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Securities Code: 7482

June 6, 2024

To our shareholders:

Yoshihiko Kasai, CEO
SHIMOJIMA Co., Ltd.
5-29-8, Asakusabashi, Taito-ku, Tokyo

Notice of the 63rd Annual General Meeting of Shareholders

We are pleased to announce the 63rd Annual General Meeting of Shareholders of SHIMOJIMA Co., Ltd., which will be held as indicated below.

Please refer to the information on this convocation in electronic format, which we have disclosed on the following websites. (in Japanese)

- Our corporate website:
<https://www.shimojima.co.jp/ir/stock/convocation.html>
- The website of Tokyo Stock Exchange (Listed Company Search)*:
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

* For the Listed Company Search, please enter the issue name (company name) “SHIMOJIMA” or the Company’s securities code “7482,” click “Search,” click “Basic information” and select “Documents for public inspection/PR information.”

And please exercise your voting rights in one of the following ways.

- 1) Postal mail: please send the voting rights exercise form so that it can reach us before the deadline, which is 5:30 p.m. on Tuesday, June 25, 2024 (JST).
- 2) Online access: please scan the QR code on the voting rights exercise form, or access to the website for voting (<https://evote.tr.mufg.jp>), and follow the instructions on the screen. The voting must be completed before the deadline shown in 1).
- 3) By attending the meeting at the venue on schedule shown below.

1. **Date and Time:** Wednesday, June 26, 2024 at 10:00 a.m. (JST)
2. **Venue:** Room 0, 3rd Floor Conference, Hulic Asakusabashi Building
1-22-16, Asakusabashi, Taito-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported

1. The Business Report and the Consolidated Financial Statements for the 63rd fiscal year (from April 1, 2023 to March 31, 2024), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 63rd fiscal year (from April 1, 2023 to March 31, 2024)

Matters to be resolved

- | | |
|-----------------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Nine Directors |
| Proposal No. 3 | Election of One Audit & Supervisory Board Member |
| Proposal No. 4 | Election of One Substitute Audit & Supervisory Board Member |

- We have no plans for handing out souvenirs at the venue. Thank you for your understanding.
- We will upload any revision or amendment to relevant information, if needed, on the same websites as shown above.
- We ask for your kind understanding on arranging the shipment of paper-based documents on the convocation to all the shareholders with voting rights, including the ones who have not made a prior request to such paper version. We have excluded the following documents from the paper version in accordance with the Japanese Companies Act and Article 16, paragraph 2 of our Articles of Incorporation, but they are available on our corporate website and the website of Tokyo Stock Exchange mentioned above (in Japanese). Our Audit & Supervisory Board members and our external auditor have audited both beforehand.

1. Notes to Consolidated Financial Statements

2. Notes to Non-consolidated Financial Statements

- We will keep you posted on any changes of the operation of the meeting on the same websites.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

As our basic dividend policy, we decided to strive to pay dividends using a payout ratio of at least 50%, while securing internal reserves necessary for future business development and reinforcement of our management base.

The Company proposes the appropriation of surplus as follows:

1. Year-end dividend

Based on our business performance of the fiscal year and our business outlook, we propose to pay year-end dividends as follows:

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and its aggregate amount

We propose to pay a dividend of ¥40 per common share of the Company.

In this event, the total dividends will be ¥933,561,640.

As we have paid an interim dividend of ¥11 per share on December 4, 2023, the annual dividend for the fiscal year will be ¥51 per share.

(3) Effective date of dividends of surplus

The effective date of dividends will be June 27, 2024.

2. Other appropriation of surplus

Regarding other appropriation of surplus, we propose to increase the general reserve by ¥100,000,000 and decrease the retained earnings brought forward by ¥100,000,000, for the reinforcement of our management base and our future development.

(1) Item of surplus to be increased and amount of increase

General reserve: ¥100,000,000

(2) Item of surplus to be decreased and amount of decrease

Retained earnings brought forward: ¥100,000,000

Proposal No. 2 Election of Nine Directors

At the conclusion of this meeting, the terms of office of our nine Directors will expire. Therefore, we propose the election of nine Directors, including three outside Directors.

When nominating a candidate for Director, our Board of Directors considers not only the legal requirements and our internal control policies, but also the candidate's personality and business insight. In addition, our Board considers the achievements and capabilities of each candidate while allocating duties and responsibilities to optimize the functional balance of our Board.

The candidates for Director are as follows:

Candidate No.	Name	Current position and responsibility	Attribute	Attendance at Board of Directors meetings
1	Yoshihiko Kasai	CEO	Reelection	14/14 (100%)
2	Masayuki Shimojima	Representative Senior Managing Director, Senior Executive Officer and General Manager of Administration Division	Reelection	14/14 (100%)
3	Hitoshi Onodera	Managing Director, Senior Executive Officer and General Manager of Corporate Planning Division	Reelection	14/14 (100%)
4	Toshiharu Kawahara	Managing Director, Senior Executive Officer and General Manager of Sales Management Division	Reelection	14/14 (100%)
5	Manabu Onuki	Director, Senior Executive Officer and General Manager of Product Division	Reelection	14/14 (100%)
6	Shoichi Watanabe	Executive Officer and Deputy General Manager of Sales Management Division	New election	–
7	Tsutomu Umeno	Outside Director	Reelection Outside Independent	14/14 (100%)
8	Takeyuki Iwasaki	Outside Director	Reelection Outside Independent	14/14 (100%)
9	Chihiro Kanai	Outside Director	Reelection Outside Independent	14/14 (100%)

Reelection: Candidate for Director to be reelected

New election: Candidate for Director to be newly elected

Outside: Candidate for outside Director

Independent: Independent officer as defined by the securities exchange, etc.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p style="text-align: center;">Yoshihiko Kasai (January 21, 1959)</p> <p style="text-align: center;">Reelection</p>	<p>Apr. 1981 Joined SHIMOJIMA Co., Ltd.</p> <p>Mar. 2007 General Manager of West Japan Sales Department</p> <p>Feb. 2008 Representative Director and President of a Company's subsidiary, Sanwa Co., Ltd.</p> <p>May 2012 Deputy General Manager of Sales Division and General Manager of West Japan Sales Department of the Company</p> <p>June 2012 Director and Deputy General Manager of Sales Division</p> <p>June 2014 Executive Officer and Deputy General Manager of Sales Division</p> <p>June 2015 Executive Officer and General Manager of Sales Division</p> <p>June 2016 Director, Senior Executive Officer and General Manager of Sales Division</p> <p>Aug. 2017 Director, Managing Executive Officer, General Manager of Sales Management Division, and General Manager of Sales Division</p> <p>June 2018 Senior Managing Director, Senior Executive Officer, General Manager of Sales Management Division, and General Manager of Sales Division</p> <p>June 2019 Representative Senior Managing Director, Senior Executive Officer, General Manager of Sales Management Division, and General Manager of Sales Division</p> <p>Apr. 2021 CEO (current position)</p>	28,409 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>The candidate is well-versed in sales and marketing, and has plenty of experience and strategic insight cultivated through the management of both our headquarters and our subsidiary. We believe that we need his contribution to the improvement of the efficiency and effectiveness of decision-making and monitoring in our Board of Directors.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Masayuki Shimojima (October 14, 1955) Reelection	<p>Apr. 1978 Joined The Sanwa Bank, Limited</p> <p>Jan. 2005 Joined SHIMOJIMA Co., Ltd.</p> <p>Apr. 2009 General Manager of Corporate Management Department</p> <p>Dec. 2011 General Manager of Finance Department</p> <p>June 2014 Executive Officer and Deputy General Manager of Administration Division</p> <p>Apr. 2015 Executive Officer, Deputy General Manager of Administration Division and General Manager of Corporate Management Department</p> <p>June 2016 Director, Senior Executive Officer, General Manager of Administration Division and General Manager of Human Resources Department</p> <p>June 2018 Managing Director, Senior Executive Officer, General Manager of Administration Division and General Manager of Human Resources Department</p> <p>June 2022 Representative Senior Managing Director, Senior Executive Officer and General Manager of Administration Division (current position)</p>	182,052 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>The candidate has a wealth of experience regarding finance, corporate management and managing a subsidiary, and has experience in international business. To improve the appropriateness of the decision-making and supervision of the Board of Directors, we have nominated him again as a candidate for Director.</p>			
3	Hitoshi Onodera (June 18, 1960) Reelection	<p>Apr. 1983 Joined SHIMOJIMA Trading Co., Ltd.</p> <p>Apr. 2005 General Manager of Corporate Planning Office of the Company</p> <p>June 2014 Executive Officer and General Manager of Corporate Planning Office</p> <p>June 2016 Director, Senior Executive Officer and General Manager of Corporate Planning Office</p> <p>Apr. 2018 Director, Senior Executive Officer, and General Manager of Product Administrative Division</p> <p>Oct. 2018 Director, Senior Executive Officer, General Manager of Product Administrative Division, and General Manager of SCM Department</p> <p>June 2022 Managing Director, Senior Executive Officer and General Manager of Corporate Planning Division (current position)</p>	14,332 shares
<p>[Significant concurrent positions outside the Company]</p> <p>Representative Director and Chairman of SHIMOJIMA Processed Paper Co., Ltd.</p> <p>[Reasons for nomination as a candidate for Director]</p> <p>The candidate has a wealth of experience in corporate planning, and is well-versed in budget control, listing-related legislation and matters related to IR, etc. In addition, he has experience managing a subsidiary, and is well-acquainted with matters related to logistics and information technology. To improve the decision-making function and monitoring function of the Board of Directors, we have nominated him again as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Toshiharu Kawahara (October 26, 1960) Reelection	<p>Apr. 1983 Joined SHIMOJIMA Trading Co., Ltd.</p> <p>Apr. 2009 General Manager of Sales Management Office of the Company</p> <p>Dec. 2011 General Manager of East Japan Sales Department</p> <p>Apr. 2014 Assistant to General Manager of Sales Division</p> <p>June 2016 Executive Officer, Deputy General Manager of Sales Division and General Manager of Fifth Sales Department</p> <p>Apr. 2017 Executive Officer, Deputy General Manager of Sales Division and General Manager of First Sales Department</p> <p>Feb. 2018 Executive Officer and General Manager of Marketing Division</p> <p>June 2018 Director, Senior Executive Officer and General Manager of Marketing Division</p> <p>Apr. 2021 Director, Senior Executive Officer, and General Manager of Sales Management Division</p> <p>June 2022 Managing Director, Senior Executive Officer and General Manager of Sales Management Division (current position)</p>	16,648 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>The candidate has a wealth of experience in sales and managing stores at the Company, and is also well-acquainted with credit and other risk management, internal control, etc. To improve the decision-making function and monitoring function of the Board of Directors, we have nominated him again as a candidate for Director.</p>			
5	Manabu Onuki (July 20, 1965) Reelection	<p>Apr. 1988 Joined SHIMOJIMA Trading Co., Ltd.</p> <p>June 2003 General Manager of Saitama Sales Office</p> <p>Nov. 2011 General Manager of Business Model Development Department</p> <p>June 2018 Executive Officer, Deputy General Manager of Sales Division and General Manager of Second Sales Department</p> <p>Apr. 2020 Executive Officer and Deputy General Manager of Product Division</p> <p>June 2020 Executive Officer and General Manager of Product Division</p> <p>Mar. 2021 General Manager of Quality Control Department</p> <p>June 2022 Director, Senior Executive Officer and General Manager of Product Division (current position)</p>	8,212 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>The candidate has a wealth of experience in sales and product procurement at the Company, and is well versed in our overall business including business processes, product portfolio, and business development. To improve the decision-making function and monitoring function of the Board of Directors, we have nominated him again as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Shoichi Watanabe (July 22, 1969) New election	<p>Mar. 1993 Joined SHIMOJIMA Co., Ltd.</p> <p>Apr. 2014 General Manager of Takamatsu Sales Office</p> <p>Apr. 2017 General Manager of Fukuoka Sales Office</p> <p>Jan. 2019 General Manager of Third Sales Department</p> <p>Apr. 2020 Deputy General Manager of Sales Management Division</p> <p>June 2020 Executive Officer and Deputy General Manager of Sales Management Division (current position)</p> <p>Apr. 2021 Representative Director of a Company's subsidiary, Mitachi Package Co., Ltd. (current position)</p>	6,700 shares
<p>[Significant concurrent positions outside the Company] Representative Director and President of Mitachi Package Co., Ltd.</p> <p>[Reasons for nomination as a candidate for Director] The candidate has a wealth of experience in sales at the Company, and is also well versed in sales promotion at the Company and new industry trends such as environmentally friendly products and services. To improve the decision-making function and monitoring function of the Board of Directors, we have nominated him as a new candidate for Director.</p>			
7	Tsutomu Umeno (March 6, 1951) Reelection Outside Independent	<p>Sept. 1976 Joined Honda Motor Co., Ltd.</p> <p>Sept. 1995 Managing Director and CEO of Honda Australia Pty., Ltd.</p> <p>June 1998 General Manager of East Asia and Oceania Division</p> <p>Apr. 2000 Representative Director of VOLKSWAGEN Group Japan KK</p> <p>July 2001 President and CEO of VOLKSWAGEN Group Japan KK and Executive Management Member of Volkswagen AG Group</p> <p>May 2005 Chairman of Japan Automobile Importers Association</p> <p>Feb. 2008 Representative Director and Chairman of VOLKSWAGEN Group Japan KK</p> <p>July 2009 Managing Partner of M&C SAATCHI TOKYO</p> <p>June 2010 Outside Director of Mitsui Kinzoku ACT Corporation</p> <p>June 2014 Special Advisor of the Company</p> <p>June 2015 Outside Director (current position)</p> <p>June 2020 Director (Member of Audit & Supervisory Committee) of NIPPO LTD. (current position)</p>	3,699 shares
<p>[Reason for nomination as a candidate for Outside Director and expected roles] The candidate has a wealth of experience as a manager of an automobile company. We believe that he can provide objective opinions and advice on the Company's management to make decisions from the perspective of general shareholders and ensure the effectiveness of the monitoring function of the Board of Directors. Accordingly, we have nominated him again.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	Takeyuki Iwasaki (February 18, 1969) Reelection Outside Independent	<p>Apr. 1991 Joined Funai Consulting Incorporated</p> <p>Apr. 2008 Senior Consultant</p> <p>Apr. 2015 Part-time Lecturer of College of Business at Rikkyo University</p> <p>June 2017 Director of Business Wrapping Association (current position)</p> <p>Apr. 2019 Established Mugamae, Inc. Representative Director and President (current position)</p> <p>Jan. 2020 Director, Audit and Supervisory Committee Member of EARLY AGE CO., LTD. (current position)</p> <p>June 2020 Outside Director of the Company (current position)</p>	3,122 shares
<p>[Significant concurrent positions outside the Company] Representative Director and President of Mugamae, Inc., Director, Audit and Supervisory Committee Member of EARLY AGE CO., LTD.</p> <p>[Reason for nomination as a candidate for Outside Director and expected roles] The candidate has a wealth of knowledge and experience as a management consultant, and provides objective opinions and advice on our management based on that wealth of knowledge and experience. We believe that this can ensure sharing the perspectives of our general shareholders in the course of our decision-making and thus make our monitoring function effective. Accordingly, we have nominated him again.</p>			
9	Chihiro Kanai (July 1, 1961) Reelection Outside Independent	<p>Apr. 1984 Joined Citibank, N.A.</p> <p>Oct. 1990 Joined Chuo Audit Corporation</p> <p>Mar. 1994 Registered as Certified Public Accountant</p> <p>Aug. 2000 Established Chihiro Kanai Certified Public Accountant Office (current position)</p> <p>May 2016 Auditor of Agricultural and Fishery Co-operative Savings Insurance Corporation (current position)</p> <p>Dec. 2019 Auditor of Inose Logistics Service Co., Ltd. (current position)</p> <p>Aug. 2020 Partner of Seirei Audit Corporation (current position)</p> <p>June 2021 Outside Director of the Company (current position)</p> <p>May 2023 Director (Audit and Supervisory Committee Member) of NOMURA Co., Ltd. (current position)</p>	2,139 shares
<p>[Significant concurrent positions outside the Company] Representative of Chihiro Kanai Certified Public Accountant Office, Auditor of Agricultural and Fishery Co-operative Savings Insurance Corporation, Auditor of Inose Logistics Service Co., Ltd., Partner of Seirei Audit Corporation, Director (Member of Audit & Supervisory Committee) of NOMURA Co., Ltd.</p> <p>[Reason for nomination as a candidate for Outside Director and expected roles] The candidate has a wealth of knowledge and experience as a certified public accountant. We expect her to provide objective opinions and advice on our management based on that wealth of knowledge and experience, so that we can make decisions from the perspective of general shareholders and ensure the effectiveness of monitoring function by our Board. Accordingly, we have nominated her again.</p>			

- Notes:
1. There is no special interest between any of the candidates for Director and the Company.
 2. Tsutomu Umeno, Takeyuki Iwasaki, and Chihiro Kanai are candidates for outside Director.
 3. The overview of the limited liability agreement for outside Directors is as follows. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and Article 28 of the Articles of Incorporation, we have entered into an agreement with Tsutomu Umeno, Takeyuki Iwasaki, and Chihiro Kanai to limit their liability for damages pursuant to Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations. We plan to renew these agreements after the approval of their reelection.

4. We have submitted notification to the Tokyo Stock Exchange that Tsutomu Umeno, Takeyuki Iwasaki, and Chihiro Kanai have been designated as independent officers as provided for by Tokyo Stock Exchange, Inc. If they are reelected, we plan for those designations to continue.
5. In addition to the independence standards for outside directors stipulated by Tokyo Stock Exchange, Inc., we have established our own independence standards, taking into account the relationships with the Group, our officers and major shareholders, and Tsutomu Umeno, Takeyuki Iwasaki and Chihiro Kanai satisfy the independence standards.
6. Although Chihiro Kanai has never been involved in the management of businesses in ways other than serving as outside officer, she not only has a wealth of experience as a certified public accountant but also has served us as a tax counsel for many years and is thoroughly familiar with our businesses and management environment. Accordingly, we have confirmed that she will be able to perform duties as outside Director appropriately.
7. At the conclusion of this meeting, the tenure of our outside Directors will have been as follows.
 - Tsutomu Umeno: 9 years
 - Takeyuki Iwasaki: 4 years
 - Chihiro Kanai: 3 years
8. The Company has entered into a directors and officers liability insurance policy pursuant to the provision of Article 430-3, paragraph (1) of the Companies Act to cover loss due to damage claims filed against the insured including our directors (excluding cases of unjust acts, etc. such as illegally gaining benefits or advantages, violations of laws and regulations, insider trading, and gross negligence). If a relevant candidate is elected and assumes office as Director, he or she will be insured in this manner. The insurance policy is scheduled to be renewed on the same terms and conditions at the time of its expiration.

(Reference) Independence of outside Directors

The Company's own independence standards are as follows.

- (1) The candidate is not a person who, as of the date they are scheduled to assume their position or in the past, is or was a person executing business at the Company, its subsidiaries or its associates.
- (2) The candidate is not a person who currently belongs to the Company's subsidiaries or its associates.
- (3) For items (1) and (2) above, ten years or more will have passed since the candidate's retirement as of the date they are scheduled to assume their position.
- (4) The candidate is not a person who, in the three most recent fiscal years, was one of the top ten major shareholders in the Company's shareholder register or belonged to an organization that is a major shareholder.
- (5) The candidate is not a person who currently belongs to a business partner whose business transactions with the Group in the three most recent fiscal years account for 1% or more of the consolidated net sales annually for the Group or the business partner.
- (6) The candidate is not an accounting professional, legal professional, or consulting or advisory agreement partner (in cases where the partner is a corporation or other organization, a person who currently belongs to that organization) who, in the three most recent fiscal years, has received an average of ¥10 million or more annually in monetary consideration or other economic benefits from the Company besides officer remuneration, etc.
- (7) The candidate is not a person who belongs to a non-profit organization that has received donations from the Group in the three most recent fiscal years accounting for 1% or more of its annual average total income.
- (8) For items (4), (5), (6) and (7) above, if the candidate belonged to an organization, business partner, etc., five years or more will have passed since the candidate's retirement as of the date they are scheduled to assume their position.
- (9) The candidate is not the spouse or a relative within the third degree of kinship, etc. of a person executing business at the Company or a specified affiliated business operator for the Company.

Skills Matrix Items

Name	1	2	3	4	5	6	7	8	9	10
	Corporate Management (Leadership)	Sales Marketing	International Strategy	Legal Affairs Risk Management	Finance Accounting M&A	Labor Affairs Human Resources Talent Development	DX (IT)	SCM (Logistics)	R&D Product Development	ESG Sustainability
Yoshihiko Kasai	●	●	●						●	●
Masayuki Shimojima	●			●	●	●				●
Hitoshi Onodera	●				●		●	●		●
Toshiharu Kawahara	●	●					●		●	●
Manabu Onuki	●	●	●						●	●
Shoichi Watanabe	●	●						●	●	●
Tsutomu Umeno	●	●	●						●	●
Takeyuki Iwasaki	●	●					●		●	●
Chihiro Kanai	●			●	●			●		●

* Note: Of the skills possessed by each Director, five skills that he or she is particularly knowledgeable or experienced are marked with "●." "●" does not represent all the skills that each Director possesses.

Proposal No. 3 Election of One Audit & Supervisory Board Member

We propose the election of one Audit & Supervisory Board Member, as Audit & Supervisory Board Member Mr. Mineo Enomoto is to resign at the end of this meeting. For this proposal, the Audit & Supervisory Board has already given its consent.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, position, and significant concurrent positions outside the Company	Number of the Company's shares owned
Takao Karasawa (September 29, 1959) New election Outside Independent	Apr. 1990 Registered as an attorney (Daini Tokyo Bar Association) Apr. 1990 Joined Kaneko & Iwamatsu July 2004 Securities Inspector of Kanto Local Finance Bureau, Ministry of Finance Mar. 2006 Returned to Kaneko & Iwamatsu (current position) June 2010 Statutory Auditor of New Real Property Corporation	– shares
[Reasons for nomination as a candidate for outside Audit & Supervisory Board Member] We request his election as outside Audit & Supervisory Board Member, because we expect that he will bring his advanced expert knowledge of corporate legal affairs so as to ensure the function of our audit system.		

New election: Candidate for outside Audit & Supervisory Board Member to be newly elected

Outside: Candidate for outside Audit & Supervisory Board Member

Independent: Independent officer as defined by the securities exchange, etc.

- Notes:
1. There is no special interest between Takao Karasawa and the Company.
 2. Takao Karasawa is a candidate for outside Audit & Supervisory Board Member.
 3. Reasons for our judgment of his capability to perform duties as outside Audit & Supervisory Board Member are that, although Takao Karasawa has never been involved in the management of businesses in ways other than serving as outside officer, he not only has a wealth of experience as an attorney but also is well versed in corporate legal affairs. Accordingly, we have decided that he will be able to perform duties as outside Audit & Supervisory Board Member.
 4. The Company has entered into a directors and officers liability insurance policy pursuant to the provision of Article 430-3, paragraph (1) of the Companies Act to cover loss due to damage claims filed against the insured including the Company's Audit & Supervisory Board Members (excluding cases of unjust acts, etc. such as illegally gaining benefits or advantages, violations of laws and regulations, insider trading, and gross negligence). If the candidate is elected and assumes office as Audit & Supervisory Board Member, he will be insured in this manner. The insurance policy is scheduled to be renewed on the same terms and conditions at the time of its expiration.
 5. When Takao Karasawa is elected as Audit & Supervisory Board Member, we will plan to enter into an agreement with him to limit his liability for damages pursuant to Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and Article 35 of the Articles of Incorporation. The maximum amount of liability for damages under this agreement will be the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.
 6. If Takao Karasawa is elected as proposed, we plan for his designation as independent officer as provided for by Tokyo Stock Exchange, Inc.

Proposal No. 4 Election of One Substitute Audit & Supervisory Board Member

We propose the election of one substitute Audit & Supervisory Board Member to prepare for cases in which the number of Audit & Supervisory Board Members falls below that stipulated in laws and regulations. Our Audit & Supervisory Board has already given its consent for this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
<p style="text-align: center;">Satoshi Matsui (September 24, 1984)</p> <p style="text-align: center;">Outside Independent</p>	<p>Dec. 2011 Registered with a bar association (Tokyo Bar Association)</p> <p>Jan. 2012 Joined Mineo Enomoto Law Office</p> <p>Sept. 2017 Registered as Small and Medium-sized Enterprise Consultant</p> <p>May 2019 Partner of Enomoto and Matsui Law Office (current position)</p> <p>May 2023 Director (Audit & Supervisory Committee Member) of Newtech Co., Ltd. (current position)</p>	<p>– shares</p>
<p>[Significant concurrent positions outside the Company] Director (Member of Audit & Supervisory Committee) of Newtech Co., Ltd. [Reasons for nomination as a candidate for outside Audit & Supervisory Board Member] We request his election as substitute outside Audit & Supervisory Board Member, because we will need him to bring his advanced expert knowledge of corporate legal affairs so as to ensure the function of our audit system when we do not have a sufficient number of incumbent members in our Audit & Supervisory Board.</p>		

Outside: Candidate for substitute outside Audit & Supervisory Board Member

Independent: Independent officer as defined by the securities exchange, etc.

- Notes:
1. There is no special interest between Satoshi Matsui and the Company.
 2. Satoshi Matsui is a candidate for substitute outside Audit & Supervisory Board Member.
 3. Although Satoshi Matsui has never been involved in the management of businesses in ways other than serving as outside officer, he not only has a wealth of experience as an attorney but also is well versed in corporate legal affairs. Accordingly, we have judged that he will be able to perform duties as outside Audit & Supervisory Board Member appropriately.
 4. If Satoshi Matsui assumes office as outside Audit & Supervisory Board Member, we plan to enter into an agreement with him to limit his liability for damages pursuant to Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and Article 35 of our Articles of Incorporation. The maximum amount of liability for damages under this agreement will be the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.
 5. We have entered into a directors and officers liability insurance policy pursuant to the provision of Article 430-3, paragraph (1) of the Companies Act to cover loss due to damage claims filed against the insured including the Company's Audit & Supervisory Board Members (excluding cases of unjust acts, etc. such as illegally gaining benefits or advantages, violations of laws and regulations, insider trading, and gross negligence). If a relevant candidate is elected as substitute Audit & Supervisory Board Member and assumes office as Audit & Supervisory Board Member, he will be insured in this manner. The insurance policy is scheduled to be renewed on the same terms and conditions at the time of its expiration.