 Director of Sapporo Holdings Limited, Vice President and Representative Director of POKKA SAPPORO Food & Beverage Ltd., President and Representative Director of Sapporo Group Foods Ltd. June 2023 Director of the Company (current position) Jul. 2023 Director of Sapporo Holdings Limited, Director of POKKA SAPPORO Food & Beverage Ltd., President and Representative Director of Sapporo Group Foods Ltd. Nov. 2023 Director of Sapporo Holdings Limited and Director of POKKA SAPPORO Food & Beverage Ltd. Mar. 2024 Managing Director of Sapporo Holdings Limited and Director of SAPPORO BREWERIES LTD. (current position)</p> <p>Significant concurrent positions outside the Company Managing Director of Sapporo Holdings Limited and Director of SAPPORO BREWERIES LTD.</p>	- shares
<p>Reasons for nomination as candidate for Outside Director and overview of expected role: The Company nominated Ms. Rieko Shofu as a candidate for Outside Director based on its judgment that her capabilities are necessary for the Company as she possesses extensive experience, track record, and knowledge in global business management, marketing, and accounting and finance and that she can continue to provide accurate proposals and advice to the Company's management from an objective and professional perspective. Furthermore, if she is elected, she will serve as a member of the Nomination Committee and the Remuneration Committee and will be involved in the selection of candidates for the Company's Board of Directors and the determination of remuneration from an independent perspective.</p>			

- Notes:
1. There is no special interest between any of the candidates for Director and the Company.
 2. The age listed for each candidate for Director is their age as of the dispatch date of this notice of the Annual General Meeting of Shareholders.
 3. Ms. Rieko Shofu is a candidate for Outside Director.
 4. Pursuant to Paragraph 1 of Article 427 of the Companies Act, the Company has concluded contracts with Ms. Rieko Shofu to limit her liability for damages as stipulated in Paragraph 1 of Article 423 of the same Act. The limitation of the liability for damages under the relevant agreement is the minimum liability amount set forth in Paragraph 1 of Article 425 of the

Companies Act. In the event that the reelection of Ms. Rieko Shofu is approved, the Company plans to renew the agreement with her.

5. The Company has submitted notification to the Tokyo Stock Exchange, Inc. that Ms. Rieko Shofu has been designated as an Independent Director who is obliged by said exchange to be designated as someone not having the potential to cause conflict of interests against general shareholders. In the event that the reelection of Ms. Rieko Shofu is approved, the Company plans to submit notification of her continued status as Independent Director to said exchange.
6. Pursuant to the provisions of Paragraph 1 of Article 430-2 of the Companies Act, the Company has entered into an indemnity agreement with Mr. Takaya Awata, Mr. Takashi Sugiyama, Mr. Satoshi Yamaguchi, and Ms. Rieko Shofu under which the Company agrees to indemnify costs and losses, as provided for in Item 1 and Item 2, respectively, of said Paragraph, within the range prescribed by laws and regulations. In the event that the reelection of Mr. Takaya Awata, Mr. Takashi Sugiyama, Mr. Satoshi Yamaguchi, and Ms. Rieko Shofu is approved, the Company plans to renew the respective indemnity agreements with each of them. In the event that the election of Mr. Kenichi Tanaka is approved, the Company plans to enter into similar indemnity agreements with him.
7. The Company has entered into a directors and officers liability insurance policy as provided for in Paragraph 1 of Article 430-3 of the Companies Act with an insurance company. The policy will cover the amount of indemnification and court costs incurred in cases where a Director who is an insured receives a claim for damages arising from their performance of duties. The full amount of the insurance premiums for this insurance policy is borne by the Company. If the election of each candidate for Director is approved, each of them will be included as an insured in the insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal No. 2 Election of One Substitute Director who is an Audit & Supervisory Committee Member

The Company proposes the election of one substitute Director who is an Audit & Supervisory Committee Member in advance in case the number of Directors who are Audit & Supervisory Committee Members falls below the number required by laws and regulations.

The Audit & Supervisory Committee has consented to this proposal.

The candidate for the role of substitute Director who is an Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company's shares owned
<p style="text-align: center;">Koji Toyoda February 3, 1968 (56 years old) Candidate for Outside Director Independent Director Male</p>	<p>Apr. 1991 Joined Meiji Life Insurance Company (currently Meiji Yasuda Life Insurance Company)</p> <p>Oct. 1996 Joined Asahi & Co. (currently KPMG AZSA LLC)</p> <p>Oct. 2004 Registered as attorney at law Joined Miyake & Partners</p> <p>Nov. 2004 Registered as certified public accountant</p> <p>Apr. 2012 Director of AXIA Law and Accounting Office (current position)</p> <p>Dec. 2013 Outside Audit & Supervisory Board Member of Taiyo Machinery Co., Ltd.</p> <p>Nov. 2015 Auditor of Osaka University of Economics</p> <p>Mar. 2017 Outside Director of Daisan Co., Ltd. (Audit & Supervisory Committee Member) (current position)</p> <p>Significant concurrent positions outside the Company Director of AXIA Law and Accounting Office, Outside Director of Daisan Co., Ltd. (Audit & Supervisory Committee Member)</p>	<p>- shares</p>
<p>Reasons for nomination as candidate for substitute Outside Director and overview of expected role: The Company has nominated Mr. Koji Toyoda as a candidate for substitute Outside Director based on its judgment that he possesses both expertise and experience obtained as a certified public accountant and an attorney at law, and is capable of appropriately fulfilling the duties of Outside Director if he were to assume the position. In the event that he assumes a position as a Director who is an Audit & Supervisory Committee Member, he is expected to provide supervision and advice for management based on his expert knowledge and experience, and to work for improving corporate governance of the Company as a member of the Audit & Supervisory Committee, Nomination Committee and Remuneration Committee.</p>		

- Notes:
1. There is no special interest between Mr. Koji Toyoda, a candidate for substitute Director who is an Audit and Supervisory Committee Member, and the Company.
 2. The age listed for the candidate for substitute Director who is an Audit & Supervisory Committee Member, Mr. Koji Toyoda, is his age as of the dispatch date of this notice of the Annual General Meeting of Shareholders.
 3. Mr. Koji Toyoda is a candidate for substitute Outside Director.
 4. In the event that Mr. Koji Toyoda assumes a position as a Director who is an Audit & Supervisory Committee Member, the Company plans to execute a contract for limitation of liability with him to limit his liability as stipulated in Paragraph 1 of Article 423 of the Companies Act up to the total sum stipulated in Paragraph 1 of Article 425 of the Companies Act.
 5. In the event that Mr. Koji Toyoda assumes a position as a Director who is an Audit & Supervisory Committee Member, the Company plans to submit a notification to Tokyo Stock Exchange, Inc. as an Independent Director who is obliged by said exchange to be designated as one not having the potential to cause conflicts of interest against general shareholders.
 6. In the event that Mr. Koji Toyoda assumes a position as a Director who is an Audit & Supervisory Committee Member, the Company plans, pursuant to the provisions of Paragraph 1 of Article 430-2 of the Companies Act, to enter into an indemnity agreement with him under which the Company agrees to indemnify costs and losses, as provided for in Item 1 and Item 2, respectively, of said Paragraph, within the range prescribed by laws and regulations.
 7. The Company has entered into a directors and officers liability insurance policy as provided for in Paragraph 1 of Article 430-3 of the Companies Act with an insurance company. The policy will cover the amount of indemnification and court costs incurred in cases where a Director who is an insured receives a claim for damages arising from their performance of duties. The full amount of the insurance premiums for this insurance policy is borne by the Company. In the event that Mr. Koji Toyoda assumes a position as a Director who is an Audit & Supervisory Committee Member, he will be included as an insured under this insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Reference: Skills Matrix

The following table shows the particular expertise and experiences of the Directors in the event that this proposal is approved.

	Position in the Company	Corporate management	Global	Accounting and finance	Capital policy M&A	Legal Compliance	ESG	Food service business	Marketing Store development	Food hygiene control	DX Innovation	Digital technology ICT	Human resources Labor Personnel development
Takaya Awata	Representative Director, President	●					●	●			●		●
Takashi Sugiyama	Executive Vice President	●	●	●	●	●		●	●		●	●	
Satoshi Yamaguchi	Director	●	●	●	●		●						
Kenichi Tanaka	Director	●	●		●	●	●						●
Rieko Shofu	Outside Director	●	●	●	●		●	●	●				
Toshiyasu Umeki	Outside Director (Audit & Supervisory Committee Member)			●	●		●						
Hiroaki Umeda	Outside Director (Audit & Supervisory Committee Member)			●	●		●						
Maki Kataoka	Outside Director (Audit & Supervisory Committee Member)				●	●	●						

Note: The above table does not include all of the expertise or experiences of each person.

Attached Documents Business Report (From April 1, 2023 to March 31, 2024)

1 Status of the corporate group

1 Progress and results of operations

During the consolidated fiscal year under review ended March 31, 2024, the business environment surrounding the Group was characterized by a significant increase in the number of people out and about and a recovery in the number of restaurant customers.

Given this environment, our business activities were as follows: In Japan, created highly compelling products and retail store designs and organized campaigns to increase in-store traffic. In the Overseas segment, we acquired Fulham Shore, a UK-based restaurant business, which became a subsidiary in July 2023, from the second quarter of the current fiscal year.

Revenue	¥231,952 million (up 23.2% year-on-year)
Business profit	¥14,536 million (up 108.1% year-on-year)
Operating profit	¥11,647 million (up 56.0% year-on-year)
Profit for the year attributable to owners of the parent	¥5,675 million (up 48.3% year-on-year)

As a result, revenues reached a record high of ¥231,952 million (+23.2% year-on-year), with all segments (Marugame Seimen, Other Domestic, and Overseas) recording highest ever revenue result.

Despite higher raw material costs, higher labor costs, and higher utilities costs in Japan and overseas, these increases were absorbed by the increase in revenue, resulting in a significant increase in business profit (Note 1) of 108.1% year-on-year to ¥14,536 million. This, also, was our highest ever business profit result.

In the previous fiscal year, we recorded ¥4,403 million in government subsidies, such as those provided for complying with the request to shorten operating hours related to COVID-19. However, due to the fact that the amount totaled just ¥42 million in the current fiscal year, other operating income decreased by ¥4,596 million year-on-year, but this was absorbed by the large increase in business profit. On the other hand, other operating expenses decreased by ¥1,417 million year-on-year, as a one-time China business liquidation cost of ¥1,227 million was recorded in the previous fiscal year.

As a result, operating profit (Note 2) increased significantly to ¥11,647 million (+56.0% year-on-year) and profit for the period attributable to owners of the parent also increased significantly to ¥5,675 million (+48.3% year-on-year).

(Notes)

- 1: Business profit is calculated by deducting the cost of goods sold and selling, general and administrative expenses from revenue.
- 2: Operating profit is calculated by adding other operating income to and deducting impairment losses and other operating expenses from business

Results of operations by segment are as follows:

Marugame Seimen

Main businesses

Marugame Seimen is a restaurant chain specializing in “Sanuki” udon. Noodles machines are installed at each restaurant for a “freshly kneaded” and “freshly boiled” taste. By cooking in front of our customers in an open kitchen, we aim to create an authentic restaurant where customers can enjoy “freshness,” “hand-made style,” and “comfort.”

In the Marugame Seimen segment, the Group launched a new brand campaign with the key message “We’ll amaze you with udon” from the last fiscal year, and by combining a brand strategy that forms perceptions so customers continue to choose us and a product strategy that creates impulses, the segment has developed a marketing strategy that simultaneously elevates brand value, customer experience (CX), and employee experience (EX).

In February 2024, we released a new nationwide TV commercial, “Fuwa-fuwa! Mochimochi! Kamaage Udon,” focusing on our signature product “Kamaage Udon,” which we have been serving since our founding. By promoting the deliciousness of our signature product, which we can confidently recommend because of the fact that we make handmade udon from flour each and every store daily, sales of our regular menu items increased.

In March 2024, the deployment of Menshokunin (noodle masters) (Note 1) in all stores was finally completed. To commemorate the deploying of all stores, a pop-up store “Marugame Seimenjo” operated solely by noodle masters was opened in Kanda Ogawamachi, Tokyo for a limited time. It offered the “Marugame Seimenjo, Three types of tasting udon” and focused on Menshokunin (noodle masters) to promote their desire to deliver better tasting udon, their dedication and confidence through a TV commercial, events, and a special website.

Seasonal fair menus also performed well, and in the fourth quarter of the current fiscal year, we rolled out the “Winter deliciousness by adding just a bit of time and effort!” series. As our first phase of new menu items, “Kamo Negi Udon” and “Ankake Udon with double Meat and Egg” were launched from December 5, 2023, and became big hits, selling approximately 1.6 million servings and 1.77 million servings, respectively. The second phase was the limited-time offering of “Kagoshima Black Beef Wagyu Sukiyaki Kamatama Udon” using brand beef from December 12, and the third phase was “Ankake Udon with Crab and Egg” from January 3 to 15, 2024. For the fourth and final phase, “Ankake Udon with Oyster and Egg,” made with six luxurious Hiroshima oysters, and the new “Oyster Bukkake Udon,” were introduced on January 30.

On the other hand, to cope with rising labor costs and surging costs, on January 16, 2024, we implemented a price revision for some of our menu items.

Thanks to these activities, revenue increased to ¥114,856 million (+12.5% year-on-year), the highest ever recorded. Cost of sales, labor costs and advertising expenses also increased but were absorbed by the increase in revenue. Business profit also rose significantly, reaching a record high of ¥18,351 million (+57.9% year-on-year).

(Note)

1. Menshokunin (noodle masters): Certification given only to those who have passed the unique training system, the Menshokunin program.

Other domestic brands

Main businesses

This segment includes “Kona’s Coffee,” “Zundo-Ya,” “Nikuno Yamagyu,” “Butaya Ton-Ichi,” “Banpaiya,” “Toridoll,” “Tempura Makino,” “Nagata Honjyouken,” and “Yakitata Koppe Seipan.”

In the Other Domestic segment, Zundo-ya, which operates 87 locations, maintained high profitability as existing stores in Osaka and other parts of the Kansai region performed particularly well, and 13 new stores also contributed its profit.

Kona’s Coffee, which operates under the concept of a “Hawaiian dining experience ‘closest to you.’,” saw both the number of customers and the average spending at existing locations increase, and its new Yachiyo Midorigaoka Store achieved one of the highest monthly sales in Japan and made early progress toward profitability.

Sales at Akabane (Tokyo) store of Niku no Yamagyu (Note 2), a grocerant-type (Note 3) store opened in November 2023, were strong. The Takenotsuka store, which opened in February 2024, is a new model store specializing in

takeout and delivery sales of boxed lunches and prepared foods without an in-store eating area, and recorded the highest monthly sales in March of this business type.

Tempura Makino enhanced its fair set menus and tempura dishes, which mainly feature seasonal ingredients, successfully capturing inbound demand from an increasing number of foreign tourists.

The Matsudo Ekimae branch of Buta-ya Tonichi, which opened on November 14, enhanced effort on takeaway sales of boxed lunches as well as eat-in and achieved one of the highest sales of this business type.

As a result, revenues increased significantly, up 15.0% in year-on-year to ¥28,460 million and business profit increased significantly up 46.2% in year-on-year to a record high of ¥4,451 million.

(Notes)

2. Niku no Yamaki Shoten changed its brand name to Niku no Yamagyu as of November 29, 2023.
3. Grocerant-type: A format that combines a grocery store and a restaurant.

Overseas businesses

Main businesses

The Company has opened company-owned stores and franchise restaurants in 30 or more countries and regions; these brands include “Marugame Udon” (Marugame Seimen’s overseas brand), “Tam Jai” (spicy noodles), “Franco Manca” (pizza), and “Wok To Walk” (Thai-style fast food).

Tam Jai, a spicy noodle restaurant business, increased six new restaurants in China, seven in Hong Kong, and one in Singapore, increasing the total to 229 locations and has enjoyed an increase in revenue and profit. With regard to Marugame Udon, we opened six new restaurants in Taiwan and posted a significant increase in both revenue and profit thanks to improved product and service quality due to successful personnel training. In the U.S., both revenue and profit posted an increase thanks to an increase in number of customers at existing stores and strong sales at two new locations. In the U.K., as well, we increased revenues through efforts to strengthen our power to attract customers but we continued to implement upfront investments for growth.

Due in part to Fulham Shore (U.K.), which was consolidated from the second quarter, and the impact of foreign exchange rates, revenue increased significantly to a record high of ¥88,637 million (+44.2% year-on-year) in the consolidated fiscal year. Business profit increased significantly, up 64.2% in year-on-year to ¥2,970 million, although it fell short of plan due to the impact of a one-time expense of ¥656 million in the U.S. in the fourth quarter of the current fiscal year.

2 Capital expenditures

The Group has continued to enact capital expenditures in order to grow sales by opening new stores. In this fiscal year, the Group opened 18 Marugame Seimen stores and 23 stores of other brands in Japan, resulting in a total of 41 company-owned stores being newly opened.

The Group opened 135 company-owned overseas stores in Hong Kong, Taiwan, Singapore, the US, the UK, etc. Fulham Shore became a subsidiary in this fiscal year, and its 96 stores are included in newly opened, directly operated stores.

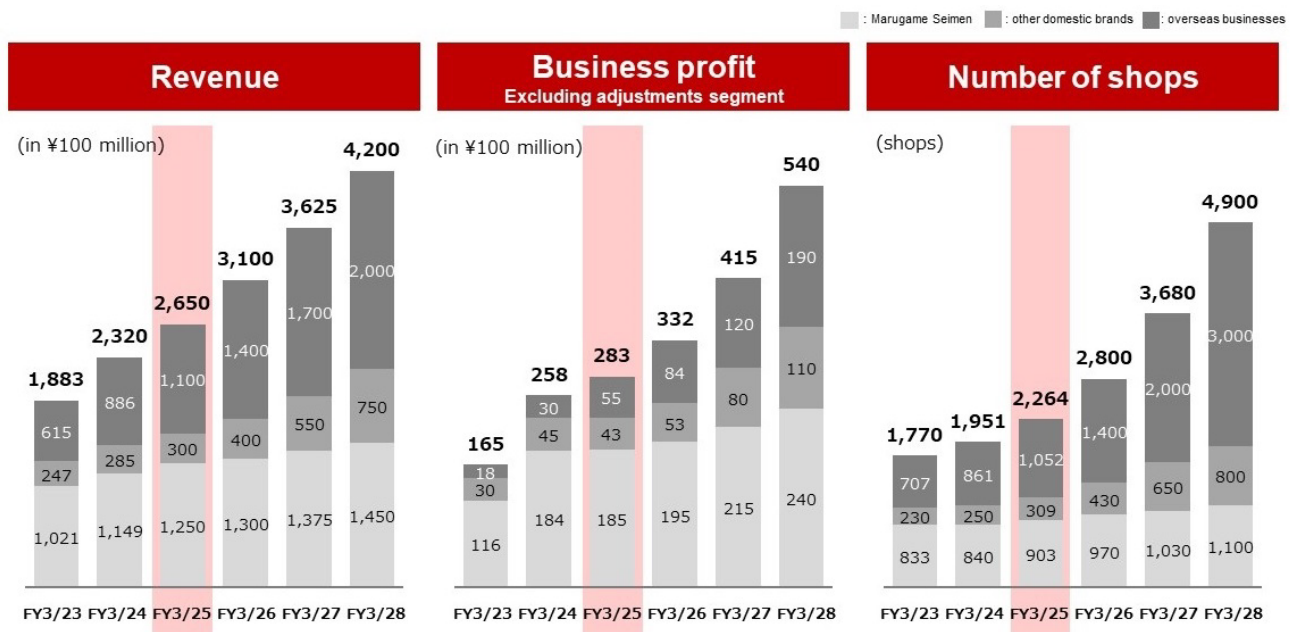
3 Financing activities

In this fiscal year, the Group raised funds of ¥7.9 billion from long-term loans from financial institutions, in addition to funds on hand, and allocated them to operating funds.

4 Challenges to be addressed

Medium- to Long-term Management Plan for FY3/23 to FY3/28

The Group has formulated the “FY2023 to 2028 Medium- to Long-term Management Plan,” aiming to become a global food company in both name and reality. In response to factors such as sales per store and profitability of domestic businesses increasing in excess of the initial plan, in November 2023, we upwardly revised the targets for FY3/28 to revenue of ¥420.0 billion, business profit of ¥42.0 billion, and operating profit of ¥38.0 billion. In FY3/25, we plan to increase the number of stores both inside and outside of Japan; however, we will be prioritizing formats and areas for which there are high expectations for growth and performance improvements when investing resources. In addition, we will be strengthening our management and portfolio management with an awareness of capital cost.



For details, please refer to the Financial Results for the Fiscal Year ended March 2024 posted on the Company’s website (<https://www.toridoll.com/ir/account/> (in Japanese)).

5 Assets, Profits, and Losses

(Amounts shown in millions of yen)

Category	International Financial Reporting Standards (IFRS)			
	31st Fiscal year ended March 31, 2021	32nd Fiscal year ended March 31, 2022	33rd Fiscal year ended March 31, 2023	34th Fiscal year ended March 31, 2024 (current fiscal year under review)
Revenue	134,760	153,355	188,320	231,952
Business profit (loss)	(3,872)	5,431	6,984	14,536
Operating profit (loss)	(7,336)	14,243	7,466	11,647
Profit (loss) for the year attributable to owners of the parent	(5,456)	8,979	3,827	5,675
Basic earnings (losses) per share (yen)	(67.71)	99.25	39.58	60.70
Total assets	209,411	240,840	266,235	322,357
Equity attributable to owners of the parent	39,461	62,024	69,566	80,827
Profit ratio to equity attributable to owners of the parent (%)	(12.9)	17.7	5.8	7.5

- Notes:
1. At the end of current fiscal year under review, total assets increased by ¥56,122 million from the end of the previous fiscal year to ¥322,357 million, an increase of 21.1% year-on-year. This increase mainly reflected a ¥20,525 million increase in intangible assets and goodwill, and a ¥19,256 million increase in right-of-use assets, compared with the previous consolidated fiscal year.
 2. “Basic earnings (losses) per share” are calculated by deducting the amount not attributable to the Company’s common shareholders from “Profit (loss) for the year attributable to owners of the parent.”

6 Parent company and major subsidiaries

(i) Status of the parent company

Not applicable.

(ii) Status of major subsidiaries

Company name	Capital stock	Ratio of ownership of the Company	Major businesses
TORIDOLL HOLDING LIMITED	HKD \$2,452,338 thousand	100.0%	Administration and management of overseas business
TORIDOLL TAIWAN CORPORATION	NT \$52,500 thousand	100.0%	Restaurant management, etc.
GEORGE'S CORPORATION	USD \$5.534 million	100.0%	Restaurant management, etc.
TORIDOLL DINING CORPORATION	USD \$142	100.0%	Holding company
MARUGAME UDON USA, LLC	USD \$13.301 million	67.3%	Restaurant management, etc.
Wok to Walk Franchise B.V.	EUR 18 thousand	80.0%	Franchise restaurant operations, etc.
WOK TO WALK US HOLDINGS, INC.	USD \$9.346 million	100.0%	Holding company
Marugame Udon, Inc.	JPY ¥10 million	100.0%	Restaurant management, etc.
TORIDOLL Global Foods Co., Ltd.	JPY ¥10 million	58.5%	Sales of agricultural products, etc.
Tam Jai International Co. Limited	HKD \$1,116.714 million	74.3%	Restaurant management, etc.
MC GROUP PTE. LTD.	SGD \$300,000	70.0%	Restaurant management, etc.
ACTIVE SOURCE Inc.	JPY ¥10 million	100.0%	Restaurant management, etc.
ZUND, Inc.	JPY ¥30 million	100.0%	Restaurant management, etc.
MARUGAME UDON (EUROPE) LIMITED	GBP 2,077 thousand	99.0%	Restaurant management, etc.
Toridoll and Heyi Holding Limited	HKD \$216,702 thousand	100.0%	Restaurant management, etc.
The Fulham Shore Group Limited	GBP 93,370 thousand	99.7%	Holding company
The Fulham Shore Limited	GBP 6,599 thousand	99.7%	Restaurant management, etc.
TORIDOLL EUROPE LTD	GBP 17,267 thousand	100.0%	Holding company

Note: On July 11, 2023 through the Company's subsidiary, Great Sea Kitchens Limited (tradename changed to The Fulham Shore Group Limited on July 12, 2023), the Company acquired shares of The Fulham Shore PLC (tradename changed to The Fulham Shore Limited on July 28, 2023), making it a subsidiary.

7 Principal Business Offices

(i) The Company

Headquarters 1-21-1 Dogenzaka, Shibuya-ku, Tokyo

(ii) Business offices of main subsidiaries

Marugame Udon, Inc.

Headquarters 1-21-1 Dogenzaka, Shibuya-ku, Tokyo

YAMAGYU, Inc.

Headquarters 1-21-1 Dogenzaka, Shibuya-ku, Tokyo

Toridoll Japan Inc.

Headquarters 1-21-1 Dogenzaka, Shibuya-ku, Tokyo

ZUND, Inc.

Headquarters 4-8-13 Tenjimbashi, Kita-ku, Osaka-shi, Osaka

ACTIVE SOURCE Inc.

Headquarters 3-24-10 Koyama, Shinagawa-ku, Tokyo

The number of stores by segment is as follows.

Marugame Seimen	Domestic Others (Note 1)		Overseas		Total number of stores
	Company-owned	FC (Note 2)	Company-owned	FC (Note 2)	
840	246	4	432	429	1,951

Notes: 1 The "Domestic Others" segment includes "Kona's Coffee," "Zundo-Ya," "Nikuno Yamagyu," "Banpaiya," "Tempura Makino," "Toridoll," "Butaya Ton-Ichi," "Nagata Honjyouken," and "Yakitate Koppe Seipan."

2 Formats other than those directly operated, such as franchises and joint ventures.

8 Employees

Number of employees	Changes from the end of the previous fiscal year
7,790	+1,995
[14,023]	[+1,889]

- Notes:
1. Number of employees excludes employees transferred from inside the Group to outside the Group.
 2. The number of employees in brackets [] is the average number of yearly temporary employees (average number of workers per month based on the eight hour working day conversion).
 3. Temporary employees include part-time workers, and dispatched employees are excluded.

9 Major lenders

Lender	Loan balance (millions of yen)
MUFG Bank, Ltd.	23,429
Development Bank of Japan Inc.	16,136
Sumitomo Mitsui Banking Corporation	13,064
Mizuho Bank, Ltd.	8,374
Sumitomo Mitsui Trust Bank, Limited	5,526
The San-in Godo Bank, Ltd.	3,932
The Minato Bank, Ltd.	2,390

2 Shares of the Company

1 Number of Shares Authorized for Issue:

Common shares 230,400,000 shares

2 Total number of issued shares:

Common shares 88,140,552 shares (including 837,892 treasury shares)

Note: The total number of issued shares increased 219,800 shares by exercising stock options.

3 Number of shareholders

161,186

4 Major Shareholders

Shareholder name	No. of shares owned (shares)	Ratio of ownership (%)
Takaya Awata	27,579,761	31.59
T&T inc.	11,160,000	12.78
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,118,600	5.86
SMBC Trust Bank Ltd., Designated Securities Trust	3,738,000	4.28
ARIAKE JAPAN Co., Ltd.	600,000	0.69
JP MORGAN CHASE BANK 385781	588,788	0.67
STATE STREET BANK WEST CLIENT – TREATY 505234	579,600	0.66
Custody Bank of Japan, Ltd. (Trust Account)	556,600	0.64
SMBC Nikko Securities Inc.	509,700	0.58
JP MORGAN CHASE BANK 385794	326,156	0.37

Notes: 1. The Company holds 837,892 shares of treasury shares, but these are not included in the above major shareholders.

2. Ratio of ownership is calculated excluding treasury shares.

5 Status of shares granted to Company Executives as remuneration during their duties this fiscal year

	Number of shares	Number of grantees (persons)
Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors)	3,454	4

Note: A description of share-based remunerations of the Company is provided in “3-3 Amount of remuneration for Directors” on page 31 of the Business Report.

6 Other important matters relating to shares

Not applicable.

3 Officers

1 Name, etc., of Director (as of March 31, 2024)

Position in the Company	Name	Role in the Company and significant concurrent positions outside the Company
President (CEO)	Takaya Awata	Chair of the Board of Directors, Member of the Nomination Committee and Member of the Remuneration Committee
Executive Vice President (COO)	Takashi Sugiyama	General Manager of International Business Division Director of Tam Jai International Co. Limited
Director (CSCO)	Masatoshi Kamihara	General Manager of Supply Chain Management Division
Director (CFO)	Satoshi Yamaguchi	General Manager of Finance Division and Finance Department
Director	Rieko Shofu	Member of the Nomination Committee and Member of the Remuneration Committee Managing Director of Sapporo Holdings Limited Director of SAPPORO BREWERIES LTD.
Director (Audit & Supervisory Committee Member)	Toshiyasu Umeki	Chair of the Nomination Committee and Chair of the Remuneration Committee Director of Hino General Accounting Office, Certified Public Accountant Representative Director of SFC Brain Consulting Inc. Representative Partner, IPO Audit & Co.
Director (Audit & Supervisory Committee Member)	Hiroaki Umeda	Member of the Nomination Committee and Member of the Remuneration Committee Director of Hiroaki Umeda Certified Public Accountant Office, Certified Public Accountant Outside Audit & Supervisory Board Member of Fujiseiki Co., Ltd. Representative Director of E-serve Co., Ltd. Partner, IPO Audit & Co.
Director (Audit & Supervisory Committee Member)	Maki Kataoka	Member of the Nomination Committee and Member of the Remuneration Committee Attorney at law at Dojima Law Office

- Notes:
1. Director Rieko Shofu and Directors (Audit & Supervisory Committee Members) Toshiyasu Umeki, Hiroaki Umeda, and Maki Kataoka are Outside Directors.
 2. Directors (Audit & Supervisory Committee Members) Toshiyasu Umeki and Hiroaki Umeda hold qualifications as certified public accountants and possess substantial insight in finance and accounting.
 3. The Company has submitted notification to the Tokyo Stock Exchange, Inc. that Director Rieko Shofu and Directors (Audit & Supervisory Committee Members) Toshiyasu Umeki, Hiroaki Umeda, and Maki Kataoka have been designated as Independent Directors who are obliged by said exchange to be designated as those not having the potential to cause conflict of interests against general shareholders.
 4. The Company has not selected full-time Audit & Supervisory Committee Members because of the system of the Audit & Supervisory Committee that conducts audits by utilizing the internal controls system. In addition, the administrative office of the Audit & Supervisory Committee has been established in the Legal Compliance Department and assists in the duties of the Audit & Supervisory Committee.

2 Summary of details of limited liability agreement

The Company has executed contracts with Director Rieko Shofu and Directors (Audit & Supervisory Committee Members) Toshiyasu Umeki, Hiroaki Umeda, and Maki Kataoka to limit their liability for damages as stipulated in Paragraph 1 of Article 427 of the Companies Act, excluding cases of malicious intent or material negligence by the Director, to the amount of double the highest annual amount of proprietary benefits received or planned to be received from the Company as remuneration during their term as an entrusted Director or as remuneration for the execution of other duties.

3 Amount of remuneration for Directors

(i) Policy for determining the details of remuneration for Directors

By resolution of the Board of Directors meeting held on May 31, 2017, the Company has adopted a policy to determine details of remuneration for each Director, which was revised by resolution of the Board of Directors meeting held on February 22, 2021. When adopting the resolutions at the Board of Directors meeting held on February 22, 2021, the Remuneration Committee was consulted in advance regarding the contents of the resolutions. The policy to determine details of remuneration for each Director is as described below.

a. Basic approach

In order to give incentives to Directors (excluding Directors who are Audit & Supervisory Committee Members) to achieve sustainable improvement of the Group's corporate value and promote the sharing of value with shareholders at an early stage by increasing the proportion of remuneration linked to medium- to long-term business performance and the proportion of remuneration as company stock, remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) shall consist of basic remuneration, short-term incentive remuneration (performance-linked remuneration) and long-term incentive remuneration (stock options and restricted shares).

Remuneration for Directors (Audit & Supervisory Committee Members) shall consist of basic remuneration and long-term incentive remuneration (stock options).

b. Procedures for the determination of remuneration

In determining the remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members), the Company guarantees objectivity in the level of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) by obtaining advice based on survey data on officer remuneration (including the proportion of each type of remuneration) from an external specialized organization. In addition, remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) (including the proportion for each type of remuneration) was determined after consultation with the Remuneration Committee, members of which include all four Independent Outside Directors who constitute a majority. Taking into account deliberations by the Remuneration Committee, the Audit & Supervisory Committee will also deliberate whether the remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) was appropriate in light of business performance and the performance of duties when determining whether to exercise the right to express opinions (Paragraph 6 of Article 361 of the Companies Act).

Remuneration for Directors (Audit & Supervisory Committee Members) is determined through discussion of the Audit & Supervisory Committee Members.

c. Overview of short-term incentive remuneration (performance-linked remuneration)

The upper limit of the total amount of performance-linked remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) shall be the total amount to be paid for the relevant fiscal year, which is set in advance by the Board of Directors, and shall be determined in accordance with the achievement of budget targets set in advance by the Board of Directors based on the consolidated total trading transactions and profit for the year attributable to owners of the parent for the relevant fiscal year of the Group. The Company uses consolidated total trading transactions and profit for the year attributable to owners of the parent as indicators for short-term incentive remuneration (performance-linked remuneration) because they are publicly available figures and are clear criteria for demonstrating corporate size and profitability.

In addition, each Director (excluding Directors who are Audit & Supervisory Committee Members) shall be paid an amount obtained by proportionally dividing the total amount of performance-linked remuneration presented above by figures by position set in advance by the Board of Directors for each position.

d. Details of long-term incentive remuneration (non-monetary remuneration)

Long-term incentive remuneration (non-monetary remuneration) shall consist of the Company's shares (restricted shares) and the Company's share acquisition rights (stock options).

Of the long-term incentive remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members), the amount of individual monetary remuneration claims pertaining to restricted shares shall be determined by the Board of Directors. The Company may, by resolution of the Board of Directors, delegate this authority to the Representative Director & President.

Of the long-term incentive remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members), the granting of stock options shall be determined at the General Meeting of Shareholders. The Company may, by resolution of the Board of Directors, delegate authority regarding the number of individual share acquisition rights to the Representative Director & President.

Long-term incentive remuneration (stock options) for Directors (Audit & Supervisory Committee Members) shall be determined at the General Meeting of Shareholders. The number of individual share acquisition rights shall be determined through discussion of the Audit & Supervisory Committee Members.

(ii) Total amount of remuneration for this fiscal year

The total payment amount and budget targets for short-term incentive remuneration (performance-linked remuneration) within the individual remuneration, etc. for Directors this fiscal year were set at the Board of Directors meeting held on June 29, 2023. Consolidated total trading transactions and profit for the year attributable to owners of the parent this fiscal year are as stated in "1 Status of the corporate group" above, and the amounts of remuneration below were calculated based on the achievement of these performance indicators.

Furthermore, the Company resolved to delegate the determination of both the specific details of the amount of basic remuneration and the amount of monetary remuneration claims pertaining to long-term incentive remuneration (restricted shares) to the Representative Director & President Takaya Awata at the Board of Directors meetings held on June 29, 2023 and July 11, 2023, respectively, and Mr. Awata determined the specific details of both. The reason for the delegating this to the Representative Director & President is that the Company has judged that he is most familiar with the status of management of the entire Group and the status of business performance by each Director, and can determine the most appropriate amount in consideration of the performance and targets of each Director. Furthermore, prior to the decision, the Company passed a resolution on the details of the report on individual remuneration at the Remuneration Committee meeting held on May 12, 2023, and the decision was made with the utmost respect for the report.

As the amount of individual remuneration for Directors was determined after the procedures stated above, the Board of Directors judged that these details, including short-term incentive remuneration (performance-linked remuneration), are in line with the determination policy.

Category	Total amount of remuneration (millions of yen)	Total amount of remuneration by type (millions of yen)			Number of recipient directors
		Basic remuneration	Performance-linked remuneration	Non-monetary remuneration	
Directors (excluding Directors who are Audit & Supervisory Committee Members)	170	140	15	16	5
(of which, Outside Directors)	(9)	(9)	(-)	(-)	(1)
Director (Audit & Supervisory Committee Member)	23	21	-	2	3
(of which, Outside Directors)	(23)	(21)	(-)	(2)	(3)
Total	194	161	15	18	8
(Outside Directors)	(32)	(30)	(-)	(2)	(4)

Notes: 1. The amount of non-monetary remuneration listed above includes the expenses incurred during this fiscal year related to share acquisition rights issued as stock options (¥7 million for Directors (excluding Audit & Supervisory Committee Members) and ¥2 million for Directors (Audit & Supervisory Committee Members)) that were approved at the General Meeting of Shareholders and Board of Directors meeting held on June 29, 2021. Furthermore, this includes the expenses incurred during this fiscal year related to shares granted as restricted shares (¥9 million for Directors (excluding Audit &

Supervisory Committee Members)) that were approved at the Board of Directors meeting held on July 14, 2020, the Board of Directors meeting held on July 13, 2021, the Board of Directors meeting held on July 12, 2022, and the Board of Directors meetings held on July 11, 2023.

2. Non-monetary remuneration for this fiscal year was the Company's shares (restricted shares) and share acquisition rights issued as stock options, the status of the Company's shares (restricted shares) is presented in "2.5 Status of shares granted to Company Executives as remuneration during their duties this fiscal year" in the Business Report and the status of held share acquisition rights granted as stock options as of March 31, 2023 is posted in the "Share Acquisition Rights, etc. of the Company" of the Business Report.
3. The total amount of remuneration, etc. for Directors (excluding Directors who are Audit & Supervisory Committee Members) was resolved to be not more than ¥500 million per year at the 25th Annual General Meeting of Shareholders held on June 26, 2015. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) at the conclusion of that General Meeting of Shareholders was three (of which, none were Outside Directors).
4. The amount of remuneration for Directors (Directors who are Audit & Supervisory Committee Members) was resolved to be not more than ¥100 million per year at the 25th Annual General Meeting of Shareholders held on June 26, 2015. The number of Directors (Directors who are Audit & Supervisory Committee Members) at the conclusion of that Annual General Meeting of Shareholders was three (of which, three were Outside Directors).
5. At the 27th Annual General Meeting of Shareholders held on June 29, 2017, the total amount of monetary remuneration claims for the granting of restricted shares to Directors (excluding Directors who are Audit & Supervisory Committee Members) was resolved to be not more than ¥36 million per year, which is within the scope of the total amount of remuneration, etc. of ¥500 million per year stated above, and the total number of the Company's common shares to grant was resolved to be not more than 29,460 shares (number of shares after the stock split on April 1, 2020). The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) at the conclusion of that General Meeting of Shareholders was four (of which, none were Outside Directors).
6. At the 31st Annual General Meeting of Shareholders held on June 29, 2021, the total amount of the Company's share acquisition rights to be granted as stock options to Directors (excluding Directors who are Audit & Supervisory Committee Members) was resolved to be not more than 150, which is within the scope of the total amount of remuneration, etc. of ¥500 million per year stated above, and the total number of shares underlying the share acquisition rights was resolved to be not more than 30,000 shares. Furthermore, at that meeting, the total amount of the Company's share acquisition rights to be granted as stock options to Directors (Directors who are Audit & Supervisory Committee Members) was resolved to be not more than 45, which is within the scope of the total amount of remuneration of ¥100 million per year stated above, and the total number of shares underlying the share acquisition rights was resolved to be not more than 9,000 shares. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) at the conclusion of that General Meeting of Shareholders was four (three eligible for the granting of shares) (of which, none were Outside Directors), and the number of Directors (Directors who are Audit & Supervisory Committee Members) was three (of which, three were Outside Directors).

4 Matters concerning Outside Directors and Outside Audit & Supervisory Board Members

(i) Significant concurrent positions held at other organizations and the relationships between these organizations and the Company

Category	Name	Name of corporation or organization	Details
Director	Rieko Shofu	Sapporo Holdings Limited	Managing Director
		SAPPORO BREWERIES LTD.	Director
Director (Audit & Supervisory Committee Member)	Toshiyasu Umeki	Hino General Accounting Office	Director
		SFC Brain Consulting Inc.	Representative Director
		IPO Audit & Co.	Representative Partner
Director (Audit & Supervisory Committee Member)	Hiroaki Umeda	Hiroaki Umeda Certified Public Accountant Office	Director
		Fujiseiki Co., Ltd.	Outside Audit & Supervisory Board Member
		E-serve Co., Ltd.	Representative Director
		IPO Audit & Co.	Partner
Director (Audit & Supervisory Committee Member)	Maki Kataoka	Dojima Law Office	Attorney at law

Note: There is no special relationship between each of the above entities and the Company.

(ii) Status of principal activities during this fiscal year

Category	Name	Overview of attendance, participation and duties carried out in relation to expected role of an Outside Director
Director	Rieko Shofu	<p>Since her appointment as Director on June 29, 2023, Ms. Rieko Shofu attended 10 of 11 Board of Directors meetings. She made appropriate and necessary statements during proposal deliberations, etc., utilizing her deep insight as a global business manager.</p> <p>In addition, she actively made remarks at meetings of the Nomination Committee and Remuneration Committee as a member of these committees.</p>
Director (Audit & Supervisory Committee Member)	Toshiyasu Umeki	<p>During this fiscal year, Mr. Toshiyasu Umeki attended 18 of 18 Board of Directors meetings and 14 of 14 Audit & Supervisory Committee meetings. He made appropriate and necessary statements during proposal deliberations, etc., utilizing his deep insight as a certified public accountant.</p> <p>Furthermore, as the Chair of the Audit & Supervisory Committee, he planned and led the Audit & Supervisory Committee's audits, and as Chair of the Nomination Committee and the Remuneration Committee, he led the deliberations at both committees.</p>
Director (Audit & Supervisory Committee Member)	Hiroaki Umeda	<p>During this fiscal year, Mr. Hiroaki Umeda attended 18 of 18 Board of Directors meetings and 14 of 14 Audit & Supervisory Committee meetings. He made appropriate and necessary statements during proposal deliberations, etc., utilizing his deep insight as a certified public accountant.</p> <p>Furthermore, as a member of the Audit & Supervisory Committee, he vigorously carried out the Audit & Supervisory Committee's audits, and as a member of the Nomination Committee and the Remuneration Committee, he proactively made statements at both committees.</p>

Category	Name	Overview of attendance, participation and duties carried out in relation to expected role of an Outside Director
Director (Audit & Supervisory Committee Member)	Maki Kataoka	During this fiscal year, Ms. Maki Kataoka attended 18 of 18 Board of Directors meetings and 14 of 14 Audit & Supervisory Committee meetings. She made appropriate and necessary statements during proposal deliberations, etc., utilizing her deep insight as an attorney. Furthermore, as a member of the Audit & Supervisory Committee, she vigorously carried out the Audit & Supervisory Committee's audits, and as a member of the Nomination Committee and the Remuneration Committee, she proactively made statements at both committees.

Note: In addition to the number of meetings of the Board of Directors shown in the table above, there was one written resolution that was regarded as a resolution of a meeting of the Board of Directors based on Article 370 of the Companies Act and the Articles of Incorporation of the Company.

4 Policy to Determine Dividends of Surplus, etc.

The Group places one of the highest priorities on the appropriate distribution of profits to shareholders. With the objective of further improving the balance between the growth of the Company and shareholder return, we have changed to a basic policy in which progressive dividends (Note 1) are paid in accordance with performance, while maintaining efforts to maximize retained earnings to make the investment required for the Group's growth. To provide stable and constant dividend payment while targeting the dividend payout ratio of 20% under this policy, we, in principle, set the adjusted dividend payout ratio (Note 2) to be at least 2%, with the amount of dividend per share increasing each year, excluding any special dividends that are paid.

In addition, for FY3/25, we plan to pay an annual dividend of ¥10.0 per share (year-end dividend), which represents a year-on-year increase of ¥1.0.

(Note 1) Progressive dividends

A policy in which dividend amounts, in principle, are not reduced, but are maintained or increased in line with performance

(Note 2) Adjusted dividend payout ratio

The adjusted dividend payout ratio is calculated by dividing dividends paid by (net income attributable to owners of the parent + depreciation and amortization + other operating expenses - other operating income + impairment losses + non-recurring expenses) and multiplying the result by 100.

For the year-end dividend for FY3/24, the Company passed a resolution as follows at the Board of Directors meeting held on May 14, 2024.

(i) Type of dividend property
Cash

(ii) Allotment of dividend property to shareholders and their aggregate amount
Dividend per share of common share of the Company
¥9.00
Total payment
¥785 million

(iii) Effective date of dividends of surplus
June 13, 2024

The annual dividend per share for FY3/25 is expected to be ¥10.0 per share.

In addition, we will endeavor to provide a comprehensive return of profits to shareholders through the shareholder benefits offered at our domestic group stores as well as the benefit program for shareholders who retain their shares.

Note: The figures presented in this Business Report are rounded numbers.

Consolidated Financial Statements

Consolidated Statement of Financial Position (as of March 31, 2024)

(Amounts shown in millions of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	85,960	Current liabilities	92,583
Cash and cash equivalents	70,627	Trade and other payables	16,963
Trade and other receivables	9,678	Short-term loans payable	20,210
Inventories	1,087	Current portion of long-term loans payable	15,573
Other current assets	4,569	Lease liabilities	20,001
Non-current assets	236,397	Income taxes payable	3,683
Property, plant and equipment	43,672	Provisions	1,347
Right-of-use assets	102,015	Other current liabilities	14,807
Intangible assets and goodwill	66,237	Non-current liabilities	139,412
Investments accounted for using the equity method	4,498	Bonds payable	2,386
Other financial assets	12,826	Long-term loans payable	39,016
Deferred tax assets	5,445	Lease liabilities	88,912
Other non-current assets	1,704	Provisions	5,954
		Deferred tax liabilities	1,598
		Other non-current liabilities	1,546
		Total liabilities	231,996
		Equity	
		Equity attributable to owners of the parent	80,827
		Capital stock	4,834
		Capital surplus	9,369
		Other equity instruments	10,847
		Retained earnings	39,032
		Treasury shares	(994)
		Other components of equity	17,739
		Non-controlling interests	9,535
		Total equity	90,361
Total assets	322,357	Total liabilities and equity	322,357

Consolidated Statement of Income (From April 1, 2023 to March 31, 2024)

(Amounts shown in millions of yen)

Item	Amount	
Revenue		231,952
Cost of sales		(55,780)
Gross profit		176,172
Selling, general and administrative expenses	(161,636)	
Impairment loss	(2,539)	
Other operating income	929	
Other operating expenses	(1,279)	(164,525)
Operating profit		11,647
Finance income	1,730	
Finance costs	(2,147)	(418)
Share of profit (loss) of investments accounted for using the equity method		(390)
Profit before tax		10,839
Income tax expense		(4,636)
Profit for the year		6,203
Profit for the year attributable to		
Owners of the parent		5,675
Non-controlling interests		528

Non-consolidated Financial Statements
Balance Sheet (as of March 31, 2024)

(Amounts shown in millions of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	31,596	Current liabilities	47,498
Cash and deposits	19,232	Accounts payable - trade	3,221
Trade accounts receivable	4,318	Short-term borrowings	20,100
Raw materials and supplies	5	Current portion of long-term borrowings	13,387
Prepaid expenses	1,100	Current portion of bonds payable	800
Short-term loans receivable	1,120	Lease obligations	269
Accounts receivable - other	5,672	Accounts payable - other	6,185
Other	470	Accrued expenses	369
Allowance for doubtful accounts	(322)	Income taxes payable	1,240
Non-current assets	116,381	Deposits received	80
Property, plant and equipment	26,477	Provision for bonuses	54
Buildings	18,558	Accounts payable - facilities	1,262
Structures	1,487	Asset retirement obligations	57
Vehicles	34	Other	474
Tools, furniture and fixtures	5,201	Non-current liabilities	55,373
Leased assets	1,113	Long-term borrowings	47,278
Construction in progress	84	Bonds payable	2,400
Intangible assets	28	Lease obligations	1,625
Software	26	Asset retirement obligations	4,029
Telephone subscription right	1	Other	41
Trademark rights	1	Total liabilities	102,870
Investments and other assets	89,876	Net assets	
Shares of subsidiaries and associates	68,555	Shareholders' equity	44,391
Investments in capital of subsidiaries and associates	0	Capital stock	4,854
Investment securities	193	Capital surplus	4,949
Long-term loans receivable	7,711	Legal capital surplus	625
Long-term prepaid expenses	88	Other capital surplus	4,323
Leasehold and guarantee deposits	5,864	Retained earnings	35,561
Construction assistance fund receivables	3,072	Legal retained earnings	138
Deferred tax assets	4,047	Other retained earnings	35,423
Other	929	General reserve	13,379
Allowance for doubtful accounts	(583)	Retained earnings brought forward	22,044
		Treasury shares	(972)
		Share acquisition rights	715
		Total net assets	45,106
Total assets	147,977	Total liabilities and net assets	147,977

Statement of Income (From April 1, 2023 to March 31, 2024)

(Amounts shown in millions of yen)

Item	Amount	
Net sales		86,367
Cost of sales		49,307
Gross profit		37,059
Selling, general and administrative expenses		33,383
Operating profit		3,677
Non-operating revenue		
Interest income	148	
Government grants	8	
Dividend income	4,900	
Rent income from land and buildings	82	
Foreign exchange gain	567	
Other	356	6,060
Non-operating expenses		
Interest expenses	919	
Other	132	1,051
Ordinary profit		8,686
Extraordinary income		
Gain on reversal of allowance for doubtful accounts for subsidiaries and associates	940	
Other	126	1,067
Extraordinary losses		
Impairment loss	451	
Provision of allowance for doubtful accounts for subsidiaries and associates	124	
Loss on valuation of investment securities	90	
Loss on valuation of shares of subsidiaries	6,943	
Other	9	7,617
Profit before income taxes		2,136
Income taxes - current	1,446	
Income taxes - deferred	152	1,598
Profit		537

Audit Report

Certified Copy of Audit Report of Financial Auditor on the Consolidated Financial Statements (TRANSLATION)

Independent Auditor's Report

May 22, 2024

TORIDOLL Holdings Corporation
To the Board of Directors

KPMG AZSA LLC
Tokyo Office

Designated Limited Liability Partner, Engagement Partner
Takaki Okano
Certified Public Accountant

Designated Limited Liability Partner, Engagement Partner
Yukihiro Kase
Certified Public Accountant

Audit Opinion

Pursuant to Paragraph 4 of Article 444 of the Companies Act, we have audited the consolidated financial statements of TORIDOLL Holdings Corporation (the "Company") for the fiscal year from April 1, 2023 to March 31, 2024, which comprises the consolidated statements of financial position, consolidated statements of income, consolidated statements of changes in equity, important materials which were the foundation for preparing the consolidated financial statements, and other notes.

We acknowledge that the above consolidated financial statements, prepared with the omission of a part of the disclosures required under International Financial Reporting Standards pursuant to the provisions of the latter part of the Paragraph 1 of Article 120 of the Regulation on Corporate Accounting, fairly present, in every material aspect, the financial position and results of operations of the corporate group composed of the Company and its consolidated subsidiaries for the relevant term of the consolidated financial statements.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the Japan GAAP are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our 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 business report and the supporting schedules. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the Group's reporting process of the other information.

Our audit opinion on the consolidated financial statements does not cover the other information, and we do not provide an opinion on the other information.

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, and aside from such material inconsistencies, we also pay attention as to whether there are any indications in the other information of material misstatements.

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 & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and appropriate disclosure of consolidated financial statements

pursuant to the provisions of the latter part of Paragraph 1 of Article 120 of the Regulation on Corporate Accounting, which approves preparing consolidated financial statements while omitting certain items required to be disclosed by the International Financial Reporting Standards. Management also bears a responsibility to establish and operate such internal control as management determines is necessary in order to enable the preparation and appropriate disclosure of consolidated financial statements that are free from material misrepresentation(s), whether fraudulent or negligent.

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 a going concern, and for disclosing, as necessary, matters related to going concern pursuant to the provisions of the latter part of Paragraph 1 of Article 120 of the Regulation on Corporate Accounting, which approves preparing consolidated financial statements while omitting certain items required to be disclosed by the International Financial Reporting Standards.

The Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

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

Our responsibilities are to obtain reasonable assurance that the consolidated financial statements as a whole are free from any material misrepresentation, whether fraudulent or negligent, and to issue an auditor's report with our opinion on the consolidated financial statements based on our audit from an independent point of view. Misrepresentation(s) can arise from fraud or negligence and are considered material if, one could reasonably expect the consolidated financial statements in part or as a whole, to influence the decisions of users of these consolidated financial statements.

In accordance with the Japan GAAP, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of any fraudulent or negligent material misrepresentation, and design and perform audit procedures responsive to those risks. Audit procedures are selected and applied at the discretion of the auditor. Furthermore, auditors must obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the consolidated financial statements, obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate for the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the efficacy of the entity's internal controls.
- 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 the preparation of the consolidated financial statements with the assumption of a going concern by management, and based on the obtained audit evidence, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and notes to the consolidated financial statements are pursuant to the provisions of the latter part of Paragraph 1 of Article 120 of the Regulation on Corporate Accounting, which approves preparing consolidated financial statements while omitting certain items required to be disclosed by the International Financial Reporting Standards, as well as evaluate the presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries 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 report to the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also report to the Audit & Supervisory Committee that we have complied with relevant ethical requirements in Japan regarding independence, and other matters reasonably expected to influence our independence, any measures that are taken to eliminate impediments, or any related safeguards applied to reduce impediments to a

tolerable level.

Conflicts of Interest

In compliance with the Certified Public Accountants Act, we declare that neither we nor our engagement partners have any interests in the Company and its consolidated subsidiaries.

Independent Auditor's Report

May 22, 2024

TORIDOLL Holdings Corporation
To the Board of Directors

KPMG AZSA LLC
Tokyo Office

Designated Limited Liability Partner, Engagement Partner
Takaki Okano
Certified Public Accountant

Designated Limited Liability Partner, Engagement Partner
Yukihiro Kase
Certified Public Accountant

Audit Opinion

Pursuant to Item 1, Paragraph 2 of Article 436 of the Companies Act, we have conducted an audit of the financial statements of TORIDOLL Holdings Corporation (the "Company"), that is, the balance sheet, statement of income, statements of changes in equity, important accounting policies, other notes, and supplementary schedules (hereinafter referred to as the "Financial Statements"), for the 34th fiscal year from April 1, 2023 to March 31, 2024.

In our opinion, the Financial Statements 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 Financial Statements were prepared, in accordance with the Japan GAAP.

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 Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our 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 business report and the supporting schedules. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the Company's reporting process of the other information.

Our audit opinion on the non-consolidated financial statements, etc. does not cover the other information, and we do not provide an opinion on the other information.

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, and aside from such material inconsistencies, we also pay attention as to whether there are any indications in the other information of material misstatements.

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 & Supervisory Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the Financial Statements that are free from any fraudulent or negligent material misrepresentations.

In preparing the Financial Statements, management is responsible for assessing whether it is appropriate to prepare the Financial Statements with the assumption of a going concern, and in accordance with Japan GAAP, for disclosing, as necessary, matters related to going concern.

The Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within

the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or negligence, and to issue an auditor's report that expresses our opinion on the Financial Statements based on our audit from an independent point of view. Misrepresentations can arise from fraud or negligence and are considered material if, one reasonably expects the Financial Statements in part or as a whole to influence the decisions of users of these Financial Statements.

In accordance with the Japan GAAP, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of any fraudulent or negligent material misrepresentation, and design and perform audit procedures responsive to those risks. Audit procedures are selected and applied at the discretion of the auditor. Furthermore, auditors must obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the Financial Statements, obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate for the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the efficacy of the entity's internal controls.
- 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 the preparation of the Financial Statements with the assumption of a going concern by management, and based on the obtained audit evidence, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 notes to the Financial Statements or, if the notes to the Financial Statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the 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 Company to cease to continue as a going concern.
- Evaluate whether the presentation of the Financial Statements and notes to the Financial Statements are in accordance with Japan GAAP, as well as evaluate the presentation, structure, and content of the Financial Statements, including the related notes thereto, and whether the Financial Statements fairly present the underlying transactions and accounting events.

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

We also report to the Audit & Supervisory Committee that we have complied with relevant ethical requirements in Japan regarding independence, and other matters reasonably expected to influence our independence, any measures that are taken to eliminate impediments, or any related safeguards applied to reduce impediments to a tolerable level.

Conflicts of Interest

In compliance with the Certified Public Accountants Act, we declare that neither we nor our engagement partners have any interests in the Company.

Audit Report

The Audit & Supervisory Committee audited the execution of Director roles for the 34th fiscal year, from April 1, 2023 to March 31, 2024. We report the method and content of audits as follows.

1. Method and Content of Audits

The Audit & Supervisory Committee receives regular reports from Directors and employees regarding the details of decisions of the Board of Directors pursuant to Item 1-(b) and (c), Paragraph 1 of Article 399-13 of the Companies Act and the development and operation of systems organized based on such decisions (internal control system), requests explanations as necessary, and expresses opinions. We conducted an audit based on the below method.

(i) Corresponding to the Audit & Supervisory Committee Auditing Standards set by the Audit & Supervisory Committee, auditing policies for the fiscal year and the division of roles, we emphasized the application of the Corporate Governance Code, cooperated with the Internal Audit Division, attended important meetings of the Risk Management Committee, received reports on matters related to the execution of duties of Directors and employees, requested explanations as needed, viewed important documents related to decision-making, and surveyed the status of operations and finance at headquarters and main business offices. Regarding the Company's subsidiaries, we communicated and shared information with the Directors and the Audit & Supervisory Board Members, etc. of the subsidiaries, and received reports on their business as necessary from them.

(ii) We monitored and verified that the Financial Auditor remained independent and performed audits appropriately, received reports on the execution of its duties from the Financial Auditor and requested explanations as necessary. We were also notified from Financial Auditor that a "system for ensuring the proper execution of duties" (as per Article 131 of the Regulation on Corporate Accounting) was organized in accordance with "Quality Control Standards for Auditing" (Business Accounting Council), and requested explanations as necessary.

Based on the above method, we examined business reports and its supplementary schedules for this fiscal year, non-consolidated financial statements (balance sheet, statement of income, statements of changes in shareholders' equity, important accounting policies, and other notes) and its supplementary schedules, and consolidated financial statements (the consolidated statements of financial position, consolidated statements of income, consolidated statements of changes in equity, important materials which were the foundation for preparing the consolidated financial statements, and other notes).

2. Results of the Audit

(1) Audit Results of business reports, etc.

(i) We confirm that the business reports and its supplementary schedules fairly represent the condition of the Company and are in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.

(ii) We confirm that, with respect to the execution of duties by Directors, there are no fraudulent acts, or significant facts that violate applicable laws and regulations or the Articles of Incorporation.

(iii) We confirm that the decisions made by the Board of Directors with regard to internal control systems are proper. We recognize that there is nothing to be cited with respect to the description of those internal control systems in the business reports and the execution of duties by Directors.

(2) Audit Result of non-consolidated financial statements and their supplementary schedules.

We confirm that the methods and the results of the audit by KPMG AZSA LLC, the Financial Auditor of the Company, are appropriate.

(3) Audit Result of consolidated financial statements

We confirm that the methods and the results of the audit by KPMG AZSA LLC, the Financial Auditor of the Company, are appropriate.

May 22, 2024

Audit & Supervisory Committee, TORIDOLL Holdings Corporation

Toshiyasu Umeki, Audit & Supervisory Committee Member

Hiroaki Umeda, Audit & Supervisory Committee Member

Maki Kataoka, Audit & Supervisory Committee Member

(Note) Audit & Supervisory Committee Members Toshiyasu Umeki, Hiroaki Umeda, and Maki Kataoka are outside Directors pursuant to Paragraph 15 of Article 2 and Paragraph 6 of Article 331 of the Companies Act.