

< Caution >

This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.



30th Annual General Meeting of Shareholders

Notice of Convocation

| Date & Time |

Friday, June 21, 2024 at 10:00 a.m.

| Place |

Congress Square Nihonbashi
Convention Hall C & D,
Tokyo Tatemono Nihonbashi Bldg. 3F,
1-3-13 Nihonbashi, Chuo-ku, Tokyo
(Please refer to the map of the General
Meeting of Shareholders venue at the end of
this document)

| Matters to be approved |

Proposal 1: Appropriation of Surplus
Proposal 2: Election of Five (5) Directors
Proposal 3: Election of Three (3) Audit and
Supervisory Board Members

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Japan Elevator Service Holdings Co., Ltd.

Securities Code 6544

Message from CEO



President & Representative
Director CEO
Katsushi Ishida

Management Philosophy

Safety above anything else

Our lifeline is "safety" above all else.
A commitment to watch over you 24
hours a day, 365 days a year

No cutting corners even when others don't see it

Aiming for safe operation without
cutting corners even when others
don't see it.

Building on trust

As an expert company specializing
in maintenance, we will build
relationships of trust with many
customers based on our position
and strengths as a company that is
by no means a manufacturer.

To Our Shareholders

We would like to thank you for your continued support. We would also like to express our heartfelt sympathy to the victims of the Noto Peninsula Earthquake of 2024 and pray for the earliest possible recovery of the afflicted areas.

We are pleased to present our Notice of the 30th Annual General Meeting of Shareholders.

Based on our corporate philosophies of "Safety above anything else," "No cutting corners even when others don't see it," and "Building on trust," we provide maintenance and repair, and modernization services for elevators and other social infrastructure, always placing the safety and security of our customers as our top priority. We provide industry-leading quality services at reasonable prices.

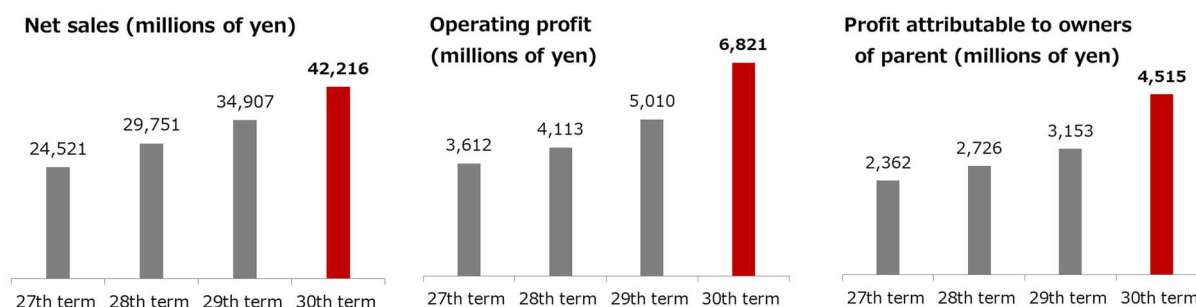
For the fiscal year ended March 31, 2024, the second year of the "VISION2027" medium-term management plan announced in May 2022, the company's full-year results were favorable, with net sales up 20.9% YoY to 42.2 billion yen, operating profit up 36.1% YoY to 6.8 billion yen, and profit attributable to owners of parent up 43.2% YoY to 4.5 billion yen, record highs in both sales and profits. Accordingly, the Company plans to pay a dividend of 25 yen per share. In addition to business growth, we have also endeavored to contribute to a more comfortable and environmentally friendly society in order to realize a sustainable society.

The number of our group's maintenance contracts in Japan exceeded 100,000 units at the end of March 2024. In March 2024, we completed construction of JES Innovation Center Kansai (JIK) in Takarazuka City, Hyogo Prefecture, with the aim of further expanding our market share and growing our business. JIK has a large parts center, training facility, control center, and other facilities, and is equipped with a solar power generation facility, making it an environmentally friendly facility. We will strive to further expand our business in western Japan, where we have many new business areas, by further improving service quality, providing a stable supply of parts, and strengthening our ability to respond quickly in case of breakdowns or other emergencies.

We would like to ask our shareholders for their continued support.

May 30, 2024

Financial Highlights



Mid-term Management Plan

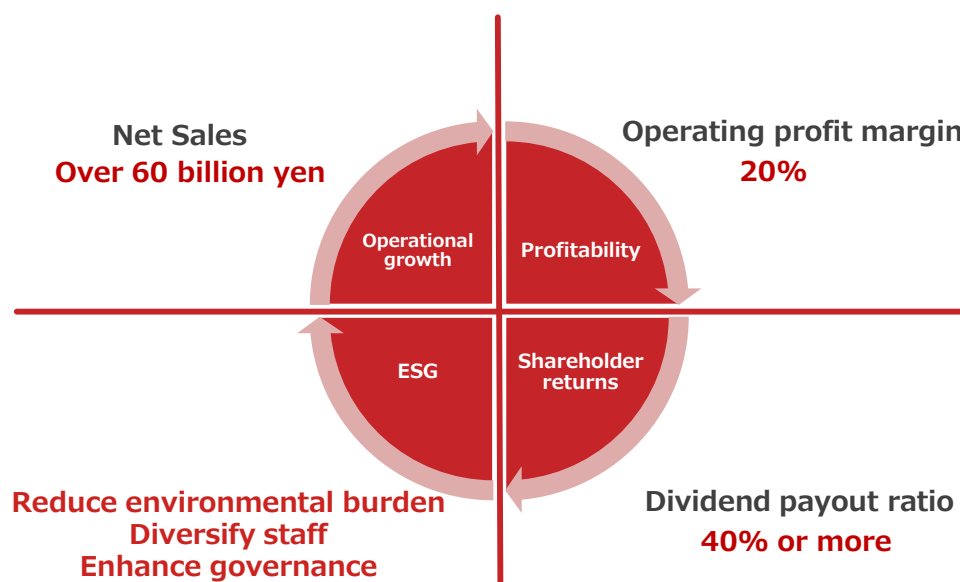
VISION2027 is our first five-year medium-term management plan. As a company listed on the Prime Market of the Tokyo Stock Exchange, we have formulated this plan with the aim of simultaneously achieving sustainable growth and increasing corporate value by addressing not only business growth but also social and environmental issues from a medium- to long-term perspective. It consists of four pillars: business growth, profitability, shareholder returns and ESG initiatives.

As a growth indicator, we aim to achieve consolidated sales of JPY 60 billion by increasing maintenance and servicing sales by expanding our domestic market share and accelerating sales growth by capturing renewal demand in line with the increase in the number of maintenance contracts. As a profitability indicator, we aim to achieve an operating profit margin (before goodwill amortization) of 20%. In addition to improving operational efficiency through human resource development and digital utilization, we will improve profitability by utilizing refurbished products and reducing indirect costs from an ESG perspective.

Our shareholder return policy is to maintain the existing dividend payout ratio of 40% or more, with the aim of increasing returns to shareholders along with profit growth.

We are developing various ESG initiatives, including strengthening our governance structure, which are summarized in our "Sustainability Report 2023" released in March.

Raise corporate value through growth, prosper together with all stakeholders



To All Shareholders

Securities Code 6544

June 5, 2024

(Start date of electronic provisioning measures: May 30, 2024)

1-3-13 Nihonbashi, Chuo-ku, Tokyo

Japan Elevator Service Holdings Co., Ltd.

Katsushi Ishida,

President & Representative Director CEO

Notice of Convocation of the 30th Annual General Meeting of Shareholders

Dear Sir or Madam, we would like to express our sincere appreciation for your continued support. Notice is hereby given that the 30th Annual General Meeting of Shareholders of the Company will be held as follows

The Company has adopted an electronic method of providing the Notice of Convocation of the 30th Annual General Meeting of Shareholders, which is posted on the Company's website.

Our Website

<https://www.jes24.co.jp/en/ir/report2.html>



In addition to the Company's website, the matters regarding the electronic provision of information are also posted on the website of the Tokyo Stock Exchange (TSE), which can be found at the following link.

Tokyo Stock Exchange Website (TSE Listed Company Information Service)

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



(Please access the above TSE website (TSE Listed Company Information Service), enter "Japan Elevator Service Holdings" in "Issue Name (Company Name)" or our securities code "6544" in "Code", select "Basic Information" and "Documents for public inspection/PR information" in that order, and check "Notice of General Shareholders Meeting/Information Materials for General Shareholders Meeting.")

In exercising your voting rights in writing (by mail) or via the Internet, please review the Reference Documents for the General Meeting of Shareholders as described below and exercise your voting rights by 6:00 p.m. on June 20, 2024 (Thursday).

Yours sincerely

Note

- 1. Date and time** Friday, June 21, 2024 at 10:00 a.m.
- 2. Place** Congress Square Nihonbashi Convention Hall C & D,
Tokyo Tatemono Nihonbashi Bldg. 3F, 1-3-13 Nihonbashi, Chuo-ku, Tokyo
(Please refer to the "Map of the General Meeting of Shareholders Venue" at
the end of this document.)
- 3. Meeting Agenda**
- | | |
|-------------------------------|---|
| Matters to be reported | <ol style="list-style-type: none">1. Business Report and Consolidated Financial Statements for the 30th fiscal year (from April 1, 2023 to March 31, 2024) and the Audit Reports of the Accounting Auditor and Audit & Supervisory Board on the Consolidated Financial Statements2. Financial statements for the 30th fiscal year (from April 1, 2023 to March 31, 2024) |
| Matters to be resolved | <p>Proposal 1: Appropriation of Surplus
Proposal 2: Election of Five (5) Directors
Proposal 3: Election of Three (3) Audit and Supervisory Board Members</p> |
- 4. Information on the exercise of voting rights** Please refer to [Information on the Exercise of Voting Rights] on pages from 5 to 7.
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Ends




- ◎ If you plan to attend the meeting in person, please submit the enclosed Voting Rights Exercise Form to the receptionist at the meeting. In order to conserve resources, we ask that you please take this Notice of Convocation with you.
- ◎ At this Shareholders' Meeting, the Company will uniformly send a document containing the electronic provision measure matters, irrespective of whether or not a request for the delivery of the document has been made. The following items among the items to be provided electronically are not included in the document to be sent in accordance with the provisions of the law and Article 14 of the Company's Articles of Association:
 - (i) "Systems to ensure proper business operations and the status of operation of such systems" in the Business Report,
 - (ii) "Notes to the consolidated financial statements" in the consolidated financial statements, and
 - (iii) "Notes to the non-consolidated financial statements" in the financial statements.Accordingly, the business report, consolidated financial statements, and financial statements included in this document are part of the subject documents audited by the accounting auditor in preparing the accounting audit report and by the auditors in preparing their audit report.
- ◎ If any revisions are made to the matters in the electronic provision measures, a notice will be posted on the website on the Internet, as well as the matters before and after the modifications.
- ◎ No souvenirs will be provided for shareholders attending the General Meeting of Shareholders. We appreciate your understanding.
- ◎ If any major changes occur to the schedule for holding and operating the General Meeting of Shareholders due to future circumstances, we will announce them on our website.



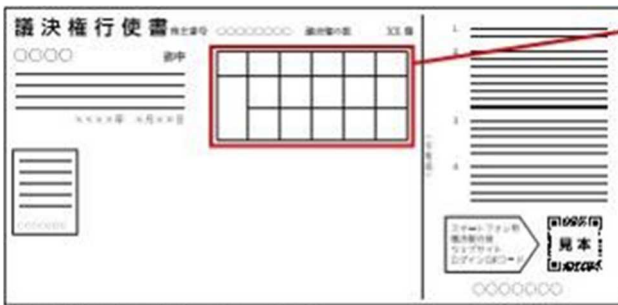
Information on the Exercise of Voting Rights

The right to vote at shareholders' meetings is an important right for all shareholders. Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders as set forth below.

There are three ways to exercise your voting rights

 <p>If you are attending the General Meeting of Shareholders</p> <p>Please submit the enclosed voting form to the receptionist at the meeting.</p> <p>Day & Time</p> <p>Friday, June 21, 2024 10:00 A.M.</p>	 <p>If you exercise your voting rights in writing (by mail)</p> <p>Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it to us.</p> <p>Exercise deadline</p> <p>Thursday, June 20, 2024 Up to 6:00 p.m. arrival</p>	 <p>If you exercise your voting rights via the Internet</p> <p>Please follow the directions on the next page to enter your approval or disapproval of the proposals.</p> <p>Exercise deadline</p> <p>Thursday, June 20, 2024 Until 6:00 p.m.</p>
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Information on how to fill out the Voting Rights Exercise Form



※議決権行使書用紙はイメージです。

こちらに議案の賛否をご記入ください。

第1号議案

- 賛成の場合 >> [賛] の欄に○印
- 反対する場合 >> [否] の欄に○印

第2号議案、第3号議案

- 全員賛成の場合 >> [賛] の欄に○印
- 全員反対する場合 >> [否] の欄に○印
- 一部の候補者を反対する場合 >> [賛] の欄に○印をし、反対する候補者の番号をご記入ください。

If you exercise your voting rights in writing (by mail) and return the Voting Rights Exercise Form without indicating your approval or disapproval of the proposals, we will treat it as if you had exercised your voting rights in favor of the proposals.

If you exercise your voting rights both in writing (by mail) and via the Internet, etc., we will treat the exercise of voting rights via the Internet, etc. as a valid exercise of voting rights. If you exercise your voting rights more than once via the Internet, etc., the last vote will be treated as a valid exercise of your voting rights.



Exercise of voting rights via the Internet, etc.

Exercise
deadline

Thursday, June 20, 2024
Until 6:00 p.m.

How to read the login QR code "Smart Exercise."

You can log in to the voting website without entering
your voting code and password.

- 1 議決権行使書用紙右下に記載のQRコードを
読み取ってください。

※「QRコード」は株式会社デンソーウェブの登録商標です。



- 2 以降は画面の案内に従って賛否をご入力くだ
さい。

「スマート行使」での議決権行使は**1回のみ**。

議決権行使後に行使内容を変更する場合は、お手数ですが
PC向けサイトへアクセスし、議決権行使書用紙に記載の
「議決権行使コード」・「パスワード」を入力してログイン、
再度議決権行使をお願いいたします。

※QRコードを再度読み取っていただくと、PC向けサイト
へ遷移できます。

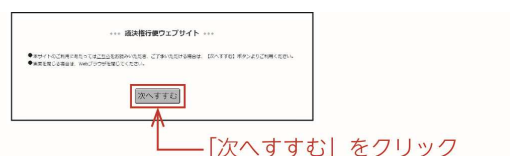


※議決権行使書用紙はイメージです。

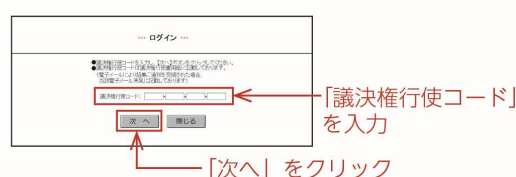
How to enter your voting code and password

Voting website <https://soukai.mizuho-tb.co.jp/>

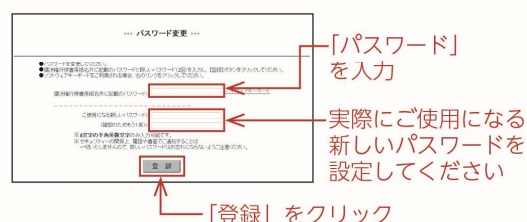
1 議決権行使ウェブサイトへアクセスしてください。



2 議決権行使書用紙に記載された「議決権行使コード」をご入力ください。



3 議決権行使書用紙に記載された「パスワード」をご入力ください。




4 以降は画面の案内に従って賛否をご入力ください。

※操作画面はイメージです。

Please note that you may not be able to use the website for exercising voting rights depending on the Internet environment of your PC, smartphone or cell phone.

Inquiries regarding the exercise of voting rights via the Internet

To Institutional Investors:

Mizuho Trust & Banking, Stock Transfer Agency Department
Internet Help Dial
 0120-768-524
(Reception hours: 9:00-21:00)

Institutional investors may also exercise their voting rights for this General Meeting of Shareholders via the "Electronic Voting Platform" operated by ICJ, Inc.

Business Report (from April 1, 2023 to March 31, 2024)

1 Current Status of the Group

(1) Business status during the current fiscal year

(i) Business Progress and Results

During the current consolidated fiscal year, the Japanese economy has been recovering moderately as the reclassification of new coronavirus infectious disease to Class 5 infectious diseases led to the normalization of economic activities. However, the outlook remains uncertain due to uncertain due to the prolonged situation in Ukraine and the effects of rising prices resulting from the yen's depreciation and other factors, and companies' needs for cost reduction are expected to increase more than ever.

In the maintenance for elevator and other equipment industry, the market is on a gradual expansion trend due to the steady increase in the number of condominium units in stock and the increase in the supply of office buildings.

In this market environment, the Group has been working to respond to the cost reduction needs of companies by switching contracts to independent maintenance companies, improving its nationwide network, acquiring and training personnel to strengthen quality and safety, and reinforcing its sales structure.

As for maintenance and repair services, the number of maintenance contracts remained steady, and net sales of maintenance and repair services for the current fiscal year amounted to 26,531 million yen (up 14.5% YoY). In modernization services, net sales of modernization services for the current fiscal year were 14,255 million yen (up 36.2% YoY), thanks to a strengthened sales structure in preparation for business expansion and stronger proposals for properties where parts supply has been suspended.

As a result of the above, for the current consolidated fiscal year the Company recorded net sales of 42,216 million yen (up 20.9% YoY), operating profit of 6,821 million yen (up 36.1% YoY), ordinary profit of 6,851 million yen (up 34.3% YoY), and profit attributable to owners of parent of 4,515 million yen (up 43.2% YoY).

	29th period (Fiscal year ended March 31, 2023)	30th period (Fiscal year ended March 31, 2024)	Compared to the previous fiscal year	
	Amount (millions of yen)	Amount (millions of yen)	Amount (millions of yen)	Percentage change
Net sales	34,907	42,216	+7,309	+20.9%
Operating profit	5,010	6,821	+1,810	+36.1%
Ordinary profit	5,100	6,851	+1,750	+34.3%
Profit attributable to owners of parent	3,153	4,515	+1,362	+43.2%

(ii) Capital Expenditures

The total amount of capital expenditures made by the Group during the current fiscal year was 2,394 million yen. The main part of this investment was in construction of JES Innovation Center Kansai (JIK) and in remote monitoring terminals.

There were no disposals or sales of significant facilities during the current fiscal year.

(iii) Financing

In the current fiscal year, the Group raised funds of 2,400 million yen in the form of loans from financial institutions.

(iv) Transfer of business, absorption-type demerger or incorporation-type demerger

There are no significant matters to be stated.

(v) Acquisition of business of other companies

There are no significant matters to be stated.

(vi) Succession to rights and obligations relating to the business of other corporations, etc., as a result of absorption-type merger or absorption-type split

There are no significant matters to be stated.

(vii) Acquisition or disposal of shares, other equity interests or stock acquisition rights, etc. of other companies

There are no significant matters to be stated.

(2) Status of assets and profit and loss for the previous three fiscal years

(i) Assets and profit/loss of the Group

		27th period (Fiscal year ended March 2021)	28th period (Fiscal year ended March 2022)	29th period (Fiscal year ended March 2023)	30th period (current fiscal year) (Fiscal year ended March 2024)
Net sales	(millions of yen)	24,521	29,751	34,907	42,216
Ordinary profit	(millions of yen)	3,715	4,225	5,100	6,851
Profit attributable to owners of parent	(millions of yen)	2,362	2,726	3,153	4,515
Earnings per share	(Yen)	27.51	30.73	35.47	50.71
Total assets	(millions of yen)	20,473	25,338	29,002	32,539
Net assets	(millions of yen)	10,505	11,756	13,678	16,789
Net assets per share	(Yen)	115.97	131.42	151.74	185.67

(ii) Assets and Profits and Losses of the Company

		27th period (Fiscal year ended March 2021)	28th period (Fiscal year ended March 2022)	29th period (Fiscal year ended March 2023)	30th period (Current fiscal year) (Fiscal year ended March 2024)
Operating revenue	(millions of yen)	5,365	6,293	6,876	7,643
Ordinary profit	(millions of yen)	2,109	2,200	2,302	2,436
Profit	(millions of yen)	1,719	2,064	2,065	2,379
Earnings per share	(Yen)	20.02	23.27	23.23	26.72
Total assets	(millions of yen)	15,433	19,724	22,169	22,867
Net assets	(millions of yen)	7,553	8,564	9,430	10,295
Net assets per share	(Yen)	85.28	96.52	105.89	115.61

- (Notes)
1. On January 1, 2021, the Company conducted a 2-for-1 stock split of its common stock. Earnings per share and net assets per share are calculated based on the assumption that the stock split was conducted at the beginning of the 27th fiscal year.
 2. Earnings per share is calculated based on the average number of shares outstanding during the period, excluding treasury shares.
 3. Net assets per share is calculated based on the total number of shares outstanding at the end of the period, excluding treasury shares.

(3) Significant Parent Company and Subsidiaries

(i) Parent Company

Not applicable.

(ii) Significant Subsidiaries

Company Name	Share capital (millions of yen)	Percentage of voting rights held by the Company (%)	Principal Businesses
Japan Elevator Service Hokkaido Co., Ltd.	10	100.0	Maintenance, repair and modernization services for elevators and other equipment in the Hokkaido area.
Japan Elevator Service Jyonan Co., Ltd.	10	100.0	Maintenance and repair services for elevators and other equipment in the eastern Kanto and eastern Tokyo area
Japan Elevator Service Jyosai Co., Ltd.	10	100.0	Maintenance and repair services for elevators and other equipment in the northern Kanto, western Tokyo, and Tohoku regions
Japan Elevator Service Kanagawa Co., Ltd.	10	100.0	Maintenance and repair services for elevators and other equipment in the Kanagawa area
Japan Elevator Service Tokai Co., Ltd.	10	100.0	Maintenance and repair services for elevators and other equipment in the Tokai area
Japan Elevator Service Kansai Co., Ltd.	10	100.0	Maintenance and repair services for elevators and other equipment in the Kansai area
Japan Elevator Service Chushikoku Co., Ltd.	10	100.0	Maintenance and repair services for elevators and other equipment in the Chugoku and Shikoku regions
Japan Elevator Service Kyushu Co., Ltd.	10	100.0	Maintenance and repair services for elevators and other equipment in the Kyushu area
Japan Elevator Parts Co., Ltd.	10	100.0	Modernization service for elevators and other equipment and storage and sales of related parts

(4) Issues to be addressed

In the elevator and other maintenance industry, business opportunities are increasing due to an increase in the supply of elevators and other equipment as a result of the growing supply of real estate, and the demand for cost reductions by property owners and building management companies, etc. At the same time, there is a growing social demand for the safe operation of elevators and other equipment and the need to provide high-quality services. In this business environment, we recognize that the main issues to be addressed by the Group are as follows.

(i) Build and expand domestic business base

We recognize that building and expanding our business base is a challenge for the Group to achieve stable growth. Specifically, we believe it is most important to increase the number of maintenance contracts, which will lead to ongoing revenue and expansion into repair and modernization operations.

(ii) Secure and develop human resources

The foundation of the Group's business competitiveness is human resources capable of providing the high-quality maintenance services required for the safe operation of elevators, and we believe that securing and training such personnel is essential for the future growth of our Group.

The Group will continue strengthening the training it has provided to employees and establish an in-house technical and quality certification system to develop human resources with high skill levels.

In addition, the Group will seek to improve public awareness of the Group and working conditions, actively increase the number of new graduates and mid-career hires, and supplement its workforce as appropriate through the use of subcontractors that can guarantee the quality demanded by the Group.

(iii) Develop overseas business

We believe that demand for high-quality maintenance services exists widely not only in the Japanese market but also in overseas markets. By leveraging the Group's technical capabilities to handle elevators from multiple manufacturers and its expertise in education and training, which it has cultivated in the Japanese market, the Company intends to expand and grow in overseas markets.

(iv) Consider capital and business alliances for business expansion

We will consider acquiring other companies, forming joint ventures or business alliances with other companies that would contribute to improving the corporate value of our group.

(v) Promote research and development

The JES Innovation Center (JIC), a research and development facility equipped with a 50-meter elevator test tower, and the JES Innovation Center Lab (JIL), located adjacent to the JIC, promote research and development activities such as elevator modernization.

(vi) Stabilize financial base

The future expansion of the Group's business will require upfront and ongoing investment to accommodate evolving technologies relates to elevators, including research and development, investment in human resources, and expansion of training facilities. To prepare for future capital needs, the Company shall secure internal reserves and stabilize its financial position by raising funds through borrowings and other means.

(5) Principal Businesses (as of March 31, 2024)

Business Segment	Business
Maintenance Business	Maintenance, repair, and modernization of elevators and escalators

(6) Principal Offices (as of March 31, 2024)

(i) The Company

Name	Location
Head office	Chuo-ku, Tokyo
JES Innovation Center	Wako City, Saitama
JES Innovation Center Lab	Wako City, Saitama
JES Innovation Center Kansai	Takarazuka City, Hyogo

(Note) JES Innovation Center Kansai was completed on March 28, 2024 and has been operational since April of the same year.

(ii) Subsidiaries

Name	Location
Japan Elevator Service Hokkaido Co., Ltd.	Head office (Sapporo City, Hokkaido), etc.
Japan Elevator Service Jyonan Co., Ltd.	Head office (Chiyoda-ku, Tokyo), etc.
Japan Elevator Service Jyosai Co., Ltd.	Head office (Shinjuku-ku, Tokyo), etc.
Japan Elevator Service Kanagawa Co., Ltd.	Head office (Yokohama City, Kanagawa), etc.
Japan Elevator Service Tokai Co., Ltd.	Head office (Nagoya City, Aichi), etc.
Japan Elevator Service Kansai Co., Ltd.	Head office (Osaka City, Osaka), etc.
Japan Elevator Service Chushikoku Co., Ltd.	Head office (Hiroshima City, Hiroshima), etc.
Japan Elevator Service Kyushu Co., Ltd.	Head office (Fukuoka City, Fukuoka), etc.
Japan Elevator Parts Co., Ltd.	Head office (Wako City, Saitama), etc.

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

(i) Employees of the Group

Number of employees	Change from the end of the previous fiscal year
1,868 (395) persons	Increase of 102 persons

- (Notes)
1. The number of employees is the number of full-time employees (excluding employees on loan to outside the Group and including employees on loan from outside the Group to the Group). The average number of temporary employees for the year is shown in parentheses.
 2. The increase of 102 employees from the end of the previous fiscal year is mainly due to the hiring of new employees in line with business expansion.
 3. The Company's group is composed of a single segment, the maintenance business only, and therefore, segment information is not provided.

(ii) Employees of the Company

Number of employees	Change from the end of the previous fiscal year	Average age	Average years of service
248 (58) persons	Increase of 13 persons	41.4 years old	7.0 years

- (Note)
- The number of employees is the number of full-time employees (excluding employees dispatched from the Company to outside companies and including employees dispatched from outside companies to the Company). The average number of temporary employees for the year is shown in parentheses.

(8) Principal Lenders (as of March 31, 2024)

Lender	Amount borrowed
Mizuho Bank, Ltd.	1,166 millions of yen
Sumitomo Mitsui Banking Corporation	1,163
MUFG Bank, Ltd.	1,160
The Nishi-Nippon City Bank, Ltd.	600
The 77 Bank Ltd.	500
The Hokkaido Bank, Ltd.	489
The Bank of Yokohama, Ltd.	301

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

Not applicable.

2 Current Status of the Company

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

(i) Total number of shares authorized 224,000,000 shares

(ii) Total number of shares issued and outstanding 89,067,200 shares
(including 9,477 treasury shares)

(iii) Number of shareholders 7,234 persons

(iv) Major shareholders

Shareholder Name	Number of shares held	Shareholding ratio
KI Corporation	20,439 thousand shares	22.9%
SSBTC CLIENT OMNIBUS ACCOUNT	12,930	14.5
The Master Trust Bank of Japan, Ltd. (Trust Account)	10,300	11.5
The Custody Bank of Japan, Ltd. (Trust Account)	4,976	5.5
CEPLUX THREADNEEDLE (LUX)	2,966	3.3
THE BANK OF NEW YORK MELON 140044	1,484	1.6
BNYM AS AGT/CLTS NON TREATY JASDEC	1,378	1.5
J.P. MORGAN BANK LUXEMBOURG S.A. 384513	1,313	1.4
BNYMSANV RE MIL RE FSI ICVC-ST IV ASIA PAC AND JN SU FD	1,206	1.3
NORTHERN TRUST CO. (AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS SEC LENDING	1,138	1.2

(Note) Shareholding ratio is calculated excluding treasury shares (9,477 shares).

(2) Stock acquisition rights, etc.

(i) Stock acquisition rights held by the Company's Directors and Corporate Auditors as of the end of the fiscal year under review that were issued in compensation for the execution of their duties

Not applicable.

(ii) Stock acquisition rights issued to employees, etc. as compensation for the execution of their duties during the fiscal year under review

Not applicable.

(iii) Other important matters concerning stock acquisition rights, etc.

Details of stock acquisition rights issued to the Company's employees, etc. as of March 31, 2024 are as follows.

Name	First Series Stock Acquisition Rights
Date of resolution	March 15, 2016
Number of stock acquisition rights	406 units
Type and number of shares to be issued upon exercise of stock acquisition rights	Common stock 324,800 shares (per stock acquisition right 800 shares)
Amount to be paid in for stock acquisition rights	No payment is required in exchange for stock acquisition rights.
Amount of assets to be contributed upon exercise of stock acquisition rights	Per stock acquisition right 66,400 yen (per share 83 yen)
Exercise period	April 1, 2019 through March 31, 2026
Conditions for Exercise	See notes
Status of possession by employers, etc.	Number of stock acquisition rights 406 units Number of shares to be issued 324,800 shares Number of holders 1 person

(Note) The conditions for exercising subscription rights to shares are as follows.

1. The holders of the Stock Acquisition Rights shall be granted the right to exercise the number of stock acquisition rights (vested stock acquisition rights) specified below at the time and in the manner specified below, subject to the fulfillment of other conditions.

Schedule	Number of vested stock acquisition rights
After April 1, 2019	33% of allotment
After April 1, 2021	66% of allotment
After April 1, 2024	100% of allotted number of shares

2. The Company conducted a 100-for-1 stock split on August 31, 2016, a 2-for-1 stock split on October 1, 2017, a 2-for-1 stock split on October 1, 2018, and a 2-for-1 stock split on January 1, 2021. The Company conducted a 2-for-1 stock split on October 1, 2018 and a 2-for-1 stock split on January 1, 2021. As a result, "Number of shares to be issued upon exercise of stock acquisition rights" and "Value of assets to be contributed upon exercise of stock acquisition rights" were adjusted.

(3) Directors and Audit & Supervisory Board Members

(i) Directors and Audit & Supervisory Board Members (as of March 31, 2024)

Position in the Company	Name	Responsibilities and Important Concurrent Positions
President & Representative Director	Katsushi Ishida	CEO Representative Director of KI Corporation
Director, Deputy President and Executive Officer	Kimihiko Imamura	CFO, General Manager of Business Administration Headquarters
Director, Deputy President and Executive Officer	Shuji Kuramoto	Technology Director, General Manager of Domestic Business Headquarters
Director, Senior Managing Executive Officer	Shinsuke Uno	West Japan Business Director President of Japan Elevator Service Kansai Co., Ltd.
Director, Managing Executive Officer	Daiki Murakami	General Manager of Technology Headquarters
Director <input type="checkbox"/> Outside <input type="checkbox"/> Independent	Hitoshi Watanabe	Head of Watanabe CPA Office President of R&J Co., Ltd.
Director <input type="checkbox"/> Outside <input type="checkbox"/> Independent	Noriko Endo	Outside Director of AIN Holdings, Inc. Outside Director of Hankyu Hanshin Holdings, Inc. Project Professor of Global Research Institute, Keio University Outside Director of Techpoint, Inc. Outside Director of Nippon Telegraph and Telephone Corporation
Director <input type="checkbox"/> Outside <input type="checkbox"/> Independent	Mika Yano	Representative Director and President of Mizenka Co., Ltd. Vice President & Legal Counsel, General Manager, Japan MGM, MGM Resorts Japan, LLC
Full-time Audit & Supervisory Board member	Kei Tachibana	
Audit & Supervisory Board member <input type="checkbox"/> Outside <input type="checkbox"/> Independent	Hitoshi Maeda	
Audit & Supervisory Board member <input type="checkbox"/> Outside <input type="checkbox"/> Independent	Shigeru Haga	

- (Notes)
1. Director Takeshi Watanabe retired from his post as directors of the Company at the conclusion of the 29th Annual General Meeting of Shareholders held on June 23, 2023, due to expiration of their terms of office.
 2. The Company has designated all of its outside directors and outside Audit & Supervisory Board members as independent directors/auditors as stipulated by the Tokyo Stock Exchange, and has notified the Tokyo Stock Exchange to that effect.
 3. Director Noriko Endo's name in the family register is Noriko Tsujihiro.
 4. Full-time Audit & Supervisory Board member Mr. Kei Tachibana had been in charge of the Company's accounting operations for many years in the past (15 years from 2005 to 2020) and has considerable years of knowledge in finance and accounting.

(ii) Outline of the contents of the liability limitation agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with each outside director and each Audit & Supervisory Board member to limit their liability for damages under Article 423, Paragraph 1 of the act.

The maximum amount of liability for damages under such contracts is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.

Such limitation of liability is limited to cases where the outside directors and Audit & Supervisory Board members perform their duties in good faith and without gross negligence.

(iii) Summary of contents of directors' and officers' liability insurance policies, etc.

The Company has concluded a directors' and corporate auditors' liability insurance policy with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, which insures the directors, corporate auditors, and executive officers of the Company and its subsidiaries (including those who were in office during the fiscal year under review).

The insurance contract is renewed annually. The insurance company will compensate the insured for damages that may arise from the insured being held liable for the performance of his/her duties or being subject to claims related to the pursuit of such liability.

In addition, the insurance policy provides for an exemption from liability for damages in the event that the Company pursues liability for damages against the officer in question, and by setting a limit on the amount to be covered, the Company has taken measures to ensure that the officer's performance of his duties is not impaired. The same information will be updated in the next update.

(iv) Remuneration of directors and Audit & Supervisory Board member

A. Policy on determining the content of directors' remuneration

The Company's Board of Directors approved a policy for determining the details of individual director compensation.

The Board of Directors has also confirmed that the method of determining the details of remuneration, etc. for individual directors for the fiscal year under review and the details of remuneration, etc. determined are consistent with such determination policy and are deemed to be in line with such policy.

The details of the policy for determining the details of remuneration, etc. of individual directors are as follows

1. Basic Policy

The Company's basic policy is to set the remuneration of individual directors at an appropriate level based on their respective responsibilities when determining their remuneration. Specifically, the remuneration for executive directors shall consist of base remuneration as fixed remuneration and stock-based remuneration, while outside directors, who are responsible for supervisory functions, shall be paid only base remuneration in light of their duties.

2. Policy regarding the determination of the amount of compensation, etc. for each individual for basic compensation (monetary compensation) (including policy regarding the determination of the timing or conditions of granting compensation, etc.)

The basic remuneration of the Company's directors shall be a monthly fixed remuneration, which shall be determined in accordance with their position, responsibilities, and years in office, comprehensively taking into consideration the level of other companies, the Company's performance, and the level of employee salaries.

3. Policy regarding the determination of the details of non-monetary compensation and the method of calculation of the amount or number of non-monetary compensation (including policy regarding the determination of the timing or conditions of granting compensation, etc.)

Non-monetary compensation shall be in the form of restricted stock with a restriction period of up to 35 years, and shall be granted at a time determined by a resolution of the Board of Directors to the executive directors determined by the same resolution. The grantee, the number of shares to be granted, and the timing of the grant shall be determined by comprehensively taking into consideration the position, responsibilities, the level of other companies, and the Company's business performance.

4. Policy regarding the determination of the amount of monetary and non-monetary compensation as a percentage of the amount of compensation, etc., paid to each individual director

The ratio of remuneration for each type of executive director shall be determined based on monthly fixed remuneration, while taking into consideration his/her position, responsibilities, the level of other companies, and the Company's business performance, as well as taking into account the Company's overall performance.

5. Matters concerning the determination of the details of remuneration, etc. of individual directors

The specific amount of remuneration for each individual shall be delegated to the President and Representative Director based on a resolution of the Board of Directors, and the content of the authority shall be the amount of basic remuneration for each Director. To ensure that such authority is properly exercised by the Chairman of the Board of Directors, the President and Representative Directors shall consult with the directors and others, and shall consult with the Nomination and Remuneration Committee. The President and Representative Directors shall determine the amount of remuneration for each individual director, respecting the content of the consultation with such director, etc. and the report from the Nomination and Remuneration Committee. The number of shares of restricted stock (stock-based compensation) to be allocated (granted) to each individual shall be determined by a resolution of the Board of Directors.

B. Total amount of remuneration, etc. for the current fiscal year

	Total amount of compensation, etc.	Total amount of remuneration, etc. by type		Number of eligible directors and officers
		Basic remuneration	Non-monetary compensation, etc.	
Directors (of which outside directors)	154 million yen (20)	152 million yen (20)	1 million yen (-)	8 persons (3)
Audit & Supervisory Board members (of which outside Audit & Supervisory Board members)	21 (9)	21 (9)	-	3 (2)
Total amount (of which, outside directors)	175 (30)	174 (30)	1 (-)	11 (5)

- (Notes)
- The above includes a director who retired at the conclusion of the 29th Annual General Meeting of Shareholders held on June 23, 2023.
 - The maximum amount of remuneration for Directors was resolved at the 19th Annual General Meeting of Shareholders held on November 29, 2013 to be no more than 700 million yen per year (not including salaries for employees). The number of directors as of the close of this General Meeting of Shareholders is five. In addition, at the 24th Annual General Meeting of Shareholders held on June 26, 2018, as a separate line from the amount of remuneration, etc. for directors above, the Company resolved to set the amount of remuneration for the grant of restricted stock at no more than 350 million yen per year and the maximum number of shares at 170,000 shares per year (outside directors are not eligible for the grant. The maximum number of shares is adjusted to 680,000 shares per year after a 2-for-1 stock split of common shares implemented on October 1, 2018 and a 2-for-1 stock split of common shares implemented on January 1, 2021. The number of directors (excluding outside directors) as of the conclusion of this General Meeting of Shareholders was 10.
 - Non-monetary compensation consists of restricted stock (common stock of the Company with a restricted period of 35 years), and the total amount of non-monetary compensation above shows the amount recorded as expenses in the current fiscal year.
 - The maximum amount of remuneration for Audit & Supervisory Board members is 50 million yen per year as resolved at the 19th Ordinary General Meeting of Shareholders held on November 29, 2013. The number of Audit & Supervisory Board members at the end of the meeting was one.
 - The Board of Directors delegates to Mr. Katsushi Ishida, President and Representative Director, the determination of the amount of base remuneration for each director. The reason for the delegation is that the Company has determined that the President and Representative Director is the most appropriate person to determine the amount of base remuneration for each director, taking into consideration the Company's overall performance, position, and responsibilities. To ensure that such authority is properly exercised, the President and Representative Director CEO consults with the directors and others, and also consults with the Nomination and Remuneration Committee. The President and Representative Director CEO determines the amount of compensation for each individual, respecting the content of the consultation with the relevant directors, etc. and the report from the Nomination and Remuneration Committee.

(v) Matters related to Outside Directors

A. Significant concurrent positions held at other companies and relationship between the Company and such companies

- As explained in “(i) Directors and Audit & Supervisory Board Members.” There is no special relationship between the Company and the company where she holds concurrent positions.

B. Major activities during the current fiscal year

- Outside Director

Name	Attendance at Board of Directors meetings	Summary of statements and duties performed with respect to the expected role
Hitoshi Watanabe	Held 17 times Attended 17 of them	Based on his expertise and extensive experience as a certified public accountant, he provides appropriate and necessary advice and recommendations from a neutral and objective standpoint as an outside director, not only in discussions of proposals but also in general corporate management, thereby fulfilling the expected roles and responsibilities.
Noriko Endo	Held 17 times Attended 17 of them	Based on her extensive experience and knowledge gained through editing economic journals and conducting public policy research, she provides appropriate and necessary advice and recommendations from a neutral and objective standpoint as an outside director, not only in discussions of proposals but also in general corporate management, thereby fulfilling the expected roles and responsibilities.
Mika Yano	Held 17 times Attended 17 of them	Based on her extensive experience and insight in corporate legal affairs as an attorney admitted in New York, U.S.A., she provides appropriate and necessary advice and recommendations from a neutral and objective standpoint as an Outside Director, not only in discussions of proposals but also in general corporate management, thereby fulfilling the expected roles and responsibilities.

- Outside Audit & Supervisory Board member

Name	Attendance		Summary of duties performed
	Board of Directors meeting	Audit & Supervisory Board meeting	
Hitoshi Maeda	Held 17 times Attended 17 of them	Held 17 times Attended 17 of them	Based on his extensive experience in business management, he provides advice and recommendations to ensure the adequacy and appropriateness of the Board of Directors and Audit & Supervisory Board from a neutral and objective standpoint as an outside Audit & Supervisory Board member.
Shigeru Haga	Held 17 times Attended 17 of them	Held 17 times Attended 17 of them	Based on his extensive experience in human error and accident prevention, he provides advice and recommendations to ensure the adequacy and appropriateness of the Board of Directors and the Audit & Supervisory Board from a neutral and objective standpoint as an outside Audit & Supervisory Board member.

(4) Status of Accounting Auditor

(i) Name

Ernst & Young ShinNihon LLC

(ii) Amount of remuneration, etc.

	Amount of compensation, etc.
Amount of remuneration, etc. of accounting auditor for the current fiscal year	44 million yen
Total amount of monetary and other financial benefits payable by the Company and its subsidiaries to the accounting auditor	44 million yen

(Notes) 1. The audit contract between the Company and the accounting auditor does not clearly distinguish between the amounts of audit fees, etc. for audits based on the Companies Act and those for audits based on the Financial Instruments and Exchange Act, and it is practically impossible to do so.

2. Audit & Supervisory Board made a decision to agree with the amount of remuneration, etc. of the accounting auditor after necessary verification of the appropriateness of the content of the audit plan of the accounting auditor, the performance of duties of the accounting audit, and the basis for calculation of the remuneration estimate.

(iii) Non-audit services

Not applicable.

(iv) Policy on Dismissal or Non-reappointment of Accounting Auditor

The Audit & Supervisory Board shall decide the content of the proposal for dismissal or non-reappointment of the accounting auditor to be submitted to the General Meeting of Shareholders if it determines that such action is necessary, such as when there is a problem with the accounting auditor's performance of its duties.

In addition, the Audit & Supervisory Board will dismiss the Accounting Auditor with the unanimous consent of the Audit & Supervisory Board Members if the Accounting Auditor is deemed to fall under any of the items of Article 340, Paragraph 1 of the Companies Act. In this case, the member selected by the Audit & Supervisory Board shall report the dismissal of the accounting auditor and the reasons thereof at the first general meeting of shareholders convened after the dismissal.

(v) Summary of the contents of the liability limitation agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Articles of Incorporation of the Company stipulate that the Company and the accounting auditor may enter into an agreement to limit liability for damages as stipulated in Article 423, Paragraph 1 of the same law, but the Company has not entered into a liability limitation agreement.

(vi) Summary of the contents of the indemnity agreement, etc.

Not applicable.

3 Basic Policy on Control of the Company

Not applicable.

4 Basic Policy on Dividends from Surplus

The Company recognizes that returning profits to shareholders is one of its most important management policies, and its basic policy is to maintain stable dividends while securing the internal reserves necessary to strengthen the management base in response to changes in the business environment and for future business development.

Based on this policy, we will actively work to return profits to shareholders, taking into consideration our business performance, financial condition, and investment plans from a medium- to long-term perspective.

The Company's basic policy is to pay a year-end dividend once a year. The Company's Articles of Incorporation stipulate that matters listed in Article 459, Paragraph 1 of the Companies Act may be determined by a resolution of the Board of Directors, unless otherwise provided by law.

Based on the above policy, the Company plans to pay a year-end dividend of 25 yen per share for the current fiscal year.

Consolidated financial statements

Consolidated Balance Sheet (as of March 31, 2024)

(Unit: thousands of yen)

Subject	Amount	Subject	Amount
(Assets)		(Liabilities)	
Current assets	13,575,514	Current liabilities	12,974,996
Cash and deposits	2,184,991	Accounts payable - trade	1,616,147
Notes receivable – trade	53,776	Short-term borrowings	3,535,935
Accounts receivable - trade	6,386,192	Current portion of long-term borrowings	2,274,202
Work in progress	164,526	Accounts payable - other	968,436
Raw materials and supplies	4,243,812	Income taxes payable	1,788,103
Other	558,690	Accrued consumption taxes	571,495
Allowance for doubtful accounts	(16,475)	Provision for bonuses	948,663
		Other	1,272,013
Non-current assets	18,963,501	Non-current liabilities	2,774,540
Property, plant and equipment	12,612,381	Long-term borrowings	903,868
Buildings and structures	7,706,982	Retirement benefit liability	1,287,414
Tools, furniture and fixtures	7,477,498	Asset retirement obligations	445,039
Land	1,621,367	Other	138,217
Other	322,674		
Accumulated depreciation and impairment	(4,516,140)	Total liabilities	15,749,536
Intangible assets	4,424,574	(Net assets)	
Goodwill	2,093,939	Shareholders' equity	16,647,328
Software	1,233,603	Share capital	2,493,058
Other	1,097,031	Capital surplus	2,576,830
Investments and other assets	1,926,545	Retained earnings	11,591,118
Investment securities	50,450	Treasury shares	(13,679)
Leasehold and guarantee deposits	617,052	Accumulated other comprehensive income	(112,370)
Deferred tax assets	1,119,541	Valuation difference on available-for-sale securities	2,198
Other	183,437	Foreign currency translation adjustment	(69,827)
Allowance for doubtful accounts	(43,936)	Remeasurements of defined benefit plans	(44,742)
		Non-controlling interests	254,521
Total assets	32,539,015	Total net assets	16,789,478
		Total liabilities and net assets	32,539,015

Consolidated Statements of Income

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

(Unit: thousands of yen)

Subject	Amount	
Net sales		42,216,512
Cost of sales		26,263,910
Gross profit		15,952,602
Selling, general and administrative expenses		9,131,470
Operating profit		6,821,132
Non-operating income		
Surrender value of insurance policies	22,678	
Rental income	26,286	
Commission income	11,885	
Other	36,772	97,623
Non-operating expenses		
Interest expenses	22,080	
Foreign exchange losses	13,319	
Depreciation	14,646	
Other	17,239	67,286
Ordinary profit		6,851,468
Extraordinary income		
Gain on sale of non-current assets	3,816	
Gain on bargain purchase	2,729	6,546
Extraordinary losses		
Loss on retirement of non-current assets	11,280	
Other	3,245	14,516
Profit before income taxes		6,843,489
Income taxes - current	2,438,198	
Income taxes - deferred	(142,959)	2,295,239
Profit		4,548,249
Profit attributable to non-controlling interests		32,481
Profit attributable to owners of parent		4,515,768

Consolidated Statements of Changes in Net Assets

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

(Unit: thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of period	2,493,058	2,576,830	8,589,342	(13,579)	13,645,652
Changes during period					
Dividends of surplus			(1,513,992)		(1,513,992)
Profit attributable to owners of parent			4,515,768		4,515,768
Purchase of treasury shares				(100)	(100)
Net changes in items other than shareholders' equity					
Total changes during the period	—	—	3,001,776	(100)	3,001,675
Balance at the end of the current fiscal year	2,493,058	2,576,830	11,591,118	(13,679)	16,647,328

	Accumulated other comprehensive income				Non-controlling interest	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of period	955	(75,401)	(57,488)	(131,935)	164,905	13,678,622
Changes during period						
Dividends of surplus						(1,513,992)
Profit attributable to owners of parent						4,515,768
Purchase of treasury shares						(100)
Net changes in items other than shareholders' equity	1,243	5,574	12,746	19,564	89,616	109,180
Total changes during period	1,243	5,574	12,746	19,564	89,616	3,110,856
Balance at the end of period	2,198	(69,827)	(44,742)	(112,370)	254,521	16,789,478

Financial statements

Balance Sheet (as of March 31, 2024)

(Unit: thousands of yen)

Subject	Amount	Subject	Amount
(Assets)		(Liabilities)	
Current assets	3,379,118	Current liabilities	9,837,704
Cash and deposits	915,497	Short-term borrowings	3,495,935
Notes receivable - trade	26,382	Short-term borrowings of subsidiaries and affiliates	2,302,115
Short-term loans receivable from subsidiaries and affiliates	2,026,094	Current portion of long-term borrowings	2,264,578
Other	411,212	Accounts payable - other	552,789
Allowance for doubtful accounts	(69)	Income taxes payable	48,795
Non-current assets	19,488,349	Provision for bonuses	110,217
Property, plant and equipment	11,603,431	Other	1,063,273
Buildings and structures	6,998,572	Non-current liabilities	2,733,860
Tools, furniture and fixtures	7,309,317	Long-term borrowings	890,485
Land	1,068,263	Allowance for retirement benefits	1,037,283
Other	114,021	Asset retirement obligations	445,039
Accumulated depreciation and impairment loss	(3,886,743)	Allowance for loss on business of subsidiaries and affiliates	309,502
		Other	51,549
		Total liabilities	12,571,564
Intangible assets	2,326,645	(Net assets)	
Software	1,231,845	Shareholders' equity	10,295,903
Other	1,094,799	Share capital	2,493,058
Investments and other assets	5,558,273	Capital surplus	2,924,080
Investment securities	2,000	Capital reserve	2,450,843
Shares of subsidiaries and affiliates	4,430,456	Other capital surplus	473,236
Lease and guarantee deposits	564,116	Retained earnings	4,892,444
Deferred tax asset	542,089	Legal retained earnings reserve	10,250
Other	47,080	Other retained earnings	4,882,194
Allowance for doubtful accounts	(27,469)	Retained earnings brought forward	4,882,194
		Treasury shares	(13,679)
Total assets	22,867,467	Total net assets	10,295,903
		Total liabilities and net assets	22,867,467

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

(Unit: thousands of yen)

Subject	Amount	
Operating revenue		7,643,349
Operating expenses		5,091,292
Operating profit		2,552,057
Non-operating income		
Interest income	12,932	
Rental income	17,721	
Other	5,331	35,985
Non-operating expenses		
Interest expenses	33,470	
Provision for doubtful accounts	27,000	
Provision for loss on business of subsidiaries and affiliates	66,071	
Other	25,142	151,684
Ordinary profit		2,436,358
Extraordinary losses		
Loss on retirement of non-current assets	9,326	
Other	421	9,747
Profit before tax		2,426,611
Income taxes - current	86,089	
Income taxes - deferred	(38,970)	47,118
Profit		2,379,492

Statement of changes in net assets

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

(Unit: thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Capital reserve	Other Capital surplus	Total capital surplus	Legal retained earnings reserve	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at the beginning of period	2,493,058	2,450,843	473,236	2,924,080	10,250	4,016,694	4,026,944
Changes of items during the period							
Dividends of surplus						(1,513,992)	(1,513,992)
Profit						2,379,492	2,379,492
Purchase of treasury shares							
Net changes of items other than shareholders' equity							
Total changes during the period	—	—	—	—	—	865,500	865,500
Balance at the end of period	2,493,058	2,450,843	473,236	2,924,080	10,250	4,882,194	4,892,444

	Shareholders' equity		Total net assets
	Treasury shares	Shareholders' equity total	
Balance at the beginning of period	(13,579)	9,430,503	9,430,503
Changes of items during the period			
Dividends of surplus		(1,513,992)	(1,513,992)
Profit		2,379,492	2,379,492
Purchase of treasury shares	(100)	(100)	(100)
Net changes of items other than shareholders' equity			—
Total changes during the period	(100)	865,399	865,399
Balance at the end of period	(13,679)	10,295,903	10,295,903

Audit report

Audit Report on the Consolidated Financial Statements

Independent Auditor's Report

May 16, 2024

To the Board of Directors of Japan Elevator Service Holdings Co., Ltd.

Ernst & Young ShinNihon LLC

Tokyo Office

Designated and Engagement Partner

Certified public
accountant

Hisashi Atobe

Designated and Engagement Partner

Certified public
accountant

Rentaro Miki

Audit Opinion

Pursuant to the provisions of Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements of Japan Elevator Service Holdings Co., Ltd. for the fiscal year from April 1, 2023 to March 31, 2024, namely, the consolidated balance sheets, the consolidated statements of income, the consolidated statements of changes in equity, and the notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of Japan Elevator Service Holdings Co., Ltd. and its consolidated subsidiaries for the period, for which the consolidated financial statements were prepared, in conformity with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. The audit corporation's responsibilities under the auditing standards are described in "Auditor's Responsibilities in the Audit of Consolidated Financial Statements." We are independent of the company and its consolidated subsidiaries and fulfill our other ethical responsibilities as auditors in accordance with the rules of professional ethics in Japan. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion.

Other Descriptions

The other statements are the business report and its supporting schedules. Management is responsible for preparing and disclosing other statements. In addition, the Audit & Supervisory Board and its members are responsible for monitoring the directors' performance of their duties in the development and operation of other stated reporting processes.

Our audit opinion on the consolidated financial statements does not include any other description, and we express no opinion on any other description.

Our responsibility in the audit of the consolidated financial statements is to read the other information carefully and, in the course of reading the other information, to consider whether there are material differences between the other information and the consolidated financial statements or our knowledge obtained in the course of our audit, and to pay attention to whether there are any indication of material errors in the other information other than such material differences. In addition to such material differences, we also pay attention to whether there are any other indications of material errors in the other statements.

If, based on the work we have performed, we determine that there are material errors in the other entries, we are required to report those facts.

We have no other matters to report.

Responsibilities of Management, Audit & Supervisory Board and its members for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes the development and operation of internal control determined by management to be necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for evaluating whether it is appropriate to present the consolidated financial statements on a going concern basis and for disclosing any matters related to going concern that are required to be disclosed in accordance with accounting principles generally accepted in Japan. The Company is responsible for the disclosure of such matters.

The Audit & Supervisory Board and its members are responsible for monitoring the directors' performance of their duties in the development and operation of the financial reporting process.

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

The auditor is responsible for obtaining reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, based on the audit performed by the auditor, and for expressing an opinion on the consolidated financial statements from an independent standpoint in the auditor's report. A misstatement is considered to be material if it could have been caused by fraud or error and, individually or in the aggregate, could reasonably be expected to affect the decisions of users of the consolidated financial statements.

The auditor shall exercise professional judgment throughout the audit process in accordance with auditing standards generally accepted as fair and appropriate in Japan, and shall maintain professional skepticism and

- Identify and assess the risk of material misstatement due to fraud or error. In addition, audit procedures shall be designed and implemented to address the risks of material misstatement. The selection and application of audit procedures are at the auditor's discretion. In addition, we obtain sufficient and appropriate audit evidence on which to base our opinion.
- Examine internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, when making the risk assessment, although the auditor's audit of the consolidated financial statements is not intended to express an opinion on the effectiveness of internal control.
- Evaluate the appropriateness of the accounting policies and methods of application thereof adopted by management and the reasonableness of the accounting estimates made by management and the appropriateness of the related notes.
- Conclude as to whether it is appropriate for management to prepare the consolidated financial statements on a going concern basis and, based on the audit evidence obtained, whether there are material uncertainties regarding events or conditions that might cast significant doubt on the entity's ability to continue as a going concern. If a material uncertainty regarding the entity's ability to continue as a going concern exists, the auditor is required to draw attention in the auditor's report to the notes to the consolidated financial statements or, if the notes to the consolidated financial statements are not appropriate with respect to the material uncertainty, to express an opinion with qualifications on the consolidated financial statements. The auditor's conclusion is based on audit evidence obtained up to the date of the auditor's report; however, future events or circumstances may cause the entity to cease to exist as a going concern.
- Assess whether the presentation and notes to the consolidated financial statements conform to accounting principles generally accepted in Japan, and whether the consolidated financial statements, including the related notes, present fairly the transactions and accounting events on which the consolidated financial statements are based.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to enable us to express our opinion on the consolidated financial statements. The auditor is responsible for directing, supervising and performing the audit of the consolidated financial statements. The auditor is solely responsible for its audit opinion.

The auditor shall report to the Audit & Supervisory Board and its members on the planned scope and timing of the audit, significant audit findings, including significant deficiencies in internal control identified during the course of the audit, and other matters required by auditing standards. and other matters required by auditing standards.

The auditor shall report to the Audit & Supervisory Board and its members that the auditor has complied with professional ethics regulations in Japan regarding independence and matters that may reasonably be considered to affect the auditor's independence, and if any measures have been taken to remove impediments or safeguards have been applied to reduce impediments to an acceptable level, the details of such safeguards, if any.

Interests

We have no interest in or relationship with the Company or its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Ends

Audit Report on Financial Statements

Independent Auditor's Report

May 16, 2024

To the Board of Directors of Japan Elevator Service Holdings Co., Ltd.

Ernst & Young ShinNihon LLC

Tokyo Office

Designated and Engagement Partner

Certified public
accountant

Hisashi Atobe

Designated and Engagement Partner

Certified public
accountant

Rentaro Miki

Audit Opinion

Pursuant to the provisions of Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the financial statements of Japan Elevator Service Holdings Co., Ltd. for the 30th fiscal year from April 1, 2023 to March 31, 2024, namely, the balance sheets, statements of income, statements of changes in net assets, notes to financial statements, and the accompanying supplemental schedules (hereinafter referred to as the "financial statements, etc.>").

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

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility is to express an opinion on the financial statements based on our audit. We are independent of the company and fulfill our other ethical responsibilities as auditors in accordance with the rules of professional ethics in our country. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our opinion.

Other Descriptions

The other statements are the business report and its supporting schedules. Management is responsible for preparing and disclosing other statements. In addition, the Audit & Supervisory Board and its members are responsible for monitoring the directors' performance of their duties in the development and operation of other stated reporting processes.

Our audit opinion on the financial statements does not cover other matters and we express no opinion on them.

Our responsibility in the audit of the financial statements is to read the other information carefully and, in the course of reading the other information, to consider whether there are material differences between the other information and the financial statements or our knowledge obtained in the audit, and to pay attention to whether there are any indication of material errors in the other information other than such material differences. In addition to such material differences, we also pay attention to whether there are any other indications of material misstatement.

If, based on the work we have performed, we determine that there are material errors in the other entries, we are required to report those facts.

We have no other matters to report.

Responsibility of management and Audit & Supervisory Board and its members for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in Japan. This includes the establishment and operation of internal controls deemed necessary by management for the preparation and fair presentation of financial statements and other financial information that are free from material misstatement due to fraud or error.

In preparing the financial statements, management is responsible for evaluating whether it is appropriate to prepare the financial statements based on the going concern assumption and for disclosing matters related to a going concern if such disclosure is required under accounting principles generally accepted in Japan.

The Audit & Supervisory Board and its members are responsible for monitoring the directors' performance of their duties in the development and operation of the financial reporting process.

Auditor's Responsibility for the Audit of Financial Statements

The auditor is responsible for obtaining reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, based on the audit performed by the auditor, and for expressing an opinion on the financial statements from an independent perspective in the auditor's report. A misstatement is considered to be material if it could have been caused by fraud or error and, individually or in the aggregate, could reasonably be expected to affect the decisions of users of the financial statements.

The auditor shall exercise professional judgment throughout the audit process in accordance with auditing standards generally accepted as fair and appropriate in Japan, and shall maintain professional skepticism and

- Identify and assess the risk of material misstatement due to fraud or error. In addition, audit procedures shall be designed and implemented to address the risks of material misstatement. The selection and application of audit procedures are at the auditor's discretion. In addition, we obtain sufficient and appropriate audit evidence on which to base our opinion.
- Examines internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, when making the risk assessment, although the auditor's audit of the financial statements is not intended to express an opinion on the effectiveness of internal control.
- Evaluate the appropriateness of the accounting policies and methods of application thereof adopted by management and the reasonableness of the accounting estimates made by management and the appropriateness of the related notes.
- Conclude whether it is appropriate for management to prepare the financial statements on a going concern basis and, based on the audit evidence obtained, whether there are material uncertainties regarding events or conditions that might cast significant doubt on the entity's ability to continue as a going concern. If a material uncertainty regarding the entity's ability to continue as a going concern is recognized, the auditor is required to draw attention in the auditor's report to the notes to the financial statements or, if the notes to the financial statements are not appropriate with respect to the material uncertainty, to express an opinion with qualifications on the financial statements or the financial statements. The auditor's conclusion is based on audit evidence obtained up to the date of the auditor's report; however, future events or circumstances may cause the entity to cease to exist as a going concern.
- Evaluate whether the presentation and notes to the financial statements conform to accounting principles generally accepted in Japan, and whether the financial statements, including the related notes, present fairly the underlying transactions and accounting events, as well as the financial statement presentation, composition and details.

The auditor shall report to the Audit & Supervisory Board and its members on the planned scope and timing of the audit, significant audit findings, including significant deficiencies in internal control identified during the course of the audit, and other matters required by auditing standards. and other matters required by auditing standards.

The auditor shall report to the Audit & Supervisory Board and its members that the auditor has complied with professional ethics regulations in Japan regarding independence and matters that may reasonably be considered to affect the auditor's independence, and if any measures have been taken to remove impediments or safeguards have been applied to reduce impediments to an acceptable level, the details of such safeguards, if any.

Interests

We have no interest in or relationship with the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Ends

Audit Report of the Audit & Supervisory Board

Audit Report

The Audit & Supervisory Board has prepared this audit report on the directors' performance of their duties for the 30th fiscal year from April 1, 2023 to March 31, 2024, based on the audit reports prepared by each Audit & Supervisory Board member, and after due deliberation The Board of Directors of the Company hereby submits its audit report as follows.

1. Method and content of audits by Audit & Supervisory Board and its members

- (1) The Audit & Supervisory Board established audit policies, assignment of duties, etc., received reports from each Audit & Supervisory Board member on the status of implementation and results of audits, and received reports from directors and accounting auditors on the status of execution of their duties, We also received reports on the status of execution of their duties from directors and accounting auditors, and requested explanations as necessary.
- (2) Each Audit & Supervisory Board member complied with the Audit & Supervisory Board member audit standards established by the Audit & Supervisory Board, followed the audit policy, allocation of duties, etc., communicated with the directors, the Internal Audit Office and other employees, etc., collected information and prepared the audit environment.
 - (i) Attended meetings of the Board of Directors and other important meetings, received reports from directors, employees, and others on the status of execution of their duties, requested explanations as necessary, perused important approval documents, etc., and investigated the status of operations and assets at the head office and principal business offices. With respect to subsidiaries, we communicated and exchanged information with directors and Audit & Supervisory Board members of subsidiaries and received business reports from subsidiaries as necessary.
 - (ii) Received reports from directors, employees, and other relevant personnel regarding the details of the resolution of the Board of Directors concerning the establishment of an internal control system as stipulated in the Companies Act and the status of its establishment and operation, and requested explanations and expressed opinions as necessary. With respect to the internal control system in the corporate group, we also received reports from directors and employees of subsidiaries on the status of its establishment and operation, as necessary, and requested explanations.
 - (iii) Monitored and verified whether the accounting auditors maintained their independence and conducted appropriate audits, received reports from the accounting auditors on the performance of their duties, and requested explanations when necessary. In addition, we received notice from the accounting auditor that "systems to ensure that duties are performed properly" are being developed in accordance with the "Quality Control Standards for Audits" and other standards established by the Business Accounting Council, and sought explanations as necessary.

Based on the above methods, we have examined the business report and supporting schedules, financial statements (balance sheet, statement of income, statement of changes in net assets and notes to financial statements) and supporting schedules, and consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to consolidated financial statements) for the relevant fiscal year.

2. Audit results

(1) Results of audit of business reports, etc.

- (i) In our opinion, the business report and supporting schedules present fairly the condition of the Company in conformity with applicable laws and regulations and the Articles of Incorporation.
- (ii) We have found no misconduct or material fact of violation of laws, regulations or the Articles of Incorporation in connection with the Directors' performance of their duties.
- (iii) In our opinion, the content of the Board of Directors' resolution regarding the internal control system is appropriate. In addition, we have found no matters to be pointed out with respect to the descriptions in the business report and the execution of duties by the directors with respect to such internal control system.

(2) Audit Results of Financial Statements and Supplementary Schedules

In our opinion, the auditing methods and results of the accounting auditor, Ernst & Young ShinNihon LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

In our opinion, the auditing methods and results of the accounting auditor, Ernst & Young ShinNihon LLC, are appropriate.

May 20, 2024

Audit & Supervisory Board of Japan Elevator Service Holdings Co., Ltd.

Full-time Audit & Supervisory Board member	Kei Tachibana ㊟
Outside Audit & Supervisory Board Member	Hitoshi Maeda ㊟
Outside Audit & Supervisory Board Member	Shigeru Haga ㊟

Ends

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of surplus

The Company recognizes that returning profits to shareholders is one of its most important management policies, and its basic policy is to maintain stable dividends while securing the internal reserves necessary to strengthen the management base in response to changes in the business environment and for future business development.

Taking into consideration future business development and other factors, we propose to pay a year-end dividend for the 30th fiscal year as follows.

Matters related to year-end dividends

(i) Type of dividend property

Cash

(ii) Matters relating to the allocation of dividend assets and the total amount thereof

25 yen per share of common stock

Total amount of dividends 2,226,443,075 yen

(iii) Date on which the distribution of surplus becomes effective

June 24, 2024

Proposal No. 2 Election of Five (5) Directors

At the conclusion of the 30th Annual General Meeting of Shareholders scheduled to be held on June 21, 2024, the terms of office of all directors (8 directors) will expire. Accordingly, the Company proposes to reduce the number of directors from eight to five and to elect five directors due to the introduction of a delegated executive officer program for the purpose of increasing the efficiency and speed of business execution and clarifying responsibility for results, as well as to invigorate the Board of Directors and strengthen its supervisory function by optimizing the number of directors.

The candidates for the Board of Directors are as follows

Candidate No.	Name	Position in the Company			
1	Katsushi Ishida	President & Representative Director	Reappointment		
2	Kimihiko Imamura	Director, Deputy President and Executive Officer	Reappointment		
3	Hitoshi Watanabe	Director	Reappointment	Outside	Independent
4	Noriko Endo	Director	Reappointment	Outside	Independent
5	Mika Yano	Director	Reappointment	Outside	Independent

Reappointment

Candidates for reappointment as directors

Outside

Candidates for Outside Directors

Independent

Independent Director as stipulated by the Tokyo Stock Exchange

Candidate No. **1**

Katsushi Ishida

Reappointment



Brief personal history, position and responsibility in the Company

April 1985	Joined SEC Elevator Co., Ltd.	May 2015	President & Representative Director of the Company
June 1991	Joined Ikuei Kanzai Co., Ltd.	June 2017	President & Representative Director CEO of the Company
July 1992	Joined PEMS Co., Ltd.	June 2020	Representative Director CEO of the Company
October 1994	Established the Company, President & Representative Director	April 2022	President & Representative Director CEO of the Company (current position)
January 2015	Representative Director of the Company		

Date of Birth
March 25, 1966

Number of shares of the Company held
20,463,200 shares

Attendance at Board of Directors meetings
17/17 times

Reason for nomination as a candidate for director

Mr. Katsushi Ishida, a candidate for director, is the founder of the Company and has led the expansion of the Group's business through his excellent foresight, technical skills, and strong leadership as the Company's representative director for many years. We continue to nominate him as a candidate for director because of his extensive experience and broad knowledge in the elevator maintenance business and the industry in general, and because we expect him to continue to contribute to the enhancement of the corporate value of our Group.

Candidate No. **2**

Kimihiko Imamura

Reappointment



Brief personal history, position and responsibility in the Company

December 2006	Joined KPMG AZSALLC	June 2017	Director, Senior Managing Executive Officer, CFO, General Manager of Business Administration Headquarters
May 2013	Joined Digital Advertising Consortium Inc. (now Hakuodo DY ONE Inc.)	April 2018	Director, Deputy President and Executive Officer CFO, General Manager of Business Administration Headquarters (current position)
April 2016	Deputy General Manager, Business Management Headquarters		
January 2017	Joined the Company		

Date of Birth
June 18, 1978

Number of shares of the Company held
26,500 shares

Attendance at Board of Directors meetings
17/17 times

Reason for nomination as a candidate for director

Since becoming a director of the Company, Mr. Kimihiko Imamura, a candidate for director, has overseen the Company's administrative division after the Company's listing, utilizing his professional expertise as a certified public accountant. He has extensive knowledge and experience in the areas of business management, corporate governance, and finance, and we believe that he is well qualified to continue to enhance the corporate value of our group. We therefore continue to nominate him as a candidate for director.

Candidate No. **3**

Hitoshi Watanabe

Reappointment

Outside

Independent



Brief personal history, position and responsibility in the Company

September 1987	Joined Tokyo C.P.A. Special College	August 2001	Head of Watanabe CPA Office (current position)
October 1988	Joined Showa Ohta Audit Corporation (now Ernst & Young ShinNihon LLC)	June 2008	President of R&J Co., Ltd. (current position)
January 1994	Located in E&Y's Sydney office	April 2015	Outside Director of the Company (current position)

Date of birth
March 15, 1965

Number of shares of the Company held
- shares

Attendance at Board of Directors meetings
17/17 times

Reason for nomination as a candidate for outside director and summary of expected roles

Mr. Hitoshi Watanabe, a candidate for Outside Director, has a high level of expertise and a wealth of experience cultivated as a certified public accountant, and we continue to nominate him as a candidate for Outside Director in the expectation that he will not only strengthen our overall management monitoring and supervision functions, but also apply his insight and knowledge, etc. to the overall management of the Company.

Candidate No. **4**

Noriko Endo

Reappointment

Outside

Independent



Brief personal history, position and responsibility in the Company

June 1994	Joined DIAMOND, Inc.	June 2019	Outside Director of Hankyu Hanshin Holdings, Inc. (current position)
March 2006	Deputy Editor, Editorial Department of Diamond Weekly, DIAMOND, Inc.	April 2020	Project Professor of Global Research Institute, Keio University (current position)
September 2013	Visiting Researcher, Policy Alternatives Research Institute of the University of Tokyo	March 2021	Outside Director of Techpoint, Inc. (scheduled to retire on May 30, 2024)
April 2015	Project Professor of Graduate School of Media and Governance, Keio University	June 2021	Outside Director of the Company (current position)
June 2016	Outside Director of NTT DOCOMO, Inc.	June 2022	Outside Director of Nippon Telegraph and Telephone Corporation (current position)
July 2018	Outside Director of AIN Holdings, Inc. (current position)	April 2024	Professor, Research Council, Waseda University (current position)

Date of Birth
May 6, 1968

Number of shares of the Company held
2,500 shares

Attendance at Board of Directors meetings
17/17 times

Reason for nomination as a candidate for outside director and summary of expected roles

Ms. Noriko Endo, a candidate for outside director, continues to be nominated as an outside director in the expectation that she will not only strengthen the monitoring and supervision of overall management, but also apply her insight and knowledge to the overall management of the Company. She is nominated as a candidate for outside director of the board in the expectation that she will not only strengthen the monitoring and supervision of overall management, but also apply her insight and knowledge to the overall management of the Company.

Candidate No. **5**

Mika Yano

Reappointment

Outside

Independent



Date of Birth
June 7, 1973

Number of shares of the Company held
- shares

Attendance at Board of Directors meetings
13/13 times

Brief personal history, position and responsibility in the Company

September 1999	Joined Plum Creek Timber Company, Inc.	April 2018	Director and Head of Legal, Asia and U.S., Colt Technology Services, Co., Ltd.
October 2001	Joined Skadden Arps, State, Meagher & Flom LLP	May 2019	Director, Director and Head of Legal, Asia and U.S., Colt Technology Services, Co., Ltd.
May 2002	Admitted to the New York State Bar, U.S.A.	May 2020	Representative Director, MarketPrism Japan Co., Ltd.
October 2007	Joined Morgan Stanley Capital K.K.		
July 2008	Re-admitted to Skadden Arps, Slate, Meagher & Flom LLP	November 2020	Director, Vice President and Head of Legal, Asia and the U.S., Colt Technology Services Co., Ltd.
July 2009	Joined Sumitomo Life Insurance Company	June 2022	Outside Director of the Company (current position)
September 2012	Representative Director and President, Mizenka Co., Ltd. (current position)	November 2023	Vice President & Legal Counsel, General Manager, Japan MGM, MGM Resorts Japan, LLC (current position)
June 2016	Joined Colt Technology Services, Co., Ltd.		

Reason for nomination as a candidate for outside director and summary of expected roles

Ms. Mika Yano, a candidate for Outside Director, has extensive experience, experience and insight in corporate legal affairs as a lawyer in the State of New York, U.S.A., as well as experience as a corporate manager. We expect that she will apply her wide range of experience and insight to the management of our Group, and therefore we continue to nominate her for Outside Director.

- (Notes)
1. There is no special interest between each candidate and the Company.
 2. Mr. Hitoshi Watanabe, Ms. Noriko Endo and Ms. Mika Yano are candidates for outside director.
 3. Mr. Hitoshi Watanabe is currently an outside director of the Company, and his term of office as an outside director will be 9 years and 2 months at the conclusion of this General Meeting of Shareholders.
 4. Ms. Noriko Endo is currently an outside director of the Company, and her term of office as an outside director will be 3 years at the conclusion of this General Meeting of Shareholders.
 5. Ms. Mika Yano is currently an outside director of the Company, and her term of office as an outside director will be 2 years at the conclusion of this General Meeting of Shareholders.
 6. Mr. Hitoshi Watanabe, Ms. Noriko Endo and Ms. Mika Yano are currently outside directors of the Company, and the Company has entered into a limited liability contract with each of them, which limits their liability to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act. If their reappointment is approved, the Company intends to continue the above liability limitation agreement with each of them.
 7. The Company has registered Mr. Hitoshi Watanabe, Ms. Noriko Endo and Ms. Mika Yano as independent directors as stipulated by the Tokyo Stock Exchange. If each of them is reappointed, the Company will continue to appoint each of them as independent directors.
 8. The Company has concluded a directors' and officers' liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, and a summary of the contents of such insurance contract is shown in "2. Current Status of the Company (3) Directors and Audit & Supervisory Board members." If the election of the director nominees is approved, they will be included as insureds under the policy. The policy is scheduled to be renewed with the same terms and conditions at the next renewal.
 9. The number of shares held by Mr. Katsushi Ishida, Chairman and President, includes the number of shares held by his asset management company, KI Corporation.
 10. Ms. Noriko Endo's name in the family register is Noriko Tsujihiro.

Proposal No. 3**Election of Three (3) Audit & Supervisory Board Members**

At the conclusion of the Annual General Meeting of Shareholders, the terms of office of all (3) Audit & Supervisory Board members will expire.

Therefore, the Company proposes the election of three Audit & Supervisory Board members.

The Audit & Supervisory Board has given its consent to this proposal.

The candidates for Audit & Supervisory Board members are as follows

Candidate No.	Name	Position in the Company	
1	Kei Tachibana	Full-time Audit & Supervisory Board member	Reappointment
2	Nobuyasu Ogata		New Outside Independent
3	Midori Mizutani		New Outside Independent

New

Candidate for a new Audit & Supervisory Board member

Reappointment

Candidate for reappointment for an Audit & Supervisory Board member

Outside

Candidate for an outside Audit & Supervisory Board member

Independent

An independent candidate as stipulated by the Tokyo Stock Exchange

Candidate No. **1****Kei Tachibana**

Reappointment

**Brief personal history, position and responsibility in the Company**

April 1997	Joined Asahi Bank (now Resona Bank, Limited)	June 2017	Executive Officer, General Manager of Business Management Headquarters
April 2005	Joined the Company as General Manager of Accounting Department	June 2020	Full-time Audit & Supervisory Board member (current position)
November 2013	General Manager of Finance Department, Administration Headquarters		
April 2017	Executive Officer, General Manager, Accounting and Finance Headquarters		

Date of Birth
August 8, 1973

Number of shares of the Company held
9,400 shares

Attendance at Board of Directors meetings
17/17 times

Attendance at Audit & Supervisory Board meetings
17/17 times

Reason for nomination as a candidate for full-time Audit & Supervisory Board member

Mr. Kei Tachibana, a candidate for full-time Audit & Supervisory Board member, has business experience in the financial industry prior to joining the Company, and has been engaged as the head of the finance department since joining the Company, and has many years of experience and broad insight. Based on his work experience, he is nominated as a candidate for full-time Audit & Supervisory Board member again because he is expected to contribute to the auditing of the Company's business execution.

Candidate No. **2****Nobuyasu Ogata**

New

Outside

Independent

**Brief personal history, position and responsibility in the Company**

April 1996	Registered as an attorney	April 2004	Council, National Examination Committee member
July 2002	Opened Ogata Law Office (now Ogata Law Office P.C.) (current position)	July 2020	Outside Director of FP Partner Inc. (current position)
March 2003	Part-time Lecturer, University of Tsukuba Law School	August 2023	Outside Audit & Supervisory Board member; EditForce, Inc. (current position)
April 2003	Lecturer, Patent Attorney Training Course, Japan Patent Office Temporary Member to the Japan Patent Office Industrial Property		

Date of Birth
June 23, 1970

Number of shares of the Company held
- shares

Attendance at Board of Directors meetings
-/- times

Attendance at Audit & Supervisory Board meetings
-/- times

Reason for nomination as a candidate for outside Audit & Supervisory Board member and summary of expected roles

Mr. Nobuyasu Ogata, a candidate for outside Audit & Supervisory Board member, has opened a law firm and has many years of extensive knowledge in all aspects of law as an attorney-at-law. We believe that he will be able to use his expertise and knowledge to play a role in ensuring the adequacy and appropriateness of the Company's management in the future, and have therefore nominated him as a new candidate for outside Audit & Supervisory Board member.



Date of Birth
July 30, 1980

Number of shares of the Company held
- shares

Attendance at Board of Directors meetings
-/- times

Attendance at Audit & Supervisory Board meetings
-/- times

Brief personal history, position and responsibility in the Company

July 2004	Joined Sugai Accounting Office, Certified Public Accountant and Certified Tax Accountant	June 2019	Outside Audit & Supervisory Board member, Genetec Corporation
June 2013	Representative of Mizutani Certified Public Accountant Office (current position)	July 2019	Representative Partner, Ginza Sphere Tax Accountant Corporation (current position)
February 2015	Representative Director, Smart Plus Consulting Co., Ltd. (current position)	April 2021	Outside Director, Confidence Inc. (now Interworks Confidence Inc.) (current position)
June 2015	Representative Director, Smart Plus Consulting Co., Ltd.	April 2021	Outside Director (Audit Committee member), Genetec Corporation (current position)
June 2017	Outside Director (Member of the Audit Committee) (current position)		

Reason for nomination as a candidate for outside Audit & Supervisory Board member and summary of expected roles

Ms. Midori Mizutani, a candidate for outside Audit & Supervisory Board member, has sufficient knowledge of finance and accounting through her expertise and extensive experience as a certified public accountant. We believe that he will be able to use his expertise and knowledge to play a role in ensuring the adequacy and appropriateness of the Company's management in the future, and have therefore nominated him as a new candidate for outside Audit & Supervisory Board member.

- (Notes)
1. There is no special interest between each candidate and the Company.
 2. Mr. Nobuyasu Ogata and Ms. Midori Mizutani are candidates for outside Audit & Supervisory Board member.
 3. Liability Limitation Agreement with Candidate for Corporate Audit & Supervisory Board member
The Company's current Articles of Incorporation provide that the Company may enter into an agreement with Audit & Supervisory Board member to limit their liability for damages up to the amount stipulated in laws and regulations.
 - (1) Mr. Kei Tachibana is currently an Audit & Supervisory Board member of the Company and the Company has entered into a liability limitation agreement with him, which limits his liability to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. If his reappointment is approved, the Company will continue the above liability limitation agreement with him.
 - (2) If the election of Mr. Nobuyasu Ogata and Ms. Midori Mizutani is approved, the Company will enter into a liability limitation agreement with them up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
 4. The Company intends to file with the Tokyo Stock Exchange Mr. Nobuyasu Ogata and Ms. Midori Mizutani as independent directors if they are elected.
 5. The Company has concluded a directors' and officers' liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, and a summary of the contents of such insurance contract is shown in "2. Current Status of the Company (3) Directors and Audit & Supervisory Board members." If the appointment of the candidate for Audit & Supervisory Board member is approved, he/she will be included as an insured under the relevant insurance policy. The policy is scheduled to be renewed with the same terms and conditions at the next renewal.

Ends

(Reference)

Director and Audit & Supervisory Board member skills matrix (if each director candidate is elected at this meeting)

Name	Position and title in the Company	Gender Male: M Female: F	Management	Sales Marketing	Human resources Labor Training	Finance Accounting	Legal Risk Management	Sustainability
Katsushi Ishida	President & Representative Director CEO	M	○	○	○			○
Kimihiko Imamura	Director, Deputy President CFO	M	○		○	○	○	○
Hitoshi Watanabe	Outside Director	M				○		
Noriko Endo	Outside Director	F	○				○	○
Mika Yano	Outside Director	F	○		○		○	
Kei Tachibana	Full-time Audit & Supervisory Board member	M				○	○	
Nobuyasu Ogata	Outside Audit & Supervisory Board member	M			○		○	
Midori Mizutani	Outside Audit & Supervisory Board member	F				○		

Map of the General Meeting of Shareholders venue

<p>Place</p>	<p>Congress Square Nihonbashi Convention Hall C & D Tokyo Tatemono Nihonbashi Bldg. 3F, 1-3-13 Nihonbashi, Chuo-ku, Tokyo TEL 03-3275-2088</p>		
<p>Access by public transportation</p>	<p>Tokyo Metro Tozai Line, Tokyo Metro Ginza Line, Toei Asakusa Line</p>	<p>Nihonbashi Station</p>	<p>Direct connection from Exit B9</p>
	<p>Tokyo Metro Hanzomon Line</p>	<p>Mitsukoshimae Station</p>	<p>3 minute walk from Exit B5</p>
	<p>JR Line</p>	<p>Tokyo Station</p>	<p>10 minute walk from Yaesu North Exit 10 5 minute walk from Nihonbashi Exit 5</p>

