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June 5, 2024

To Our Shareholders:

Tsutomu Hiranaka, President
YOROZU CORPORATION
3-7-60 Tarumachi, Kohoku-ku, Yokohama

Notice of the 79th Ordinary General Meeting of Shareholders

The Company would hereby like to request shareholders to attend the Company's 79th Ordinary General Meeting of Shareholders as described below.

In calling this Ordinary General Meeting of Shareholders, Yorozu has taken measures to provide electronically the information contained in the Reference Documents for General Meeting of Shareholders (items of electronic provision measures), and posted it on the following website on the Internet.

Company's website <https://www.yorozu-corp.co.jp/>



In addition to the above, it is also available on the following website.

Tokyo Stock Exchange website
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>



Please access the TSE website above, enter “Yorozu” for “Issue name (company name)” or “7294” for “Code,” select “Basic information” and “Documents for public inspection/PR information” in that order, and then view the information in the “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” under “Documents for public inspection.”

If you are unable to attend the Meeting, you may exercise your voting rights on the Internet or in writing. Please review the Reference Documents for General Meeting of Shareholders contained in the items of electronic provision measures, and exercise your voting rights by the method described in “Exercise of voting rights by mail (in writing)” or “Exercise of voting rights on the Internet” on page 3 by the close of business hours of Yorozu (5:30 p.m.) on Wednesday, June 26, 2024.

| | |
|--|---|
| 1.Date and time: | 10:00 a.m. on Thursday, June 27, 2024 |
| 2.Venue: | Yorozu Corporation, Head Office Building 3-7-60 Tarumachi, Kohoku-ku, Yokohama |
| 3.Purposes: Matters to be reported: | For the 79th fiscal year (from April 1, 2023, to March 31, 2024), 1. Details of Business Report and Consolidated Financial Statements, and the results of audit of Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee 2. Details of Non-consolidated Financial Statements |
| Matters to be resolved: | Agenda Item No. 1: Election of six (6) Directors (excluding those who are members of the Audit & Supervisory Committee) Agenda Item No. 2: Election of one (1) Substitute Director who is a member of the Audit & Supervisory Committee Agenda Item No. 3: Continuation of Yorozu’s policy on large-scale purchasing of its own shares (policy to deal with takeover) |

- ⊙ If there will be any changes to the items for which the measures for providing information in electronic format are taken, we will post the changes on the relevant website.
- ⊙ “Matters related to Yorozu’s share subscription rights, etc.,” “Status of accounting auditors,” “System for ensuring the appropriateness of business and its operational status,” “Basic policy on the control of stock company,” “Notes to consolidated financial statements” and “Notes to non-consolidated financial statements” are not stated in the documents to be delivered to shareholders who have filed requests for the issuance of documents in accordance with laws and regulations and Article 14 of the Articles of Incorporation of Yorozu.
- ⊙ Please understand that we do not distribute souvenirs for shareholders at the meeting.
- ⊙ Notice of resolutions at the General Meeting of Shareholders will be posted on the Company’s website.

Reference Documents for General Meeting of Shareholders

Agenda Item No. 1: Election of six (6) Directors (excluding those who are members of the Audit & Supervisory Committee)

The terms of office of the six (6) Directors will expire at the conclusion of this General Meeting, and therefore, we request the election of six (6) Directors.

If this Agenda Item is approved as originally proposed, four (4) of the Company's nine (9) Directors, including those serving as Audit & Supervisory Committee members, will be Independent Outside Directors as prescribed by the Tokyo Stock Exchange, and one-third or more of the members of the Board of Directors will be Independent Outside Directors.

The candidates for Director are as follows:

| Candidate number | Candidate name | | Age | Current position and responsibilities at the Company | Attendance at Board of Directors meetings | Service years |
|------------------|------------------|---|-----|--|---|---------------|
| 1 | Akihiko Shido | Reappointment | 81 | Chairman and Chief Executive Officer | 17 out of 17 meetings (100%) | 41 |
| 2 | Ken Shido | Reappointment | 54 | Director and Vice Chairman | 17 out of 17 meetings (100%) | 8 |
| 3 | Tsutomu Hiranaka | Reappointment | 65 | President and Chief Operating Officer | 17 out of 17 meetings (100%) | 12 |
| 4 | Norio Hirano | Reappointment | 63 | Director, Executive Vice President and Chief Financial Officer | 17 out of 17 meetings (100%) | 2 |
| 5 | Masashi Oshita | Reappointment Outside Independent | 68 | Outside Director | 17 out of 17 meetings (100%) | 6 |
| 6 | Hiroshi Moriya | Reappointment Outside Independent | 67 | Outside Director | 16 out of 17 meetings (94.1%) | 4 |



Brief history, title, position, and other important posts held

| | |
|--------------|--|
| April 1968 | Joined the Company |
| October 1981 | Manager of Production Control Department of the Company |
| June 1983 | Director of the Company |
| June 1988 | Managing Director of the Company |
| June 1991 | Executive Director of the Company |
| June 1992 | Executive Vice President of the Company |
| June 1996 | Senior Executive Vice President of the Company |
| June 1998 | President of the Company |
| June 2001 | President, Chief Executive Officer, and Chief Operating Officer of the Company |
| June 2008 | Chairman and Chief Executive Officer of the Company, and Chief Officer of YGHO |
| April 2020 | Chairman and Chief Executive Officer of the Company, to date |

■ Important concurrent positions

- Outside Director of Yorozu Express Co., Ltd.
- Outside Director of Ogura Kinzoku Co., Ltd.
- Outside Director of Toho Corporation
- Outside Director of Univance Corporation
- Outside Director of MarkLines Co., Ltd.

- Number of Company's shares held: 86,874
- Number of years served as Director: 41
- Attendance at Board of Directors meetings: 17 out of 17 meetings (100%)

Reasons for Nomination as Candidate for Director

We have determined that Akihiko Shido remains a suitable choice for the position of Director because he has managed the Group as Representative Director and Chairman of the Company to date. Further, his achievements in leading the Group with his strong leadership skills and his extensive knowledge and experience in overall management would enable him to contribute to the sustainable growth of the Group and to further strengthening the functions of the Board of Directors.



Brief history, title, position, and other important posts held

| | |
|--------------|---|
| May 2003 | Joined the Company |
| January 2013 | General Manager of Corporate Strategy Office of the Company |
| April 2013 | Executive Officer of the Company and General Manager of Corporate Strategy Office |
| May 2014 | Executive Officer of the Company and President of Yorozu Engineering Corporation |
| June 2014 | Executive Officer of the Company, President of Shonai Yorozu Corporation, and President of Yorozu Engineering Corporation |
| June 2016 | President and Chief Operating Officer of the Company, and Deputy Chief Officer of YGHO |
| April 2020 | President and Chief Operating Officer of the Company, Head of Manufacturing Function Group, Director of Yorozu Global Technical Center, and Head of Japan Group Regional Department |
| April 2021 | Director, Vice Chairman of the Company, Responsible for Long-term Strategy, and Head of Japan Group Regional Department |
| April 2022 | Director, Vice Chairman of the Company, Responsible for Long-term Strategy, Public Relations, and Cooperative Association, to date |

- Number of Company's shares held: 114,700
- Number of years served as Director: 8
- Attendance at Board of Directors meetings: 17 out of 17 meetings (100%)

Reasons for Nomination as Candidate for Director

Ken Shido, as Representative Director and President since 2016, and then as Director and Vice Chairman since April 2021, has been responsible for the long-term strategy and spearheaded implementation of measures to address management issues of the Group. We expect that he will continue contributing to improving the Group's corporate value. Accordingly, we have determined that he remains a suitable choice for the position of Director.



Brief history, title, position, and other important posts held

| | | |
|--|------------|--|
| | April 1982 | Joined Nissan Motor Co., Ltd. |
| | April 2003 | General Manager of Purchasing Department No. 1 of Nissan Motor |
| | April 2004 | General Manager of Purchasing Department No. 2 of Nissan Motor |
| | April 2006 | General Manager of Project Purchasing Department No. 2 of Nissan Motor |
| | April 2007 | Manager of Purchasing Control Department of Nissan Motor |
| | April 2012 | Joined the Company, Executive Officer, and General Manager of Marketing and Sales Department |
| | June 2012 | Director, Executive Officer of the Company, Chief Officer of YGHO Marketing and Sales Function, and General Manager of Marketing and Sales Department |
| | June 2014 | Director, Managing Executive Officer of the Company, Chief Officer of YGHO Marketing and Sales Function, and General Manager of Marketing and Sales Department |
| | June 2015 | Director, Senior Executive Officer of the Company, Chief Officer of YGHO Marketing and Sales Function, and General Manager of Marketing and Sales Department |
| | June 2016 | Director, Vice President and Executive Officer of the Company, Chief Officer of YGHO Marketing and Sales Function, and General Manager of Marketing and Sales Department |
| | April 2020 | Director, Executive Vice President of the Company, and Chairman of Sales and Management Function Group |
| | April 2021 | President, Chief Operating Officer of the Company, and Chairman of ESG Function |
| | April 2022 | President, Chief Operating Officer of the Company, and Chairman of Corporate Strategy and ESG Function Group, to date |

- Number of Company's shares held: 44,600

- Number of years served as Director: 12

- Attendance at Board of Directors meetings: 17 out of 17 meetings (100%)

Reasons for Nomination as Candidate for Director

Tsutomu Hiranaka has played a key leadership role in expanding the Group's sales channels with his exceptional judgment and negotiation skills in the M&S Function, and has been President since April 2021. After taking office, he has been in charge of the management strategy, along with promoting a wide range of activities such as ESG management and DX strategy, and he is expected to bring his experience and insight to the Board in supporting further growth and development of the Group. Accordingly, we believe he is fully qualified to continue to serve on the Board.



Brief history, title, position, and other important posts held

- March 1984 Joined the Company
 - June 2008 President of Yorozu Mexicana S.A. de C.V.
 - June 2010 Executive Officer of the Company and President of Yorozu Mexicana S.A. de C.V.
 - June 2012 Director, Executive Officer of the Company, and President of Yorozu Mexicana S.A. de C.V.
 - June 2013 Director, Senior Vice President of the Company, and President of Yorozu Mexicana S.A. de C.V.
 - June 2015 Senior Vice President of the Company and President of Yorozu Mexicana S.A. de C.V.
 - June 2016 Executive Vice President of the Company and General Manager of Corporate Strategy Office
 - June 2019 Executive Vice President of the Company, General Manager of Corporate Strategy Office, Chairman of Yorozu America Corporation, Chairman of Yorozu Automotive Tennessee, Inc., Chairman of Yorozu Automotive Alabama, Inc., Chairman of Yorozu Automotive North America, Inc., Chairman of Yorozu Mexicana S.A. de C.V., Chairman of Yorozu Automotive Guanajuato de Mexico, S.A. de C.V., and Chairman of Yorozu Automotiva do Brasil Ltda.
 - April 2020 Executive Vice President of the Company, Chairman of Corporate Strategy Office, Chairman of Yorozu America Corporation, Chairman of Yorozu Automotive Tennessee, Inc., Chairman of Yorozu Automotive Alabama, Inc., Chairman of Yorozu Automotive North America, Inc., Chairman of Yorozu Mexicana S.A. de C.V., Chairman of Yorozu Automotive Guanajuato de Mexico, S.A. de C.V., and Chairman of Yorozu Automotiva do Brasil Ltda.
 - April 2022 Executive Vice President of the Company, Chairman of Finance and Management Function Group,
 - June 2022 Director, Executive Vice President, Chief Financial Officer of the Company, and Chairman of Finance and Management Function Group
 - April 2023 Director, Executive Vice President, Assistant to the President, Chief Financial Officer of the Company, and Chairman of Accounting and Management Function Group, to date
- Important concurrent positions
 - Director of Yorozu Tochigi Corporation, Director of Yorozu Oita Corporation
 - Director of Yorozu Sustainable Manufacturing Center, Inc.
 - Director of Shonai Yorozu Corporation, Director of Yorozu Engineering Corporation
 - Director of Yorozu Service Corporation

- Number of Company's shares held: 22,400
- Number of years served as Director: 2
- Attendance at Board of Directors meetings: 17 out of 17 meetings (100%)

Reasons for Nomination as Candidate for Director

Norio Hirano has been in charge of managing overseas subsidiaries and overseeing subsidiaries in the Americas, including the accounting division, and also responsible for formulating and managing medium-term management plans in the corporate strategy division. We have determined that he is qualified to continue serving as Director in light of his deep insight based on his extensive experience and abilities.



Brief history, title, position, and other important posts held

| | |
|---------------|---|
| April 1981 | Entered the Ministry of International Trade and Industry (current Ministry of Economy, Trade and Industry (METI)) |
| July 2009 | Director General for the Japan External Trade Organization, JETRO Paris |
| April 2012 | Director General of National Institute of Public Administration, National Personnel Authority |
| June 2014 | Director General of Human Resources Bureau, National Personnel Authority |
| March 2016 | Retired from METI |
| June 2016 | Vice Chairman and Executive Managing Director of Japan Auto Parts Industries Association (present) |
| June 2018 | Director of the Company (present) |
| December 2022 | Chairperson, Japan Auto Parts Industries Corporate Pension Fund (present) |
| May 2024 | Chairperson, Japan Auto Parts Industries Health Insurance Association (present) |

- Number of Company's shares held: 1,000
- Number of years served as Outside Director: 6
- Attendance at Board of Directors meetings: 17 out of 17 meetings (100%)

■ Important concurrent positions

Vice Chairman and Executive Managing Director of Japan Auto Parts Industries Association
 Director of the Japan Automobile Research Institute
 Director of Japan Society for the Promotion of Machine Industry
 Chairperson, Japan Auto Parts Industries Corporate Pension Fund
 Chairperson, Japan Auto Parts Industries Health Insurance Association

Reasons for Nomination as Candidate for Outside Director and Expected Roles

Since assuming the Outside Director position of the Company in June 2018, Masashi Oshita has provided oversight of the Company's management from an independent and neutral position. In addition, he has offered valuable advice to the Company's management based on extensive experience and knowledge acquired at METI. Accordingly, we have determined that he is qualified to serve as Outside Director due to the expectation that he will play the above roles.

He has also served as the Chair of the Nominating Committee and a member of the Compensation Committee, which were voluntarily established to increase the transparency and objectivity of the decision-making process related to appointment and compensation of Directors, etc.

While he has never been directly involved in corporate management other than being Outside Director, we believe that he will be able to perform his duties as Outside Director appropriately for the reasons stated above.



Brief history, title, position, and other important posts held

| | |
|--------------|---|
| April 1980 | Joined Nissan Motor Co., Ltd. |
| April 2004 | VP of Nissan Motor |
| April 2006 | CVP of Nissan Motor |
| March 2007 | Retired from Nissan Motor |
| April 2007 | SVP of Calsonic Kansei Corporation (current Marelli Corporation) |
| April 2008 | Senior Executive Officer of Calsonic Kansei, Chairman of Calsonic Kansei Europe plc |
| June 2011 | Director, Senior Executive Officer of Calsonic Kansei |
| April 2012 | Director, EVP of Calsonic Kansei |
| April 2013 | Director, President & CEO of Calsonic Kansei |
| April 2018 | Director, Chairman of Calsonic Kansei |
| January 2019 | Chairman of Calsonic Kansei |
| June 2020 | Director of the Company (present) |

■ Important concurrent position

Outside Director of SNT Corporation

- Number of Company's shares held: 0
- Number of years served as Outside Director: 4
- Attendance at Board of Directors meetings: 16 out of 17 meetings (94.1%)

Reasons for Nomination as Candidate for Outside Director and Expected Roles

Since assuming the Outside Director position of the Company in June 2020, Hiroshi Moriya has provided oversight of the Company's management from an independent and neutral position. In addition, he has engaged in the automotive industry for many years, and has provided valuable advice to the Company's management based on his abundant experience and broad expertise as a manager of global companies. Therefore, we have determined that Hiroshi Moriya is a suitable candidate for the position of Outside Director due to the expectation that he will play the above roles.

He has also served as a member of the Nominating Committee and the Compensation Committee which were voluntarily established to increase the transparency and objectivity of the decision-making process related to appointment and compensation of Directors, etc.

- (Notes)
1. Masashi Oshita and Hiroshi Moriya are candidates for Outside Director. The Company has determined that both of them have a high degree of independence, with no risk of conflicts of interest with general shareholders, and has designated them as independent officers as stipulated by the Tokyo Stock Exchange, notifying the same to that organization.
 2. There are no special interests between each candidate and the Company.
 - (1) Special Interest between Masashi Oshita, a candidate for Outside Director, and the Company
 - Masashi Oshita serves as Vice Chairman and Executive Managing Director of Japan Auto Parts Industries Association, with which the Company has a transactional relationship of paying membership fees. However, we have determined that it has no impact on his independence because the percentages of the transaction amount to the Company's net sales and the Association's ordinary revenue in the most recent business year are respectively less than 0.1%.
 - Masashi Oshita serves as Director of Japan Automobile Research Institute, and there is a business relationship between Yorozu and the Institute in the certification business, but Yorozu judges that this transaction amount will not affect his independence, as the ratios of the transaction amount to the Company's sales and that to the Institute's ordinary income in the most recent fiscal year are both less than 0.1%.
 - There is no special interest between Japan Society for the Promotion of Machine Industry, Japan Auto Parts Corporate Pension Fund, Japan Auto Parts Industries Health Insurance Association, and Yorozu.
 - (2) Special Interest between Hiroshi Moriya, a candidate for Outside Director, and the Company
 - There are no special interests between SNT Corporation and the Company.
 3. In accordance with the Articles of Incorporation, for the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act, the Company concluded a limited liability agreement that is limited to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, with Outside Directors Masashi Oshita and Hiroshi Moriya. If the election of Masashi Oshita and Hiroshi Moriya is approved and passed, the Company plans to continue the said limited liability agreement with them.
 4. The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance policy shall cover damage that may arise as a result of the insured officers, etc. being held liable for the performance of their duties or being subject to claims relating to the pursuit of such liability. If the election of each candidate is approved and passed, the Company plans to continue the relevant insurance contract with all the candidates as the insured. Details are as described in "2. Overview of directors and officers liability insurance contract" of "III. Matters Concerning Officers of the Company."
 5. Overview of Opinions of the Audit & Supervisory Committee on Election of Directors (excluding Directors who are members of the Audit & Supervisory Committee)

The Audit & Supervisory Committee has examined the election of Directors (excluding Directors who are members of the Audit & Supervisory Committee) from perspectives such as the qualifications of each candidate, effectiveness of the Board of Directors as a whole and enhancement of corporate value, based on discussions at the Nominating Committee.

As a result, the Audit & Supervisory Committee has determined that it is appropriate to elect each candidate as Director. This is because, for each inside Director candidate, having deep expertise and abundant experience, they are qualified as Directors and will establish a structure that contributes to medium- to long-term enhancement of business performance. And, for each Outside Director candidate, their independence is ensured and their international experience, extensive knowledge in industrial policies or abundant management experience in the automotive industry has contributed to deepening discussions of the Board of Directors of the Company.

Agenda Item No. 2: Election of one (1) Substitute Director serving as Audit & Supervisory Committee Member

One (1) substitute Director who is a member of the Audit & Supervisory Committee is to be appointed in case the number of Directors who are members of the Audit & Supervisory Committee falls below the number stipulated in the law.

The consent of the Audit & Supervisory Committee to this Agenda Item has been obtained in advance.

The candidate for Director who is a substitute Audit & Supervisory Committee member is as follows:

Kazuhiko Saito

(Born August 23, 1956; age 67)



Brief career history and important concurrent positions

| | |
|------------|--|
| April 1988 | Registered as lawyer (Tokyo Bar Association) |
| April 1992 | Founded Okada Saito Law Office |
| April 2006 | Executive Director of Kanto Federation of Bar Associations |
| April 2007 | Director of Tokyo Family Conciliation Association |
| April 2009 | Founded Saito Law Office, to date |

- Important concurrent position
Outside Auditor of Kokusai Co., Ltd.

- Number of Company's shares held: 0

Reasons for Nomination as Candidate for Outside Director Who Is a Substitute Member of the Audit & Supervisory Committee and Expected Roles

We have determined that Kazuhiko Saito is a suitable choice for the position of substitute Director (Outside Director) who is a member of the Audit & Supervisory Committee because he would be able to contribute to enhancement of the decision-making and oversight functions of the Company's Board of Directors by leveraging his professional knowledge acquired as a lawyer and his abundant experience.

While he has never been directly involved in corporate management other than being Outside Auditor, we expect him to appropriately fulfill his responsibilities as Outside Director who is a member of the Audit & Supervisory Committee due to the reasons stated above.

- (Notes)
1. There are no special interests between the candidate and the Company.
 2. Kazuhiko Saito is a candidate for a substitute Outside Director who is a member of the Audit & Supervisory Committee. He satisfies the requirements for an independent director under the regulations of the Tokyo Stock Exchange, and if he takes office, we will notify the organization that he is an independent officer.
 3. If Kazuhiko Saito is appointed as Outside Director, in accordance with the Articles of Incorporation, for the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act, the Company plans to conclude with him a limited liability agreement that is limited to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
 4. The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance policy shall cover damages that may arise as a result of the insured officers, etc. being held liable for the performance of their duties or being subject to claims relating to the pursuit of such liability. If this Agenda Item is approved and Kazuhiko Saito is elected as Outside Director, the Company plans to enter into the relevant insurance contract with him as the insured.

(Reference) Directors' skill matrix

If Agenda Item No. 1 is approved as originally proposed, the composition of the Board Members of the Company and their main knowledge and experience will be as follows:

| Name | Position | Gender | Main areas of knowledge and experience of officers | | | | | | |
|------------------|--|------------------------|--|---------------------|------------|--|------------------------|--|---------------------|
| | | | Global | Automotive Industry | Management | Legal & Compliance CSR and Governance | Finance and Accounting | Monozukuri (manufacturing, procurement and quality) | Sales and Marketing |
| Akihiko Shido | Chairman and Chief Executive Officer | Male | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| Ken Shido | Director Vice Chairman | Male | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| Tsutomu Hiranaka | President and Chief Operating Officer | Male | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| Norio Hirano | Director Executive Vice President | Male | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| Masashi Oshita | Director | Outside Independent | Male | ○ | ○ | ○ | ○ | ○ | ○ |
| Hiroshi Moriya | Director | Outside Independent | Male | ○ | ○ | ○ | ○ | ○ | ○ |
| Satoshi Miura | Director (Full-time Audit & Supervisory Committee Member) | Male | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| Chiaki Tsuji | Director (Audit & Supervisory Committee Member) | Outside Independent | Female | ○ | ○ | ○ | ○ | ○ | ○ |
| Chieko Ogawa | Director (Audit & Supervisory Committee Member) | Outside Independent | Female | ○ | ○ | ○ | ○ | ○ | ○ |

**Agenda Item
No. 3:**

Continuation of Yorozu's policy on large-scale purchasing of its own shares (policy to deal with takeover)

At Yorozu's Board of Directors Meeting held on May 14, 2021, the following resolutions were adopted: one is about a basic policy on how a person who controls decisions on the Company's financial matters and business policies should be (defined in the main paragraph of Article 118, Paragraph 3 of the Ordinance for Enforcement of the Companies Act, and hereinafter referred to as the "Basic Policy"), and another is about amendment and continuation of Yorozu's policy on large-scale purchasing of its own shares (Anti-Takeover Measures) that were approved by the shareholders at the 73rd Ordinary General Meeting of Shareholders held on June 18, 2018. They are part of commitments (Article 118, Item (iii), (b) 2 of the Ordinance for Enforcement of the Companies Act) to prevent decisions on Yorozu's financial matters and business policies from being controlled by persons who are inappropriate in light of the Basic Policy. The amendment and continuation of the Anti-Takeover Measures were approved by the shareholders at the 76th Ordinary General Meeting of Shareholders held on June 29, 2021 (the Anti-Takeover Measures approved by the shareholders at the 76th Ordinary General Meeting of Shareholders held on June 29, 2021, are hereinafter referred to as the "Existing Plan"), and the Existing Plan has been continued. However, the effective period of the Existing Plan is until the end of the Board of Directors meeting held for the first time after this Ordinary General Meeting of Shareholders.

As the Existing Plan was set to expire, Yorozu carefully considered changes in and continuation of the Existing Plan from the viewpoint of improving its corporate value and shareholders' common interests in the medium and long term. It did so while taking into account the opinions of its shareholders including institutional investors in Japan and overseas, recent trends in the policy to deal with a takeover, the status of legal developments, and the composition of Yorozu's shareholders, in light of changes in the management environment surrounding Yorozu and the impact of such changes. Based on this review, and after consultation with Yorozu's Independent Advisory Committee (hereinafter referred to as the "Independent Advisory Committee") and the approval of all the members of the Committee, Yorozu's Board of Directors, at a meeting held on May 21, 2024, decided, with the approval of all the Directors including Outside Directors as well as Directors who are members of the Audit & Supervisory Committee, to submit the approved proposal to this Ordinary General Meeting of Shareholders to continue the policy to deal with a takeover after making necessary changes to the Existing Plan, as one of the measures to prevent decisions on Yorozu's financial and business policies from being controlled by persons who are inappropriate in light of the Basic Policy. The plan after the changes (hereinafter referred to as the "Plan") is as below.

This proposal is to ask the shareholders to approve the Plan.

The Plan shall come into effect subject to the approval of Yorozu's shareholders regarding the above proposal submitted to this Ordinary General Meeting of Shareholders, and the Existing Plan shall be changed to the Plan subject to such approval.

With regard to the continuation of the policy to deal with a takeover under the Plan, Yorozu has amended the wording including clarification of the grounds, but the Plan does not substantially change the contents of the Existing Plan.

If and when the Companies Act, the Financial Instruments and Exchange Act, ordinances, cabinet orders, Cabinet Office Orders and ministerial orders (hereinafter referred to collectively as the "Laws and Regulations") are amended (including amendment of law names and establishment of a new law succeeding the old one), and such amendments are enforced, the clauses of the Laws and Regulations quoted in the Plan shall be replaced by the clauses that effectively succeed the amended clauses of such Laws and Regulations, respectively, unless otherwise determined by Yorozu's Board of Directors.

Notice

1. Basic Policy

(1) Content of the Basic Policy

Yorozu is of the view that its corporate value has its origin in enhancing common interests of its shareholders as Yorozu and its subsidiaries and affiliates (hereinafter referred to as the “Yorozu Group”). And it vigorously pushes forward with agile corporate activities drawing fully upon the strength of its know-how in sales, technology, production and brand image that the Yorozu Group has accumulated over many years based on the management philosophy discussed in (2) below and hence contributes to the development of society at home and abroad. For that reason, the Company’s Basic Policy is to take reasonable measures to secure and enhance the corporate value or shareholders’ common interests, to the extent permitted by laws and regulations and the Articles of Incorporation. It does so in the event that the corporate value or shareholders’ common interests are likely to be impaired as a result of acquisition of shares with voting rights equivalent to 20% or more of the Company’s total voting rights (hereinafter referred to as “controlling shares”) by any particular person or group who is deemed to be inappropriate as a person controlling decisions on the financial matters and business policies.

(2) Background to Formulation of Basic Policy

Since its establishment in 1948, the Company has made efforts on a daily basis as an automotive parts manufacturer focused mainly on suspensions, based on the management stance, “Our basic business creed is to conduct reliable management,” and has earned the trust of automotive manufacturers as our name became synonymous with suspensions. The manufacturing of suspensions, the flagship business of the Yorozu Group, is not limited to mere manufacturing and selling of regular products. It extends to a level where automotive manufacturers’ needs are fully understood and developments are made together with automotive manufacturers in a manner conforming to such needs. Accordingly, in order to respond to the needs of automotive manufacturers and to manufacture suspensions, which are vital safety parts for vehicles, it is essential to have state-of-the-art and advanced technology. In addition, it is extremely important to accurately understand business processes of automotive manufacturers, to get involved in them, and to work on product development. The Group has thoroughly pursued efficiency to consistently manufacture suspensions from development to production using its own development and technological capabilities, and maintained outstanding quality, while reducing costs and shortening delivery times. In order to continuously maintain and enhance its corporate value and the common interests of its shareholders, the Yorozu Group expands overseas and makes capital investments actively with the aim of expanding its customer base and earnings capability.

We believe that sources of improvement of the Group’s corporate value supported by the initiatives mentioned above and the results thereof are as follows: the understanding and support of our shareholders from a medium- and long-term perspective, management initiatives based on a medium- to long-term viewpoint that emphasize the automotive parts industry to which the Group belongs and the business lines, good working relationships with automotive manufacturers, proactive capital investments based on our sound financial position, willingness to steadily strengthen our management foundation kept by the management with a wealth of knowledge and experience concerning market characteristics as well as by employees who are sincere in their business, both of whom are aware of each other’s respective roles, maintenance of advanced technology and its further improvement, and ongoing high motivation of all employees who support these, together with a deep understanding of the long-term trust with stakeholders built through these initiatives.

While technological innovation progresses on a global scale, the Yorozu Group understands accurately the trends of demand in the markets at home and abroad. It makes effective and maximum use of these management resources, fulfills its social responsibilities by continuing to conduct environmentally friendly corporate activities and management adhering to laws and regulations, and makes every effort to enhance its corporate value.

On the other hand, against the backdrop of development of new legal systems and changes in economic

structure and corporate culture, recently, there have been sporadic cases in which purchases of a large amount of shares in target companies are forced unilaterally without approval of their management. We may not be able to rule out a possibility that sustainable improvement of the Group's corporate value based on the above management resources will be hindered in some cases.

In light of such circumstances, the Company believes that it is necessary to presume that a person who intends to acquire controlling shares and a group thereof (hereinafter referred to as "Purchaser, etc.") will appear.

Needless to say, the Company has no negative opinion on every act of acquiring controlling shares.

However, certain recent acts of acquiring controlling shares do include those acts which are likely to cause irreparable damage to corporate value or the common interests of the shareholders such as [1] those acts, given the Purchaser's purposes for acts to acquire controlling shares, which obviously do not seek genuinely reasonable management, [2] those acts which are likely to force the general shareholders to effectively sell their shares under unfavorable conditions, [3] those acts in which the information necessary for the general shareholders to properly determine whether or not to accede to acts of acquiring controlling shares or a reasonable period for consideration is not provided or secured, or [4] those acts in which the information including opinions for or against the acts of acquisition of controlling shares or Business Plan, etc. substituting the purchase proposal or business plan presented by the Purchaser, an opportunity for negotiation with the Purchaser or a reasonable period for consideration is not provided to the Board of Directors.

Yorozu deems those persons who seek to acquire its controlling shares in a manner not consistent with securing or enhancing its corporate value or the common interests of shareholders to be inappropriate as persons controlling the decisions of Yorozu's financial matters and business policies, and finds it necessary to take some sort of measures against such persons in order to prevent such situation from coming into being.

2. Special Approach to Implementing the Basic Policy

We aim to allow a large number of investors to be able to continue investing in Yorozu over a medium- and long-term period, and wish to take an approach to enhancing and securing Yorozu's corporate value or the common interests of the shareholders. To this end, Yorozu, with the corporate philosophy and basic management stance described in (1) below, implements its approach aimed at enhancing its corporate value as described in (2) below, its approach aimed at reinforcing its corporate governance as described in (3) below, sustainable return to shareholders as described in (4) below, and its approach to fulfilling what Yorozu believes to be its social responsibilities as described in (5) below. Yorozu is of the view that, through implementation of these approaches, it can prevent a situation impeding sustainable enhancement of its corporate value based on the above-mentioned management resources from occurring by enhancing its corporate value or the common interest of shareholders and appropriately reflecting those in its share value, and therefore that these approaches contribute to the realization of the Basic Policy as discussed in 1. above.

(1) Corporate Philosophy and Basic Management Stance

Yorozu has strived to sustainably increase its corporate value and shareholders' common interests through the corporate philosophy of "contributing to society by continually striving to deliver technological innovation and create products that are beneficial to people" from long-term perspectives with understanding of the sources of corporate value described above.

(2) Approach Aimed at Enhancing Corporate Value

Yorozu has announced its Medium-Term Business Plan for FY2021 to FY2023, "Yorozu Sustainability Plan 2023" (hereinafter referred to as "YSP2023") to increase its corporate value.

During the term of the YSP2023, Yorozu was significantly affected by an increase in raw material and energy costs and a rise in logistics costs due to the prolonged conflict in Ukraine, in addition to a decrease in automobile production caused by the COVID-19 pandemic on a global scale and a semiconductor supply problem. As a result, although Yorozu achieved its sales target thanks to the effects of an increase in production and foreign exchange, Yorozu fell short of the targets in other revenue indicators.

However, in terms of the measures for the YSP2023, in order to survive, Yorozu has been working to build a growth strategy and create a path that will “prove its strong presence in the age of electrification” as the goal toward the next Medium-Term Business Plan. As a priority measure, Yorozu has taken steps to strengthen ESG management, starting to take measures focusing on carbon neutrality for E (Environmental) and measures for diversity and human rights for S (Social). With regard to new technologies and methods as a source of growth, Yorozu has placed development and sales expansion at the center of the growth strategy. In addition, the new factory in the Tokai region, which commenced operations in January of this year, is working to enhance competitiveness. To serve as a model factory among the automotive parts manufacturers, the new factory is committed to [1] giving thorough consideration to the environment, [2] existing in harmony with the local community, [3] contributing to the electrification of vehicles with its product competitiveness, and [4] ensuring both customer and employee satisfaction. It also acts as a “strategic” platform for expanding sales.

At present, although the global economy is recovering from the COVID-19 pandemic and normalizing, uncertainty remains about the future due to changes in monetary policies in various countries and concerns about geopolitical risks.

The automotive industry is facing major market and structural changes, such as rapid growth of emerging EV OEMs, while production as a whole is recovering slowly as the hindrance of supply caused by a semiconductor shortage is being resolved.

In response to climate change, which is becoming more serious on a global scale, automobile manufacturers are rapidly promoting the development of vehicles with the aim of achieving carbon neutrality, and are striving to introduce EVs into the market. Additionally, amid such movements, the development of various powertrains to preserve market options, the intensification of value-added competition in areas such as autonomous driving technology and software, and alliances and collaborations among automobile manufacturers are increasing.

In this unpredictable economy and market environment, Yorozu formulated the new Medium-Term Business Plan “Yorozu Sustainability Plan 2026 (YSP2026)” (from FY2024 to FY2026) in May 2024 to further enhance corporate value as a “company that supports the age of electrification and is selected by all stakeholders” by further materializing the growth strategy set out in the YSP2023 initiatives.

In YSP2026, Yorozu defines the management policy as “Becoming the ‘the Company of preferred choice’ for all stakeholders that supports the electrification era by fulfilling the duties and responsibilities as a member of society and taking an aggressive approach toward growth,” and will promote the basic policy and key strategies to implement active measures in order.

The basic policy is as follows:

- We consider the environmental (E) aspect of ESG management as our strength, and together with our efforts in growth and profitability, we will solidify our business foundation and increase economic value;
- We consider the social (S) and governance (G) aspects of ESG management as the core pillars, and through overall optimization taking financial strategies into account, we will strengthen our management foundation and increase social value; and
- We aim to enhance our corporate value through improvements and maximization of the above two values.

As the key strategies, Yorozu will promote two initiatives, “strengthening of our business foundation” and “strengthening of our management foundation.”

Yorozu will steadily carry out YSP2026 to achieve sustainable growth and increase corporate value with strategies based on the basic policy mentioned above and medium- to long-term perspectives.

(3) Initiatives to Strengthen Corporate Governance

The Company’s basic management philosophy is “Advancing fair and transparent corporate activities with a strong sense of ethics and strict adherence to laws and regulations.” The Board of Directors makes decisions on basic management policies, matters stipulated by laws and regulations, and other important management

matters. It is positioned as an organization that supervises the execution of duties by Directors and Executive Officers. And at the 56th Ordinary General Meeting of Shareholders held on June 27, 2001, the term of office of Directors was shortened to one (1) year from two (2) in order to further clarify the management's responsibility to shareholders.

Furthermore, with a view to further strengthening corporate governance, at the 70th Ordinary General Meeting of Shareholders held on June 10, 2015, the Company enhanced its audit and supervisory functions. It did this by shifting to a "Company with an Audit & Supervisory Committee" in which an Audit & Supervisory Committee comprising a majority of Outside Directors is established. In conjunction with this appointment, the Company newly elected two females who are well versed in the legal or accounting field and who meet the requirements for independent Outside Directors stipulated by the Tokyo Stock Exchange, as Director and the member of the Audit & Supervisory Committee, to replace the two former Outside Auditors. Afterwards, the succeeding Directors serving as Audit & Supervisory Committee members who were elected at the 72nd Ordinary General Meeting of Shareholders held on June 16, 2017 were also two females who were similarly knowledgeable in the legal or accounting field and who met the requirements for independent Outside Directors. Accordingly, the members of the Board of Directors are selected by taking diversity into account.

Further, for Directors who are not Audit & Supervisory Committee members, we increased the number of Outside Directors by one at the 73rd Ordinary General Meeting of Shareholders held on June 18, 2018, and another one at the 75th Ordinary General Meeting of Shareholders held on June 26, 2020, namely, an increase of two (2) in total. As a result, four of the Company's nine Directors, including those serving as Audit & Supervisory Committee members, are Independent Outside Directors as prescribed by the Tokyo Stock Exchange, and more than one-third of the members of the Board of Directors are Independent Outside Directors. Additionally, in December 2018, we established a "Nominating Committee" and a "Compensation Committee," where the majority of members are Independent Outside Directors. The purpose was to increase the transparency and objectivity of the decision-making process concerning appointment of the Directors and determination of their remuneration.

In order for the Company to achieve sustainable growth and raise its corporate value over the medium to long term, the Company has established the "Corporate Governance Guidelines" (<http://www.yorozu-corp.co.jp/csr/governance/>). They clarify the Company's basic stance on corporate governance and management policies.

Through these efforts, the Company will strengthen its corporate governance, achieve sustainable growth as a corporation, and continue striving to increase the corporate value for all stakeholders.

(4) Sustainable Return to Shareholders

Yorozu's basic policy on financial strategy under the Medium-Term Business Plan was to focus on shareholder return in addition to financial stability. Accordingly, Yorozu changed its dividend policy from that of "stable dividends" to that of "establishment of a targeted dividend payout ratio," aiming for a consolidated dividend payout ratio of 35% from FY2015.

In accordance with this basic policy and dividend policy, Yorozu achieved a consolidated payout ratio of 35% from FY2015 to FY2023. In addition, in September 2016, Yorozu at its Board of Directors meeting resolved to acquire 4.0% of its total issued and outstanding shares as treasury stock and acquired them.

This basic policy continues under the New Medium-Term Business Plan with the target for the consolidated payout ratio set at 35% or higher. Furthermore, in YSP2026 it set the lower limit for dividend per share at 31 yen, and at the same time, will flexibly acquire its own shares in consideration of business performance and dividend levels. Yorozu will strive to continue implementing sustainable shareholder returns.

(5) Company's Approach to Corporate Social Responsibility

The Company has maintained a management stance of "Advancing fair and transparent corporate activities with a strong sense of ethics and strict adherence to laws and regulations" since its establishment. It has

conducted its business activities with the recognition that it is necessary to not only comply with relevant laws and regulations, but also to fulfill its social responsibilities as a good corporate citizen. We will continue to fulfill our corporate social responsibility by ensuring customer satisfaction, technological innovation, and compliance with laws and regulations. We will do so while addressing environmental issues, developing as a global company, disclosing corporate information, respecting human rights, conducting fair transactions, and clarifying responsibility as the senior management.

3. Content of the Plan (Approach to preventing the decisions on Yorozu's financial matters and business policies from being controlled by an inappropriate person in the context of the Basic Policy)

(1) Purpose of Continuing the Policy to Deal with Takeover under the Plan

As described in 1. above, the Company believes that it may be necessary to take some measures against a Purchaser, etc. Basically, since the Company is a listed company, the final decision as to whether to sell the shares to the Purchaser, etc. or whether to entrust management of the Company to the Purchaser, etc. should be left to the will of individual shareholders.

However, in order for the shareholders to make appropriate decisions, we believe that it is necessary, as a prerequisite, that they fully consider the Company's unique business characteristics and our Group's history as described above, and that they appropriately grasp the Company's corporate value and the sources that generate that value. In order to understand what sort of influence the acquisition by the Purchaser, etc. of Yorozu's controlling shares may exert on Yorozu's corporate value or on the source of such corporate value, the information provided by the Purchaser, etc. alone may well be inadequate. Yorozu is of the view that, in order to allow the shareholders to make an appropriate judgment, it would be necessary for them to obtain information from Yorozu's Board of Directors, which fully understands the unique characteristic features of Yorozu's business, evaluations and opinions of Yorozu's Board of Directors on the act of acquiring controlling shares by the Purchaser, etc. or, in some cases, new proposals from Yorozu's Board of Directors based on said evaluations and opinions.

Therefore, Yorozu believes that it would be very important to secure ample time for the shareholders to analyze and examine multifaceted information.

On the other hand, Yorozu thinks that there may be cases in which this does not function effectively in response to an act of acquiring controlling shares in the Company because: stock accumulation in the market is not regulated under the current tender offer regulations and therefore abusive accumulation in the market cannot be dealt with; and, even in cases in which the tender offer regulations apply, there will be restrictions such as that sufficient information will not be disclosed to shareholders and adequate time to consider whether or not to accept a tender offer cannot be secured with the result that information is not provided before the tender offer starts and Yorozu is obliged to submit a statement of its position on the tender offer within 10 business days from the date on which the start of the tender offer is announced. From the foregoing perspectives and in light of the above-mentioned Basic Policy, Yorozu would make it possible for the shareholders to make a proper judgment as to whether or not they should accede to the Large-Scale Purchase of Yorozu's Shares (defined in (2)(a) below; hereinafter the same shall apply), for Yorozu's Board of Directors to present opinions for or against said Large-Scale Purchase or present to the shareholders a business plan substituting a purchase proposal or Business Plan, etc. presented by the person seeking to conduct or currently conducting the Large-Scale Purchase of Yorozu's Shares (hereinafter referred to as the "Large-Scale Purchaser") (hereinafter referred to as the "Substitute Plan"), or for Yorozu's Board of Directors to conduct negotiations with said Large-Scale Purchaser for and on behalf of the shareholders. Yorozu would do this by seeking in advance to be provided with the necessary information on the Large-Scale Purchase of Yorozu's Shares and seeking to secure a period of time for consideration and examination. Yorozu has thereby reached the conclusion that it would be necessary to continue with the policy to deal with a takeover under the Plan as part of the approach to prevent decisions on Yorozu's financial matters and business policies from being controlled by inappropriate persons

in the context of the Basic Policy (specifically meaning “Persons Falling under Exceptions” defined in (2)(h) below).

Needless to say, it is desirable to confirm the intentions of shareholders when continuing the policy to deal with a takeover under the Plan. For this reason, Yorozu plans to confirm the wishes of the shareholders in this Ordinary General Meeting of Shareholders on whether or not the policy to deal with a takeover should continue under the Plan.

For the reasons stated above, Yorozu’s Board of Directors plans to confirm the wishes of the shareholders by submitting the proposal for approval of the continuation of the policy to deal with a takeover under the Plan, and has decided to continue with the policy to deal with a takeover under the Plan on condition that the Plan shall concurrently come into effect if approval of the shareholders is obtained at this Ordinary General Meeting of Shareholders.

At this point in time, Yorozu has not received any specific proposal for Large-Scale Purchase of its shares.

The status of Yorozu’s major shareholders as of March 31, 2024, is as described in “Overview of the Status of Holding of Yorozu’s Shares” (Exhibit 1).

(2) Content of the Plan

The specific content of the Plan is as follows. A flowchart summarizing an overview of the procedures relating to the Plan is as described in (Exhibit 2).

(a) Definition of a Large-Scale Purchase of Shares against Which Countermeasures Would Be Exercised
When an act that falls or may fall under any of items [1] through [3] or acts similar to these acts (excluding an act approved in advance by Yorozu’s Board of Directors; hereinafter referred to as the “Large-Scale Purchase of Yorozu’s Shares”) are committed or are about to be committed, the countermeasures under the Plan may be exercised.

[1] Purchase or other forms of acquisition of share certificates, etc. whereby the ratio of holding of share certificates, etc. (Note 2) of a specific shareholder of the Company in relation to the share certificates, etc. issued by the Company (Note 1) is 20% or more (Note 3)

[2] Purchase or other forms of acquisition (Note 7) of the share certificates issued by Yorozu (Note 4) in which the ratio of holding of share certificates by a specific shareholder (Note 5) and its Persons in a Special Relationship (Note 6) would be 20% or more

[3] Regardless of whether or not any of the acts set forth in [1] or [2] above have been performed, an agreement or other act made between a specific shareholder of the Company and another shareholder of the Company (including multiple shareholders and the same shall apply in this text [3]) whereby such other shareholder comes to fall under the category of a joint holder of such specific shareholder; or an act of establishing a relationship (Note 8) between such specific shareholder and such other shareholder whereby one of the two substantially controls the other, or whereby they act together or in concert (Note 9) (provided, however, that this shall be limited to cases where the sum of the holding ratio of such specific shareholder and such other shareholder of the share certificates, etc. issued by the Company becomes 20% or more)

(Note 1) Refers to share certificates, etc. as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter unless otherwise provided.

(Note 2) Refers to the share certificates, etc. holding rate as defined in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. Except as otherwise provided below, in calculating such Holding Ratio of Share Certificates, etc., (i) Persons in a Special Relationship as defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act, and (ii) investment banks, securities companies, and other financial institutions that have entered into financial advisor agreements with such specific shareholders, as well as the Tender Offer Agent and Lead Managing Underwriter of such specific shareholders (hereinafter referred to as “Contracted Financial Institutions, etc.”), and attorneys, accountants, and other advisors, and (iii) persons who have been assigned share certificates, etc. of Yorozu by those who fall under (i) and (ii) above through an off-market negotiated transaction or an off-floor trading on the Tokyo Stock Exchange (ToSTNeT-1) shall be deemed to be Joint Holders (refer to “Joint Holder” as defined in Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act, including those deemed to be Joint Holders pursuant to Paragraph 6 of the same Article, and

hereinafter the same shall apply) of such specific shareholders under the Plan. In addition, for the purpose of calculating such ratio of holding of share certificates, the aggregate number of Yorozu's issued and outstanding shares may be based on the most recent information published by Yorozu.

- (Note 3) Includes holding the right to claims for handover of share certificates under a sale/purchase or other contract and conducting transactions prescribed in Article 14-6 of the Order for Enforcement of the Financial Instruments and Exchange (FIX) Act.
- (Note 4) Refers to share certificates, etc. as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act. In item [2], the same shall apply hereinafter.
- (Note 5) Refers to the Share Certificate, etc. Holding Rate as defined in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act. The same shall apply hereinafter unless otherwise provided. And for the purpose of calculating the Holding Ratio of Share Certificates, etc., the total number of voting rights of the Company can be determined by referring to the latest information the Company announced.
- (Note 6) Refers to Persons in a Special Relationship as defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act. However, the persons set forth in Item 1 of that Paragraph are excluded from the persons specified in Article 3, Paragraph 2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other Than Issuer. (i) Joint Holders and (ii) Contracted Financial Institutions, etc. shall be deemed to be the Persons in a Special Relationship of such specific shareholders under the Plan. The same shall apply hereinafter unless otherwise provided.
- (Note 7) Includes purchase and other acceptance of transfer for value (including those prescribed in Article 6, Paragraph 3 of the Order for Enforcement of the FIX Act).
- (Note 8) Judgment as to whether or not the relationship in which the specific shareholder effectively controls Other Shareholders or vice versa or the relationship in which one party acts jointly or in cooperation with the other exists shall be based on the formation or otherwise of a new equity contribution relationship, a business affiliation relationship, a transactional or contractual relationship, a concurrent executive service relationship, a financing relationship, a credit relationship, the status of purchasing of share certificates, etc. of Yorozu, the status of execution of voting rights regarding share certificates, etc. of Yorozu, or an effective relationship of interests in Yorozu's shares through derivatives and stock lending, or any direct and indirect effect such specific shareholders or Other Shareholders have on Yorozu.
- (Note 9) Judgment as to whether or not the act prescribed in item [3] has been committed shall be made by Yorozu's Board of Directors in accordance with the recommendations of the Independent Advisory Committee. Yorozu's Board of Directors may, after consulting the Independent Advisory Committee, ask Yorozu's shareholders to provide necessary information within the limits necessary for judgment on whether or not the requirements of item [3] are fulfilled.

(b) Submission of a Letter of Intention

Except where Yorozu's Board of Directors otherwise permits, the Large-Scale Purchaser shall, prior to commencement or execution of the Large-Scale Purchase of Yorozu's Shares, submit to Yorozu's President & COO a document signed or sealed by the representative of the Large-Scale Purchaser, in a form and substance prescribed by Yorozu, which would covenant to Yorozu's Board of Directors that the Large-Scale Purchaser would comply with the procedures prescribed in the Plan (hereinafter referred to as the "Large-Scale Purchase Rules") and a certificate of qualification of the representative who signed or sealed the document (hereinafter referred to collectively as the "Letter of Intention"). Yorozu's President & COO shall submit the abovementioned Letter of Intention to Yorozu's Board of Directors and the Independent Advisory Committee immediately upon its receipt.

In addition to the covenant to comply with the Large-Scale Purchase Rules, the following matters must be stated in the Letter of Intention. The language to be used in the Letter of Intention shall be limited to Japanese.

[1] Overview of Large-Scale Purchaser

- (i) Name
- (ii) Address, or location of head office, business office, and the like
- (iii) Governing law for incorporation
- (iv) Title and name of the representative

- (v) Purpose and business of the company, etc.
- (vi) Overview of major shareholders or major investors (top 10 shareholders or investors)
- (vii) Contact information in Japan

[2] Class and number of shares actually held by the Large-Scale Purchaser

[3] The Large-Scale Purchaser's status of trading share certificates, etc. of Yorozu during the period of 60 days before submission of the Letter of Intention and an overview of the planned Large-Scale Purchase
When a Letter of Intention is submitted by a Large-Scale Purchaser, Yorozu will disclose those matters which are deemed appropriate by its Board of Directors or the Independent Advisory Committee in a timely and appropriate manner in accordance with the applicable laws and regulations, and the rules and regulations of Financial Instruments Exchanges.

(c) Information Provision Demand to a Large-Scale Purchaser

Within five (5) business days (not counting the first day) from the date of receipt of the Letter of Intention by Yorozu's Board of Directors and the Independent Advisory Committee, the Large-Scale Purchaser shall submit to Yorozu's Board of Directors the information specified in [1] through [16] below (hereinafter referred to collectively as the "Large-Scale Purchase Information"), together with a document covenanting that the Large-Scale Purchase does not fall under the category of an abusive acquisition (defined in (f) A [2] below). Yorozu's Board of Directors will submit the Large-Scale Purchase Information to the Independent Advisory Committee immediately upon its receipt.

Yorozu's Board of Directors or the Independent Advisory Committee may judge that it is difficult for its shareholders to appropriately judge whether or not to accept the Large-Scale Purchase only with the Large-Scale Purchase Information initially provided by the Large-Scale Purchaser. Or they may judge that it is difficult for the Board of Directors and the Independent Advisory Committee to form opinions about approval or disapproval of the Large-Scale Purchase (hereinafter referred to as "Opinion Formation") or to formulate an alternative plan (hereinafter referred to as "Alternative Plan Formulation") to present it appropriately to the shareholders. In such cases, the Board of Directors or the Independent Advisory Committee may set a deadline of a reasonable period (up to 60 days (the first day is not counted) from the date of request for provision of additional information to the Large-Scale Purchaser, and hereinafter referred to as the "Necessary Information Provision Period"), and then disclose the specified deadline and the reason for requiring the specific period to the shareholders. The Board of Directors or the Independent Advisory Committee may, at any time, request the Large-Scale Purchaser to provide additional Large-Scale Purchase Information necessary for an appropriate judgment by the shareholders and for Opinion Formation and Alternative Plan Formulation by the Board of Directors and the Independent Advisory Committee. However, the specific content of the Large-Scale Purchase Information may differ depending on the content and size of the Large-Scale Purchase. Hence, Yorozu's Board of Directors considers the content and size of the Large-Scale Purchase and the specific status of provision of the Large-Scale Purchase Information. And if the information provided by the expiration of the Necessary Information Provision Period is deemed insufficient for an appropriate judgment by the shareholders and for the Opinion Formation and the Alternative Plan Formulation by the Board of Directors and the Independent Advisory Committee, the Board may extend the Necessary Information Provision Period by a maximum of 30 days, based on the recommendation of the Independent Advisory Committee. In such cases, the Board of Directors shall respect the opinion of the Independent Advisory Committee to the maximum extent possible.

If Yorozu's Board of Directors or the Independent Advisory Committee determines that provision of Large-Scale Purchase Information has been completed (including cases in which part of the information demanded has not been submitted but a reasonable explanation on such non-submission is given and hence provision of Large-Scale Purchase Information may be considered to have been completed) or the Necessary Information Provision Period has expired, Yorozu will immediately disclose that fact to the shareholders in accordance with the applicable laws and regulations, and the rules and regulations of the Financial

Instruments Exchanges. As described in (d) below, the Board of Directors' Evaluation Period (defined in (d) below) shall be calculated from the day immediately following the date of said disclosure. Furthermore, in principle, YoroZu will disclose the information that is part of the Large-Scale Purchase Information and may be necessary for the shareholders to determine whether or not to accede to the Large-Scale Purchase in a timely and appropriate manner at a certain appropriate time. This will happen subsequent to receipt of the initial or additionally provided Large-Scale Purchase Information pursuant to the decision of YoroZu's Board of Directors or the Independent Advisory Committee in accordance with the applicable laws and regulations, and rules and regulations of the Financial Instruments Exchanges.

The language to be used in providing the Large-Scale Purchase Information pursuant to the Large-Scale Purchase Rules and other notices and communications to YoroZu shall be limited to Japanese.

[1] Outline (including history, specific name, address, governing law for incorporation, capital structure, investee, investment ratio to the investee, business details, financial details, details of investment policy, details of financing activities within the past 10 years, and whether or not a "foreign investor" as defined in Article 26, Paragraph 1 of the Foreign Exchange and Foreign Trade Act (hereinafter referred to as the "Foreign Exchange Law") is applicable, and information by which it is supported, whether or not there has been any violation of laws and regulations within the past 10 years (and an outline thereof, if any), names and brief biographical outlines of officers, and whether or not there has been any violation of laws and regulations within the past 10 years (and an outline thereof, if any)) of the Large-Scale Purchaser and its group companies, etc. (including their major shareholders or investors (regardless of being direct or indirect, the same shall apply hereinafter) and significant subsidiaries, affiliates, Joint Holders and Persons in Special Relationship, and when the Large-Scale Purchaser is a fund or an entity to which it invests (regardless of being established in any legal form under Japanese law or foreign law, and hereinafter referred to as "Fund, etc.") or when there exists a Fund, etc. substantially controlled or operated by the Large-Scale Purchaser, its major partners, investors and other members, managing partners, and persons who continuously provide advice on investments are included, and hereinafter the same shall apply);

[2] The specific content and presence or absence, or state of effectiveness in the internal control system of the Large-Scale purchaser and its group (including the group internal control system; hereinafter the same shall apply);

[3] Status of holdings of the share certificates, etc. of YoroZu, status of holdings and contracts of derivatives and other financial derivatives underlying the share certificates, etc. of YoroZu, or assets related to the business of the Company or the Group, and status of lending, borrowing, and short selling of the share certificates, etc. of YoroZu by the Large-Scale Purchaser and its group companies;

[4] In cases where the Large-Scale Purchaser or its group companies, etc. already hold a loan contract, a collateral contract, a resale contract, a pre-contract for sale or purchase, or any other important contract or arrangement concerning YoroZu's share certificates, etc. (hereinafter referred to as "Collateral Contract, etc."), the specific contents of the relevant Collateral Contract, etc. such as the type of contract, the counterparty to the contract, and the volume of the share certificates, etc. of YoroZu covered by the contract, etc.;

[5] In cases where the Large-Scale Purchaser intends to conclude a Collateral Contract, etc. or is scheduled to reach an agreement with a third party concerning the share certificates, etc. of YoroZu that he/she intends to acquire through the Large-Scale Purchase, the specific contents of said agreement, such as the type of agreement scheduled, the counterparty to the contract, and the volume of YoroZu's share certificates, etc. that are the subject of the contract;

[6] The purpose, method and details of the Large-Scale Purchase (whether or not there is an intention to participate in the management, the class and number of the YoroZu's target share certificates, etc. of the Large-Scale Purchase and the ownership ratio of YoroZu's share certificates, etc. after the purchase, etc. pertaining to the Large-Scale Purchase, the type and value of the consideration for the Large-Scale

Purchase, the timing of the Large-Scale Purchase, the scheme of related transactions, the legality of the method of the Large-Scale Purchase, the feasibility of the Large-Scale Purchase and related transactions (if the Large-Scale Purchase is subject to certain conditions, details of such conditions), and the policy for holding Yorozu's share certificates, etc. after the completion of the Large-Scale Purchase, and if Yorozu's share certificates, etc. are expected to be delisted, that fact and the reasons therefor shall be included; with regard to the legality of the method of the Large-Scale Purchase, a written opinion by a qualified attorney is also required to be submitted);

[7] Presence or absence of communication of intent with a third party on the occasion of the Large-Scale Purchase (including the communication of intent on performing the Important Proposed Act, etc. to Yorozu (meaning the Important Proposed Act, etc. defined in Article 27-26, Paragraph 1 of the FIX Act; hereinafter the same shall apply), and its specific aspect, content and outline of the third party, if the communication of intent exists;

[8] Calculation basis for consideration of the purchase related to the Large-Scale Purchase and its calculation details (including facts and assumptions constituting the premises of calculation, calculation method, name of calculating organ, information on said calculating organ, summary opinion of the calculating organ and background to the decision on the amount based on such opinion, numerical value information used for calculation, amounts of synergy and dis-synergy that are expected to arise from a series of transactions relating to the Large-Scale Purchase and its calculation basis);

[9] Financial backing for the purchase, etc. in relation to the Large-Scale Purchase which includes the specific name of the provider of such funds including any substantial provider (whether direct or indirect), the method of procurement, existence and details of the conditions under which the funds will be provided, existence and details of any collateral or pledge after the provision of funds, and specific details of any related transactions of such funds;

[10] Management policies of the Company and the Group intended after the completion of the Large-Scale Purchase, careers and other detailed information of the candidates for Directors planned to be dispatched after the completion of the Large-Scale Purchase (including information on their knowledge and experience in the same type of business as that of the Company and the Group), business plans, financial plans, capital plans, investment plans, capital policies (including policies on the share buyback), dividend policies, etc. (including plans on the sale of Yorozu's assets after the completion of the Large-Scale Purchase, provision of security, and other dispositions);

[11] Treatment policy regarding officers, employees, labor unions, business partners, customers of the Company and the Group, local stakeholders (including local governments where the research institutes, the factories, the production facilities, etc. are located), as well as other stakeholders involved in Yorozu, after the completion of the Large-Scale Purchase;

[12] Specific measures to avoid conflicts of interest between the Large-Scale Purchaser and other shareholders of Yorozu;

[13] Whether or not there is any relationship (direct or indirect) between the Large-Scale Purchaser and its group companies, etc. (including its officers and employees, etc.) and antisocial forces or terrorism-related organizations, and if there is any relationship, the details of such relationship, and the policy for dealing with such relationship;

[14] Regulatory matters based on the Foreign Exchange and Foreign Trade Act and other domestic and foreign laws and regulations that may apply to the Large-Scale Purchase, and the probability of obtaining approvals or licenses based on the Antimonopoly Act, the Foreign Exchange and Foreign Trade Act, and other laws and regulations that should be obtained from domestic and foreign governments or third parties (with respect to these matters, an opinion by an attorney qualified in the relevant jurisdiction shall be submitted);

[15] Possibility of maintaining permits and approvals under various domestic and foreign laws and

regulations necessary for the management of the Group after the completion of the Large-Scale Purchase, and possibility of compliance with various domestic and foreign laws and regulations; and [16] Any other information that Yorozu's Board of Directors or the Independent Advisory Committee may reasonably find necessary and request the Large-Scale Purchaser for provision in writing within five (5) business days (not counting the first day), in principle, from the date of receipt of a flawless and appropriate Letter of Intention by Yorozu's Board of Directors.

(d) Establishment of Board of Directors' Evaluation Period

In accordance with the contents of the Large-Scale Purchase disclosed by the Large-Scale Purchaser, Yorozu's Board of Directors shall establish the following period [1] or [2] as the period for the Board of Directors to evaluate, examine, formulate its opinion, draft alternative proposals, and negotiate with the Large-Scale Purchaser (both periods shall start on the date following the day when the Company has disclosed that the Board of Directors or Independent Advisory Committee judged the completion of the provision of information on the Large-Scale Purchase or the period for providing necessary information ended; hereinafter referred to as the "Board of Directors' Evaluation Period"). A Large-Scale Purchase shall be commenced only after the expiration of the Board of Directors' Evaluation Period, unless otherwise stated in the Plan. The Board of Directors' Evaluation Period is established taking into consideration the difficulty in evaluating and examining the contents of Yorozu's business, and the degree of difficulty in formulating its opinion and drafting alternative proposals, etc.

[1] In cases where purchase of all shares, etc. of the Company is to be done by a tender offer which proposes cash (yen currency) as the only consideration: Sixty (60) days at the maximum; or

[2] In cases where a Large-Scale Purchase other than [1] above is to take place: Ninety (90) days at the maximum.

Based on the Large-Scale Purchaser Information, Yorozu's Board of Directors shall evaluate, examine, formulate its opinion, draft alternative proposals, and negotiate with the Large-Scale Purchaser concerning the intended Large-Scale Purchase during the Board of Directors' Evaluation Period from the view point of protecting and enhancing corporate value of the Company and shareholders' common interests. When Yorozu's Board of Directors takes these actions, it shall receive advice from third-party experts (financial advisors, attorneys, certified public accountants, tax accountants, etc.) independent of Yorozu's Board of Directors, if necessary. All expenses incurred shall be borne by Yorozu, except for exceptional cases which are specifically deemed unreasonable.

If there are unavoidable circumstances where Yorozu's Board of Directors is unable to initiate countermeasures or resolves not to initiate them during the Board of Directors' Evaluation Period because the Independent Advisory Committee does not make recommendations listed in (f) below during the Board of Directors' Evaluation Period, Yorozu's Board of Directors, in accordance with the recommendation of the Independent Advisory Committee, may extend the Board of Directors' Evaluation Period up to thirty (30) days (the first day of the period shall not be included in the calculation). If Yorozu's Board of Directors resolves to extend the Board of Directors' Evaluation Period, the said specific period resolved and the reasons why said specific period is necessary shall be disclosed in a timely and appropriate manner in accordance with applicable laws and regulations as well as the rules and regulations of the Financial Instruments Exchanges.

(e) Consultation with the Independent Advisory Committee

Under the Existing Plan, Yorozu has established, in order to eliminate arbitrary decisions by its Board of Directors regarding its initiation, an Independent Advisory Committee consisting of at least three persons from among the outside directors (including their candidates and substitutes), attorneys, certified public accountants and other outside experts who are independent of the management team that executes Yorozu's business, and the same Independent Advisory Committee still exists under the Plan. The current criteria for the election of members of the Independent Advisory Committee, requirements for resolutions, matters to be

resolved, etc. are as described in Exhibit 3. When Yorozu's Board of Directors decides whether or not to take countermeasures against a Large-Scale Purchase in accordance with the Plan, it will consult with the Independent Advisory Committee in advance in order to avoid arbitrary decisions by the Board of Directors about taking the countermeasures.

The names and brief histories of the members of the Independent Advisory Committee as of this moment are as shown in (Exhibit 4).

(f) Recommendation Procedures of the Independent Advisory Committee and Resolution by Yorozu's Board of Directors

A. Recommendations of the Independent Advisory Committee

In accordance with [1] through [4] below, the Independent Advisory Committee shall give recommendations concerning the Large-Scale Purchase to Yorozu's Board of Directors during the Board of Directors' Evaluation Period.

[1] In cases where the Large-Scale Purchase Rules are not complied with

In cases where the Large-Scale Purchaser violates the Large-Scale Purchase Rules on important points, if the said violation is not rectified within five (5) business days (the first day of the period shall not be included in the calculation; hereinafter referred to as the "rectification period") after Yorozu's Board of Directors demands in writing that the said Large-Scale Purchaser rectifies the violation, the Independent Advisory Committee shall recommend that Yorozu's Board of Directors take countermeasures against the Large-Scale Purchase (if it is clear that the said violation is not going to be rectified, the initiation of countermeasures shall be recommended even before the expiration of the rectification period) except for cases where it is clearly necessary for the protection and enhancement of the corporate value of Yorozu and shareholders' common interests not to initiate countermeasures, or there are other specific circumstances. If such recommendations are made, Yorozu shall disclose in a timely and appropriate manner the opinion of the Independent Advisory Committee and the reasons for its opinion as well as other information deemed appropriate in accordance with applicable laws and regulations as well as the rules and regulations of the Financial Instruments Exchanges.

It should be noted that even after having recommended Yorozu's Board of Directors to initiate countermeasures, if the Large-Scale Purchase is withdrawn or there have otherwise been changes to the facts which were the preconditions for the decision on the recommendation, the Independent Advisory Committee may recommend the revocation of countermeasures, the suspension of the initiation, etc. Even when such subsequent recommendation of revocation or suspension is made, Yorozu shall also disclose in a timely and appropriate manner the opinion of the Independent Advisory Committee and the reasons for its opinion as well as other information deemed appropriate in accordance with the applicable laws and regulations as well as the rules and regulations of the Financial Instruments Exchanges.

[2] In cases where the Large-Scale Purchase Rules are observed

If a Large-Scale Purchaser observes the Large-Scale Purchase Rules, the Independent Advisory Committee shall, in general, recommend to Yorozu's Board of Directors a non-initiation of the countermeasures against the Large-Scale Purchase.

However, even for cases where the Large-Scale Purchase Rules are observed, if the Independent Advisory Committee judges that the said Large-Scale Purchase is found to significantly undermine Yorozu's corporate value and common interests of shareholders due to reasons specified in any of the items (A) through (F) below (the said Large-Scale Purchase in such cases shall be hereinafter referred to as an "Abusive Purchase") and the initiation of countermeasures would be appropriate, the Committee shall recommend the initiation of countermeasures against such Large-Scale Purchase:

(A) Act of acquiring or trying to acquire share certificates, etc. of Yorozu merely for the purpose of raising its stock price and selling them to relevant parties of Yorozu at high prices despite having no intention to truly participate in Yorozu's management, (so-called greenmailers);

- (B) Act of acquiring share certificates, etc. of Yorozu for the purpose of conducting so-called scorched-earth management, such as temporarily controlling the management of Yorozu in order to transfer assets of Yorozu or the Yorozu Group including intellectual property rights, know-how, confidential business information, major business partners and customers, etc. that are necessary for the business management of Yorozu or the Yorozu Group to the Large-Scale Purchaser or its group companies, etc.;
- (C) Cases of acquiring share certificates, etc. of Yorozu with the intention of diverting the assets of Yorozu or the Yorozu Group to collateral or funds for the repayment of the said Large-Scale Purchaser or its group companies, etc. after gaining control over Yorozu's management;
- (D) Cases of acquiring share certificates, etc. of Yorozu for the purpose of temporarily controlling the management of Yorozu in order to have Yorozu dispose of, by selling, etc., valuable assets such as properties and securities not related to the businesses of Yorozu or the Yorozu Group for the time being so as to obtain high dividends paid temporarily with the gains of such disposals, or sell share certificates, etc. of Yorozu at high prices upon a rapid rise of stock prices due to temporary high dividends;
- (E) In cases where the methods of purchase proposed by the Large-Scale Purchaser, represented by so-called coercive two-tier tender offers (executing purchases of shares, such as tender offers, whereby all shares are not purchased in the initial stage, and disadvantageous purchase terms are set, the purchase terms are not made explicitly clear, or concerns arise about future marketability of share certificates, etc. of Yorozu by the delisting, etc. in the second stage; and as a result shareholders may essentially be forced to accept tender offers)—which structurally restrict the opportunities or freedom of shareholders to decide, may effectively force shareholders to sell the share certificates, etc. of Yorozu; and
- (F) In other cases equivalent to any of (A) through (E) and cases where it is determined that Yorozu's corporate value or common interests of shareholders are significantly impaired.

Procedures for disclosure concerning such recommendations and the subsequent recommendations shall be in accordance with those in [1] above.

[3] Recommendation by the Independent Advisory Committee for the confirmation of shareholders' intent
The Independent Advisory Committee may recommend that Yorozu's Board of Directors hold a general meeting of shareholders to confirm shareholders' intent about the need for and contents of the initiation of countermeasures against the Large-Scale Purchase (hereinafter referred to as the "General Meeting of Shareholders to Confirm Their Intent").

If such recommendation is made, Yorozu shall disclose the matters deemed appropriate by its Board of Directors in a timely and appropriate manner in accordance with the applicable laws and regulations as well as the rules and regulations of the Financial Instruments Exchanges.

It should be noted that even after having recommended that Yorozu's Board of Directors hold the General Meeting of Shareholders to Confirm Their Intent, if the Large-Scale Purchase is withdrawn or there have otherwise been changes to the facts which were the preconditions for the decision on the recommendation, the Independent Advisory Committee may give a new recommendation to the Board of Directors.

When such new recommendation is made, Yorozu shall also disclose in a timely and appropriate manner the details of the new recommendation of the Independent Advisory Committee and the reasons for its opinion, and other information deemed appropriate by Yorozu's Board of Directors in accordance with applicable laws and regulations as well as the rules and regulations of Financial Instruments Exchanges.

[4] Other recommendations, etc. by the Independent Advisory Committee

In addition to the above, the Independent Advisory Committee may give Yorozu's Board of Directors recommendations deemed appropriate from the viewpoint of maximizing the corporate value of Yorozu or the common interests of shareholders as appropriate. The Independent Advisory Committee may also

recommend that Yorozu's Board of Directors cancel countermeasures or suspend their initiation. Procedures for the disclosure of such recommendations and the subsequent new recommendations shall be in accordance with those in [1] above.

B. Resolution by Yorozu's Board of Directors

Unless there are some extraordinary circumstances which clearly run counter to the Duty of Due Care of a Prudent Manager as Director, Yorozu's Board of Directors, while respecting the recommendations of the Independent Advisory Committee to the maximum extent, shall make the initiation or non-initiation of countermeasures, convocation of Yorozu's General Meeting of Shareholders to Confirm Their Intent via the method stated in C. below, and other necessary resolutions in accordance with the prescribed procedures under the Plan without delay.

Moreover, it should be noted that even after the Independent Advisory Committee recommends that Yorozu's Board of Directors initiate countermeasures, if the Large-Scale Purchase is withdrawn or there have otherwise been changes in the facts which were the preconditions for the decision, Yorozu's Board of Directors may decide on the cancellation of the initiation of countermeasures, etc.

When these resolutions are made, Yorozu will disclose opinions of its Board of Directors, the reasons therefor and any other information that is considered appropriate in a timely and appropriate manner in accordance with the applicable laws and regulations, etc. and the rules and regulations of the Financial Instruments Exchanges.

C. Convocation of Yorozu's General Meeting of Shareholders to Confirm Their Intent

Yorozu's Board of Directors shall convene Yorozu's General Meeting of Shareholders to Confirm Their Intent as soon as possible if it decides to hold Yorozu's General Meeting of Shareholders to Confirm Their Intent to vote on the initiation of countermeasures under the Plan. In this case, Yorozu's Board of Directors shall disclose details such as the scope of shareholders who can exercise their voting rights at the said General Meeting of Shareholders to Confirm Their Intent, the record date for the exercise of voting rights, and the date and time of the said General Meeting of Shareholders to Confirm Their Intent in accordance with applicable laws and regulations. Resolutions at the said General Meeting of Shareholders to Confirm Their Intent shall be passed by a majority of the voting rights of the shareholders who are able to exercise their voting rights and are present at the said General Meeting of Shareholders to Confirm Their Intent. A Large-Scale Purchase shall be executed only after the disapproval of the proposal to initiate countermeasures at Yorozu's General Meeting of Shareholders to Confirm Their Intent and its conclusion. If the proposal to initiate countermeasures under the Plan is approved, Yorozu's Board of Directors shall resolve to initiate countermeasures under the Plan against the said Large-Scale Purchase. If the proposal to initiate countermeasures under the Plan is disapproved at the said General Meeting of Shareholders to Confirm Their Intent, countermeasures under the Plan shall not be initiated against the said Large-Scale Purchase.

Even when convocation procedures are started for the said General Meeting of Shareholders to Confirm Their Intent, if subsequently Yorozu's Board of Directors resolves to not initiate countermeasures, or it is decided that it is appropriate for Yorozu's Board of Directors to resolve to initiate countermeasures, Yorozu may cancel the convocation procedures for its General Meeting of Shareholders to Confirm Their Intent. When such resolutions are made, Yorozu will disclose the opinions of the Board of Directors, the reasons for such opinions and any other information that is considered appropriate in a timely and appropriate manner in accordance with the applicable laws and regulations, etc. and the rules and regulations of the Financial Instruments Exchanges.

(g) Changes in Large-Scale Purchase Information

In accordance with the provisions in (c) above, after Yorozu discloses that the provision of Large-Scale Purchase information has been completed, and if Yorozu's Board of Directors or Independent Advisory Committee judges that important changes have been made by the Large-Scale Purchaser to the information

on the said Large-Scale Purchase, by disclosing the same in a timely and appropriate manner and its reasons, and other information deemed appropriate in accordance with the applicable laws and regulations as well as the rules and regulations of the Financial Instruments Exchanges, procedures under the Plan concerning the Large-Scale Purchase based on previous information on the Large-Scale Purchase (hereinafter referred to as the “Pre-Change Large-Scale Purchase”) shall be cancelled, and the Large-Scale Purchase based on the information after the change on the Large-Scale Purchase shall be treated as a different Large-Scale Purchase from the previous one, and new procedures under the Plan shall be applied.

(h) Specific Contents of Countermeasures

The countermeasures to be initiated by Yorozu under the Plan against the Large-Scale Purchase are expected to be those by allotment of Subscription Rights without Contribution under Article 277 et seq. of the Companies Act (hereinafter the allotted subscription rights are referred to as the “Share Subscription Rights”). Provided, however, that if it is judged appropriate to initiate other measures recognized as falling under the mandate of the Board of Directors by the Companies Act or other laws and regulations as well as the Articles of Incorporation of Yorozu, said measures may be taken.

An outline of the gratis allotment of Share Subscription Rights as a countermeasure against a Large-Scale Purchase is set forth in (Exhibit 5), but in the event of the actual gratis allotment of Share Subscription Rights, the exercise period in consideration of the effectiveness as a countermeasure against a Large-Scale Purchase, exercise conditions, acquisition provisions, etc. may be determined (for instance, (i) the exercise conditions in which the exercise of rights by Persons Falling under Exceptions (a Large-Scale Purchaser and certain other parties specified by Yorozu’s Board of Directors in accordance with the prescribed procedures based on the recommendations of the Independent Advisory Committee, Joint Holders and Persons in a Special Relationship with such parties, and parties that the Board of Directors recognizes, based on the recommendations of the Independent Advisory Committee, as parties that are substantially controlled by or act jointly or in concert with such parties) will not be permitted, (ii)(a) when Yorozu decides to acquire part of the Share Subscription Rights, acquisition provisions stipulating that only the Share Subscription Rights held by the Share Subscription Rights holders other than Persons Falling under Exceptions can be purchased, or (b) while Yorozu will acquire the Share Subscription Rights held by shareholders other than Persons Falling under Exceptions in exchange for Yorozu’s common shares, Yorozu will acquire the Share Subscription Rights held by Persons Falling under Exceptions in exchange for other Share Subscription Rights subject to certain exercise conditions or acquisition provisions).

Yorozu may make shelf registration concerning the Share Subscription Rights with the resolution of Yorozu’s Board of Directors, in order to enable flexible allotment of Share Subscription Rights as a countermeasure.

4. Term of Validity of the Plan and Its Continuation, Abolishment and Changes

On continuing the policy to deal with a takeover with the Plan, Yorozu shall submit a proposal for approval concerning the continuation of the policy to deal with a takeover with the Plan to this Ordinary General Meeting of Shareholders, in order to have an opportunity to appropriately reflect the intention of shareholders.

The Term of Validity of the Plan shall be from the time when a proposal for approval concerning the continuation of the policy to deal with a takeover with the Plan is approved at the conclusion of the first Board of Directors’ meeting to be held after the last Ordinary General Meeting of Shareholders which ends within three years from the conclusion of this Ordinary General Meeting of Shareholders. Provided, however, that if a Large-Scale Purchase is actually being conducted or contemplated at the time of the conclusion of such Board of Directors’ meeting, the Plan shall continue to apply even after the conclusion of the above Board of Directors’ meeting in relation to such conduct being conducted or contemplated. However, even before the expiration of the Term of Validity, the Plan shall be abolished when: [1] a proposal to abolish the Plan is approved based on Yorozu’s proposal at its General Meeting of Shareholders; or [2] a resolution to abolish the Plan is made at Yorozu’s Board of Directors meeting. Moreover, since the term of office for Yorozu’s Directors (excluding Directors who

are Audit & Supervisory Committee members) is one (1) year, it is possible to confirm the intent of shareholders concerning the continuation or abolition of the Plan through the exercise of voting rights concerning a proposal for the selection of Directors at Yorozu's Ordinary General Meeting of Shareholders. If the proposal for approval concerning the continuation of the policy to deal with a takeover with the Plan is not approved by shareholders in this Ordinary General Meeting of Shareholders, the Plan shall be abolished immediately.

From this year onward, the pros and cons of the continuation of, abolishment of or changes to the Plan shall be examined at the first meeting of Yorozu's Board of Directors to be held after Yorozu's Ordinary General Meeting of Shareholders; and required resolutions shall be made, if necessary.

Moreover, there are cases where Yorozu revises or changes the Plan, with the approval of the Independent Advisory Committee, to the extent deemed reasonably necessary due to the revision of laws and regulations, and the rules and regulations of the Financial Instruments Exchanges; changes in their interpretation and implementation; or changes in the tax system, judicial precedents, etc. Provided, however, that when making important changes to the contents of the Plan, in order to have an opportunity to appropriately reflect the intent of shareholders, Yorozu shall submit to its General Meeting of Shareholders a proposal for approval concerning the introduction of the Plan after the change; the Plan after the change shall take effect on condition of shareholders' approval.

When a resolution for abolition, changes, etc. of the Plan is approved, Yorozu shall disclose in a timely and appropriate manner matters deemed appropriate by its Board of Directors in accordance with applicable laws and regulations as well as the rules and regulations of the Financial Instruments Exchanges.

5. Impact on Shareholders and Investors

(1) The Plan's Impact on Shareholders and Investors at the Time of Its Taking Effect

Share Subscription Rights themselves are not issued when the Plan takes effect. As a result, the Plan shall not have a direct and concrete effect on the rights and economic interests of shareholders and investors when the Plan takes effect.

(2) Impact on Shareholders and Investors at the Time of Providing Share Subscription Rights Without Contribution

While there are cases where Yorozu's Board of Directors takes countermeasures against a Large-Scale Purchase with the aim of ensuring and improving corporate value or shareholders' common interests, it is not envisaged to have a direct and concrete impact on statutory rights and economic interests of shareholders and investors. This is because, due to the structure of the expected countermeasures, at the time of issuing Share Subscription Rights, despite dilution of value per share possessed by shareholders, there is no dilution of value for all the shares of Yorozu possessed by shareholders.

Provided, however, that if Anti-Takeover Measures are initiated, there is a possibility that there will consequently be an impact on the statutory rights or economic interests of Persons Falling under Exceptions. Moreover, in cases where allotment of Share Subscription Rights without Contribution is resolved as a countermeasure, and after shareholders to receive Share Subscription Rights without Contribution are determined, if Yorozu cancels the allotment of Share Subscription Rights without Contribution or acquires without compensation Share Subscription Rights allotted without contribution, there shall be no dilution of value per share of Yorozu; and therefore, there is a possibility that investors who have performed transactions assuming that dilution of value per share of Yorozu will occur, will suffer from corresponding damages due to changes in stock prices.

Regarding procedures for the exercise and acquisition of allotted Share Subscription Rights without Contribution, procedures concerning shareholders are as follows:

If Yorozu's Board of Directors resolves to allot Share Subscription Rights without Contribution, Yorozu shall set the record date for the allotment of Share Subscription Rights, and allot Share Subscription Rights according to the number of owned shares to the shareholders who are written or recorded on the final list of shareholders

on the said record date. Yorozu will send a request form for the exercise of the Share Subscription Rights (the form is prescribed by Yorozu in which the shareholder pledges that he/she is not a Person Falling under Exceptions, and the form may include a statement to the effect that Yorozu's common shares delivered shall be immediately returned if such pledge is found to be false) and other documents necessary for the exercise of the Share Subscription Rights to the shareholders entered or recorded in Yorozu's final shareholder registry as of the Record Date. Shareholders will be issued one (1) share of Yorozu's common stock per Share Subscription Right, upon payment of one (1) yen per Share Subscription Right to the agent for payments as well as submission of these necessary documents within the exercise period of the Share Subscription Rights separately determined by Yorozu's Board of Directors. Provided, however, that there are cases in which Persons Falling under Exceptions may not be able to exercise the Share Subscription Rights.

On the other hand, in cases where mandatory repurchase of Share Subscription Rights is attached to Share Subscription Rights, and Yorozu acquires the Share Subscription Rights, shareholders shall, without paying the equivalent of the exercise price, receive Yorozu's common stock as consideration for the acquisition by Yorozu of Share Subscription Rights. (Please be advised that in this case, shareholders may be required to submit documents stating to the effect that shareholders themselves pledge that they are not Persons Falling under Exceptions, etc., and if such pledge included a false statement, they would return Yorozu's allotted common shares immediately, in addition to the document for personal identification and the document describing information on the account for the transfer of Yorozu's common stock.) Provided, however, that as stated above, for Persons Falling under Exceptions, Share Subscription Rights owned by them may not become subjects of acquisition, or other Share Subscription Rights subject to certain exercise conditions or acquisition provisions may be delivered as consideration for the acquisition of the said Share Subscription Rights.

Details of these procedures shall be disclosed in a timely and appropriate manner in accordance with applicable laws and regulations, as well as the rules and regulations of the Financial Instruments Exchanges when these procedures are required in practice; please confirm the said contents.

6. Rationality of the Plan

As shown below, the Plan meets the three principles of [1] Principle of protecting and enhancing corporate value and shareholders' common interests; [2] Principle of prior disclosure and the principle of shareholders' intent; and [3] Principle of ensuring necessity and reasonableness stipulated in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" published by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005. In addition, it has high rationality, taking into account "Takeover Defense Measures in Light of Recent Environmental Changes" published on June 30, 2008 by the Corporate Value Study Group established under the Ministry of Economy, Trade and Industry; "Guidelines for Corporate Acquisitions—To Enhance Corporate Value and Secure Shareholders' Interests" published by the Ministry of Economy, Trade and Industry in August 31, 2023; and "Principle 1-5 Anti-Takeover Measures" in "Japan's Corporate Governance Code: Seeking Sustainable Corporate Growth and Increased Corporate Value over the Medium to Long Term" introduced by Tokyo Stock Exchange on June 1, 2015 and revised on June 1, 2018 and June 11, 2021; and other practices and discussions on a policy to deal with a takeover.

(1) Protection and Enhancement of Corporate Value or Shareholders' Common Interests

As stated in 3.(1) above, the Plan, by requiring Large-Scale Purchasers to provide in advance necessary information concerning the Large-Scale Purchase and ensure the period for consideration and negotiation, makes it possible for shareholders to decide appropriately whether or not to accept the said Large-Scale Purchase, or for Yorozu's Board of Directors to provide shareholders with its opinion (approval or disapproval) as well as substitute plans, or to negotiate with the Large-Scale Purchasers on behalf of shareholders, and therefore, the Existing Plan shall continue with the objective of protecting and enhancing Yorozu's corporate

value and common interests of its shareholders.

(2) Prior Disclosure

The Company shall disclose the Plan in advance in order to increase predictability for shareholders, investors and Large-Scale Purchasers, as well as ensure appropriate opportunities for selection for shareholders.

Moreover, going forward, Yoroza will disclose matters in a timely and appropriate manner in accordance with the applicable laws and regulations, and the rules and regulations of the Financial Instrument Exchanges.

(3) Giving Importance to Shareholders' Intent

The Company shall confirm shareholders' intent by submitting an approval proposal concerning the continuation of the policy to deal with a takeover with the Plan at this Ordinary General Meeting of Shareholders. If shareholders do not approve, the Plan will be abolished. In addition, as mentioned above, if a proposal to abolish the Plan based on Yoroza's proposal is approved at the General Meeting of Shareholders, the Plan will be abolished at that time, and therefore, its continuation depends on the will of the shareholders.

(4) Acquisition of Outside Experts' Opinion

As stated in 3.(2)(d) above, when Yoroza's Board of Directors evaluates, examines, forms opinions, and prepares a Substitute Plan concerning a Large-Scale Purchase, and negotiates with the Large-Scale Purchaser, it shall receive advice from third-party experts (financial advisors, attorneys, certified public accountants, tax accountants, etc.) independent of the Board, if necessary. This ensures objectivity and rationality of the judgment of the Board of Directors.

(5) Consultation with the Independent Advisory Committee

As described in 3.(2)(e) above, the Company shall utilize the Independent Advisory Committee that has already been established to ensure the necessity and appropriateness of the Plan and to prevent any abuse of the Plan for the management's own protection, and in the event that the Board of Directors of the Company takes countermeasures, the Company shall ensure the fairness of its decision and respect, to the maximum extent possible, the recommendations of the Independent Advisory Committee in order to eliminate any arbitrary decisions by the Board of Directors. In addition, the Independent Advisory Committee may, if necessary, obtain advice of third-party experts (financial advisors, attorneys, certified public accountants, tax accountants, etc.) independent from the Board of Directors and the Independent Advisory Committee. This process will ensure the objectivity and rationality of the judgment of the Independent Advisory Committee on its recommendations.

(6) Establishment of Rational Objective Requirements

As described in 3.(2) above, the Plan is designed in ways so that countermeasures will not be exercised unless predetermined rational and objective requirements are satisfied. Therefore, a framework is in place for ensuring that countermeasures will not be arbitrarily initiated by Yoroza's Board of Directors.

(7) No Dead-Hand Feature or Slow-Hand Feature among the Anti-Takeover Measures

As stated in 4. above, since it can be abolished within the Effective Period by a resolution at Yoroza's General Meeting of Shareholders or its Board of Directors composed of Directors selected by the General Meeting of Shareholders, the Plan is neither a so-called Dead-Hand Feature among the Anti-Takeover Measures (something that cannot be prevented even by changing the majority of the members of the Board of Directors) nor a Slow-Hand Feature among the Anti-Takeover Measures (something that requires time to prevent initiation as the members of the Board of Directors cannot be changed all at once).

Note: This document is originally written in Japanese and in case of any differences or discrepancies between the Japanese and English versions, the Japanese original version shall prevail.

(Exhibit 1)

Overview of the Status of Holding of Yoroze's Shares (as of March 31, 2024)

1. Total Number of Shares

| Class | Total Number of Authorized Shares |
|--------------|-----------------------------------|
| Common stock | 64,000,000 |
| Total | 64,000,000 |

2. Issued and Outstanding Shares

| Class | Total Number of Issued and Outstanding Shares | Listing Financial Instruments Exchange | Details |
|--------------|---|--|--|
| Common stock | 25,055,636 | Tokyo Stock Exchange Prime Market | The number of shares constituting one trading unit is 100. |

3. Major Shareholders

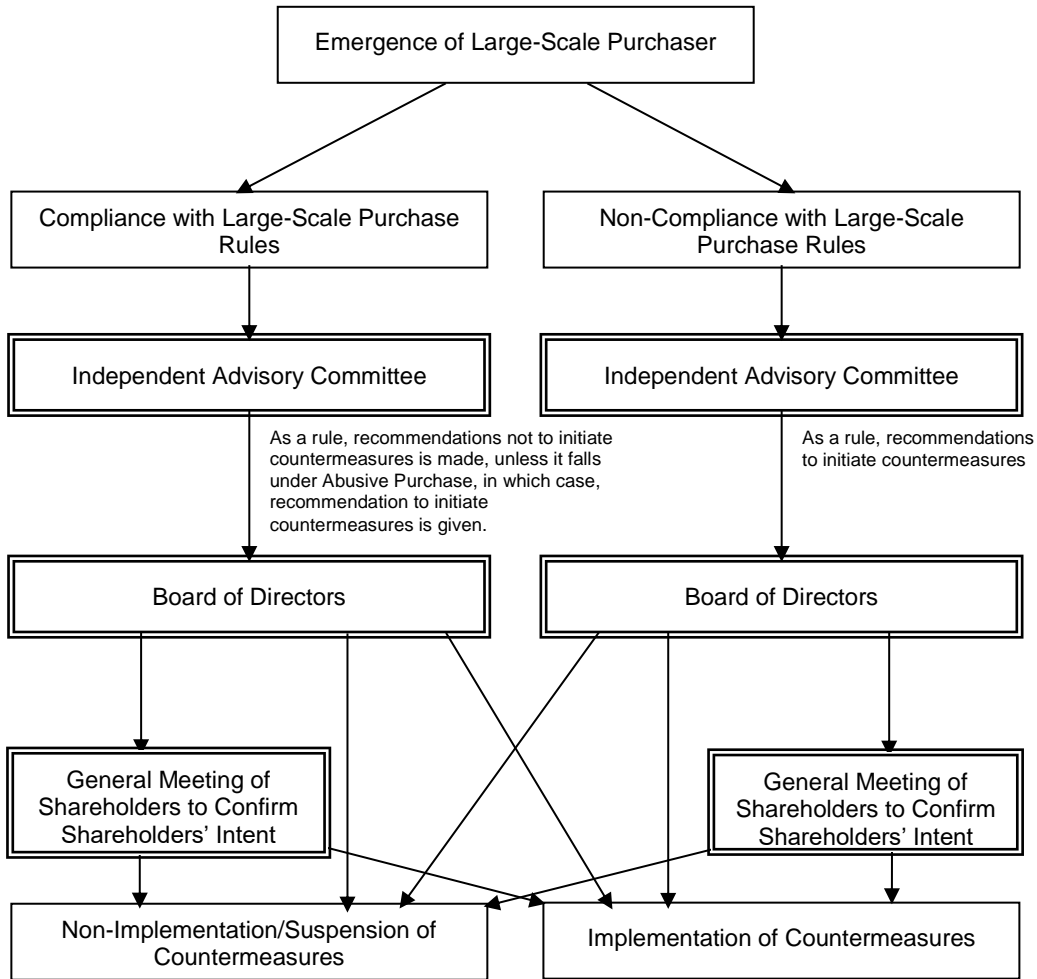
| Name | Number of Shares Held (thousands of shares) | Ownership Ratio (%) |
|--|---|---------------------|
| The Master Trust Bank of Japan, Ltd. (Trust account) | 1,492 | 6.15 |
| Minami-Aoyama Fudosan | 1,210 | 4.99 |
| S-GRANT. CO., LTD. | 1,190 | 4.91 |
| Shido Holdings Co., Ltd. | 883 | 3.64 |
| JFE Steel Corporation | 843 | 3.47 |
| Mizuho Bank, Ltd. | 842 | 3.47 |
| The Bank of Yokohama, Ltd. | 842 | 3.47 |
| Suzuki Motor Corporation | 800 | 3.30 |
| Mitsubishi UFJ Trust and Banking Corporation | 682 | 2.81 |
| NISSAN TRADING CO., LTD. | 533 | 2.20 |

(Notes) 1. The number of shares held is rounded down to the indicated unit, and the ownership ratio is rounded to the indicated unit.

2. The Company owns 796 thousand treasury shares, but the ownership ratio has been calculated by deducting treasury shares from the total number of issued and outstanding shares.

(Exhibit 2)

Procedures of the Plan



* Exhibit 2 indicates an outline of the procedures of the Plan. For further details, please see the text.

(Exhibit 3)

Outline of Independent Advisory Committee Rules

1. The purpose of the Independent Advisory Committee shall be to ensure the necessity and reasonableness of the Plan and to prevent the Plan from being abused for the management's own protection.
2. The number of members of the Independent Advisory Committee shall be three (3) or more and they shall be elected based on a resolution of Yorozu's Board of Directors from among the Outside Directors (including candidates and substitutes), attorneys, certified public accountants, and other outside experts who are independent from the management that executes Yorozu's business. In addition, Yorozu will enter into an agreement that includes provisions on duty of care and duty of confidentiality with the members of the Independent Advisory Committee.
3. The term of office of the members of the Independent Advisory Committee shall expire on the date of the conclusion of the Ordinary General Meeting of Shareholders relating to the last fiscal year ending within one (1) year from the time of their election, or on such other date as may be separately agreed upon by the members of the Independent Advisory Committee and Yorozu. Provided, however, that, if the mandate contract is terminated for any reason, the term of office of the members of the Independent Advisory Committee shall expire at such time.
4. The Independent Advisory Committee shall be convened by the Representative Director of Yorozu (or, in the event of an accident or other unavoidable circumstances involving the Representative Director, by a Director appointed by the Board of Directors) or any member of the Independent Advisory Committee.
5. The Chairperson of an Independent Advisory Committee shall be elected from among the members of the Independent Advisory Committee.
6. As a general rule, resolutions of the Independent Advisory Committee shall be made by a majority of the members of the Independent Advisory Committee with the attendance of all members of the Independent Advisory Committee. Provided, however, that if any of the members of the Independent Advisory Committee is unable to attend the meeting or there are other unavoidable circumstances, the resolutions shall be made by a majority of the members of the Independent Advisory Committee present at the meeting with the attendance of all members of the Independent Advisory Committee except for the member in question.
7. The Independent Advisory Committee shall deliberate and pass resolutions on the matters described in each of the following items, and recommend the details of such resolutions to Yorozu's Board of Directors with reasons therefor. Provided, however, that the Independent Advisory Committee may, if necessary, make recommendations to the Board of Directors on matters other than those consulted by the Board of Directors in connection with the Plan.
 - (1) Whether or not countermeasures under the Plan should be implemented
 - (2) Confirming shareholders' intent before implementation of countermeasures under the Plan
 - (3) Suspension of implementation of countermeasures pertaining to the Plan
 - (4) Abolishment of and changes in the Plan
 - (5) Other matters that Yorozu's Board of Directors voluntarily consults with the Independent Advisory Committee in connection with the PlanThe Independent Advisory Committee shall be required to deliberate and resolve matters from the viewpoint of whether or not it will contribute to securing and improving Yorozu's corporate value and its shareholders' common interests, and shall not have the purpose of pursuing personal interests of its own or Yorozu's management.
8. The Independent Advisory Committee may, as necessary, invite any of the Directors or employees of Yorozu, or any other person it deems necessary, to seek their opinions or explanations.
9. The Independent Advisory Committee may, in performing its duties, obtain the advice of experts (financial advisors, attorneys, certified public accountants, etc.) who are in a third-party position independent of Yorozu's Board of Directors. All expenses incurred to get advice shall be borne by Yorozu, except for exceptional cases which are specifically deemed unreasonable.

(Exhibit 4)

Names and Profiles of Independent Advisory Committee Members

| Name (DOB) | Brief personal history | |
|-------------------------------------|---|--|
| Masashi Oshita (May 8, 1956) | April 1981 | Entered the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry) |
| | July 2009 | Director General for the Japan External Trade Organization, JETRO Paris |
| | April 2012 | Director General of National Institute of Public Administration, National Personnel Authority |
| | June 2014 | Director General of Human Resources Bureau, National Personnel Authority |
| | March 2016 | Retired from the Ministry of Economy, Trade and Industry |
| | June 2016 | Vice Chairman and Executive Managing Director of Japan Auto Parts Industries Association (present post) |
| | June 2018 | Outside Director of the Company (present post) |
| | December 2022 | Chairperson, Japan Auto Parts Corporate Pension Fund (present post) |
| | May 2024 | Chairperson, Japan Auto Parts Industries Health Insurance Association (present post) |
| Chiaki Tsuji (April 29, 1953) | April 1979 | Registered with Tokyo Bar Association as attorney |
| | April 1979 | Joined Yamamoto Eisoku Law Office |
| | October 1990 | Lawyer's license (Japanese law) in Germany |
| | October 1990 | Partner of Peter & Beyer Law Office (Germany) |
| | July 2001 | Partner lawyer of YOSHIOKA TSUJI LAW OFFICE |
| | April 2004 | Professor at the Graduate School of Law, Yamanashi Gakuin University |
| | June 2017 | Outside Director of the Company (a member of the Audit & Supervisory Committee) (present post) |
| | July 2019 | Partner lawyer of Kinorr Tokyo Law Office (present post) |
| | June 2021 | Outside Director of Takara Leben Co., Ltd. (currently MIRARTH HOLDINGS, Inc.) (present post) |
| June 2022 | External Audit & Supervisory Board Member of Moriroku Holdings Co., Ltd. (present post) | |
| Chieko Ogawa (February 14, 1963) | April 2005 | Registered as certified public accountant |
| | February 2006 | Joined Nihombashi Corporation Japan (auditing firm) |
| | July 2010 | Joined Resources Global Professionals Japan K.K. |
| | September 2010 | Registered as US CPA (registered in Washington State) |
| | February 2014 | Registered as tax accountant |
| | March 2014 | Opened Ogawa Accounting Office (present post) |
| | June 2017 | Outside Director of the Company (a member of the Audit & Supervisory Committee) (present post) |
| June 2023 | Outside Audit & Supervisory Board Member of Seven Bank, Ltd. (present post) | |

*1. There is a business relationship between the Japan Auto Parts Industries Association, to which Mr. Masashi Oshita belongs, and to which Yorozu pays a membership fee, but Yorozu judges that this transaction amount will not affect his independence, as the ratios of the transaction amount to the Company's sales and that to the Association's ordinary income in the most recent fiscal year are both less than 0.1%. There is no special interest between the Japan Auto Parts Corporate Pension Fund and Japan Auto Parts Industries Health Insurance Association and Yorozu. Other than that, there was no transfer of money other than remuneration as a member of the Independent Advisory Committee (however, remuneration as Outside Director is excluded).

2. There is no transfer of money between Yorozu and Ms. Chiaki Tsuji, Ms. Chieko Ogawa or the organizations to which they belong, except for compensation as a member of the Independent Advisory Committee (however, remuneration as Outside Director is excluded).

(Exhibit 5)

Outline of Procedure for Exercising Share Subscription Rights without Contribution

1. Target shareholders

One (1) Share Subscription Right will be allocated without contribution for one (1) share owned by the shareholders who are listed or recorded on the final shareholders list on the record date separately designated by Yorozu's Board of Directors (excluding Yorozu's common shares owned by Yorozu).

2. Number of shares to be granted upon the exercise of Share Subscription Rights

The class of the shares to be delivered upon the exercise of Share Subscription Rights will be Yorozu's common shares, and the number of the common shares to be granted by exercising the Share Subscription Rights will be one (1).

3. Effective date of Share Subscription Rights without Contribution

The effective date will be designated separately at Yorozu's Board of Directors.

4. Amount of assets contributed upon exercise of Share Subscription Rights

The objective of investment upon the exercise of Share Subscription Rights will be money, and the value of one (1) common share of Yorozu, which is the asset to be invested upon the exercise of share subscription rights, will be one (1) yen.

5. Restrictions on transfer of Share Subscription Rights

Any acquisition by transfer of Share Subscription Rights shall require approval of Yorozu's Board of Directors.

6. Conditions for exercise of Share Subscription Rights

The terms and conditions for the exercise of Share Subscription Rights shall be determined separately by Yorozu's Board of Directors (it may also attach exercise conditions that take into account the effect as a countermeasure against a Large-Scale Purchase, such as exercise conditions that the exercise of rights by a Large-Scale Purchaser, certain persons determined by Yorozu's Board of Directors in accordance with the prescribed procedures based on the recommendations of the Independent Advisory Committee, Joint-Holders and Persons in a Special Relationship with such persons, as well as persons who are recognized by the Board of Directors based on the recommendations of the Independent Advisory Committee as persons who substantially control these persons or act jointly or in concert with them (hereinafter referred to as "Persons Falling under Exceptions") will not be permitted.)

7. Acquisition of Share Subscription Rights by Yorozu

The following acquisition provisions may be attached in consideration of the effectiveness as countermeasures against Large-Scale Purchases, such as [1] acquisition provisions that Yorozu can acquire all of the Share Subscription Rights or the rights only owned by those other than Persons Falling under Exceptions, and [2] acquisition provisions that while Yorozu will acquire the Share Subscription Rights held by shareholders other than Persons Falling under Exceptions in exchange for Yorozu's common shares, Yorozu will acquire the Share Subscription Rights held by Persons Falling under Exceptions in exchange for other Share Subscription Rights subject to certain exercise conditions (for instance, exercise conditions that when a Large-Scale Purchaser disposes of shares, such Purchaser can exercise Share Subscription Rights subject to the shareholding ratio after the exercise of 20% of less) or acquisition provisions, in accordance with the decisions of Yorozu's Board of Directors, subject to either the arrival of the day when Large-Scale Purchasers violate the Large-Scale Purchases rules and the occurrence of other certain reasons, or the arrival of the day that Yorozu's Board of Directors has separately specified.

8. Reasons for acquisition of Share Subscription Rights without Contribution (reasons for abolishment of countermeasures)

When any one of the following reasons occurs, Yorozu may acquire all Share Subscription Rights without payment of contribution.

(a) When an acquisition offer by a Large-Scale Purchaser is approved by ordinary resolution at Yorozu's General Meeting of Shareholders to Confirm Their Intent,

(b) When a unanimous decision is reached at the Independent Advisory Committee, and

(c) When Yorozu's Board of Directors decides separately.

9. Exercise period for Share Subscription Rights

The exercise period and other necessary matters for Share Subscription Rights shall be specified separately at Yorozu's Board of Directors in consideration of the effectiveness as countermeasures against Large-Scale Purchases.