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Securities code: 4951

Date of mailing: May 31, 2024

Start date of measures for electronic provision: May 27, 2024

To our shareholders:

Yo Kozuki
President & CEO
S.T. CORPORATION
4-10, Shimoochiai 1-chome,
Shinjuku-ku, Tokyo, Japan

NOTICE OF THE 77TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 77th Ordinary General Meeting of Shareholders of S.T. CORPORATION (hereinafter the “Company”; this meeting, the “Meeting”) to be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the following websites. Please access these sites to review the information.

The Company website: <https://www.st-c.co.jp/ir/meeting.html> (in Japanese)

In addition to the Company website, matters for which measures for providing information in electronic format are to be taken are also posted on the website for the Tokyo Stock Exchange (TSE).

TSE website (Listed Company Search):

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

(Access the TSE website by using the internet address shown above, enter “S.T.” in “Issue name (company name)” or the Company’s securities code “4951” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend the Meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for the Ordinary General Meeting of Shareholders, and **exercise your voting rights by 5:00 p.m. on Monday, June 17, 2024 (Japan Standard Time).**

1. Date and Time: 10:00 a.m., Tuesday, June 18, 2024

2. Location: Royal Hall on the third floor of the RIHGA Royal Hotel Tokyo
104-19, Totsuka-machi 1-chome, Shinjuku-ku, Tokyo, Japan

3. Agenda:

Matters to be reported

1. Business Report, Consolidated Financial Statements and Audit Report on Consolidated Financial Statements by the Accounting Auditor and Audit Committee for the 77th fiscal term (from April 1, 2023 to March 31, 2024)
2. Non-Consolidated Financial Statements for the 77th fiscal term (from April 1, 2023 to March 31, 2024)

Matters to be resolved

- Proposal No. 1** Approval of Partial Share Exchange Plan
Proposal No. 2 Election of Nine (9) Directors

4. Matters Determined Concerning the Convocation

If any shareholder wishes to split a vote, he or she must notify the Company in writing or via electronic means to that effect and the reasons for splitting the vote at least three days before the Meeting.

- If you attend the Meeting in person, please deliver the ballot sent to you and this notice of convocation to the reception desk at the Meeting site. No souvenirs will be made available.
- If revisions are made to matters for which measures for providing information in electronic format are to be taken, a notice of the revisions and the matters before and after the revisions will be posted on each of the aforementioned websites.
- Paper-based copies containing the matters for which measures for providing information in electronic format are to be taken will be sent along with this notice of convocation to those shareholders who request paper-based copies, but the following matters will not be included, in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company.
 - The “System to Ensure Appropriate Operations” from the Business Report
 - The “Consolidated Statements of Changes in Net Assets” and the “Notes to Consolidated Financial Statements” from the Consolidated Financial Statements
 - The “Non-Consolidated Statements of Changes in Net Assets” and the “Notes to Non-Consolidated Financial Statements” from the Non-Consolidated Financial Statements

As such, the Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements in this paper-based copy are part of the documents that are audited when the accounting auditors create their accounting audit reports and when the Audit Committee creates its audit report.

Shareholder opinion contact form

- The Company maintains a shareholder contact page on our corporate website for inquiries, opinions, questions and other communications from our shareholders. If you have any comments or suggestions regarding matters for reporting or resolution at this year's General Meeting of Shareholders, please contact us through the shareholder contact page on our website. Based on the feedback we received through the year, we plan to provide explanations about topics that we think most shareholders will be interested in at the General Meeting of Shareholders. Please note that feedback regarding the General Meeting of Shareholders this year does not constitute a notification as set forth in Article 71, item (i), (a) of the Regulations for Enforcement of the Companies Act, and the Company may therefore not respond to each individual feedback.

Shareholder contact page (in Japanese)
(<https://www.st-c.co.jp/contact/inquiry/index/3>)

Viewing the Meeting on-demand

A video of the Meeting will be available on-demand on our website at a later date.

Proposal No. 1 Approval of Partial Share Exchange Plan

The Company resolved at its Board of Directors meeting held on May 20, 2024, to conduct a partial share exchange (hereinafter the “Partial Share Exchange”) where the Company will be a parent company resulting from a share partial exchange and Shaldan Co., Ltd. (hereinafter “Shaldan”) will be a subsidiary company resulting from a partial share exchange, and approved a partial share exchange plan (hereinafter the “Partial Share Exchange Plan” or the “Plan”) for the Partial Share Exchange.

The Proposal is to request your approval for the Partial Share Exchange Plan stated below.

Reasons for conducting the Partial Share Exchange, details of the Partial Share Exchange Plan, and other matters regarding the Proposal are as follows.

1. Reasons for conducting the Partial Share Exchange

Since its establishment in 1946, the Company has embraced a management philosophy of contributing to society by providing customers with the most reliable products, and has grown by offering solutions to a variety of trouble and inconvenience in daily lives and providing customers with “freshness and comfort.”

Meanwhile, the Company recognizes that its surrounding business environment has been changing at an accelerated pace. The Company acknowledges that it needs to contribute to solving various issues in response to social needs for further efforts in corporate ESG (Environmental, Social and Governance) strategies and governance-related actions, on top of dealing with the lifestyle diversification observed before and after the COVID-19 pandemic in particular, and to steadily take necessary measures in anticipation of upcoming risks.

Under these conditions, the Group is working on “further increasing profits in existing core businesses,” “countermeasures to soaring material costs,” “investment towards domains for growth and development of new businesses,” and “creating a base to survive periods of ESG” in order to improve its brand value and enable sustainable growth. Among them, in “creating a base to survive periods of ESG,” the Group has formulated a sustainability policy and revised its environment, human rights, and procurement policies to clarify its stance on sustainability and ESG. In addition, the Group has developed a plan based on these policies and thoroughly discusses them at the newly established Sustainability Committee.

In terms of corporate governance, the Company, as a global company listed on the Prime Market of TSE, is strengthening its governance and working on improvement of capital efficiency by changing its management indicator from “operating income margin” to “return on equity (ROE),” in order to conduct management with an awareness of capital cost and return on invested capital. The Company will also set the agile execution of capital policies in response to the management environment as one of its material issues.

In the course of such efforts, the Company, under the current management execution structure launched in June 2023, considered the revision of its capital policies and concluded that promptly resolving the discrepancy between demands from the capital market and the Company’s current shareholder composition and its stock liquidity would be a significant issue in enhancing its corporate value.

That is, Shaldan Co., Ltd., the Company’s largest shareholder and an unlisted company (owning 5,587,000 shares and 24.8% of voting rights of the Company), also falls under the category of “other affiliated companies” and this shareholder composition has contributed to securing the Company’s management stability, whereas the capital and management of the companies have continued to appear practically integrated as the Company’s founding family is among shareholders of Shaldan. Also, due to this shareholder composition, liquidity of the Company’s stock has been relatively restricted.

As a means to improve the above situation, the Company has decided to conduct the Partial Share Exchange making Shaldan a subsidiary. Through the Partial Share Exchange, the Company’s shares held by Shaldan will be directly held by individuals and companies that are shareholders of Shaldan responding to the Partial Share Exchange, and resultantly, no fixed major shareholders will exist for the Company, which will likely lead to enhancement of corporate governance and improvement of stock liquidity in terms of shareholder composition. Also, the Company believes that a partial share exchange, unlike a share exchange, would enable the Company to make Shaldan a subsidiary while also respecting the will of Shaldan’s shareholders, and that this scheme is the most desirable method for the Company from the medium- to long-term perspective.

In addition, the Company will issue only its shares in the Partial Share Exchange as consideration for shares of Shaldan, which will become a subsidiary of the Company, and thus no funds will flow out of the Company. This way, the Company believes that the Partial Share Exchange would help improve the Company’s shareholder composition

and its stock liquidity, consequently contributing to further enhancement and improvement of corporate governance and shareholder value.

After conducting the Partial Share Exchange, the Company plans to conduct a merger where the Company will be surviving and Shaldan will be disappearing. This merger is a response to Shaldan, which will have become a subsidiary of the Company after the completion of the Partial Share Exchange, being required to dispose of the Company's shares it holds at an appropriate time (Article 135, paragraph (3) of the Companies Act). Also, the Company's shares will temporarily increase, but the Company will examine the cancellation of treasury shares toward enhancing its corporate value.

2. Outline of details of the partial share exchange plan

An outline of details of the partial share exchange plan is as follows.

Partial Share Exchange Plan (Copy)

S.T. Corporation (hereinafter the "Company") shall formulate a partial share exchange plan (hereinafter the "Plan") as follows, in conducting a partial share exchange (hereinafter the "Partial Share Exchange") where the Company will be a parent company resulting from a partial share exchange and Shaldan Co., Ltd. (hereinafter "Shaldan") will be a subsidiary company resulting from a partial share exchange.

Article 1 Name and address of the subsidiary company resulting from the partial share exchange

The name and address of Shaldan are as follows.

Name: Shaldan Co., Ltd.

Address: 17-11, Sakurashinmachi 1-chome, Setagaya-ku, Tokyo

Article 2 Lower limit number of shares of the subsidiary company resulting from the partial share exchange to be accepted by the parent company resulting from the partial share exchange in the Partial Share Exchange

The lower limit number of common shares of Shaldan to be accepted by the Company shall be 136,000 shares.

Article 3 Shares to be delivered to the transferor of shares of the subsidiary company resulting from the partial share exchange in the Partial Share Exchange and the allotment thereof

1. In the Partial Share Exchange, the Company shall deliver to the transferor of common shares of Shaldan the number of common shares of the Company obtained by multiplying the total number of common shares of Shaldan to be transferred by 20.41 as consideration for such common shares.
2. In the Partial Share Exchange, the Company shall allot to the transferor of common shares of Shaldan 20.41 common shares of the Company for one (1) common share of Shaldan.

Article 4 Amount of stated capital and reserves of the parent company resulting from the partial share exchange

The amount of stated capital and reserves of the Company that should be increased in the Partial Share Exchange shall be as follows.

(1) Amount of stated capital 0 yen

(2) Amount of capital reserves The amount to be prescribed separately by the Company pursuant to Article 39-2 of the Regulations on Corporate Accounting

(3) Amount of retained earnings reserves 0 yen

Article 5 Date of application for the transfer of shares of the subsidiary company resulting from the partial share exchange

The date of application for the transfer of common shares of Shaldan shall be June 28, 2024. However, the Company shall be entitled to change the above schedule if it is necessary to do so for procedural needs regarding the Partial Share Exchange or for other reasons.

Article 6 Effective date for the Partial Share Exchange

The effective date (hereinafter the “Effective Date”) for the Partial Share Exchange shall be July 1, 2024. However, the Company shall be entitled to change the above schedule if it is necessary to do so for procedural needs regarding the Partial Share Exchange or for other reasons.

Article 7 Conditions for execution of the Partial Share Exchange

The Plan shall cease to be valid if it fails to obtain approval by resolution at the Company’s General Meeting of Shareholders by the date prior to the Effective Date.

Article 8 Changes in the Plan and cancellation of the Partial Share Exchange

The Company shall be entitled to change the details of the Plan or cancel the Partial Share Exchange if such an event occurs as may materially affect the execution of the Partial Share Exchange in the period between the date of formulating the Plan and the Effective Date, making it difficult to achieve the purpose of the Partial Share Exchange.

Article 9 Non-prescribed matters

In addition to matters prescribed in the Plan, the Company shall determine matters regarding the Partial Share Exchange in accordance with the purpose of the Partial Share Exchange.

May 20, 2024

Yo Kozuki
President & CEO
S.T. CORPORATION
4-10, Shimoochiai 1-chome,
Shinjuku-ku, Tokyo, Japan

3. Overview of details of the items prescribed in Article 213-2 of the Regulations for Enforcement of the Companies Act (excluding item (vi) and item (vii))

(1) Reasons for determining that the lower limit number of shares of the subsidiary company resulting from the partial share exchange to be accepted by the parent company resulting from the partial share exchange meets the requirement prescribed in Article 774-3, paragraph (2) of the Companies Act (Article 213-2, item (i) of the Regulations for Enforcement of the Companies Act)

In the Partial Share Exchange Plan, the Company has set the lower limit number of common shares of Shaldan to be accepted at 136,000 shares.

The Company has confirmed, based on the registration information of Shaldan as of May 17, 2024, that the total number of issued common shares of Shaldan was 204,000 shares as of the same day and that Shaldan had issued no class shares with voting rights as of the same day, and has verified with Shaldan that the registration information accurately reflected the status of the issued shares of Shaldan as of the same day and that Shaldan had no plan to issue or grant shares, share options, bonds with share options, and other rights convertible to shares of Shaldan in the period between the same day and the Effective Date.

Taking the above into consideration, the Company has determined that setting the lower limit number of common shares of Shaldan to be accepted in the Partial Share Exchange at 136,000 shares meets the requirement prescribed in Article 774-3, paragraph (2) of the Companies Act.

(2) Matters regarding the appropriateness in the provisions on the matters set forth in Article 774-3, paragraph (1), item (iii) through item (vi) (Article 213-2, item (ii) of the Regulations for Enforcement of the Companies Act)

1) Details of allotment in the Partial Share Exchange

The Company will allot and deliver 20.41 common shares of the Company for one (1) common share of Shaldan. All the common shares the Company will deliver as allotment in the Partial Share Exchange will be shares the Company will newly issue. The lower limit number of common shares of Shaldan to be accepted by the Company will be 136,000 shares. The number of common shares of the Company to be allotted and delivered when the Company accepts this lower limit number of shares will be 2,775,760 shares, the number of common shares of the Company to be allotted and delivered when the Company accepts all shares of Shaldan will be 4,163,640 shares, and the ratios to the Company's total number of issued shares of 23,000,000 as of March 31, 2024 will be 12.1% and 18.1%, respectively.

	S.T. Parent Company in the Partial Share Exchange	Shaldan Subsidiary Company in the Partial Share Exchange
Delivery Ratio of Common Shares in the Partial Share Exchange	1	20.41
Number of Shares to Be Delivered in the Partial Share Exchange	Number of common shares: 4,163,640 shares (plan)	

Notes: 1. Handling of shares less than one share unit

Shaldan's shareholders who receive an allotment of common shares of the Company constituting less than one share unit (100 shares) (hereinafter the "Shares Less Than One Share Unit") as a result of the Partial Share Exchange cannot sell the Shares Less Than One Share Unit they hold on the Tokyo Stock Exchange. Pursuant to the provision of Article 192, paragraph (1) of the Companies Act, Shaldan's shareholders who hold Shares Less Than One Share Unit may request that the Company purchase the Shares Less Than One Share Unit they hold.

2. Treatment of fractional shares less than one share

For Shaldan's shareholders who receive an allotment of a fractional share less than one share of the Company as a result of the Partial Share Exchange, the Company may, pursuant to the provisions of Article 234 of the Companies Act and other relevant laws and regulations, sell the number of shares of the Company equivalent to the sum of the fractional shares and deliver the proceeds from the sale to those shareholders in proportion to the fractional shares attributed to them.

2) Grounds, etc. for details of allotment in the Partial Share Exchange

(i) Grounds and reasons for details of allotment

In considering the partial share exchange ratio for the Partial Share Exchange, with the aim of ensuring the fairness and appropriateness, the Company selected KPMG FAS Co., Ltd., a third-party institution independent of the Company and Shaldan, and obtained a report on calculation of partial share exchange ratio as of May 17, 2024.

Referring to these calculation results, the Company comprehensively considered and conducted repeated analyses on the status of assets and liabilities of Shaldan, its current situation and future prospects and other factors. As a result, the Company decided that the partial share exchange ratio specified in the above “(2) 1) Details of allotment in the Partial Share Exchange” would be appropriate, not undermining the interest of the Company’s shareholders, as it is within the partial share exchange ratio range calculated by KPMG FAS Co., Ltd.

In the event of any material change in the terms and conditions on which the calculation is based, or as a result of deliberations between the Company and shareholders of Shaldan, the partial share exchange ratio may be changed.

(ii) Matters regarding calculation

(a) Name of the valuation institution and its relationship with the Company and Shaldan

KPMG FAS Co., Ltd. is not classified as a related party of either the Company or Shaldan, and has no significant interest in the Partial Share Exchange.

(b) Outline of calculation

When evaluating the Company’s share value as consideration in the Partial Share Exchange, KPMG FAS Co., Ltd. determined that the market price method would provide sufficiently appropriate results, on the grounds that the Company’s common stock is listed on the Prime Market of TSE and has a certain degree of liquidity, and thus used the market price method in its calculation. When evaluating Shaldan’s share value, KPMG FAS Co., Ltd. used the adjusted net asset method in its calculation to reflect unrealized gains/losses on assets, considering that Shaldan is an unlisted company and that its main asset is the Company’s shares.

The calculation result of the partial share exchange ratio for one (1) common share of Shaldan, when the value for one (1) common share of the Company is one (1), is as follows.

Calculation Result of Partial Share Exchange Ratio
19.29—22.21

In the market price method, with May 17, 2024 set as the reference date for calculation, the Company’s share value was analyzed based on the closing price on the Prime Market of TSE on the reference date for calculation and the simple average closing prices for the preceding one-month, three -month, and six-month periods.

Calculation Method	Calculation Result (Per-Share Value)
Market Price Method	1,527—1,549 yen

In the adjusted net asset method, Shaldan’s share value was analyzed by calculating the amount of adjusted net assets that reflected unrealized gains, etc. of the Company’s shares held by Shaldan in the book-value net assets on the balance sheet of Shaldan as of February 29, 2024. Unrealized gains of the Company’s shares held by Shaldan were calculated by applying a certain discount on the abovementioned market price method analysis.

Calculation Method	Calculation Result (Per-Share Value)
Adjusted Net Asset Method	29,461—34,395 yen

In calculating the partial share exchange ratio, KPMG FAS Co., Ltd., used information provided by the Company and Shaldan and publicly available information, etc. basically as they are, assumed that the documents and information, etc. are accurate and complete with no facts that may materially affect its calculation of the partial share exchange ratio remaining undisclosed to KPMG FAS Co., Ltd., and has not independently verified their accuracy and completeness. In addition, KPMG FAS Co., Ltd. has not undertaken any independent evaluation, appraisal or assessment of any of the assets or liabilities of the Company and Shaldan (including contingent liabilities except for the Company’s shares held by Shaldan) including any analysis or evaluation of each individual asset or liability, nor has it made any request to a third-party institution for an appraisal or assessment of such. The calculation results by KPMG FAS Co., Ltd. reflect the information and economic conditions available as of May 17, 2024. The calculation results of the partial share exchange ratio by KPMG FAS Co., Ltd., are not to express its opinion on the fairness of

the partial share exchange ratio in the Partial Share Exchange, and the Company has not obtained any written opinion expressing that the partial share exchange ratio in the Partial Share Exchange is fair for general shareholders of the Company from the financial point of view (the “Fairness Opinion”).

(iii) Measures to ensure fairness

Since Shaldan, the subsidiary company resulting from the Partial Share Exchange, holds 24.8% of voting rights of total shareholders of the Company (as of March 31, 2024), the following measures have been taken to ensure the fairness of the Partial Share Exchange.

(a) Calculation report from independent third-party valuation institution

In conducting the Partial Share Exchange, in order to ensure the fairness of the Partial Share Exchange, the Company obtained a report on calculation of partial share exchange ratio from KPMG FAS Co., Ltd., a third-party valuation institution independent of the Company and Shaldan. Also, the Company has not obtained from KPMG FAS Co., Ltd., any written opinion expressing that the partial share exchange ratio in the Partial Share Exchange is appropriate from the financial point of view (the “Fairness Opinion”).

(b) Advice from financial advisor

The Company selected Capital Strategy Consulting Co., Ltd., as its financial advisor for the Partial Share Exchange, and has obtained advice from the financial point of view with respect to calculation of the partial share exchange ratio, etc.

(c) Advice from law office

The Company selected Nishimura & Asahi (Gaikokuho Kyodo Jigyo) as its legal advisor and has obtained advice in procedures and decision-making method and process, etc. for the Partial Share Exchange from the legal point of view, and based on this advice, the Company has worked on the formulation of the Partial Share Exchange Plan, etc.

(iv) Measures to avoid conflicts of interest

As no shareholder or director of Shaldan is among directors of the Company, there is no possible conflict of interest. Nevertheless, from the perspective of quickly ensuring the appropriateness and fairness of the Partial Share Exchange for general shareholders of the Company, a special committee (hereinafter the “Special Committee”) was set up comprising independent outside directors of the Company Shinzo Maeda, Shoichiro Iwata, Hiroko Noda, Yoko Wachi and Masayoshi Miyanaga, and in considering the Partial Share Exchange, the Company has sought advice from the Special Committee, regarding 1) the validity and reasonableness of the purpose of the Partial Share Exchange; 2) the fairness and appropriateness of the terms and conditions for the Partial Share Exchange; 3) the fairness of the procedures for the Partial Share Exchange; 4) whether or not the Partial Share Exchange may be considered not disadvantageous to general shareholders of the Company; and 5) whether or not the Company’s Board of Directors should execute the Partial Share Exchange based on the above points 1) through 4).

The Special Committee held a total of four meetings in the period between March 7, 2024, and May 20, 2024.

The Special Committee reviewed relevant documents and received explanations from related parties. Under such circumstances, after carefully considering the calculation results in the report on calculation of partial share exchange ratio and details of explanations, etc. from related parties, the Company submitted to its Board of Directors as of May 20, 2024, a report indicating that the Partial Share Exchange can be determined not disadvantageous to general shareholders of the Company on the grounds that the Partial Share Exchange would contribute to corporate value enhancement; the purpose of the Partial Share Exchange is valid and reasonable; the partial share exchange ratio in the Partial Share Exchange can be recognized as fairly determined and appropriate; the negotiation process leading to the Partial Share Exchange and procedures for the Partial Share Exchange are fair.

(v) Matters regarding the appropriateness of the amounts of increases in the Company’s stated capital and reserves in the Partial Share Exchange

The amounts of increases in the Company’s stated capital and reserves in the Partial Share Exchange are as follows. The Company considers this treatment appropriate as the Company has comprehensively taken into account the Company’s capital policies and other circumstances after the Partial Share Exchange, and it has been determined to be within the scope of laws and regulations.

Amount of stated capital	0 yen
Amount of capital reserves	The amount to be prescribed separately by the Company pursuant to Article 39-2 of the Regulations on Corporate Accounting

Amount of retained earnings reserves 0 yen

(3) Matters regarding the appropriateness in the provisions on share options, etc. to be delivered in a partial share exchange (Article 213-2, item (iii) of the Regulations for Enforcement of the Companies Act)

Not applicable.

(4) Matters regarding a subsidiary company in a partial share exchange (Article 213-2, item (iv) of the Regulations for Enforcement of the Companies Act)

1) Details of financial statements, etc. in the last fiscal year

The financial statements, etc. of Shaldan in the last fiscal year are as shown in Appendix.

2) Details of extraordinary financial statements, etc. after the end of the last fiscal year

Not applicable.

3) Significant subsequent events after the end of the last fiscal year

Not applicable.

(5) Matters regarding a parent company in a partial share exchange (Article 213-2, item (v), (a) of the Regulations for Enforcement of the Companies Act)

The Company, at the Board of Directors meeting held on May 20, 2024, resolved to conduct the Partial Share Exchange and approved the Partial Share Exchange Plan. The details of the Partial Share Exchange Plan are as shown in the above 2. and the Company, after conducting the Partial Share Exchange, plans to execute a merger where the Company will be surviving and Shaldan will be disappearing.

Appendix

Business Report for the 43rd Term (From March 1, 2023 to February 29, 2024)

1. Matters regarding the current status of the company

(1) Business progress and results

Operating loss for the current fiscal year was 15,855,031 yen, while ordinary profit was 196,682,807 yen and profit was 168,611,155 yen.

(2) Status of assets and profits/losses in the preceding fiscal years

	The 41st Term	The 42nd Term	The 43rd Term (the current fiscal year)
Net sales	-	-	-
Operating loss (loss)	(17,493,297)	(18,117,272)	(15,855,031)
Ordinary profit	173,113,472	180,421,647	196,682,807
Profit	150,487,648	156,258,739	168,611,155
Basic earnings per share	737.68	765.97	826.53
Total assets	3,322,096,028	3,378,941,099	3,388,887,647
Net assets	1,593,639,653	1,749,898,392	1,918,509,547
Net assets per share	7,811.96	8,577.93	9,404.46

(3) Main businesses

The company engages in non-life insurance agency business and real-estate leasing business, etc.

(4) Main offices

Head office

(5) Main creditors and borrowings

Creditors	Outstanding borrowings
Mizuho Bank, Ltd.	1.2 billion yen
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	100 million yen

2. Matters regarding shares

- | | |
|--|------------------------------|
| (1) Total number of authorized shares | 480,000 |
| (2) Total number of issued shares | 204,000 (no treasury shares) |
| (3) Number of shareholders at the end of the current fiscal year | 11 |

(4) Status of top 10 shareholders

Name of shareholder	Number of shares held	Type of shares
Kanichi Suzuki	49,240	Common shares
Chizuko Mikami	26,480	Common shares
Atsuko Fujikawa	25,120	Common shares
Takako Suzuki	25,120	Common shares
Setsuko Fujii	19,480	Common shares
Satoko Tamura	19,480	Common shares
Suzuki Seiichi Shoten Ltd.	11,000	Common shares
Fujii Planning	10,000	Common shares
Kaoru Fujiwara	8,160	Common shares
Aoi Suzuki	8,160	Common shares

3. Matters regarding directors

Name	Position	Significant concurrent positions outside the company
Chizuko Mikami	Representative Director	
Takako Suzuki	Director	Former Director and President & CEO of S.T. Corporation
Setsuko Fujii	Director	
Kanichi Suzuki	Director	
Kaoru Fujiwara	Director	
Takashi Suzuki	Audit & Supervisory Board Member	Former Director and Chairman of S.T. Corporation

Note: Keiko Suzuki, Aoi Suzuki, and Satoko Tamura retired as directors as of May 17, 2023.

4. Non-consolidated financial statements of this company

(1) Balance sheet (as of February 29, 2024)

(Thousands of Yen)

Assets		Liabilities	
Account	Amount	Account	Amount
Current assets	244,967	Current liabilities	11,378
Cash and deposits	225,340	Income taxes payable	11,133
Prepaid expenses	1,480	Deposits received	244
Accounts receivable - other	18,146	Non-current liabilities	1,459,000
Non-current assets	3,143,920	Long-term borrowings	1,459,000
Investments and other assets	3,143,920	Total liabilities	1,470,378
Investment securities	3,143,920	Net assets	
		Shareholders' equity	1,918,509
		Share capital	51,000
		Capital surplus	51,000
		Legal capital surplus	51,000
		Retained earnings	1,816,509
		Legal retained earnings	7,304
		Other retained earnings	1,809,205
		General reserve	40,000
		Retained earnings brought forward	1,769,205
		Total net assets	1,918,509
Total assets	3,388,887	Total liabilities and net assets	3,388,887

Note: The amounts shown are rounded down to thousands.

(2) Statement of income (March 1, 2023—February 29, 2024)

(Thousands of Yen)

Account	Amount	
Gross profit		—
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	12,437	
Entertainment transportation expenses	172	
Meeting expenses	101	
Travel and transportation expenses	180	
Supplies expenses	3	
Office supply expenses	7	
Commission expenses	128	
Taxes and dues	74	
Fee expenses	2,748	
Total selling, general and administrative expenses		15,855
Operating loss		15,855
Non-operating income		
Interest income	2,098	
Dividend income	229,084	
Total non-operating income		229,086
Non-operating expenses		
Interest expenses	16,548	
Total non-operating expenses		16,548
Ordinary profit		196,682
Profit before income taxes		196,682
Income taxes - current		28,071
Profit		168,611

Note: The amounts shown are rounded down to thousands.

(3) Statement of changes in equity (March 1, 2023—February 29, 2024)

(Thousands of Yen)

	Shareholders' equity								Total net assets
	Share capital	Capital surplus		Legal retained earnings	Retained earnings			Total shareholders' equity	
		Legal capital surplus	Total capital surplus		Other retained earnings		Total retained earnings		
					General reserve	Retained earnings brought forward			
Balance at beginning of period	51,000	51,000	51,000	7,304	40,000	1,600,594	1,647,898	1,749,898	1,749,898
Changes during period									
Changes during period						168,611	168,611	168,611	168,611
Total changes during period	-	-	-	-	-	168,611	168,611	168,611	168,611
Balance at end of period	51,000	51,000	51,000	7,304	40,000	1,769,205	1,816,509	1,918,509	1,918,509

Note: The amounts shown are rounded down to thousands.

(4) Notes to Non-Consolidated Financial Statements

Notes to Significant Accounting Policies

1. Standards and methods for valuation of assets

1) Standards and methods for valuation of securities

Affiliated company shares.....moving average cost method

Notes to Statement of Changes in Equity

1. Number of issued shares at the end of the current fiscal year

Common Stock 204,000 shares

2. Number of treasury shares as of the last day of this fiscal year

Not applicable.

3. Dividends of surplus conducted during this fiscal year

Not applicable.

4. Number of shares of this company pertaining to share acquisition rights as of the last day of this fiscal year

Not applicable.

5. Number of shares that will be the purpose of share options issued by this company as of the last day of this fiscal year (excluding those for which the first day of the exercise period has not arrived)

Not applicable.

Audit Report

I audited the non-consolidated financial statements and supplementary schedules for the 43rd term from March 1, 2023 to February 29, 2024. I hereby report the method and results of the audit as follows.

The scope of the audit by the Audit & Supervisory Board Members was limited to accounting matters and, therefore, the Audit & Supervisory Board Members were not authorized to audit the business report.

1. Auditing methods and content of audit

As an Audit & Supervisory Board Member, I received reports on a regular basis from the Directors, etc. regarding the execution of their duties related to accounting, and reviewed important decision-making documents related to accounting.

In addition, I examined accounting records and related materials, and reviewed the non-consolidated financial statements and supplementary schedules for the fiscal year under review.

2. Results of audit

The non-consolidated financial statements and supplementary schedules present fairly, in all material respects, the financial position and results of operations of the company.

April 18, 2024

Shaldan Co., Ltd.

Audit & Supervisory Board Member Takashi Suzuki (Seal)

Proposal No. 2 Election of Nine (9) Directors

At the conclusion of this general meeting of shareholders, the terms of office of all nine (9) directors will expire. Therefore, the Company proposes the election of nine (9) Directors pursuant to the resolution of the Nomination Committee.

The candidates for Director are as follows:

Candidate No.	Name		Current position and responsibilities in the Company	
1	Yo Kozuki	Reappointment	Chairman of the Board, President & CEO	Nomination
2	Seiichi Nishida	Reappointment	Executive Vice President & CDO*	
3	Koichi Yoshizawa	Reappointment	Managing Executive Officer	Nomination Compensation
4	Kazunari Yamamoto	New election	Executive Officer	
5	Shinzo Maeda	Reappointment Outside Independent		Nomination Audit Compensation
6	Shoichiro Iwata	Reappointment Outside Independent		Nomination Audit Compensation
7	Hiroko Noda	Reappointment Outside Independent		Nomination Audit
8	Yoko Wachi	Reappointment Outside Independent		Audit
9	Masayoshi Miyanaga	Reappointment Outside Independent		Audit Compensation

* CDO: Chief Digital Officer

Candidate No.	Name	Areas of expected contribution by the candidate							
		Management strategy	Innovation	Sustainability	Marketing	Global business	IT/digital	Finance/accounting	Compliance/risk management
1	Yo Kozuki	○			○				
2	Seiichi Nishida	○		○					○
3	Koichi Yoshizawa						○	○	
4	Kazunari Yamamoto		○		○	○			
5	Shinzo Maeda	○		○		○			
6	Shoichiro Iwata	○	○		○		○		
7	Hiroko Noda							○	○
8	Yoko Wachi							○	○
9	Masayoshi Miyanaga	○		○				○	○


Nomination	Nomination Committee member
Audit	Audit Committee member
Compensation	Compensation Committee member
New election	Candidate for newly elected Director
Outside	Candidate for outside director
Independent	Candidate for independent officer


Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
1	 <p data-bbox="357 864 512 925">Yo Kozuki (July 29, 1963)</p> <p data-bbox="357 958 512 987">Reappointment</p> <p data-bbox="293 1021 576 1211">Attendance at Board of Directors and other meetings Board of Directors meetings 11/11 Nomination Committee meetings 6/6</p>	<p data-bbox="612 264 1241 1373"> Apr. 1987 Joined the Company Apr. 2002 Manager, Sales Planning Group Feb. 2004 Chief, Hiroshima Branch Apr. 2008 Manager, Management Planning Group Oct. 2009 Executive Officer, in charge of the Marketing Division Feb. 2011 Executive Officer, in charge of the R&D Division Jun. 2012 Managing Executive Officer, in charge of the Global Marketing Division Oct. 2013 Managing Executive Officer, in charge of the Sales Division Oct. 2019 Managing Executive Officer, in charge of the Business Administration Division, the Corporate Communication Division Sept. 2021 Managing Executive Officer, in charge of the Professional Use Business, President of S.T.PRO Co., Ltd. (Company subsidiary) May 2023 Managing Executive Officer, in charge of the Professional Use Business Jun. 2023 Chairman of the Board, President & CEO, in charge of overall management Nov. 2023 Chairman of the Board, President & CEO, in charge of overall management, the Customer First Promotion Headquarters, the New Business Development Office, the Strategic Investment Office, Head of the Customer First Promotion Headquarters Apr. 2024 Chairman of the Board, President & CEO, in charge of overall management, the New Business Development Office, the Strategic Investment Office, the Customer Relation Office (current position) Significant concurrent positions outside the Company - </p>	20,000
<p data-bbox="276 1413 1449 1628"> Reasons for nomination as candidate for director, etc. Since joining the Company in 1987, Mr. Kozuki has a wealth of experience having worked primarily in the Sales and Marketing Divisions and also has been involved in marketing, R&D, sales, business administration, corporate communication, and served as President of the subsidiary of professional use business before assuming his position as President & CEO of the Company in June 2023. He has made significant achievements, such as creating a solid foundation for the Company's primary brand. He has once again been nominated as a candidate for director in expectation of his effectiveness in management supervision. </p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
2	 <p data-bbox="357 981 512 1039">Seiichi Nishida (April 3, 1963)</p> <p data-bbox="357 1077 512 1104">Reappointment</p> <p data-bbox="293 1140 576 1261">Attendance at Board of Directors and other meetings Board of Directors meetings 13/13</p>	<p data-bbox="612 264 1241 389">Apr. 1987 Joined Nippon Life Insurance Company Jun. 2010 Director, General Manager of the Corporate Planning Department, Nissay Information Technology Co., Ltd.</p> <p data-bbox="612 396 1214 521">Apr. 2011 Director, General Manager of the Corporate Planning Department, General Manager of the Legal Affairs and Compliance Management Office</p> <p data-bbox="612 528 1241 618">Apr. 2018 Director, Executive Officer, General Manager of the Corporate Planning Department, Nissay Leasing Company, Limited</p> <p data-bbox="612 624 1222 683">Apr. 2020 Dispatched to the Company, Manager assigned to the President</p> <p data-bbox="612 689 1171 716">Jun. 2020 Manager, Business Management Division</p> <p data-bbox="612 723 1206 781">Apr. 2021 Joined the Company, Executive Officer, in charge of the Business Management Division</p> <p data-bbox="612 788 1193 846">Jun. 2021 Director, Executive Officer, in charge of the Business Management Division</p> <p data-bbox="612 853 1222 943">Sept. 2021 Director, Executive Officer, in charge of the Business Management Division, the Corporate Planning Office, New Business Development</p> <p data-bbox="612 949 1222 1075">Oct. 2021 Director, Executive Officer, in charge of the Business Management Division, the Corporate Planning Office, the ESG Promotion Office, New Business Development</p> <p data-bbox="612 1081 1235 1207">Apr. 2022 Director, Managing Executive Officer, in charge of the Corporate Value Enhancing Division, the Customer First Promotion Division, New Business Development, Management Reform</p> <p data-bbox="612 1214 1235 1397">Apr. 2023 Director, Senior Managing Executive Officer, in charge of the Business Administration Headquarters, the Corporate Value Enhancing Headquarters, the Customer First Promotion Headquarters, the New Business Development Office, Management Reform</p> <p data-bbox="612 1404 1214 1494">Nov. 2023 Director, Executive Vice President & CDO, in charge of the Corporate Value Enhancing Headquarters (current position)</p> <p data-bbox="612 1500 1134 1559">Significant concurrent positions outside the Company -</p>	1,000
<p data-bbox="277 1574 794 1601">Reasons for nomination as candidate for director, etc.</p> <p data-bbox="277 1608 1414 1785">Mr. Nishida has a wealth of experience, leveraging his experience from prior roles and, since joining the Company in 2021, he has served in various capacities, including as Executive Officer in charge of the Business Management Division, Executive Officer in charge of the Corporate Planning Office, Executive Officer in charge of the ESG Promotion Office, and Executive Officer in charge of new business, before assuming his position as Executive Vice President & CDO, in charge of the Corporate Value Enhancing Headquarters in November 2023. He has once again been nominated as a candidate for director in expectation of his effectiveness in management supervision.</p>			


Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
3	 <p data-bbox="339 972 528 1032">Koichi Yoshizawa (October 26, 1962)</p> <p data-bbox="357 1068 510 1097">Reappointment</p> <p data-bbox="293 1133 574 1379">Attendance at Board of Directors and other meetings Board of Directors meetings 13/13 Nomination Committee meetings 6/6 Compensation Committee meetings 6/6</p>	<p data-bbox="614 264 965 293">Apr. 1985 Joined the Company</p> <p data-bbox="614 300 1203 329">Apr. 2007 Manager, Finance and General Affairs Group</p> <p data-bbox="614 336 1150 365">Apr. 2009 Manager, Management Planning Group</p> <p data-bbox="614 371 1235 456">Apr. 2010 Assistant General Manager, Corporate Staff Division, Manager of the Management Planning Group</p> <p data-bbox="614 463 1240 548">Apr. 2012 Assistant Head, Business Administration Headquarters, Business Administration Division, Manager of the Management Planning Group</p> <p data-bbox="614 555 1208 620">Apr. 2013 Senior Manager of the Management Planning Group</p> <p data-bbox="614 627 1235 748">Apr. 2014 Executive Officer, in charge of the Business Strategy Division and responsible for Domestic Group Companies, Manager of the Management Planning Group</p> <p data-bbox="614 754 1222 840">Jun. 2014 Director, Executive Officer, in charge of the Business Strategy Division and responsible for Domestic Group Companies</p> <p data-bbox="614 846 1222 931">Apr. 2017 Director, Executive Officer, in charge of the Business Strategy Division, the Manufacturing Division</p> <p data-bbox="614 938 1222 1046">Apr. 2018 Director, Executive Officer, in charge of the Business Strategy Division and responsible for Domestic Group Companies</p> <p data-bbox="614 1052 1177 1081">May 2018 Outside Director, NS FaFa Japan Co., Ltd.</p> <p data-bbox="614 1088 1240 1209">Oct. 2019 Director, Executive Officer of the Company, in charge of the Business Strategy Division, the Business Management Division, and responsible for Domestic Group Companies</p> <p data-bbox="614 1216 1193 1301">Apr. 2021 Director, Executive Officer, in charge of the Business Administration Division and responsible for Domestic Group Companies</p> <p data-bbox="614 1308 1193 1393">Apr. 2023 Director, Executive Officer, in charge of the Business Administration Headquarters and responsible for Domestic Group Companies</p> <p data-bbox="614 1400 1235 1485">Nov. 2023 Director, Managing Executive Officer, in charge of the Business Administration Headquarters and responsible for Domestic Group Companies</p> <p data-bbox="614 1491 1235 1612">Apr. 2024 Director, Managing Executive Officer, in charge of the Business Administration Headquarters and responsible for Domestic Group Companies (current position)</p> <p data-bbox="614 1619 1134 1648">Significant concurrent positions outside the Company</p> <p data-bbox="614 1655 624 1684">-</p>	16,500
<p data-bbox="279 1704 794 1733">Reasons for nomination as candidate for director, etc.</p> <p data-bbox="279 1740 1422 1951">Mr. Yoshizawa has a wealth of experience. Since joining the Company in 1985, he has mainly served in the area of finance and in the Management Planning Division, and has served in various capacities, including as Manager of the Management Planning Group, Assistant General Manager of the Corporate Staff Division, Executive Officer in charge of the Manufacturing Division, and Executive Officer in charge of the Business Administration Headquarters, and his current position as Executive Officer in charge of the Business Administration Headquarters and responsible for Domestic Group Companies. He has once again been nominated as a candidate for director in expectation of his effectiveness in management supervision.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
4	 <p data-bbox="331 817 534 878">Kazunari Yamamoto (July 14, 1969)</p> <p data-bbox="368 913 497 938">New election</p> <p data-bbox="292 978 576 1039">Attendance at Board of Directors and other meetings -</p>	<p data-bbox="612 264 1230 1173"> Apr. 1992 Joined Kagome Co., Ltd. Apr. 2000 Unit Manager, Beverage Business Unit Apr. 2011 Manager, Corporate Planning Department Sept. 2012 Managing Director, OSOTSPA KAGOME CO., LTD. (Thailand) Oct. 2017 General Manager of the Global Consumer Department, International Business Division Jan. 2021 Joined Daio Paper Corporation, General Manager of the Overseas Sales Division, Overseas Business Group, Home & Personal Care Unit Apr. 2021 Dispatched to Elleair International (Thailand) Co., Ltd., Director Jun. 2022 Joined the Company, Manager, Marketing Planning Group, Global Marketing Division Apr. 2023 Head, Marketing Planning Headquarters, General Manager, Marketing Planning Division Jul. 2023 Executive Officer in charge of the Domestic Business Headquarters, the Marketing Planning Headquarters, Head of the Domestic Business Headquarters, Head of the Marketing Planning Headquarters Apr. 2024 Executive Officer, in charge of the Business Division 2, the Marketing Planning Division, Division Director of the Business Division 2, the Marketing Planning Division, General Manager of the Aroma Business Development Section (current position) </p> <p data-bbox="612 1178 1134 1234">Significant concurrent positions outside the Company -</p>	500
<p data-bbox="276 1245 794 1272">Reasons for nomination as candidate for director, etc.</p> <p data-bbox="276 1279 1442 1494">Since joining the Company in 2022, Mr. Yamamoto has been in charge of the Domestic Business Headquarters and the Marketing Planning Headquarters, taking advantage of his previous work experience. He took the initiative of acquiring the pet care business from Kao Corporation in December 2023 and has taken charge of the pet care business and the aroma business development sections, which are innovation domains of “Aroma & Wellness & Global,” the theme for the Company’s medium- and long-term strategies, and can be expected to demonstrate the ability of execution and leadership that would help involve people around him toward corporate value enhancement. He has been nominated as a candidate for new director in expectation of his effectiveness in management supervision.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
5	 <p>Shinzo Maeda (February 25, 1947)</p> <p>Reappointment Outside Independent</p> <p>Attendance at Board of Directors and other meetings Board of Directors meetings 13/13 Nomination Committee meetings 7/7 Compensation Committee meetings 6/6 Audit Committee meetings 5/6</p>	<p>Apr. 1970 Joined Shiseido Company, Limited</p> <p>Jun. 1996 General Manager, Cosmetics Strategic Planning Department, Cosmetics Marketing Division</p> <p>Dec. 1997 Chief Officer of Asia-Pacific Regional Headquarters, International Operations Division, Shiseido Company, Limited, and Director and President, Shiseido Asia Pacific</p> <p>Apr. 2001 General Manager, Sales Promotion Department, Cosmetics Strategic Planning Department, Shiseido Company, Limited</p> <p>Jun. 2003 Director, Executive Officer, and General Manager of Corporate Planning Department</p> <p>Jun. 2005 President & CEO, Representative Director</p> <p>Apr. 2011 Chairman, Representative Director</p> <p>Apr. 2013 Chairman, Representative Director, President & CEO</p> <p>Apr. 2014 Chairman, Representative Director</p> <p>Jun. 2014 Senior Advisor</p> <p>Jun. 2015 Outside Director, Yuasa Trading Co., Ltd. (current position)</p> <p>Sept. 2015 Outside Director, TOSHIBA Corporation</p> <p>Jun. 2021 Outside Director of the Company (current position)</p> <p>Significant concurrent positions outside the Company Outside Director, Yuasa Trading Co., Ltd.</p>	—
<p>Reasons for nomination as candidate for outside director and overview of expected roles</p> <p>Mr. Maeda is expected to demonstrate his knowledge, experience and abilities as a corporate manager and to make appropriate decisions in overall management. In addition, he has once again been nominated as a candidate for outside director in expectation of his effectiveness in management supervision from the standpoint of an independent, objective director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
6	 <p>Shoichiro Iwata (August 14, 1950)</p> <p>Reappointment Outside Independent</p> <p>Attendance at Board of Directors and other meetings Board of Directors meetings 13/13 Nomination Committee meetings 7/7 Compensation Committee meetings 6/6 Audit Committee meetings 6/6</p>	<p>Mar. 1973 Joined Lion Fat and Oil Co., Ltd. (currently Lion Corporation)</p> <p>Mar. 1986 Joined PLUS CORPORATION</p> <p>May 1992 General Manager, ASKUL Business Promotion Office, Sales Division</p> <p>Mar. 1997 President, ASKUL Corporation</p> <p>May 2000 President & Chief Executive Officer (CEO)</p> <p>Jun. 2006 External Director, Shiseido Company, Limited</p> <p>Sept. 2019 Representative Director and CEO, FORCE marketing and management, inc. (current position)</p> <p>Jul. 2020 Outside Director, Safie Inc. (current position)</p> <p>Jun. 2021 Outside Director of the Company (current position)</p> <p>Significant concurrent positions outside the Company Representative Director and CEO, FORCE marketing and management, inc. Outside Director, Safie Inc.</p>	100
<p>Reasons for nomination as candidate for outside director and overview of expected roles</p> <p>Mr. Iwata is expected to demonstrate his knowledge, experience and abilities as a corporate manager and to make appropriate decisions in overall management. In addition, he has once again been nominated as a candidate for outside director in expectation of his effectiveness in management supervision from the standpoint of an independent, objective director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
7	 <p>Hiroko Noda (July 3, 1960)</p> <p>Reappointment Outside Independent</p> <p>Attendance at Board of Directors and other meetings Board of Directors meetings 13/13 Nomination Committee meetings 6/6 Audit Committee meetings 6/6</p>	<p>Apr. 1987 Joined KPMG Minato Audit Corporation (currently KPMG AZSA LLC)</p> <p>Aug. 1987 Joined Prudential Securities Incorporated Tokyo Branch</p> <p>Mar. 1990 Registered as Certified Public Accountant, Representative of NODA C.P.A. Accounting Firm (current position)</p> <p>Aug. 1992 Joined Banque Indosuez S.A. (currently Crédit Agricole CIB) Tokyo Branch</p> <p>Jun. 2000 Joined Canadian Imperial Bank of Commerce Tokyo Branch</p> <p>Jul. 2006 Joined BUSICOM Co., Ltd.</p> <p>Sept. 2007 Representative Director, Prominent Consulting Co., Ltd.</p> <p>May 2010 Representative Director, Probity Consulting Co., Ltd. (current position)</p> <p>Apr. 2014 Part-time Lecturer, Graduate School of Asian and International Business Strategy, Asia University (current position)</p> <p>Mar. 2019 External Director, MODEC, Inc.</p> <p>Mar. 2019 Outside Director (Audit & Supervisory Committee Member), Okabe Co., Ltd. (current position)</p> <p>Jun. 2021 Outside Director of the Company (current position)</p> <p>Jun. 2022 Outside Director, Chori Co., Ltd. (current position)</p> <p>Dec. 2023 Outside Audit & Supervisory Board Member, Frontier Management Inc.</p> <p>Mar. 2024 External Director (Audit and Supervisory Committee Member), MODEC, Inc. (current position)</p> <p>Significant concurrent positions outside the Company Representative of NODA C.P.A. Accounting Firm, Representative Director, Probity Consulting Co., Ltd., Part-time Lecturer, Graduate School of Asian and International Business Strategy, Asia University, Outside Director, Okabe Co., Ltd. (Audit & Supervisory Committee Member), Outside Director, Chori Co., Ltd., External Director, MODEC, Inc. (Audit & Supervisory Committee Member)</p>	—
<p>Reasons for nomination as candidate for outside director and overview of expected roles Ms. Noda is expected to demonstrate her knowledge, experience and abilities as a certified public accountant and to make management decisions from high-level accounting and financial perspectives. In addition, she has once again been nominated as a candidate for outside director in expectation of her effectiveness in management supervision from the standpoint of an independent, objective director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
8	 <p data-bbox="352 629 515 689">Yoko Wachi (April 29, 1960)</p> <p data-bbox="357 725 510 815">Reappointment Outside Independent</p> <p data-bbox="293 853 574 972">Attendance at Board of Directors and other meetings Board of Directors meetings 11/11 Audit Committee meetings 4/4</p>	<p data-bbox="612 266 1230 322">Apr. 1989 Registered as a lawyer, and joined Kajitani Law Offices</p> <p data-bbox="612 333 1230 389">Apr. 2006 Mediator of Family Conciliations, Tokyo Family Court (current position)</p> <p data-bbox="612 400 1230 427">Jun. 2015 Outside Company Auditor, Nichias Corporation</p> <p data-bbox="612 439 1230 495">Mar. 2016 Outside Company Auditor, Otsuka Holdings Co., Ltd.</p> <p data-bbox="612 506 1230 533">Jan. 2019 Partner, Kajitani Law Offices (current position)</p> <p data-bbox="612 544 1230 600">Apr. 2019 Vice President, Tokyo Association of Family Conciliations</p> <p data-bbox="612 611 1230 667">Jun. 2019 Outside Director, Nichias Corporation (current position)</p> <p data-bbox="612 678 1230 734">Jun. 2023 Outside Director of the Company (current position)</p> <p data-bbox="612 745 1230 824">Significant concurrent positions outside the Company Partner, Kajitani Law Offices, Mediator of Family Conciliations, Tokyo Family Court, Outside Director, Nichias Corporation</p>	—
<p data-bbox="277 1016 1134 1043">Reasons for nomination as candidate for outside director and overview of expected roles</p> <p data-bbox="277 1050 1422 1162">Ms. Wachi is expected to demonstrate her knowledge, experience and abilities as an attorney at law and to make management decisions from a high-level legal perspective. In addition, she has once again been nominated as a candidate for outside director in expectation of her effectiveness in management supervision from the standpoint of an independent, objective director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company	Number of the Company's shares owned
9	 <p>Masayoshi Miyanaga (June 3, 1958)</p> <p>Reappointment Outside Independent</p> <p>Attendance at Board of Directors and other meetings Board of Directors meetings 11/11 Nomination Committee meetings 4/4 Audit Committee meetings 4/4</p>	<p>Apr. 1981 Joined Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.)</p> <p>Feb. 1990 Dispatched to Investment advisor of the Nippon Credit Bank, Ltd.</p> <p>Oct. 1991 Dispatched to Nippon Credit Gartmore Ltd. (UK)</p> <p>Apr. 1995 Joined Schrodgers Investment Management Japan Limited (currently Schrodgers Investment Management (Japan) Limited)</p> <p>Apr. 2000 Director</p> <p>Jan. 2001 CIO in charge of Stock Investment, Prudential Asset Management Japan Co., Ltd. (currently PGIM Japan Co., Ltd.)</p> <p>Nov. 2003 Co-representative Partner, IRB Inc. (currently FALCON Research & Consulting Ltd.)</p> <p>Nov. 2011 Representative Director of IRB</p> <p>Apr. 2017 Director, FALCON Research & Consulting Ltd. (current position)</p> <p>Apr. 2017 Professor, Graduate School of Innovation Studies (currently Graduate School of Management), Tokyo University of Science</p> <p>Jun. 2017 Outside Member of the Board of Directors, Universal Entertainment Corporation (current position)</p> <p>Apr. 2023 Specially Appointed Professor, Chuo University Business School (current position)</p> <p>Jun. 2023 Outside Director of the Company (current position)</p> <p>Significant concurrent positions outside the Company Director, FALCON Research & Consulting Ltd., Outside Member of the Board of Directors, Universal Entertainment Corporation, Specially Appointed Professor, Chuo University Business School</p>	—
<p>Reasons for nomination as candidate for outside director and overview of expected roles</p> <p>In addition to his experience as a company manager, Mr. Miyanaga is expected to apply his technical expertise in the fields of corporate valuation, corporate finance, and ESG management as a university professor and provide highly strategic opinions on management from an objective standpoint. In addition, he has once again been nominated as a candidate for outside director in expectation of his effectiveness in management supervision from the standpoint of an independent, objective director.</p>			

- Notes:
- There is no special interest between any of the candidates and the Company.
 - Shinzo Maeda, Shoichiro Iwata, Hiroko Noda, Yoko Wachi and Masayoshi Miyanaga are candidates for outside directors.
 - Yoko Wachi has never been directly involved in the management of a company, except as an outside officer. However, the Company has judged that she will appropriately fulfill her duties as an outside director based on the above reasons.
 - Number of years in office for outside director candidates
 - Shinzo Maeda is currently an outside director of the Company, and at the conclusion of this annual general meeting of shareholders, his tenure as outside director will have been three years.
 - Shoichiro Iwata is currently an outside director of the Company, and at the conclusion of this annual general meeting of shareholders, his tenure as outside director will have been three years.
 - Hiroko Noda is currently an outside director of the Company, and at the conclusion of this annual general meeting of shareholders, her tenure as outside director will have been three years.
 - Yoko Wachi is currently an outside director of the Company, and at the conclusion of this annual general meeting of shareholders, her tenure as outside director will have been one year.
 - Masayoshi Miyanaga is currently an outside director of the Company, and at the conclusion of this annual general meeting of shareholders, his tenure as outside director will have been one year.
 - The Company has entered into an agreement with outside director candidates Shinzo Maeda, Shoichiro Iwata, Hiroko Noda, Yoko Wachi, and Masayoshi Miyanaga as outside directors currently in office, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, to limit their liability for damages under Article 423, paragraph (1) of the

Companies Act. The Company plans to renew the limited liability agreements with each of these candidates provided that their respective reappointments are approved.

Pursuant to these agreements, the defined maximum amount of liability for damages is either an amount specified in advance that is not less than ¥7 million, or an amount as prescribed by laws and regulations, whichever is higher.

6. The Company has entered into a directors and officers liability insurance agreement insuring all directors. This insurance policy will cover losses or damage that the insured parties would bear if they were to assume liability for the performance of their duties or be subject to a claim for the pursuit of such liability.

However, there are grounds for exemptions, including non-coverage of losses or damage caused intentionally or as a result of gross negligence. Note that the Company bears the full amount of insurance premiums. If each of the candidates for director is appointed, each will be insured under the insurance agreement, which is to be renewed during their terms of office.

7. On April 25, 2024, during their tenures as outside directors, Shinzo Maeda, Shoichiro Iwata, Hiroko Noda, Yoko Wachi and Masayoshi Miyanaga received an order to take action from the Consumer Affairs Agency in accordance with the provisions of Article 7, paragraph (1) of the Act against Unjustifiable Premiums and Misleading Representations. Until the violations were found, they had been unaware of the fact, but at the Board of Directors, etc., had established the internal control system and had regularly verified its operation, calling for the importance of compliance with laws and regulations. After confirming the violations, they have fulfilled their responsibilities by making proposals on initiatives toward ensuring compliance with laws and regulations and preventing any recurrence, among other things.
8. Candidates for outside director Shinzo Maeda, Shoichiro Iwata, Hiroko Noda, Yoko Wachi and Masayoshi Miyanaga satisfy Tokyo Stock Exchange, Inc.'s requirements for independent officers and the Company's own requirements for independence standards. Therefore, if their appointments are approved and authorized, the Company plans to submit notification to the stock exchange accordingly again.