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(Securities Code 7256)

June 12, 2024

To Shareholders with Voting Rights

HANYA Katsuji
Representative Director, President
KASAI KOGYO CO., LTD.
3316 Miyayama, Samukawa-machi,
Koza-gun, Kanagawa Pref., Japan

NOTICE OF THE 93RD ORDINARY GENERAL SHAREHOLDERS' MEETING

We would like to express our appreciation for your continued support and patronage.

Please be informed that the 93rd Ordinary General Shareholders' Meeting of KASAI KOGYO CO., LTD. (the "Company") will be held as described below.

In convening this General Shareholders' Meeting, the Company has taken measures for electronic provision of materials. Matters subject to measures for electronic provision are posted on the following website.

The Company's website:

<https://www.kasai.co.jp/ir/library/shareholders/> (Available in Japanese)

In addition to the Company's website, matters subject to measures for electronic provision are also posted on the website of Tokyo Stock Exchange, Inc. Please access the website below, search for the Company either by entering the Company name (KASAI KOGYO) or securities code (7256), and select "Basic information," followed by "Documents for public inspection/PR information" in order to view the information posted on the Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting page.

Tokyo Stock Exchange Inc. website:

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

We would like to ask our shareholders to exercise your voting rights in advance via the Internet or in writing if you are unable to attend this General Shareholders' Meeting in person.

If you exercise your voting rights in advance, please do so no later than 5:00 p.m. on Wednesday, June 26, 2024.

- 1. Date and Time:** Thursday, June 27, 2024 at 10:00 a.m.
2. Place: Meeting room at the headquarters of KASAI KOGYO CO., LTD.
3316 Miyayama, Samukawa-machi, Koza-gun, Kanagawa Pref., Japan

3. Agenda of the Meeting:

- Matters to be reported:**
1. The Business Report and the Non-consolidated Financial Statements for the 93rd fiscal term (from April 1, 2023 to March 31, 2024)
 2. The Consolidated Financial Statements and the audit results of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee for the 93rd fiscal term (from April 1, 2023 to March 31, 2024)

These matters to be reported will not be reported at this Ordinary General Shareholders' Meeting, but instead will be reported at an adjourned meeting. Please refer to "Holding of Adjourned Meeting of the 93rd Ordinary General Shareholders' Meeting" presented on page 3.

Proposals to be resolved:

Proposal 1: Partial Amendments to the Articles of Incorporation (1) (hereinafter, "Amendments to the Articles of Incorporation (1)")
Subject to approval of the proposal related to capital increase through third-party allotment, the Articles of Incorporation shall be partially amended with regard to the establishment of new provisions related to Class A Preferred Shares, etc. and an increase in the total number of shares authorized to be issued.

Proposal 2: Issuance of Class A Preferred Shares through Third-party Allotment

Proposal 3: Partial Amendments to the Articles of Incorporation (2) (hereinafter, "Amendments to the Articles of Incorporation (2)")

In preparation for the future issuance of the Company's common shares through the exercise of acquisition request rights granted for Class A Preferred Shares with the Company's common shares as consideration, the Articles of Incorporation shall be partially amended at this Ordinary General Meeting of Shareholders following Amendments to the Articles of Incorporation (1) regarding an increase in the total number of shares authorized to be issued and other matters (Note: a reduction in the maximum number of Directors), provided that Amendments to the Articles of Incorporation (1) and payments related to a capital increase through third-party allotment are implemented.

Proposal 4: Election of Six (6) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

Proposal 5: Election of Three (3) Directors Serving as Audit & Supervisory Committee Members

Proposal 6: Election of Two (2) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

Proposal 7: Election of One (1) Substitute Director Serving as Audit & Supervisory Committee Member

These proposals to be resolved will be brought up as agenda at this Ordinary General Shareholders' Meeting for shareholders' approval and resolution.

Note:

- Should any revisions be made to the matters subject to measures for electronic provision, details of the revisions will be posted on each of the designated websites.

Holding of Adjourned Meeting of the 93rd Ordinary General Shareholders' Meeting

As part of the Agenda of the Meeting for the 93rd Ordinary General Shareholders' Meeting to be held on June 27, 2024 (hereinafter, "this Meeting"), the Company was scheduled to report to shareholders at this Meeting on Matters to be reported "The Business Report and the Non-consolidated Financial Statements for the 93rd fiscal term (from April 1, 2023 to March 31, 2024)" and "The Consolidated Financial Statements and the audit results of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee for the 93rd fiscal term (from April 1, 2023 to March 31, 2024)" (hereinafter, collectively referred to as "Matters to be Reported at the 93rd Meeting").

However, as stated in "Notice concerning Postponement of Earnings Announcement for the Fiscal Year Ended March 31, 2024" (available in Japanese) put to timely disclosure on May 15, 2024, the Company found out that KASAI MEXICANA S.A. DE C. V., a consolidated subsidiary of the Company, had adopted incorrect calculation methods for converting exchange rates (peso against dollar). As correction work became necessary, the account settlement procedures for the fiscal year ended March 31, 2024 are incomplete at this time. Given this situation and as a result of consultation with the Accounting Auditor, the Company decided to correct accounting documents for past fiscal years, upon calculating and verifying the amounts of impact on each quarterly consolidated financial statement prior to the previous fiscal year, taking into consideration other errors that had been detected in accounting for past fiscal years (discrepancies in the recording of accounts receivable – trade, deferred tax assets, depreciation of non-current assets, etc.). Accordingly, as significant time is expected to be necessary for the ongoing account settlement procedures and audit procedures performed by the Accounting Auditor, among others, the Company judged that it is unable to report on the Matters to be Reported at the 93rd Meeting at this Meeting.

That being the case, at this Meeting, the Company seeks the approval of its shareholders to convene a separate adjourned meeting of this Meeting (hereinafter, "the Adjourned Meeting"), and to report at the Adjourned Meeting the Matters to be Reported at the 93rd Meeting, as well as approval to entrust the determination of the date and time and place of the Adjourned Meeting to the Board of Directors (hereinafter, "the Proposal"). If the Proposal is approved at this Meeting, the Company intends to send the notice of convocation of the Adjourned Meeting to shareholders to hold the Adjourned Meeting.

Because the Adjourned Meeting will be part of this Meeting, the shareholders who can attend the Adjourned Meeting will be the same shareholders who can exercise their voting rights at this Meeting.

Reference Documents for the General Shareholders' Meeting

Proposals and References

Proposal 1: Partial Amendments to the Articles of Incorporation (1)

1. Reason for the amendments

The issuance of Class A Preferred Shares (as defined in Proposal 2; hereinafter the same shall apply) related to “Proposal 2: Issuance of Class A Preferred Shares through Third-party Allotment” shall be enabled; therefore the Company proposes the addition of Class A Preferred Shares as a new class share; the establishment of new provisions in the Articles of Incorporation regarding Class A Preferred Shares; and amendments to the total number of shares authorized to be issued and the total number of class shares authorized to be issued.

For details on the reasons for issuing Class A Preferred Shares, please refer to “Proposal 2: Issuance of Class A Preferred Shares through Third-party Allotment.”

These partial amendments to the Articles of Incorporation are subject to the approval and adoption of “Proposal 2: Issuance of Class A Preferred Shares through Third-party Allotment” as originally proposed.

2. Details of the amendments

The details of the amendments are as follows.

(The amended sections are underlined.)

Current Articles of Incorporation	Proposed Amendments
Chapter I General Provisions	Chapter I General Provisions
Articles 1 – 4 (Omitted)	Articles 1 – 4 (Unchanged)
(Total Number of Shares Authorized to be Issued)	(Total Number of Shares Authorized to be Issued <u>and Total Number of Class Shares Authorized to be Issued</u>)
Article 5 The total number of shares authorized to be issued by the Company shall be <u>one hundred and twenty seven million and six hundred and ninety five thousand (127,695,000)</u> shares.	Article 5 The total number of shares authorized to be issued by the Company shall be <u>one hundred and fifty eight million, forty six thousand and nine hundred and twelve (158,046,912)</u> shares, <u>and the total number of class shares authorized to be issued in each share class shall be as follows:</u> <u>Common shares: 158,046,912 shares</u> <u>Class A Preferred Shares: 5,827,274 shares.</u>
(Number of Shares Constituting One Unit)	(Number of Shares Constituting One Unit)
Article 6 The number of shares constituting one unit shall be one hundred (100) shares.	Article 6 The number of shares constituting one unit <u>of common stock and Class A Preferred Stock of the Company</u> shall be one hundred (100) shares.
Article 7 to Article 11 (Omitted)	Article 7 to Article 11 (Unchanged)

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p> <p>(Newly established)</p>	<p><u>Chapter II-2 Class A Preferred Shares</u></p> <p><u>(Dividends from Surplus)</u></p> <p><u>Article 11-2 (Class A Preferred Dividends)</u></p> <p><u>When distributing dividends from surplus with a date that falls within a certain business year as the record date, the Company shall distribute cash dividends from surplus to shareholders holding Class A Preferred Shares (hereinafter, "Class A Shareholders") or registered share pledges who hold pledges over Class A Preferred Shares (hereinafter, together with Class A Preferred Shareholders, referred to as "Class A Preferred Shareholders, etc.") who are entered or recorded in the final shareholder register on the record date for dividends from surplus (hereinafter, "Dividend Record Date") in the amount prescribed in Paragraph 2 of this Article for each Class A Preferred Share (hereinafter, the amount of cash paid per Class A Preferred Share shall be referred to as "Class A Preferred Dividends") in the order of payment prescribed in Article 11-9, Paragraph 1. If a fraction of less than one (1) yen arises in the amount obtained by multiplying the Class A Preferred Dividend by the number of Class A Preferred Shares for which each Class A Preferred Shareholder, etc. holds the rights, such fraction shall be rounded down.</u></p> <p><u>2. (Amount of Class A Preferred Dividends)</u></p> <p><u>(1) The amount of Class A Preferred</u></p> <p><u>Dividends shall be the amount obtained by dividing 6,000,000,000 yen by 5,827,274 (if adjusted pursuant to (3) and (4) of this Paragraph, referred to as the adjusted amount; hereinafter, "the Amount Equivalent to the Payment Amount") and multiplying it by an annual rate of 7.0% from the first day of the business year in which the Dividend Record Date falls (however, if the Dividend Record Date falls within the business year ending March 31, 2025, the date on which the payment was made for Class A Preferred Shares) (including that day) until the</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>Dividend Record Date (including that day), calculating the actual number of days in the period on a daily basis assuming that one year is 365 days (366 days if the relevant business year is a leap year) (perform the division last, calculate to the 5th decimal place, and round off to the 4th decimal place). However, when dividends from surplus are distributed to Class A Preferred Shareholders, etc. during the business year in which the Dividend Record Date falls, with the day prior to the Dividend Record Date as the record date, (excluding dividends in the Amount Equivalent to Class A Cumulative Unpaid Dividends specified in Paragraph 4 of this Article; in addition, even if the amount of Class A Preferred Dividends is calculated pursuant to (2) of this Paragraph, dividends from surplus in the amount of Class A Preferred Dividends calculated pursuant to (1) this Paragraph shall be deemed to have been distributed), the amount of Class A Preferred Dividends related to the Dividend Record Date shall be the amount obtained by deducting the total amount of dividends for each dividend.</u></p>
	<p><u>(2) Notwithstanding (1) of this Paragraph, if the Company acquires Class A Preferred Shares during the period from the day after the Record Date (including that day) until the time the dividends from surplus are distributed, the amount of Class A Preferred Dividends to be paid to each Class A Preferred Shareholder, etc. as dividends from surplus with the Dividend Record Date as the record date shall be the amount obtained by multiplying the amount calculated pursuant to (1) of this Paragraph by the ratio obtained by dividing the number of Class A Preferred Shares held or registered by Class A Preferred Shareholders, etc. immediately prior to the distribution of dividends from surplus by the number of Class A Preferred Shares held or registered by</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>Class A Preferred Shareholders, etc. at the conclusion of the Dividend Record Date.</u></p> <p><u>(3) If the Company issues or disposes of Class A Preferred Shares by granting Class A Shareholders the right of allotment (including gratis allotment of shares; hereinafter, the same shall apply in (3) of this Paragraph), the Amount Equivalent to the Payment Amount shall be adjusted according to the formula below. The “number of outstanding shares of Class A Preferred Shares prior to allotment to Class A Preferred Shareholders,” “the number of Class A Preferred Shares issued by allotment to Class A Preferred Shareholders,” and “the number of outstanding shares of Class A Preferred Shares following allotment to Class A Preferred Shareholders” shall be the number obtained after deducting the number of Class A Preferred Shares held by the Company at the time of said issuance or disposal. When disposing of Class A Preferred Shares held by the Company, the “number of Class A Preferred Shares issued by allotment to Class A Preferred Shareholders” calculated according to the following formula shall refer to “the number of Class A Preferred Shares held by the Company to be disposed of.” If a fraction of less than one (1) yen arises as the result of such adjustment, such fraction shall be rounded down.</u></p> $ \begin{array}{r} \text{Amount} \\ \text{equivalent to} \\ \text{the pre-} \\ \text{the adjusted} \\ \text{payment} \\ \text{amount} \end{array} = \begin{array}{r} \text{Amount} \\ \text{equivalent to} \\ \text{the pre-} \\ \text{adjustment} \\ \text{payment} \\ \text{amount} \end{array} \times \begin{array}{r} \text{Number of} \\ \text{outstanding Class} \\ \text{A Preferred} \\ \text{Shares prior to} \\ \text{allotment to} \\ \text{Class A} \\ \text{Shareholders} \end{array} \div \begin{array}{r} \text{Amount paid per} \\ \text{share upon} \\ \text{allotment to} \\ \text{Class A Preferred} \\ \text{Shareholders} \end{array} \times \begin{array}{r} \text{Number of Class A} \\ \text{Preferred Shares} \\ \text{issued by allotment} \\ \text{to Class A Preferred} \\ \text{Shareholders} \end{array} $ <p style="text-align: center;"><small>Number of outstanding Class A Preferred Shares after allotment to Class A Preferred Shareholders</small></p>
	<p><u>If the amount equivalent to the adjusted payment amount is allotted to Class A Preferred Shareholders, it shall be applied as of the effective date of allotment to Class A Preferred Shareholders (if a Record Date has been specified for allotment to Class A Preferred</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>Shareholders, the day following the Record Date).</u></p> <p><u>In the event of any other circumstance similar to allotment to Class A Preferred Shareholders, the Amount Equivalent to the Payment Amount shall be adjusted appropriately by resolution of the Board of Directors.</u></p>
	<p><u>(4) If the Company conducts a stock split or reverse stock split of the Class A Preferred Shares, the Amount Equivalent to the Payment Amount shall be adjusted according to the formula below. In this formula, “the number of outstanding shares of Class A Preferred Shares prior to the stock split or reverse stock split” shall be the number obtained by deducting the number of Class A Preferred Shares held by the Company prior to said stock split or reverse stock split, and the “the number of outstanding shares of Class A Preferred Shares after the stock split or reverse stock split” shall be the number obtained by deducting the number of Class A Preferred Shares held by the Company at the time following said stock split or reverse stock split. If a fraction of less than one (1) yen arises as the result of such adjustment, such fraction shall be rounded down.</u></p> $ \frac{\text{Amount equivalent to adjusted payment amount}}{\text{Amount equivalent to pre-adjustment payment amount}} = \frac{\text{Amount equivalent to pre-adjustment payment amount}}{\text{Amount equivalent to adjusted payment amount}} \times \frac{\text{Number of outstanding Class A Preferred Shares stock split/reverse stock split}}{\text{Number of outstanding Class A Preferred Shares stock split/reverse stock split}} $ <p><u>The amount equivalent to the adjusted payment amount shall be applied as of the day following the record date of the stock split in the case of a stock split, and on or after the effective date of the reverse stock split in the case of a reverse stock split (if a record date has been specified for said reverse stock split, the day after said record date).</u></p> <p><u>In the event of a circumstance similar to a stock split or reverse stock split, the Amount Equivalent to the Payment Amount shall be adjusted appropriately by resolution of the Board of Directors.</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p data-bbox="901 203 1182 232"><u>3. (Participation Clause)</u></p> <p data-bbox="922 241 1430 786"><u>After the Class A Preferred Dividends and the Amount Equivalent to Class A Cumulative Unpaid Dividends (as specified in Paragraph 4 of this Article) have been distributed to Class A Preferred Shareholders, etc., the Company shall, at the same time as distributing dividends from surplus to Common Shareholders, etc. (as specified in Article 11, Paragraph 9-1), distribute dividends from surplus at the same amount as the amount of dividends from surplus per common share to Class A Preferred Shareholders, etc. for each Class A Preferred Share.</u></p> <p data-bbox="901 882 1171 911"><u>4. (Cumulation Clause)</u></p> <p data-bbox="922 920 1430 2051"><u>If the total amount of dividends from surplus per share distributed to Class A Preferred Shareholders with a record date that falls within a certain business year (excluding dividends in the Amount Equivalent to Class A Cumulative Unpaid Dividends (defined below) cumulated pursuant to Paragraph 4 of this Article with respect to Class A Preferred Dividends related to each business year prior to the relevant business year; even if the amount of Class A Preferred Dividends is calculated pursuant to Paragraph 2, (2) of this Article, dividends from surplus in the amount of Class A Preferred Dividends calculated pursuant to Paragraph 2, (1) of this Article shall be deemed to have been distributed) is less than the amount of Class A Preferred Dividends related to the relevant business year (refers to the amount of Class A Preferred Dividends calculated pursuant to Paragraph 2, (1) of this Article assuming that dividends from surplus are distributed with the last day of the relevant business year as the record date; provided, however, that when making such calculation, the proviso to Paragraph 2, (1) of this Article shall not apply), the unpaid amount shall be cumulated at an annual interest rate of 7.0%,</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>compounded annually, from the first day (including that day) of the business year following the relevant business year to the date (including that day) of the actual payment. The calculation shall be made on a pro rata basis assuming that one year is 365 days (366 days if the relevant business year is a leap year), and the division shall be performed last, calculated to the 5th decimal place and rounded off to the 4th decimal place. The amount cumulated pursuant to Paragraph 4 of this Article for each Class A Preferred Share (hereinafter, the “Amount Equivalent to Class A Cumulative Unpaid Dividends”) shall be distributed to Class A Preferred Shareholders, etc. in the order of payment prescribed in Article 11-9, Paragraph 1. If there is an Amount Equivalent to Class A Cumulative Unpaid Dividends related to multiple business years, the Amount Equivalent to Class A Cumulative Unpaid Dividends related to the oldest business year shall be distributed first. If a fraction of less than one (1) yen arises in the amount obtained by multiplying the Amount Equivalent to Class A Cumulative Unpaid Dividends to be distributed by the number of Class A Preferred Shares for which each Class A Preferred Shareholder, etc. holds the rights, such fraction shall be rounded down.</u></p>
(Newly established)	<p><u>(Distribution of Residual Assets)</u> <u>Article 11-3 Distribution of Residual Assets</u> <u>When distributing residual assets, the Company shall pay Class A Preferred Shareholders, etc., the amount obtained by adding the amount equivalent to Class A cumulated unpaid dividends and the amount of Class A daily prorated unpaid preferred dividends stipulated in Paragraph 3 of this Article to the Amount Equivalent to the Payment Amount (hereinafter, "Class A Residual Assets Distribution Amount") for each Class A Preferred Share in the order of payment stipulated in Article 11-9, Paragraph 2. However, if the date of</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>distribution of the residual assets in Paragraph 1 herewith (hereinafter, "Distribution Date") falls during the period from the day following the Dividend Record Date (including that day) until the time that the dividends from surplus are distributed with the Dividend Record Date as the record date, the amount equivalent to the Class A cumulated unpaid dividends shall be calculated assuming that no dividends from surplus have been distributed with the Dividend Record Date as the record date. If a fraction of less than one (1) yen arises in the amount obtained by multiplying the Class A Residual Asset Dividend by the number of Class A Preferred shares for which each Class A Preferred Shareholder, etc. holds the rights, such fraction shall be rounded down.</u></p>
	<p><u>2. (Participation Clause)</u> <u>After the Class A Residual Assets Distribution Amount has been distributed to Class A Preferred Shareholders, etc. in full, when distributing residual assets to Common Shareholders, etc. (as defined in Article 11-9, Paragraph 1), Class A Preferred Shareholders, etc. shall receive residual assets in an amount equal to the distribution amount of residual assets per share of common stock for each Class A Preferred Share.</u></p> <p><u>3. (Amount of Daily Prorated Unpaid Preferred Dividends)</u> <u>Assuming that Class A Preferred Dividends are paid in the business year in which the Distribution Date falls with the Distribution Date as the record date, the amount of daily prorated unpaid preferred dividends per Class A Preferred Share shall be the amount equivalent to Class A Preferred Dividends calculated pursuant to Article 11-2, Paragraph 2 (1) (hereinafter, the amount of daily prorated unpaid preferred dividends per Class A Preferred Share shall be referred to as the "Amount of Class A Daily Prorated Unpaid Preferred Dividends").</u></p>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p data-bbox="901 203 1214 232"><u>(Exercise of Voting Rights)</u></p> <p data-bbox="901 248 1043 277"><u>Article 11-4</u></p> <p data-bbox="901 293 1433 405"><u>Class A Preferred Shareholders shall have voting rights at the General Meeting of Shareholders.</u></p>
(Newly established)	<p data-bbox="901 465 1433 533"><u>(Acquisition Request Rights with Cash as Consideration)</u></p> <p data-bbox="901 544 1433 611"><u>Article 11-5 Acquisition Request Rights for Cash Consideration</u></p> <p data-bbox="919 622 1433 1809"><u>Class A Preferred Shareholders may, on or after April 1, 2028, request the Company to acquire all or part of Class A Preferred Shares held in exchange for cash as consideration (hereinafter, “Acquisition Request with Cash as Consideration;” the date on which the Acquisition Request with Cash as Consideration is made shall hereinafter be referred to as the “Date of Acquisition Request with Cash as Consideration”). In exchange for acquiring Class A Preferred Shares related to the Acquisition Request with Cash as Consideration, the Company shall, within the scope permitted by laws and regulations, deliver cash in the amount of the acquisition price specified below to Class A Preferred Shareholders on the effective date of the Acquisition Request with Cash as Consideration. However, if multiple Class A Preferred Shareholders make acquisition requests in excess of the distributable amount prescribed in Article 461, Paragraph 2 of the Companies Act with the same effective date, the Class A Preferred Shares to be acquired shall be determined by proportional distribution according to the number of shares for which acquisition requests from Class A Preferred Shareholders have been received.</u></p> <p data-bbox="901 1821 1433 1933"><u>2. (Amount of Cash to be Delivered in Exchange for Acquisition of Class A Preferred Shares)</u></p> <p data-bbox="919 1944 1433 2045"><u>The acquisition price of Class A Preferred Shares refers to the amount obtained by multiplying the total of (i) the Amount</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>Equivalent to the Payment Amount per Class A Preferred Share; (ii) the Amount Equivalent to Class A Cumulative Unpaid Dividends; and (iii) the amount of Class A Daily Prorated Unpaid Preferred Dividends on the effective date of the Acquisition Request with Cash as Consideration by the number of Class A Preferred Shares related to the Acquisition Request with Cash as Consideration. In this Article, the Amount Equivalent to Class A Cumulative Unpaid Dividends and the Amount of Class A Daily Prorated Unpaid Preferred Dividends shall be calculated pursuant to Article 11-3, Paragraph 1 and Article 11-3, Paragraph 3, and the Amount Equivalent to Class A Cumulative Unpaid Dividends and the Amount of Class A Daily Prorated Unpaid Preferred Dividends shall be calculated by referring to the “date of distribution of residual assets” and the “Distribution Date” in the calculation of the Amount Equivalent to Class A Cumulative Unpaid Dividends and the Amount of Class A Daily Prorated Unpaid Dividends as “the Effective Date of the Acquisition Request with Cash as Consideration.” If a fraction less than one (1) yen arises in the cash to be delivered in exchange for the acquisition of Class A Preferred Shares related to the Acquisition Request with Cash as Consideration, such fraction shall be rounded down.</u></p>
	<p><u>3. (Venue for Acquisition Requests with Cash as Consideration)</u> <u>Handling Location of Shareholder Register Administrator</u> <u>Corporate Agency Division</u> <u>Mitsubishi UFJ Trust and Banking Corporation</u> <u>4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo</u></p> <p><u>4. (Method and Effectiveness of Acquisition Requests with Cash as Consideration)</u> <u>An Acquisition Request with Cash as Consideration shall be made by delivering a document specifying the subject shares to the Company, and shall be effected ten (10)</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p>	<p><u>business days from the arrival of the documents required for the Acquisition Request with Cash as Consideration at the handling location for Acquisition Requests with Cash as Consideration stated in Paragraph 3 of this Article.</u></p> <p>5. <u>In addition to the provisions of each paragraph of this Article, if the Company acquires treasury stock for compensation pursuant to the provisions of Articles 156 to 165 of the Companies Act (Acquisition by Agreement with Shareholders), Class A Preferred Shareholders may request that Class A Preferred Shares be acquired in preference to common shares.</u></p> <p><u>(Acquisition Request Rights with Common Shares as Consideration)</u> <u>Article 11-6 (Acquisition Request Rights with Common Shares as Consideration)</u> <u>Class A Preferred Shareholders may, at any time on or after the issuance date of Class A Preferred Shares, request the Company to acquire all or part of Class A Preferred Shares held in exchange for the delivery of the number of common shares prescribed in Paragraph 2 of this Article (hereinafter, “Common Shares Subject to Request (Common Share Consideration)”)</u> <u>(hereinafter, “Acquisition Request with Common Shares as Consideration”), and in exchange for acquiring Class A Preferred Shares related to the Acquisition Request with Common Shares as Consideration, the Company shall, within the scope permitted by laws and regulations, deliver Common Shares Subject to Request (Common Share Consideration) to said Class A Preferred Shareholders.</u></p> <p>2. <u>(Number of Common Shares to be Delivered in Exchange for Acquisition of Class A Preferred Shares)</u> <u>The number of common shares to be delivered in exchange for the acquisition of Class A Preferred Shares shall be the number obtained by multiplying the total of (i) the Amount Equivalent to the Payment</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>Amount per Class A Preferred Share; (ii) the Amount Equivalent to Class A Cumulative Unpaid Dividends; and (iii) the amount of Class A Daily Prorated Unpaid Preferred Dividends by the number of Class A Preferred Shares related to the Acquisition Request with Common Shares as Consideration divided by the acquisition price stipulated in Paragraph 3 and Paragraph 4 of this Article. In the calculation in Paragraph 2, the Amount Equivalent to Class A Cumulative Unpaid Dividends and the Amount of Class A Daily Prorated Unpaid Preferred Dividends shall be calculated pursuant to Article 11-3, Paragraph 1 and Article 11-3, Paragraph 3, and the Amount Equivalent to Class A Cumulative Unpaid Dividends and the Amount of Class A Daily Prorated Unpaid Preferred Dividends shall be calculated by referring to the “date of distribution of residual assets” and the “Distribution Date” in the calculation of the Amount Equivalent to Class A Cumulative Unpaid Dividends and the Amount of Class A Daily Prorated Unpaid Dividends as “the Effective Date of the Acquisition Request with Common Shares as Consideration.” If a fraction less than one (1) share arises in the total number of common shares to be delivered in exchange for the acquisition of Class A Preferred Shares related to the Acquisition Request with Common Shares as Consideration, such fraction shall be rounded down, and no cash shall be delivered pursuant to Article 167, Paragraph 3 of the Companies Act.</u></p> <p><u>3. (Initial Acquisition Price)</u> <u>The initial acquisition price shall be 51.48 yen.</u></p> <p><u>4. (Adjustments to Acquisition Price)</u> <u>(1) If any of the following circumstances arise, the acquisition price shall be adjusted as follows.</u></p> <p><u>1) In the event of a stock split of common stock, the acquisition price shall be adjusted using the following formula.</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p data-bbox="922 232 1433 331"> $\frac{\text{Adjusted acquisition price}}{= \frac{\text{Pre-adjustment acquisition price}}{\times \frac{\text{Number of outstanding common shares before split}}{\text{Number of outstanding common shares after split}}}}$ </p> <p data-bbox="938 376 1433 488"> <u>The adjusted acquisition price shall be applied as of the day following the record date of the stock split.</u> </p> <p data-bbox="900 497 1433 609"> <u>2) In the case of a reverse stock split, the acquisition price shall be adjusted using the following formula.</u> </p> <p data-bbox="916 613 1445 712"> $\frac{\text{Adjusted acquisition price}}{= \frac{\text{Pre-adjustment acquisition price}}{\times \frac{\text{Number of outstanding common shares before reverse split}}{\text{Number of outstanding common shares after split}}}}$ </p> <p data-bbox="938 748 1433 860"> <u>The adjusted acquisition price shall be applied as of the date on which the reverse stock split becomes effective.</u> </p> <p data-bbox="900 869 1433 2056"> <u>3) When issuing common shares or disposing of common shares held by the Company with a payment amount that is less than the pre-adjustment acquisition price per Class A Preferred Share (includes the gratis allotment of shares; excluding the acquisition of shares or stock acquisition rights (includes those with bonds attached to stock acquisition rights; hereinafter, the same shall apply in Paragraph 4) acquired in exchange for the delivery of common shares; the exercise of stock acquisition rights for common shares; the exercise of rights to have common shares issued or disposed of upon request from the holder or the Company or due to the occurrence of certain circumstances; or the delivery of common shares due to a merger, share exchange, share delivery, or company split), the acquisition price shall be adjusted using the following formula (hereinafter, “the Acquisition Price Adjustment Formula”). If the purpose of the contribution is property other than money, the “amount paid per share” in the Acquisition Price Adjustment Formula shall be the appropriate appraised value of the property. The adjusted acquisition price shall be applied as of the day following the payment date or (the last day of the</u> </p>

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	<p>payment period if a payment period is determined), or the day following the record date if a record date is stipulated related to the allotment to shareholders(hereinafter, “Shareholder Allotment Date”). When disposing of common shares held by the Company, “the number of new common shares to be issued” in the following formula shall refer to “the number of common shares held by the Company to be disposed of,” and “the number of common shares held by the Company” shall refer to “the number of common shares held by the Company prior to disposal.”</p> $\text{Adjusted acquisition price} = \frac{\text{Pre-adjustment acquisition price} \times (\text{Number of outstanding common shares} - \text{the number of common shares held by the Company}) + \text{Payment price per share} \times \text{Number of new common shares to be issued}}{(\text{Number of outstanding common shares} - \text{the number of common shares held by the Company}) + \text{the number of new common shares to be issued}}$
	<p>“The number of outstanding common shares” in the Acquisition Price Adjustment Formula refers to the number of outstanding shares of common stock of the Company as of the day prior to the date on which the adjusted acquisition price is applied.</p> <p>4) In the case of issuing or disposing of shares that entitle the Company to receive common shares at an acquisition price per share of common shares that is lower than the pre-adjustment acquisition price per Class A Preferred Share by having the Company acquire the shares or by the shares having been acquired by the Company (including the gratis allotment of shares), all shares to be issued or disposed of shall be deemed to have been acquired and common shares deemed to have been delivered under the original conditions on the payment date of said shares (if the payment period is specified, the last day of the payment period; hereinafter, the same shall apply in 4) herewith); on the effective date in the case of the gratis allotment of shares (if a record date has been specified</p>

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	<p><u>related to the gratis allotment of shares, said record date; hereinafter, the same shall apply in 4) herewith); or on the Shareholder Allotment Date if one has been specified, and the amount calculated using such price as “the payment amount per share” in the Acquisition Price Adjustment Formula shall be the adjusted acquisition price. The adjusted acquisition price shall be applied as of the day following the payment date; as of the day following the effective date in the case of gratis allotment of shares; and as of the day following the Shareholder Allotment Date, if any.</u></p> <p><u>5) In the event of issuing stock acquisition rights which, upon exercise or acquisition by the Company, entitles the Company to receive common shares at a price whereby the total payment amount for stock acquisition rights per share of common stock and the property to be contributed when exercising stock acquisition rights (if the purpose of the contribution is property other than money, the appropriate appraised value of the property shall be used; hereinafter, the same shall apply in 5) herewith) is lower than the pre-adjustment acquisition price per Class A Preferred Share (including the gratis allotment of stock acquisition rights), all stock acquisition rights shall be deemed to have been exercised or acquired and common shares deemed to have been delivered under the original condition on the allotment date of said stock acquisition rights; on the effective date in the case of the gratis allotment of stock acquisition rights (if a record date has been specified related to the gratis allotment of stock acquisition rights, said record date; hereinafter the same shall apply in 5) herewith); and on the Shareholder Allotment Date, if any, and the amount calculated using the total of the payment amount for stock acquisition rights per share of common shares and the price per share of common shares of property to be</u></p>

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	<p><u>contributed when exercising stock acquisition rights as “the payment amount per share” in the Acquisition Price Adjustment Formula shall be the adjusted acquisition price. The adjusted acquisition price shall be applied as of the day following the allotment date of said stock acquisition rights; as of the day following the effective date in the case of the gratis allotment of stock acquisition rights; and as of the day following the Shareholder Allotment Date, if any.</u></p> <p><u>6) In the event that securities or rights are issued which entitle the holders or the Company to receive common shares at a price lower than the pre-adjusted acquisition price per Class A Preferred Share upon request from the holder or the Company, or upon the occurrence of certain circumstances, the acquisition price shall be adjusted appropriately.</u></p> <p><u>(2) In addition to the circumstances described in (1) of this Paragraph, if any of the following 1) to 5) apply, the Company shall adjust the acquisition price within a reasonable extent upon providing advance notification in writing to Class A Preferred Shareholders, etc. of this fact, the reasons for it, the adjusted acquisition price, the date of application, and any other necessary matters.</u></p> <p><u>1) In the event that it is necessary to adjust the acquisition price for reasons of an acquisition of treasury shares, etc. at a price exceeding the market price; a merger, share exchange, or the acquisition of the outstanding shares of another company through a share exchange or share delivery; a share transfer, absorption-type stock split or the succession of all or part of the rights and obligations held by another company regarding its business through an absorption-type split; or for the purpose of an incorporation-type company split</u></p> <p><u>2) In the event that two or more reasons for adjusting the acquisition price occur concurrently, and when calculating the</u></p>

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	<p><u>adjusted acquisition price based on one of the reasons, it is necessary to consider the impact of the other reason on the pre-adjusted acquisition price to be used</u></p> <p>3) <u>In the event that the Board of Directors of the Company deems it necessary to adjust the acquisition price for reasons that the period during which shares eligible for delivery as common shares at an acquisition price per share of common stock that is lower than the pre-adjusted acquisition price per Class A Preferred Share; the period during which stock acquisition rights eligible for delivery as common shares at a price where the total payment amount for stock acquisition rights per share of common stock and the property to be contributed when exercising stock acquisition rights (if the purpose of the contribution is property other than money, an appropriate assessment price of said property; hereinafter the same shall apply in (2)) is lower than the pre-adjustment price per Class A Preferred Share; or the period during which securities or rights eligible for delivery as common shares at a price lower than the pre-adjusted acquisition price per Class A Preferred Share upon request from the holder or the Company or due to the occurrence of certain circumstances (hereinafter, "Latent Shares, etc.") comes to an end by having the Company acquire the shares or by the shares having been acquired by the Company (however, excluding cases where all of the Latent Shares, etc., have already been acquired or exercised in exchange for delivery of common shares)</u></p> <p>4) <u>In the event that the Board of Directors of the Company deems it necessary to adjust the acquisition price if there is a change to the acquisition price per share of Latent Shares, etc., or a change to the amount of property to be contributed upon the exercise of stock acquisition rights</u></p> <p>5) <u>In the event that the Board of Directors of the Company deems it necessary to adjust the acquisition price due to the occurrence</u></p>

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	<p><u>of an event that causes a change in the number of, or the possibility of a change in the number of outstanding common shares (however, excluding the number of common shares held by the Company)</u></p> <p><u>(3) If any calculation is required when adjusting the acquisition price, the price shall be calculated to the second decimal place and rounded off to the first decimal place.</u></p> <p><u>(4) If, as a result of calculations made when adjusting the acquisition price, the difference between the adjusted acquisition price and the pre-adjustment acquisition price is less than 0.1 yen, the acquisition price shall not be adjusted. However, adjustments that are deemed unnecessary pursuant to (4) herewith shall be carried forward and taken into consideration when calculating subsequent adjustments.</u></p> <p><u>(5) The adjustments to the acquisition price stipulated in this Article shall not apply to the issuance of Class A Preferred Shares or to common shares issued as an incentive to Directors, Audit & Supervisory Committee Members, Executive Officers or other officers, or employees of the Company or the Company's subsidiaries, or to the issuance of stock acquisition rights for common shares.</u></p> <p><u>5. (Venue for Acquisition Requests with Common Shares as Consideration)</u> <u>Handling Location of Shareholder Register Administrator</u> <u>Corporate Agency Division</u> <u>Mitsubishi UFJ Trust and Banking Corporation</u> <u>4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo</u></p> <p><u>6. (Method and Effectiveness of Acquisition Requests with Common Shares as Consideration)</u> <u>An Acquisition Request with Common Shares as Consideration shall be made by delivering a document specifying the subject shares to the Company, and shall be effected three (3) business days from the</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p>	<p><u>arrival of the documents required for the Acquisition Request with Common Shares as Consideration at the handling location for Acquisition Requests with Common Shares as Consideration stated in Paragraph 5 of this Article.</u></p> <p><u>7. (Method of Delivering Common Shares)</u></p> <p><u>After an Acquisition Request with Common Shares as Consideration becomes effective, the Company shall deliver the common shares to Class A Preferred Shareholder who made the Acquisition Request with Common Shares as Consideration by recording the increase in the book-entry transfer shares in the ownership column of the book-entry transfer account register at the Japan Securities Depository Center, Incorporated or Account Management Institution designed by Class A Preferred Shareholders.</u></p> <p><u>(Acquisition Clause with Cash as Consideration)</u></p> <p><u>Article 11-7 The Company may, at any time on or after the issuance date of Class A Preferred Shares, upon the arrival of the date determined separately by the Board of Directors (hereinafter, “the Cash Consideration Redemption Date”), acquire all or part of the Class A Preferred Shares with cash as consideration within the scope permitted by laws and regulations upon notifying the Class A Preferred Shareholder in writing on or before the day prior to the Cash Consideration Redemption Date (hereinafter, “Cash Consideration Redemption”), and in exchange for acquiring Class A Preferred Shares related to the Cash Consideration Redemption, the Company shall deliver to Class A Preferred Shareholders the amount of cash obtained by multiplying (i) the number of Class A Preferred Shares related to the Cash Consideration Redemption by (ii) 1) the Amount Equivalent to the Payment Amount per Class A Preferred Share, 2) the</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p>	<p><u>Amount Equivalent to Class A Cumulative Unpaid Dividends, and 3) the Amount of Class A Daily Prorated Unpaid Preferred Dividends. In this Article, the Amount Equivalent to Class A Cumulative Unpaid Dividends and the amount of Class A Daily Prorated Unpaid Preferred Dividends shall be calculated pursuant to Article 11-3, Paragraph 1 and Article 11-3, Paragraph 3. The Amount Equivalent to Class A Cumulative Unpaid Dividends and the Amount of Class A Daily Prorated Unpaid Preferred Dividends shall be calculated by referring to the “date of distribution of residual assets” and the “Distribution Date” in the calculation of the Amount Equivalent to Class A Cumulative Unpaid Dividends and the amount of Class A Daily Prorated Unpaid Preferred Dividends as “the Cash Consideration Redemption Date”. If a fraction of less than one (1) yen arises in the cash to be delivered in exchange for the acquisition of Class A Preferred Shares related to the Cash Consideration Redemption, such fraction shall be rounded down.</u></p> <p><u>If there are multiple shareholders in the case of the partial acquisition of Class A Preferred Shares, the Class A Preferred Shares to be acquired from Class A Preferred Shareholders shall be determined by a proportionate method.</u></p> <p><u>(Reverse Stock Split or Stock Split and Allotment of Offered Shares, etc.)</u></p> <p><u>Article 11-8 In the event that the Company conducts a stock split or reverse stock split, it shall do so for both common shares and Class A Preferred Shares at the same time and in the same ratio.</u></p> <p><u>2. In the event that the Company grants shareholders the right to receive an allotment of offered shares, it shall grant the right to receive an allotment of common shares to Common Shareholders, and the right to receive an allotment of Class A Preferred Shares to Class A Preferred</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p>	<p><u>Shareholders, at the same time and in the same ratio.</u></p> <p>3. <u>In the event that the Company conducts a gratis allotment of shares, it shall conduct a gratis allotment of common shares to Common Shareholders, and a gratis allotment of Class A Preferred Shares to Class A Preferred Shareholders, at the same time and in the same ratio.</u></p> <p>4. <u>In the event that the Company grants shareholders the right to receive an allotment of stock acquisition rights (stock acquisition rights include those with bonds attached to stock acquisition rights; hereinafter the same shall apply in this Article), it shall grant the right to receive an allotment of stock acquisition rights intended for common shares to Common Shareholders, and the right to receive an allotment of stock acquisition rights intended for Class A Preferred Shares to Class A Preferred Shareholders, at the same time and in the same ratio.</u></p> <p>5. <u>In the event that the Company conducts a gratis allotment of stock acquisition rights, it shall conduct a gratis allotment of stock acquisition rights intended for common shares to Common Shareholders, and the gratis allotment of stock acquisition rights intended for Class A Preferred Shares to Class A Preferred Shareholders, at the same time and in the same ratio.</u></p> <p>6. <u>In the event that the Company amends the Articles of Incorporation regarding the number of shares constituting one unit, the number of shares constituting one unit of common shares and the number of shares constituting one unit of Class A Preferred Shares shall be amended at the same time and in the same ratio.</u></p> <p><u>(Order of Priority)</u> <u>Article 11-9 The order of payment of Class A Preferred Dividends, Amount Equivalent to Class A Cumulative Unpaid Dividends, and dividends from surplus to shareholders holding common shares or to Registered</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>Share Pledges who hold pledges over common shares (hereinafter collectively referred to as “Common Shareholders, etc.”) shall be prioritized in the following order: Amount Equivalent to Class A Cumulative Unpaid Dividends; Class A Preferred Dividends; dividends from surplus to Common Shareholders, etc.</u></p> <p><u>2. The order of payment for the distribution of residual assets related to Class A Preferred Shares and common shares, shall be prioritized in the following order: distribution of residual assets related to Class A Preferred Shares; distribution of residual assets related to common shares.</u></p> <p><u>3. In the event that the amount to be distributed by the Company as dividends from surplus or residual assets is less than the total amount required for the distribution of dividends from surplus or residual assets in a certain order, the distribution of dividends from surplus or residual assets shall be conducted in accordance with the amounts required to distribute dividends from surplus or residual assets in said order by a method of proportional distribution.</u></p>
<p>Chapter III General Meeting of Shareholders</p> <p>Article 12 – 16 (Omitted)</p> <p>(Newly established)</p>	<p>Chapter III General Meeting of Shareholders</p> <p>Article 12 – 16 (Unchanged)</p> <p><u>(General Meeting of Class Shareholders)</u></p> <p><u>Article 16-2 The provisions of Article 11 shall be applied mutatis mutandis to a general meeting of class shareholders held on the same day as an ordinary general meeting of shareholders.</u></p> <p><u>2. The provisions of Articles 13, 14, and 16 shall apply mutatis mutandis to a general meeting of class shareholders.</u></p> <p><u>3. The provisions of Article 15, Paragraph 1 shall apply mutatis mutandis to the resolutions of a general meeting of class shareholders pursuant to the provisions of Article 324, Paragraph 1 of the Companies</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>Article 17 – 36 (Omitted)</p> <p>Supplementary Provisions</p> <p>Article 1 (Omitted)</p>	<p><u>Act, and the provisions of Article 15, Paragraph 2 shall apply mutatis mutandis to the resolutions of a general meeting of class shareholders pursuant to the provisions of Article 324, Paragraph 2 of the Companies Act.</u></p> <p>Article 17 – 36 (Unchanged)</p> <p>Supplementary Provisions</p> <p>Article 1 (Unchanged)</p>

Proposal 2: Issuance of Class A Preferred Shares through Third-party Allotment

We request approval for the issuance of Class A Preferred Shares (hereinafter referred to as “the Class A Preferred Shares”) through a third-party allotment (hereinafter, the “Capital Increase”) to Nissan Motor Co., Ltd. (hereinafter, “Nissan”) as described in section 3., below, for the reasons presented in sections 1. and 2., below, based on the provisions of Article 199 of the Companies Act.

The Capital Increase will be subject to the approval and adoption of Proposal 1 as proposed at this Ordinary General Shareholders’ Meeting, the partial amendments to the Articles of Incorporation in Proposal 1 coming into effect, and the approval and adoption of Proposal 3 as proposed at this Ordinary General Shareholders’ Meeting. Under the investment agreement signed by the Company and Nissan on May 9, 2024 (hereinafter, the “Investment Agreement”), the payment for the Class A Preferred Shares by Nissan will be subject to conditions such as the approval and adoption of Proposal 1 and Proposal 2 as proposed at this Ordinary General Shareholders’ Meeting, the approval and adoption of proposals for the election of two candidates for Director nominated by Nissan in Proposal 6 and the election of one candidate for Director nominated by Resona Bank, Limited (hereinafter “Resona Bank”) in Proposal 4, as proposed at this Ordinary General Shareholders’ Meeting, the filing of the notifications required for the Capital Increase under overseas competition law, and the absence of any cease and desist orders or similar orders.

If the Class A Preferred Shares are allotted to Nissan through the Capital Increase, the dilution ratio due to the issue of voting rights (58,272 units) associated with the Class A Preferred Shares will be 15.01%, calculated based on the number of voting rights (388,333 units) associated with the Company’s total number of shares outstanding as of March 31, 2024. If the Class A Preferred Shares are all exchanged for common shares of the Company at the initial exchange value of 51.48 yen, the dilution ratio due to voting rights (1,165,501 units) associated with the common shares of the Company then delivered will be 300.13%, calculated based on the number of voting rights (388,333 units) associated with the Company’s total number of shares outstanding as of March 31, 2024, and assuming that there are no accumulated unpaid dividends or daily prorated unpaid preferred dividends associated with the Class A Preferred Shares.

The Class A Preferred Shares to be allotted through the Capital Increase will carry voting rights equivalent to common shares. If Class A Preferred Shares are allotted to Nissan through the Capital Increase, Nissan will hold 58,272 units of voting rights, which will be equivalent to 13.05% of the total number of voting rights in that case (equal to 446,605 units, the sum of the 388,333 units of voting rights associated with the Company’s total number of common shares outstanding as of March 31, 2024, and these additional voting rights). Options to exchange the Class A Preferred Shares for the Company’s common shares, with an initial exchange value of 51.48 yen, are attached to the Class A Preferred Shares. If the Class A Preferred Shares are all exchanged for common shares of the Company, the number of voting rights associated with the common shares of the Company then delivered will be 1,165,501 units, which will be equivalent to 75.01% of the total number of voting rights of the Company (equal to 1,553,834 units, the sum of the 388,333 units of voting rights associated with the Company’s total number of common shares outstanding as of March 31, 2024, and these additional voting rights), assuming that there are no accumulated unpaid dividends or daily prorated unpaid preferred dividends associated with the Class A Preferred Shares.

We request the approval of shareholders to this proposal at this Ordinary General Shareholders’ Meeting in accordance with Article 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange, as the dilution ratio resulting from the Capital Increase will be 25% or greater and the controlling shareholder of the Company may change if the Class A Preferred Shares are exchanged for common shares of the Company.

In view of the possibility that Nissan may exercise its option to exchange the Class A Preferred Shares for common shares, we consider it appropriate to treat Nissan as equivalent to a special subscriber as defined in Article 206-2, Paragraph 1 of the Companies Act. Therefore, this proposal also seeks approval through a resolution of the General Shareholders' Meeting for a contract as defined in Article 205, Paragraph 1 of the Companies Act, based on the provisions of Article 206-2, Paragraph 4 of the Companies Act.

1. Purpose and reason for seeking subscription

(1) Purpose and reason for the Capital Increase

Aiming to achieve interior spaces focused on human safety and comfort, the Group is working on improving the performance of products such as cabin trim, luggage trim and noise insulation parts as an interior trim system supplier. We are also working toward developing products and technologies to support the next generation car based on the three themes of “Environment,” “Safety” and “Attraction / Comfort” from a total viewpoint of car interior to produce forward-thinking, high-value-added products.

As an independent parts manufacturer, we have defined the automotive field as our business domain, building our business on a customer base targeting all automobile manufacturers (OEM) in Japan and overseas. Our consolidated net sales have grown to 227,257 million yen in the fiscal year ended March 31, 2019.

However, we face adverse changes in the business environment, including production cuts and increasingly unstable production by major OEM customers, due to the impact of the COVID-19 pandemic that began at the end of 2019 and the worldwide shortage of semiconductors. As a result, net sales have dropped significantly since fiscal 2020 and we have recorded significant operating losses due to our fixed cost burden. In the fiscal year ended March 31, 2023, we recorded an operating loss of 14,790 million yen. This has also led to a decline in the equity ratio, which indicates financial soundness, from 38.8% as of December 31, 2019, to 9.0% as of September 30, 2023. Operating cash flow has also declined, while the deterioration in creditworthiness has made it impossible to obtain financing from new borrowings. As a result, we have had to resort to measures such as the sale of the Group’s assets to procure working capital.

Although the automotive industry, with which the Group is associated, is currently undergoing a recovery with the alleviation of the impact of the semiconductor shortage, it is anticipated to take some time before sales return to pre-pandemic levels, and the recovery is expected to remain gradual. In this environment, while the most recent quarterly results indicated an improvement in performance across each of the Group’s locations, the Group has recorded operating losses for the three consecutive fiscal years up to the fiscal year ended March 31, 2023, and is in breach of the financial covenants (net assets maintenance covenants) of its May 26, 2022, syndicated loan agreement and September 30, 2022 commitment line agreement. Moreover, while the Group is currently negotiating the methods, conditions, and timing of continued support from each of the relevant financial institutions, no firm decision on such support has yet been made. We believe that, at present, events or circumstances have arisen that cast material doubt on the going concern assumption.

Under these conditions, we have implemented a range of countermeasures to boost earning capacity, improve and strengthen the Group’s financial condition, and build a stable business foundation, with the aim of ameliorating or eliminating these events or circumstances. In terms of profit, we have taken decisive action to improve management, considering and implementing measures to improve earnings at each location. Our subsidiaries in North America have been a major cause of the Group’s operating losses, and there we have established a rebuilding team, including external experts, to investigate the causes of the deterioration in performance. Based on this, we are negotiating with OEM customers and suppliers, formulating and implementing specific measures to reduce on-site production costs, improve production efficiency, and radically reduce fixed costs. We have also cooperated with Nissan, the Group’s largest OEM customer, to engage in recovering our earning power through improvements at production sites. In terms of financial condition, the financial institutions that lend to the Group have agreed to postpone the exercise of their rights arising from our breach of financial covenants under the syndicated loan agreement and the commitment line agreement, such as the right to require immediate repayment due to the forfeiture of the benefit of time. Since the financial covenants were first breached in the fiscal year ended March 31, 2022, we have engaged in regular negotiations with these financial institutions to ensure their continuing support and we are maintaining close coordination with them, including the extension of payment due dates on several occasions. In addition, we remain engaged in stably securing and maintaining business and working capital through measures such as the sale of the Group’s assets and the rigorous selection and control of investment projects.

While these efforts have achieved some results, we believe it is vital to take prompt and decisive action to

reform the Group's structure in order to achieve higher corporate value in the medium and long term. This includes the radical reduction of fixed costs through the optimization of the Group's locations, including the restructuring of unprofitable locations. The financial institutions that lend to the Group have demanded that, to obtain their continued support, we should execute further structural reforms to transform the earnings structure and achieve a recovery in performance, and stabilize cash flows to secure the cash and deposits necessary to repay the Group's borrowings, and improve and maintain the equity ratio. Meanwhile, it is not possible for the Group, in its current financial condition, to obtain the financing required for these reforms through new external borrowings. At the same time, we believe it will not be possible for the Group to continue stable business operations unless we can expect the continued support of the financial institutions that already lend to the Group. Under these conditions, we have determined that it is necessary for the Group to obtain prompt equity financing from a sponsor in order to continue stable business operations and implement management reforms, aiming for the radical improvement of its financial standing.

In this context, we began to contact potential sponsors in November 2022. We also engaged a financial advisor to compile a list of 28 companies expected to generate synergies with the Group and 21 investment funds expected to have the capacity to invest in the Group, in terms of factors such as business size, and inquired with them about possible sponsorship. Since then, we have continued to negotiate with several potential sponsors for the purpose of selecting the sponsor that would provide the highest valuation of the Group's corporate value. Meanwhile, the potential sponsors perceived the Group's balance of borrowings as excessive compared to its earning power, and several potential sponsors responded that they would be unable to actively consider investing in the Group unless this consideration was based on substantial debt relief.

Under these circumstances, we inquired with Nissan, the Group's largest OEM customer, about possible sponsorship. Through our business relationship spanning many years, Nissan has a deep understanding of the Group's management policy and the nature of its business. In addition, since the deterioration in the Group's financial condition, Nissan has engaged with us in continuing negotiations aimed at rebuilding the Group and has actually provided a range of assistance, including support for the improvement of business operations and the revision of the terms of trade. Nissan is therefore in a position to understand our challenges as we aim to rebuild the Group, as well as the need for equity financing. In response to our inquiry, Nissan communicated that it would begin to actively consider sponsorship. Accordingly, from November 2023 to January 2024, Nissan engaged in due diligence processes regarding the Group and submitted a final letter of intent at the end of January 2024. Nissan's investment is premised on conditions such as the formulation of a reconstruction plan (including a plan for the repayment of the existing borrowings from all the financial institutions that lend to the Group) that conforms to the content approved by Nissan and the conversion by Resona Bank, the major financial institution that lend to the Group, of some of the existing borrowings to subordinated capital loans in a debt-debt swap (DDS). We have therefore continued to negotiate with Nissan, Resona Bank, and the financial institutions that lend to the Group. These negotiations have reached a conclusion, with Nissan, Resona Bank, and the relevant financial institutions all consenting to the reconstruction plan outlined above and the Group reaching an agreement with Resona Bank regarding the DDS (please see the note below for an outline of the DDS agreed upon). At the meeting of the Board of Directors held on May 9, 2024, we resolved to sign the Investment Agreement with Nissan and issue a total of 6.0 billion yen in Class A Preferred Shares to Nissan through a third-party allotment. Through the Investment Agreement, we will achieve an improvement in the Group's corporate value by swiftly rebuilding management while also deepening our cooperation with Nissan.

We engaged in a comparative consideration of various methods of equity financing before deciding to implement the Capital Increase. In view of the circumstances described above, the Group requires the urgent improvement of profitability and the stabilization of cash flows in Japan and overseas through the implementation of structural reforms designed to radically improve its financial condition. We believed that obtaining the necessary financing on the desired timeline and improving the financial condition swiftly and with expected certainty were the most important considerations when comparing methods of equity financing.

As announced in the annual securities report for the 91st fiscal term, the Group's condition has deteriorated to the point where notes on going concern assumption were included in the notes to the consolidated financial statements for the 91st fiscal term, and we regard the issue of common shares through a capital increase by subscription, underwritten by a securities company, as impracticable to begin with. Likewise, in the case of a rights offering or shareholders' allotment, shareholders may choose not to exercise their rights immediately after allotment based on factors such as trends in the share price. Even if shareholders choose to exercise their allotted rights, there is no certainty that all share acquisition rights will be exercised, or that they will all subscribe to a shareholders' allotment. The eventual amount of financing provided in these cases is therefore uncertain, and there is no guarantee that the necessary amount will be raised. For these reasons, we judged that these were not appropriate options at the present time. In addition, in the case of a third-party allotment of common shares, it would be very difficult to provide a sponsor with benefits, such as dividends and the distribution of residual property, commensurate with the investment risk. For the Group, which faces the need to promptly find a sponsor and swiftly obtain financing, we judged that this was not an appropriate option at the present time.

By contrast, the issue of the Class A Preferred Shares by third-party allotment will secure the Group the necessary financing to implement management reforms while also radically improving its financial condition. Moreover, Nissan will be able to provide us with steady support based on a consideration of financial and business risks. In view of the Group's current condition, we consider that this is the best option for the Company's existing shareholders.

We also considered the possibility of raising funds through additional borrowings or other forms of capital assistance from financial institutions. However, it is expected to take some time for performance to recover. Moreover, as we have repeatedly extended the repayment date for borrowings since the end of December 2022, we consider it our highest priority to swiftly and radically resolve the Group's business and financial problems by obtaining financing from a sponsor. At present, it is neither a realistic nor a viable option for the Group to obtain additional borrowings or other forms of capital assistance from financial institutions, nor do we believe that it would lead to the resolution of the circumstances faced by the Group.

The Class A Preferred Shares to be allotted through the Capital Increase will carry voting rights equivalent to common shares. If Class A Preferred Shares are allotted to Nissan through the Capital Increase, Nissan will hold 58,272 units of voting rights, which will be equivalent to 13.05% of the total number of voting rights in that case (equal to 446,605 units, the sum of the 388,333 units of voting rights associated with the Company's total number of common shares outstanding as of March 31, 2024, and these additional voting rights). Options to exchange the Class A Preferred Shares for the Company's common shares, with an initial exchange value of 51.48 yen, are attached to the Class A Preferred Shares. If the Class A Preferred Shares are all exchanged for common shares of the Company, the number of voting rights associated with the common shares of the Company then delivered will be 1,165,501 units, which will be equivalent to 75.01% of the total number of voting rights of the Company (equal to 1,553,834 units, the sum of the 388,333 units of voting rights associated with the Company's total number of common shares outstanding as of March 31, 2024, and these additional voting rights), assuming that there are no accumulated unpaid dividends or daily prorated unpaid preferred dividends associated with the Class A Preferred Shares. Under the Investment Agreement, exercise restriction provisions are attached to the exchange options for the Company's common shares, under which the exchange options cannot be exercised for one year after the Class A Preferred Shares are issued, in principle. The exercise restriction period of one year was agreed on through a consideration of factors such as our business environment, curbing concerns over the immediate dilution of the Company's common stock, and the feasibility of the reconstruction plan, as well as through negotiation with Nissan, and we believe it is reasonable. The Investment Agreement establishes causes for which the exercise restrictions on these exchange options for the Company's common shares may be removed, as described below in "(2) Outline of the Class A Preferred Shares 2) Option to exchange for common shares." However, these causes for the removal of exercise restrictions refer to extraordinary circumstances, such as where a significant change has occurred in

the assumptions used for the issue of the Class A Preferred Shares, and we do not believe that they are applicable in the case of the immediate exchange of the Class A Preferred Shares for common shares.

Based on the above, in view of the possibility that Nissan may exercise its option to exchange the Class A Preferred Shares for common shares, we consider it appropriate to treat Nissan as equivalent to a special subscriber as defined in Article 206-2, Paragraph 1 of the Companies Act.

Regarding this point, at the meeting of the Board of Directors held on May 9, 2024, the Company's Audit & Supervisory Committee (composed of three Outside Directors) expressed opinions summarized in (a) to (h), below.

- (a) While the Company returned a consolidated operating profit in the first quarter ended June 30, 2023, and forecasts a full-year consolidated operating profit of 1.0 billion yen for the fiscal year ended March 31, 2024, this recovery in performance is limited to certain geographical areas. North America and Europe continue to record losses. Moreover, it is undeniable that even the full-year consolidated operating profit for the fiscal year ended March 31, 2024, is largely due to the tremendous support currently provided by the financial institutions that lend to the Group, its trading partners, and others. The decisive implementation of structural reforms, including a radical revision of the earnings structure (especially the radical reduction of fixed costs through the optimization of business locations) is crucial for us to achieve profits on a continuing basis. To this end, the 6.0 billion yen of financing to be obtained under this proposal is vitally needed;
- (b) The Capital Increase, in comparison with other methods of financing, provides the greatest surety of achieving an improvement in financial condition and raising the necessary amount. It also contributes to the goal of promptly procuring funds. Therefore, it is considered to be the most appropriate way for the Group to obtain financing;
- (c) None of the 28 companies and 21 funds we approached regarding sponsorship agreed to provide it, in the absence of substantial debt relief;
- (d) Nissan satisfies the considerations that we believe are important in selecting a sponsor, based on the Group's circumstances. These include the provision of equity financing matching the Group's desired timeline, the viability of this financing, views on the Group's management and business that will enable it to achieve a turnaround after the sponsor's involvement, and the details, feasibility and other attributes of measures to achieve medium- and long-term business continuity and enhance corporate value through structural reforms of the business;
- (e) Nissan is the only potential sponsor that has indicated conditions considered both specific and feasible for the radical reform and re-growth of the Company's business;
- (f) No proposal for support, except for sponsorship by Nissan, has been put forward under which the Group can be expected to receive financial support from the financial institutions that lend to it. It would be risky to continue the consideration of other potential sponsors in view of factors such as the Company's cash flow status;
- (g) The initial exchange value of 51.48 yen for the options to exchange the Class A Preferred Shares for the Company's common shares, was determined based on the Group's difficult financial situation, the lack of any other company or fund willing to provide sponsorship, and the result of discussion and negotiation with Nissan. Based on the results of valuation indicated in the Class A Preferred Shares Valuation Report (as defined in "2. Reasonableness of the terms of issuance, etc. (1) Basis for calculation and specific details of the paid-in amount," below) submitted to the Company by Plutus Consulting Co., Ltd. ("Plutus"), a third-party valuation firm independent of the Company and Nissan, these terms of issuance are deemed to be reasonable, to a certain degree, in view of the need to implement the Capital Increase;
- (h) These amendments to the Articles of Incorporation are partly conditional on the approval of a special resolution by the General Shareholders' Meeting. Based on the fact that other procedures required by laws and regulations are underway, and in view of the Group's future outlook, including its current financial position and cash flows, we believe that concluding the Investment Agreement with Nissan and receiving

sponsorship from Nissan through the Capital Increase through a third-party allotment to Nissan is the only viable option for the Group at the present time. Therefore, notwithstanding the large-scale dilution that will occur due to the Capital Increase, we regard it as necessary and appropriate.

Mr. Manabu Izuno, who is an Audit & Supervisory Committee Member, previously served at Nissan. However, he left the Nissan Group approximately six years ago (and left Nissan approximately 17 years ago), and is not therefore in a position to receive directions or influence from Nissan. Moreover, he had no involvement in the Capital Increase from the standpoint of Nissan, nor was he in a position to be involved. Therefore, we consider it appropriate for him to express his opinion as an Audit & Supervisory Committee Member. Mr. Kazuhiko Yokoyama, who is an Audit & Supervisory Committee Member, previously served at Resona Bank. However, he left Resona Bank approximately 12 years ago and is not therefore in a position to receive directions or influence from Resona Bank. Moreover, while it will implement the debt-debt swap (DDS), which is a condition of Nissan's investment through the Capital Increase, Resona Bank itself will not invest in the Group. Furthermore, Mr. Yokoyama had no involvement in the DDS or the Capital Increase from the standpoint of Resona Bank, nor was he in a position to be involved. Therefore, we consider it appropriate for him to express his opinion as an Audit & Supervisory Committee Member.

Note: Outline of the debt-debt swap (DDS)

Through the DDS, part (6.0 billion yen in total) of the Company's existing borrowings (17.6 billion yen in total) will be converted to subordinated capital loans. On May 9, 2024, we concluded a subordinated quasi-loan agreement with Resona Bank for the DDS, an outline of which is presented below.

Repayment date	March 31, 2033
Interest rate	0.5% per annum
Early repayment	The principal of the subordinated debt (meaning the debt subject to the DDS; the same applies hereinafter) may be repaid before the repayment date only where the consent of all creditors holding receivables associated with ordinary borrowings* has been obtained.
Subordination clause	If bankruptcy proceedings are commenced against the Company, the right of Resona Bank to claim payment from the Company for the principal and interest on the subordinated debt will be treated as a consensually-subordinated bankruptcy claim as prescribed in Article 99, Paragraph 2 of the Bankruptcy Act. If special liquidation proceedings are commenced against the Company, the right of Resona Bank to claim payment from the Company for the principal and interest on the subordinated debt will be subordinated to all other claims (except, however, for claims subject to equivalent conditions to the subordinated debt subject to the DDS).

*Ordinary borrowings refer to all obligations borne by the Company as of the date on which the subordinated quasi-loan agreement was signed (except, however, for subordinated debt and obligations subject to conditions equivalent to subordinated debt), as well as all new borrowings borne by the Company based on the reconstruction plan.

(2) Outline of the Class A Preferred Shares

1) Preferred dividends

The preferred dividend rate on the Class A Preferred Shares (the ratio of dividends to the paid-in amount for the Class A Preferred Shares) will be 7.0% per annum. The holder of the Class A Preferred Shares (hereinafter referred to as the "Class A Preferred Shareholder") will be given priority over holders of common shares of the Company (hereinafter referred to as "Common Shareholders") in the payment of

dividends. In the event that there are insufficient funds to pay preferred dividends in any fiscal year, the deficit will be added to the preferred dividends payable in the next fiscal year. Class A Preferred Shares are participatory, and where dividends are paid on common shares, the Class A Preferred Shareholder may receive, for each of the Class A Preferred Shares, a dividend of surplus equivalent to the dividend of surplus paid per common share, in addition to the preferred dividend.

2) Option to exchange for common shares

Under the terms of issuance of the Class A Preferred Shares, the Class A Preferred Shareholder may demand the Company acquire all of some of the Class A Preferred Shares held by the Class A Preferred Shareholder in return for common shares, at any time from the date when the Class A Preferred Shares are issued. However, the Company has agreed with Nissan that Nissan may, in principle, only exercise its option to exchange the Class A Preferred Shares for common shares at least one year after the date when the Class A Preferred Shares are issued. Nonetheless, in the event of any of the following causes for the removal of restrictions, Nissan may exercise its option to exchange the Class A Preferred Shares for common shares even within one year after the date when the Class A Preferred Shares are issued.

- Where the Company has not operated the Group's businesses in accordance with the reconstruction plan dated April 10, 2024 (hereinafter referred to as the "Reconstruction Plan") or has not implemented the Reconstruction Plan;
- Where the Company has not obtained the necessary shareholder approval for the election of the candidates for Director nominated by Nissan;
- Where the Company has breached a financial covenant or significant pledge under the amended loan agreements with financial institutions or the debt-debt swap (DDS) agreement with Resona Bank;
- Where a shareholder emerges holding, directly or indirectly, a sufficient number of the Company's shares to impede the adoption of a special resolution by the General Shareholders' Meeting;
- Where two of the Company's Directors (excluding the Directors nominated by Nissan and Resona Bank for election immediately after the payment for the Capital Increase) retire or resign without obtaining the prior approval of Nissan (except in the case of retirement or resignation at the end of the Director's term of office);
- Where over 10% of (i) the employees in the Company's Development Division or (ii) employees at rank M1 and above as of the date of the signing of the Investment Agreement retire or resign (except in the cases of mandatory retirement based on age, dismissal, or retirement or resignation for other proper cause);
- Where cause has arisen for the cancellation of the Investment Agreement.

3) Option to exchange for monetary consideration

On or after April 1, 2028, the Class A Preferred Shareholder may demand the Company acquire all of some of the Class A Preferred Shares held by the Class A Preferred Shareholder in return for money. The exchange price for the Class A Preferred Shares will be calculated as the sum of the amounts equivalent to (i) the paid-in price per share of the Class A Preferred Shares, (ii) the accumulated unpaid Class A dividends, and (iii) daily prorated unpaid Class A preferred dividends, multiplied by the number of the Class A Preferred Shares that are to be exchanged for money.

4) Redemption clause for monetary consideration

The Company may redeem all or some of the Class A Preferred Shares for a monetary consideration, within the scope permitted by law and regulation, on a date to be designated separately by the Company's Board of Directors (hereinafter referred to as the "Monetary Redemption Date") at any time after the

Class A Preferred Shares are issued, after providing written notice to the Class A Preferred Shareholder by the day before the Monetary Redemption Date. The redemption price for the Class A Preferred Shares will be calculated as (i) the number of the Class A Preferred Shares that are to be redeemed for money, multiplied by (ii) the sum of the amounts equivalent to (a) the paid-in price per share of the Class A Preferred Shares, (b) the accumulated unpaid Class A dividends, and (c) daily prorated unpaid Class A preferred dividends. Under the Investment Agreement, the Company and Nissan have agreed that, if the Company intends to invoke the redemption clause for monetary consideration, Nissan has the right to select whether or not to exercise its option to exchange the Class A Preferred Shares for common shares in lieu of the invocation of the redemption clause for monetary consideration.

5) Voting rights, transfer restrictions, etc.

The Class A Preferred Shares carry voting rights at the General Shareholders' Meeting. Each trading unit of the Class A Preferred Shares is 100 shares.

No transfer restrictions are attached to the Class A Preferred Shares under their terms of issuance, but the Investment Agreement establishes a restriction on the transfer of the Class A Preferred Shares (or common shares obtained through the exercise of the option to exchange the Class A Preferred Shares for common shares) by Nissan until March 31, 2028. However, even during this transfer restriction period, the Investment Agreement allows Nissan to transfer all of the shares of the Company it holds to its consolidated subsidiaries.

(3) Summary of the Investment Agreement

1) Agreement concerning the nomination of Directors

The Company has agreed with Nissan to reduce its maximum number of Directors (including Directors who are Audit & Supervisory Committee Members) from 15 to no more than 10, and for Nissan to have the right to nominate (i) two candidates for Director of the Company as long as it holds at least 10% of the Company's voting rights on a fully diluted basis, or (ii) one candidate for Director of the Company as long as it holds at least 5% of the Company's voting rights on a fully diluted basis. The Company is obliged to make the maximum possible effort to ensure that the candidates for Director nominated by Nissan are elected by the General Shareholders' Meeting. In case (i), above, if the two candidates nominated by Nissan are elected as Directors of the Company, one of the two will become the Company's Representative Director, CEO, and the other will be in charge of the manufacturing division. In case (ii), above, if the candidate nominated by Nissan is elected as a Director of the Company, the Director will be in charge of the manufacturing division or another division to be mutually agreed on by the Company and Nissan. The Company is also obliged to make the maximum possible effort to ensure that one candidate for Director nominated by Resona Bank is elected by the General Shareholders' Meeting. If the candidate nominated by Resona Bank is elected as a Director of the Company, the Director will be the Company's CFO (Director, Head of Planning Division). The approval of the proposal for the election of these candidates for Director is a precondition for the payment of the Capital Increase under the Investment Agreement.

2) Establishment of the Monitoring Council

The Company has agreed with Nissan to hold regular meetings of the Monitoring Council to supervise and discuss the status of implementation of the Reconstruction Plan, as long as Nissan holds at least 5% of the Company's voting rights on a fully diluted basis.

3) Agreement concerning matters requiring prior consent

The Company has agreed with Nissan for the Group not to engage in any of the following actions without the prior consent of Nissan, as long as Nissan holds at least 5% of the Company's voting rights on a fully diluted basis.

- (i) Alteration of the Articles of Incorporation or other important organizational rules;
- (ii) Issuance of shares;
- (iii) Dividends of surplus or share repurchases;
- (iv) Assuming, undertaking, or guaranteeing liabilities, etc.;
- (v) Sale, disposal, or pledge of assets (except in the case of assets with a total value less than 1.0 billion yen);
- (vi) Capital investments or capital expenditures exceeding 1.0 billion yen (except where stipulated in the Reconstruction Plan);
- (vii) Decision on absorption-type mergers, consolidation-type mergers, organizational restructuring, liquidation, dissolution, or bankruptcy proceedings;
- (viii) Early payment of liabilities, etc., or changes in contractual conditions for loan agreements, etc.
- (ix) Election of over nine Directors of the Company
- (x) Conclusion of an important agreement that includes a change of control clause without obtaining the approval or consent of the counterparty as required for Nissan to exercise its option to exchange the Class A Preferred Shares for common shares.

4) Nissan's share subscription rights

The Company has agreed with Nissan that it will have share subscription rights to any new shares, etc. issued by the Company, as long as Nissan holds at least 5% of the Company's voting rights on a fully diluted basis.

5) Information access rights

The Company has agreed with Nissan on (i) and (ii), below, as long as Nissan holds at least 5% of the Company's voting rights on a fully diluted basis.

- (i) The Company will provide Nissan with reasonable access rights to the Group's facilities, financial statement data, documents, records, Directors, Executive Officers, and employees, within a scope reasonably necessary for Nissan to confirm that the Group's business operations conform with the Reconstruction Plan and the purpose of the Agreement, within the limits allowed by the applicable laws and regulations, and within the Group's business hours, based on a reasonable request by Nissan with at least seven days advance notice;
- (ii) The Company will report regularly to Nissan on the status of legal and regulatory compliance and the status of business. The Company has also agreed to provide monthly financial statements, etc. to Nissan, within the scope required for Nissan's financial reporting duties, for the period when the Company is a subsidiary or affiliate of Nissan, if Nissan exercises its option to exchange the Class A Preferred Shares for common shares.

2. Reasonableness of the terms of issuance, etc.

(1) Basis for calculation and specific details of the paid-in amount

To ensure fairness in deciding on the terms of issuance of the Class A Preferred Shares, the Company requested Plutus, a third-party valuation firm independent of the Company and Nissan, to calculate the value of the Class A Preferred Shares, and obtained the corresponding valuation report (hereinafter referred to as the "Class A Preferred Shares Valuation Report").

As a result of the consideration of valuation techniques for the Class A Preferred Shares, the third-party valuation firm, Plutus, adopted a valuation technique using the Monte Carlo method, a commonly used

valuation model, to calculate the fair value of the Class A Preferred Shares under certain assumptions (such as the initial exchange value of the Class A Preferred Shares, the timing of the exercise by the recipient of the allotment of the option to exchange them for the Company's common shares or monetary consideration, the share price of the Company's common shares, the volatility of this share price, dividend yield, the risk-free interest rate, discount rate, etc.). According to the Class A Preferred Shares Valuation Report, the value of the Class A Preferred Shares, based on the closing price on the Tokyo Stock Exchange on May 8, 2024, is between 1,000 yen and 1,195 yen per share.

The preferred dividend rate on the Class A Preferred Shares, mentioned above, was deemed reasonable for the reasons stated in (a) to (d) below.

- (a) A similar level may be seen among other listed companies that have issued preferred shares during the past three years (based on a survey by the Company);
- (b) Several potential sponsors apart from Nissan were approached and discussions were held about the possibility of providing support to the Group, but no potential sponsor except for Nissan offered support that was not premised on debt relief for higher-ranking borrowings;
- (c) The prompt procurement of equity financing from a sponsor is needed for the Group to obtain the continued support of the financial institutions that lend to it. It will not be possible for the Group to continue stable business operations unless it can expect the continued support of these financial institutions;
- (d) The value of the Class A Preferred Shares (approximately 1,030 yen per share) is within the range indicated by Plutus in its share valuation, above, which incorporates the terms of issue, including the preferred dividend rate. The paid-in amount for the Class A Preferred Shares is not considered to represent an amount that is particularly favorable to Nissan, as described in the Companies Act.

We determined the terms of the Class A Preferred Shares through repeated, careful negotiation and discussion with Nissan, the planned recipient of the allotment, after considering the Company's difficult situation at present, and based on the valuation results presented in the Class A Preferred Shares Valuation Report compiled by Plutus, a third-party valuation firm independent of the Company and Nissan. We therefore believe that the terms of issuance of the Class A Preferred Shares are reasonable.

Nevertheless, there is no objective market price for the Class A Preferred Shares. Moreover, the valuation of preferred shares is extremely sophisticated and complex, and there are various possible perspectives on this valuation. Therefore, we cannot deny the possibility that the paid-in amount of the Class A Preferred Shares may be considered an amount that is particularly favorable to Nissan. For this reason, we believe that it is appropriate to confirm the will of shareholders, and have made the allotment of the Class A Preferred Shares conditional on the approval of a special resolution on the favorable issue of shares at this General Shareholders' Meeting, based on Article 199, Paragraph 2 of the Companies Act.

(2) Basis on which the number of shares to be issued and the scale of dilution are deemed reasonable

The Class A Preferred Shares to be allotted through the Capital Increase will carry voting rights equivalent to common shares, and will therefore have a dilutive effect on the voting rights of existing shareholders when they are issued. Moreover, options to exchange the Class A Preferred Shares for the Company's common shares, with an initial exchange value of 51.48 yen, are attached to the Class A Preferred Shares, and further dilution of the voting rights of existing shareholders may occur if these options are exercised.

If the Class A Preferred Shares are allotted to Nissan through the Capital Increase, the dilution ratio due to the issue of voting rights (58,272 units) associated with the Class A Preferred Shares will be 15.01%, calculated based on the number of voting rights (388,333 units) associated with the Company's total number of shares outstanding as of March 31, 2024. If the Class A Preferred Shares are all exchanged for common shares of the Company at the initial exchange value of 51.48 yen, the dilution ratio due to voting rights (1,165,501 units) associated with the common shares of the Company then delivered will be 300.13%, calculated based on the number of voting rights (388,333 units) associated with the Company's total number of shares outstanding

as of March 31, 2024, and assuming that there are no accumulated unpaid dividends or daily prorated unpaid preferred dividends associated with the Class A Preferred Shares. These dilution ratios may increase further if the amounts of accumulated unpaid Class A dividends, and daily prorated unpaid Class A preferred dividends increase in the future.

In this way, the Capital Increase is expected to lead to a large-scale dilution. On the other hand, as stated under “1. Purpose and reason for seeking subscription (1) Purpose and reason for the Capital Increase,” above, based on the factors listed in (a) to (i) below, and in view of the Group’s future outlook, including its current financial position and cash flows, we believe that concluding the Investment Agreement with Nissan and receiving sponsorship from Nissan through the Capital Increase through third-party allotment to Nissan is the only viable option for the Group at present. Therefore, notwithstanding the large-scale dilution that will occur due to the Capital Increase, we regard it as reasonable.

- (a) While the Company returned a consolidated operating profit in the first quarter ended June 30, 2023, and forecasts a full-year consolidated operating profit of 1.0 billion yen for the fiscal year ended March 31, 2024, this recovery in performance is limited to certain geographical areas. North America and Europe continue to record losses. Moreover, it is undeniable that even the full-year consolidated operating profit for the fiscal year ended March 31, 2024, is largely due to the tremendous support currently provided by the financial institutions that lend to the Group, its trading partners, and others. The decisive implementation of structural reforms, including a radical revision of the earnings structure (especially the reduction of fixed costs) is crucial for us to achieve profits on a continuing basis. To this end, the 6.0 billion yen of financing to be obtained under this proposal is vitally needed;
- (b) The Capital Increase, in comparison with other methods of financing, provides the greatest surety of achieving an improvement in financial condition and raising the necessary amount. It also contributes to the goal of promptly procuring funds. Therefore, it is considered to be the most appropriate way for the Group to obtain financing;
- (c) None of the 28 companies and 21 funds we approached regarding sponsorship agreed to provide it, in the absence of substantial debt relief;
- (d) Nissan satisfies the considerations that we believe are important in selecting a sponsor, based on the Group’s circumstances. These include the provision of equity financing matching the Group’s desired timeline, the viability of this financing, views on the Group’s management and business that will enable it to achieve a turnaround after the sponsor’s involvement, and the details, feasibility and other attributes of measures to achieve medium- and long-term business continuity and enhance corporate value through structural reforms of the business;
- (e) Nissan is the only potential sponsor that has agreed to provide support for the radical reform and re-growth of the Company’s business. Nissan has indicated conditions considered both specific and feasible for the Group and the financial institutions that lend to the Group, including an investment of 6.0 billion yen without any reduction in borrowings;
- (f) No proposal for support, except for sponsorship by Nissan, has been put forward under which the Group can be expected to receive financial support from the financial institutions that lend to it. It would be risky to continue the consideration of other potential sponsors in view of factors such as the Company’s cash flow status;
- (g) The initial exchange value of 51.48 yen for the options to exchange the Class A Preferred Shares for the Company’s common shares, was determined based on the Group’s difficult financial situation, the lack of any other company or fund willing to provide sponsorship, and the result of discussion and negotiation with Nissan. These terms of issuance can be considered reasonable based on the results of valuation indicated in the Class A Preferred Shares Valuation Report submitted to the Company by Plutus, a third-party valuation firm independent of the Company and Nissan;

- (h) The Company's Audit & Supervisory Committee has expressed the opinion that, notwithstanding the large-scale dilution that will occur due to the Capital Increase, the implementation of the Capital Increase is both necessary and appropriate;
- (i) The Capital Increase is partly conditional on the approval of a special resolution by this General Shareholders' Meeting and other procedures required by laws and regulations are underway.

Of the Company's Directors (including Directors who are Audit & Supervisory Committee Members), Mr. Shoichi Yamamichi, Mr. Yukinobu Kodama and Mr. Manabu Izuno previously served at Nissan. However, Mr. Yamamichi left Nissan approximately 11 years ago, Mr. Kodama left Nissan approximately 10 years ago, and Mr. Izuno left the Nissan Group approximately six years ago (and left Nissan approximately 17 years ago). Therefore, none of the aforementioned Directors is in a position to receive directions or influence from Nissan. Moreover, they had no involvement in the Capital Increase from the standpoint of Nissan, nor were they in a position to be involved. Therefore, we do not believe that there is any risk of a conflict of interest regarding the decision of the Company's Board of Directors on the Capital Increase. Of the Company's Directors, Mr. Mitsuhiro Kasuya and Mr. Kazuhiko Yokoyama previously served at Resona Bank. However, Mr. Kasuya left the Resona Bank Group approximately two years ago (and left Resona Bank approximately five years ago) and Mr. Yokoyama left Resona Bank approximately 12 years ago. Therefore, they are not in a position to receive directions or influence from Resona Bank. Moreover, while it will implement the debt-debt swap (DDS), which is a condition of Nissan's investment through the Capital Increase, Resona Bank itself will not invest in the Group. Furthermore, neither of the aforementioned Directors had any involvement in the DDS or the Capital Increase from the standpoint of Resona Bank, nor were they in a position to be involved. Therefore, we do not believe that there is any risk of a conflict of interest regarding the decision of the Company's Board of Directors on the Capital Increase.

3. Details of the subscription

(1) Class and number of the subscribed shares

Class A Preferred Shares: 5,827,274 shares

(2) Amount to be paid in for the subscribed shares

A per-share amount equal to the quotient of 6,000,000,000 yen divided by 5,827,274 shares

(3) Total amount to be paid in

6,000,000,000 yen

(4) Increases in share capital and legal capital surplus

Increase in share capital: 3,000,000,000 yen

Increase in legal capital surplus: 3,000,000,000 yen

(5) Payment period

From June 28, 2024, to February 9, 2025

Note:

We have established the payment period for the Capital Increase, based on the Companies Act, from June 28, 2024, to February 9, 2025. Payment is planned after the acquisition of shares becomes possible, based on the regulations on business combinations issued by the relevant competition authorities. The payment period had to be chosen with consideration for factors such as the timing of permits and authorizations based on the regulations on business combinations issued by the relevant competition authorities, and the timing when these permits and authorizations will be obtained cannot be determined as of the date of release of the notice of this Ordinary General Shareholders' Meeting. Therefore, we chose the payment period shown above. Under the Investment Agreement, we have agreed with Nissan that the amount to be paid in should be paid on September 2, 2024, or a date mutually agreed upon by both parties, conditional on the satisfaction or removal of all the preconditions of Nissan's payment obligation designated in the Investment Agreement. We have also agreed with Nissan that the Investment Agreement may be terminated by either party, through

written notification to the other party, if the payment for the Capital Increase is not made within nine months of the date of the signing of the Investment Agreement (by February 9, 2025) due to a cause not attributable to the notifying party.

(6) Method of share issuance

All of the shares will be allotted to Nissan Motor Co., Ltd. through a third-party allotment.

(7) Details of the subscribed shares

Please see Proposal 1 for details of the Class A Preferred Shares.

Proposal 3: Partial Amendments to the Articles of Incorporation (2)

1. Reason for the amendments

In preparation for the issuance of the Company's common shares through the exercise of acquisition request rights granted for Class A Preferred Shares with the Company's common shares as consideration related to "Proposal 2: Issuance of Class A Preferred Shares through Third-party Allotment" of this Ordinary General Meeting of Shareholders, the Company proposes amendments, etc. to the total number of shares authorized to be issued and the total number of class shares authorized to be issued in the amended Articles of Incorporation following partial amendments to the Articles of Incorporation related to Proposal 1, as well as amendments to reduce the maximum number of Directors (excluding Directors serving as Audit & Supervisory Committee Members) from ten (10) to no more than six (6), and to reduce the maximum number of Directors serving as Audit & Supervisory Committee Members from five (5) to no more than four (4).

The partial amendments to the Articles of Incorporation are subject to the approval and resolution of "Proposal 1: Partial Amendments to the Articles of Incorporation (1)" as originally proposed, and the implementation of payments related to a capital increase through third-party allotment related to Proposal 2.

According to Article 113, Paragraph 3-1 of the Companies Act, when a public company such as the Company amends its Articles of Incorporation to increase the total number of shares authorized to be issued, the total number of shares authorized to be issued following the amendments to the Articles of Incorporation may not exceed four times the total number of shares outstanding at the time the amendments to the Articles of Incorporation take effect. Based on the total number of the Company's shares outstanding as of March 31, 2024 (39,511,728 shares), the number of the Company's common shares (116,550,116 shares) to be delivered if converted to the Company's common shares at the initial acquisition price assuming the absence of both the amount equivalent to the cumulated unpaid dividends of Class A shares and the amount of daily prorated unpaid preferred dividends is within four times the Company's total number of shares outstanding as of March 31, 2024 (158,046,912 shares). However, if the preferred dividends of Class A Preferred Shares are cumulated, the number of the Company's common shares to be delivered in association with the exercise of acquisition request rights with common shares granted as Class A Preferred Shares as consideration may exceed four times the total number of the Company's shares outstanding as of March 31, 2024 (158,046,912 shares). Therefore, in preparation for the issuance of common shares through the exercise of acquisition request rights granted for Class A Preferred Shares with the Company's common shares as consideration in the event that the preferred dividends of Class A shares are cumulated, the Company decided to implement the amendments to the Articles of Incorporation in two stages in order to increase the total number of shares authorized to be issued.

2. Details of the amendments

The details of the amendments are as follows.

(The amended sections are underlined.)

Amended Articles of Incorporation following Amendments to the Articles of Incorporation (1)	Proposed Amendments
<p style="text-align: center;">Chapter I General Provisions</p> <p>Articles 1 – 4 (Omitted)</p> <p>(Total Number of Shares Authorized to be Issued and the Total Number of Class Shares Authorized to be Issued)</p> <p>Article 5 The total number of the Company’s shares authorized to be issued shall be <u>158,046,912</u> shares, and the total number of class shares authorized to be issued in each share class shall be as follows: Common shares: <u>158,046,192</u> shares Class A Preferred Shares: 5,827,274 shares</p> <p>Articles 6 – 17 (Omitted)</p> <p>(Number of Directors)</p> <p>Article 18 The number of the Company’s Directors (excluding Directors serving as Audit & Supervisory Committee Members) shall be no more than <u>ten (10)</u>. The number of the Company’s Directors serving as Audit & Supervisory Committee Members (hereinafter, Audit & Supervisory Committee Members) shall be no more than <u>five (5)</u>.</p> <p>Articles 19 – 36 (Omitted)</p> <p>Supplementary Provisions Article 1 (Omitted)</p>	<p style="text-align: center;">Chapter I General Provisions</p> <p>Articles 1 – 4 (Unchanged)</p> <p>(Total Number of Shares Authorized to be Issued and the Total Number of Class Shares Authorized to be Issued)</p> <p>Article 5 The total number of the Company’s shares authorized to be issued shall be <u>181,356,008</u> shares, and the total number of class shares authorized to be issued in each share class shall be as follows: Common shares: <u>181,356,008</u> shares Class A Preferred Shares: 5,827,274 shares</p> <p>Articles 6 – 17 (Omitted)</p> <p>(Number of Directors)</p> <p>Article 18 The number of the Company’s Directors (excluding Directors serving as Audit & Supervisory Committee Members) shall be no more than <u>six (6)</u>. The number of the Company’s Directors serving as Audit & Supervisory Committee Members (hereinafter, Audit & Supervisory Committee Members) shall be no more than <u>four (4)</u>.</p> <p>Articles 19 – 36 (Unchanged)</p> <p>Supplementary Provisions Article 1 (Unchanged)</p>

Proposal 4: Election of Six (6) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

The terms of office of six (6) Directors (excluding Directors serving as Audit & Supervisory Committee Members), Messrs. HANYA Katsuji, YAMAMICHI Shoichi, KASUYA Mitsuhiko, YUIKAWA Koichi, KODAMA Yukinobu and MIHARA Yasuhiro, shall expire at the time of the adjournment of this Ordinary General Shareholders' Meeting (the end of the deliberation on June 27, 2024). We therefore propose election of six (6) Directors (excluding Directors serving as Audit & Supervisory Committee Members).

The timing for the assumption of office for the candidates for Directors (excluding Directors serving as Audit & Supervisory Committee Members) shall be the time of the adjournment of this Ordinary General Shareholders' Meeting (the end of the deliberation on June 27, 2024).

Audit & Supervisory Committee has reviewed this Proposal without any comments.

The candidates for Directors (excluding Directors serving as Audit & Supervisory Committee Members) are as follows:

No.	Name (Date of birth)	Career summary (positions, responsibilities and significant concurrent positions)	Number of shares of the Company held
1	<p>HANYA Katsuji (August 11, 1957)</p> <p>[Reelection]</p>	<p>April 1981 Joined the Company</p> <p>January 2007 General Manager, Corporate Planning Office</p> <p>April 2007 General Manager, HR & Administration Department</p> <p>April 2010 Officer, General Manager, Administration Department</p> <p>April 2011 Executive Officer (in charge of HR & Administration Department and Corporate Planning Department)</p> <p>April 2013 Executive Officer (in charge of Administration Group)</p> <p>April 2014 Managing Corporate Officer (in charge of Administration & Supervision Group)</p> <p>June 2015 Director and Managing Corporate Officer</p> <p>June 2016 Director and Senior Managing Corporate Officer</p> <p>January 2019 Director and Managing Executive Officer (in charge of Administration Division)</p> <p>April 2020 Director and Senior Managing Executive Officer</p> <p>October 2020 Director and Senior Managing Executive Officer (Head of Administration Division and in charge of Accounting & Finance Group; Representative Director and President, KASAI KOGYO JAPAN CO., LTD.)</p> <p>April 2021 Director and Senior Managing Executive Officer (Head of Administration Division; Representative Director and President, KASAI KOGYO JAPAN CO., LTD.)</p> <p>January 2022 Director and Senior Managing Executive Officer (Head of Administration Division)</p> <p>January 2023 Representative Director, President (in charge of overall management and Internal Audit Department, Chief Disclosure Officer) (current position) (to present)</p>	28,000
<p>(Reason for nomination as a candidate for Director)</p> <p>Mr. HANYA Katsuji was appointed Representative Director, President of the Company in January 2023, and has appropriately played roles in determining important management matters and monitoring on business execution. After accumulating on-site experience in creating sales as a salesperson, he has been involved for many years in practical work and management directly linked to the management, including corporate planning, human resources and administration, and accounting and finance. After being appointed President, he placed the utmost priority on the revitalization of business and the recovery of business performance and steadily yielded results, including the achievement of operating profitability in the fiscal year 2023.</p> <p>Therefore, the Company proposes him again as a candidate for Director, to fulfill his duty as Representative Director, President after being elected as Director.</p>			

No.	Name (Date of birth)	Career summary (positions, responsibilities and significant concurrent positions)	Number of shares of the Company held
2	YAMAMICHI Shoichi (October 3, 1958) [Reelection]	<p>April 1981 Joined Nissan Motor Co., Ltd.</p> <p>April 2002 Manager, Global S&M, Planning Department, and Strategy & Planning Group</p> <p>January 2004 VP, Yulon Nissan Motor Co., Ltd. (Taiwan)</p> <p>April 2008 Manager, China Business Department, Nissan Motor Co., Ltd.</p> <p>March 2009 Manager, China Business Department and Japan/Asia Business Management Office</p> <p>April 2010 Career Coach, Career Coach Group, HR Department</p> <p>April 2013 Executive Officer (vice in charge of Project Management Group, in charge of China Business Promotion), the Company</p> <p>October 2013 Executive Officer (Director, GUANGZHOU KASAI AUTOMOTIVE INTERIOR TRIM PARTS CO., LTD.)</p> <p>April 2014 Executive Officer (President, GUANGZHOU KASAI AUTOMOTIVE INTERIOR TRIM PARTS CO., LTD.)</p> <p>April 2015 Managing Corporate Officer (Head of China Area; Chairman and President, GUANGZHOU KASAI AUTOMOTIVE INTERIOR TRIM PARTS CO., LTD.; President, KAIFENG KASAI AUTOMOTIVE TRIM PARTS CO., LTD.)</p> <p>April 2018 Senior Managing Corporate Officer</p> <p>January 2019 Managing Executive Officer</p> <p>June 2019 Director and Managing Executive Officer</p> <p>April 2020 Director and Senior Managing Executive Officer (Head of China Area; Chairman and President, GUANGZHOU KASAI AUTOMOTIVE INTERIOR TRIM PARTS CO., LTD.; President, KAIFENG KASAI AUTOMOTIVE TRIM PARTS CO., LTD.)</p> <p>April 2022 Director and Senior Managing Executive Officer (Head of China Region and China Area; Chairman and President, GUANGZHOU KASAI AUTOMOTIVE INTERIOR TRIM PARTS CO., LTD.; President, KAIFENG KASAI AUTOMOTIVE TRIM PARTS CO., LTD.)</p> <p>January 2023 Director, Executive Vice President (Head of China Area; Chairman and President, GUANGZHOU KASAI AUTOMOTIVE INTERIOR TRIM PARTS CO., LTD.; President, KAIFENG KASAI AUTOMOTIVE TRIM PARTS CO., LTD.)</p> <p>April 2024 Director, Executive Vice President (Chairman, GUANGZHOU KASAI AUTOMOTIVE INTERIOR TRIM PARTS CO., LTD.; President, KAIFENG KASAI AUTOMOTIVE TRIM PARTS CO., LTD.) (current position) (to present)</p>	0
<p>(Reason for nomination as a candidate for Director)</p> <p>Taking office as Director, Executive Vice President in January 2023, Mr. YAMAMICHI Shoichi has offered candid opinions to the President, whose role in steering the Company is not easy, and assisted the President from the aspect of manufacturing. As Director supervising China area for many years, Mr. YAMAMICHI Shoichi has demonstrated solid achievements despite the difficult business environment in the coronavirus crisis and the semiconductor shortage, etc., and has greatly contributed to the increase of the overall Group's business performance. After being appointed Executive Vice President, with his remarks based on his deep insight regarding the automotive business and logical thinking, and those made from broad perspective with accurate insight into the essence of issues, he has worked on the revitalization of business and the recovery of business performance together with the President and steadily yielded results.</p> <p>Therefore, the Company proposes him again as a candidate for Director, to fulfill his duty as Director, Executive Vice President after being elected as Director.</p>			

(*) Messrs. HANYA Katsuji and YAMAMICHI Shoichi are scheduled to resign at a time when the proposals pertaining to a capital increase by way of third-party allotment to Nissan Motor Co., Ltd. are approved and adopted as originally proposed at this Ordinary General Shareholders' Meeting, regulatory approvals are obtained for notifications to be made based on applicable laws and regulations, and the investment by Nissan Motor Co., Ltd. is completed upon issuance of shares that are to be offered pursuant to said proposals.

No.	Name (Date of birth)	Career summary (positions, responsibilities and significant concurrent positions)	Number of shares of the Company held
3	OGAWA Koichi (January 15, 1968) [New election]	<p>April 1990 Joined Saitama Bank, Limited (currently Resona Bank, Limited)</p> <p>November 2004 Group Leader, Credit Planning Division, Resona Bank, Limited</p> <p>April 2005 Group Leader, Operation Reengineering Division</p> <p>April 2010 General Manager, Sales Division II, Shiba and Azabu Area</p> <p>April 2012 General Manager, Sales Division, Meguro Ekimae Area</p> <p>April 2014 General Manager, Muromachi Branch</p> <p>April 2016 General Manager, Risk Management Division, Resona Bank, Limited</p> <p> General Manager, Risk Management Division, Resona Holdings, Inc.</p> <p>January 2018 General Manager, Credit Division, Resona Bank, Limited</p> <p>April 2019 Executive Officer, in charge of Compliance Management Division and Credit Planning Division, Saitama Resona Bank, Limited</p> <p>April 2020 Executive Officer, in charge of Operation Reengineering Division and Credit Planning Division</p> <p>June 2022 Executive Officer, in charge of Internal Audit Division, Resona Bank, Limited</p> <p> Executive Officer, in charge of Internal Audit Division, Resona Holdings, Inc.</p> <p>April 2023 Managing Executive Officer, in charge of Business Process Reengineering Division and Facility Management Division, Resona Bank, Limited</p> <p> Executive Officer, in charge of Business Process Reengineering Division, Facility Management Division and Group Strategy Division (business process reform), Resona Holdings, Inc.</p> <p>April 2024 Senior Managing Executive Officer (Head of Planning Division), the Company (current position) (to present)</p>	0
<p>(Reason for nomination as a candidate for Director)</p> <p>Mr. OGAWA Koichi served as General Manager of branch offices and General Manager of Risk Management Division and Credit Division, etc. at Resona Bank, Limited, and was in charge of business process reengineering and facility management as Managing Executive Officer of the bank before he joined the Company. He has been involved in the expansion and revitalization of companies of various sizes and in various industries through lending operations, and has the insight to accurately assess the potential of companies. Now as Senior Managing Executive Officer and Head of Planning Division of the Company, he takes the overall commanding role of executing business revitalization plans.</p> <p>Therefore, the Company proposes him as a new candidate for Director, and plans to appoint him as Director, Senior Managing Executive Officer after his election.</p>			

No.	Name (Date of birth)	Career summary (positions, responsibilities and significant concurrent positions)	Number of shares of the Company held
4	KODAMA Yukinobu (December 28, 1954) [Reelection] [Outside] [Independent]	April 1978 Joined Nissan Motor Co., Ltd. January 1993 Seconded to Nissan Automotive Europe S.A.S. July 1997 Manager, Production Section, Engineering Department, Oppama Plant, Nissan Motor Co., Ltd. April 2002 General Manager, HR Planning Department April 2009 General Manager, Kyushu Plant October 2011 President, Nissan Motor Kyushu Co., Ltd. June 2014 Representative Director, President, VANTEC Inc. April 2020 Director, Chairman of the Board June 2022 Outside Director, the Company (current position) (to present)	0
<p>(Reason for nomination as a candidate for Outside Director and expected roles)</p> <p>After accumulating experience and making considerable achievements in the field of production management/SCM at Nissan Motor Co., Ltd., Mr. KODAMA Yukinobu served as General Manager of Kyushu Plant of the said company and President of Nissan Motor Kyushu Co., Ltd., and then became President of VANTEC Inc., a subsidiary of Hitachi Transport System, Ltd. He also possesses a broad-ranging career, including working abroad at Nissan Automotive Europe S.A.S., experience at a cross-functional team (CFT) for Nissan Revival Plan, and serving as General Manager of HR Planning Department. He has been in the automotive industry for many years and has a wealth of experience and broad insights as a corporate manager. He thus appropriately plays roles in monitoring on business execution of the Company.</p> <p>Therefore, the Company proposes him again as a candidate for Independent Outside Director.</p>			

No.	Name (Date of birth)	Career summary (positions, responsibilities and significant concurrent positions)	Number of shares of the Company held
5	NOJI Hikomitsu (October 30, 1958) [New election] [Outside] [Independent]	April 1982 Joined The Yokohama Rubber Co., Ltd. April 2002 General Manager, Deputy Head of Shinshiro Plant July 2004 General Manager, Head of Mishima Plant January 2007 Seconded to Yokohama Tire Philippines, Inc. (YTPI) as President and CEO June 2008 Corporate Officer, Acting Head of Tire Production Division, The Yokohama Rubber Co., Ltd. President and CEO, YTPI January 2009 Corporate Officer, Head of Tire Production Division June 2009 Director and Managing Corporate Officer responsible for tire business, Head of Tire Production Division March 2011 Director and Senior Managing Corporate Officer responsible for tire business, Head of Tire Production Division June 2011 President and Representative Director March 2017 Vice Chairman and Director Seconded to Alliance Tire Group B.V. as Chairman and Representative Director March 2018 Vice Chairman and Corporate Officer, The Yokohama Rubber Co., Ltd. Chairman and Representative Director, Alliance Tire Group B.V. March 2019 Chief Engineer, The Yokohama Rubber Co., Ltd. Chairman, President and Representative Director, Yokohama Tire Manufacturing Mississippi, LLC. April 2021 Advisor, The Yokohama Rubber Co., Ltd. April 2024 Honorary Advisor (current position) (to present)	0
<p>(Reason for nomination as a candidate for Outside Director and expected roles)</p> <p>Mr. NOJI Hikomitsu has served as Plant Head, President of overseas subsidiaries and Production Division Head of The Yokohama Rubber Co., Ltd., a company that operates Tire Business and Multiple Business globally. After that, he served as President and Representative Director of the said company for six years from 2011. He has been in the automotive industry for many years through Tire Business, and has a wealth of experience and broad insights as a corporate manager. He is thus expected to appropriately play roles in monitoring on business execution of the Company.</p> <p>Therefore, the Company proposes him as a new candidate for Independent Outside Director.</p>			

No.	Name (Date of birth)	Career summary (positions, responsibilities and significant concurrent positions)	Number of shares of the Company held
6	MIHARA Yasuhiro (July 31, 1961) [Reelection] [Outside]	<p>April 1985 Joined NAGASE & CO., LTD.</p> <p>September 1996 Seconded to Nagase (Hong Kong) Ltd.</p> <p>February 2002 Manager, Functional Chemicals I Department, NAGASE & CO., LTD.</p> <p>April 2009 General Manager, Functional Chemicals I Department, NAGASE & CO., LTD.</p> <p>February 2013 COO, Nagase Singapore (Pte) Ltd.</p> <p>April 2015 Executive Officer, General Manager of Specialty Chemicals Department, NAGASE & CO., LTD.</p> <p>April 2019 Executive Officer, General Manager of Corporate Planning Department</p> <p>April 2021 Executive Officer, General Manager of Corporate Strategy Department</p> <p>April 2022 Senior Managing Director, Nagase Beauty Care Co., Ltd.</p> <p>June 2022 Outside Director, the Company (current position)</p> <p>April 2023 Representative Director, President, Nagase Beauty Care Co., Ltd. (current position) (to present)</p>	0
<p>(Reason for nomination as a candidate for Outside Director and expected roles)</p> <p>Mr. MIHARA Yasuhiro has excellent accomplishments under challenging environment in sales and administration in the functional materials segment and overseas subsidiary of NAGASE & CO., LTD., a company that operates businesses globally. Thereafter, he has been playing a central role in steadily executing the said company's medium-term management plan aiming for its sustainable growth as Executive Officer and General Manager of Corporate Planning / Corporate Strategy Departments. He gives us various advice on the Group's business and the overall management, backed by his broad business experience and deep insight, and appropriately plays roles in monitoring on business execution of the Company.</p> <p>Therefore, the Company proposes him again as a candidate for Outside Director.</p>			

Notes:

- There are no special interests between the Company and each of the candidates.
- At the conclusion of this General Shareholders' Meeting, Messrs. KODAMA Yukinobu and MIHARA Yasuhiro will have served as Outside Directors for 2 years.
- The Company has concluded agreements with Messrs. KODAMA Yukinobu and MIHARA Yasuhiro pursuant to Article 427, Paragraph 1 of the Companies Act to limit their liability for damage pursuant to Article 423, Paragraph 1 of the same Act. The maximum amount of liability under the agreement is the minimum amount stipulated by Article 425, Paragraph 1 of the same Act.
- If Mr. NOJI Hikomitsu is elected as Outside Director, the Company will conclude an agreement with him pursuant to Article 427, Paragraph 1 of the Companies Act to limit his liability for damage pursuant to Article 423, Paragraph 1 of the same Act. The maximum amount of liability under the agreement is the minimum amount stipulated by Article 425, Paragraph 1 of the same Act.
- The Company has concluded a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act, naming all Directors and Executive Officers as the insured persons. The insurance contract covers damages that may be incurred as a result of the liability assumed by Directors, the insured persons, in the execution of their duties, or any claim made against them in connection with such liability. The insurance premiums are fully paid by the Company. If each candidate assumes office as Director, the candidate will be an insured person under the insurance contract, and the Company plans to renew the insurance contract during his or her term of office.
- The Company has registered Messrs. KODAMA Yukinobu and NOJI Hikomitsu as Independent Directors prescribed by the Tokyo Stock Exchange.

Proposal 5: Election of Three (3) Directors Serving as Audit & Supervisory Committee Members

The terms of office of three (3) Directors serving as Audit & Supervisory Committee Members, Messrs. IZUNO Manabu, YOKOYAMA Kazuhiko and KIDO Kazuhiro, will expire at the conclusion of the meeting. We therefore propose election of three (3) Directors serving as Audit & Supervisory Committee Members.

The Company has received an approval from Audit & Supervisory Committee for this Proposal.

The candidates for Directors serving as Audit & Supervisory Committee Members are as follows:

No.	Name (Date of birth)	Career summary (positions, responsibilities and significant concurrent positions)	Number of shares of the Company held
1	<p>MATSUYA Hideaki (April 22, 1955)</p> <p>[New election]</p>	<p>April 1978 Joined the Company</p> <p>February 1990 Section Manager, Accounting Department</p> <p>September 1997 Seconded to M-TEK, INC.</p> <p>January 2004 General Manager, Accounting & Finance G, the Company</p> <p>April 2007 President and Director, R-TEK, INC.</p> <p>April 2009 Officer, the Company President and Director, R-TEK, INC.</p> <p>April 2010 Executive Officer, the Company President and Director, R-TEK, INC.</p> <p>April 2011 Managing Corporate Officer, Head of Accounting Department, the Company</p> <p>April 2014 Managing Corporate Officer, the Company President and Director, KASAI TECK SEE CO., LTD.</p> <p>January 2019 Managing Executive Officer, the Company President and Director, KASAI TECK SEE CO., LTD.</p> <p>April 2024 Managing Executive Officer, Assistant to the President, the Company (current position) (to present)</p>	7,000
<p>(Reason for nomination as a candidate for Director serving as Audit & Supervisory Committee Member and expected roles)</p> <p>Since joining the Company, Mr. MATSUYA Hideaki has built his career mainly in accounting and finance divisions, while experiencing overseas assignments in North America, Europe, and ASEAN regions. Such a background is distinguished from those of others in the Company. In Europe and ASEAN countries, in particular, he gained experience and achievements through bearing responsibility for the overall corporate management as a regional supervising officer. This experience is expected to contribute to improving internal control, and furthermore, to increasing corporate value of the Company.</p> <p>Therefore, the Company proposes him as a new candidate for Director serving as Audit & Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career summary (positions, responsibilities and significant concurrent positions)	Number of shares of the Company held
	KIDO Kazuhiro (March 6, 1958) [Reelection] [Outside] [Independent]	October 1980 Joined Tohmatsu, Awoki & Co. (currently Deloitte Touche Tohmatsu LLC) May 1996 Designated Unlimited Liability Partner, Tohmatsu & Co. (currently Deloitte Touch Tohmatsu LLC) May 2003 Engagement Partner September 2020 Retired from Deloitte Touche Tohmatsu LLC October 2020 Established Kido Certified Public Accountant Office (current position) June 2022 Outside Director (Audit & Supervisory Committee Member), the Company (current position) (to present)	0
2	<p>(Reason for nomination as a candidate for Outside Director serving as Audit & Supervisory Committee Member and expected roles)</p> <p>After joining Deloitte Touche Tohmatsu LLC as a certified public accountant, Mr. KIDO Kazuhiro has worked at the forefront of the audit corporation for approximately 40 years. He audited many public-interest corporations and schools, etc., in addition to general listed companies, and developed the service into one of the business lines of the firm. He retired from the said audit corporation in October 2020, to start his own accounting office. He has engaged in accounting audits of a variety of businesses and corporations with a particular focus on quality and appropriateness of auditing and reporting. Such experience and insight contribute to improving internal control, and furthermore, to increasing corporate value of the Company. There are no special interests between Mr. KIDO Kazuhiro and the Company.</p> <p>Therefore, the Company proposes him again as a candidate for Independent Outside Director serving as Audit & Supervisory Committee Member.</p>		

No.	Name (Date of birth)	Career summary (positions, responsibilities and significant concurrent positions)	Number of shares of the Company held
3	FURUKAWA Yuji (September 24, 1961) [New election] [Outside] [Independent]	<p>April 1984 Joined The Kyowa Bank, Ltd. (currently Resona Bank, Limited)</p> <p>April 2001 General Manager, Murayama Branch, The Asahi Bank, Ltd. (currently Resona Bank, Limited)</p> <p>March 2009 Executive Officer, General Manager, Corporate Management Division and in charge of Corporate Management Division (Special Assignment), Resona Bank, Limited</p> <p>April 2012 Managing Executive Officer, in charge of Pension Sales Division and Trust Business Division</p> <p>April 2013 Representative Director, Vice President and Executive Officer, in charge of and supervising East Japan, in charge of Tokyo Metropolitan Area and in charge of and supervising Trust Section</p> <p>April 2014 Director and Executive Officer, in charge of Human Resource Services Division and Human Resource Development Division</p> <p>June 2014 Director and Representative Executive Officer, in charge of Human Resource Services Division, Resona Holdings, Inc.</p> <p>April 2017 President, Resona Kessai Service Co., Ltd.</p> <p>June 2017 Chairman, The Resona Foundation For Small And Medium Enterprise Promotion (current position)</p> <p>June 2019 Outside Member of the Board, SODA NIKKA CO., LTD. (current position)</p> <p>June 2020 Outside Director, WATANABE SATO CO., LTD. (current position) (to present)</p>	0
<p>(Reason for nomination as a candidate for Outside Director serving as Audit & Supervisory Committee Member and expected roles)</p> <p>After serving as General Manager of Corporate Management Division and being in charge of Pension Sales Division and Trust Business Division, etc., Mr. FURUKAWA Yuji played an active role as Representative Director, Vice President and Executive Officer at Resona Bank, Limited. After that, he served as President of Resona Kessai Service Co., Ltd., and then was appointed Chairman of The Resona Foundation For Small And Medium Enterprise Promotion. His guidance and advice on business execution based on corporate analysis skill that he has developed in the financial industry is expected to fully function in terms of audit. There are no special interests between Mr. FURUKAWA Yuji and the Company.</p> <p>Therefore, the Company proposes him as a new candidate for Independent Outside Director serving as Audit & Supervisory Committee Member.</p>			

Notes:

- At the conclusion of this General Shareholders' Meeting, Mr. KIDO Kazuhiro will have served as Outside Director of the Company for 2 years.
- The Company has concluded an agreement with Mr. KIDO Kazuhiro pursuant to Article 427, Paragraph 1 of the Companies Act to limit his liability for damage pursuant to Article 423, Paragraph 1 of the same Act. The maximum amount of liability under the agreement is the minimum amount stipulated by Article 425, Paragraph 1 of the same Act.
- If Mr. FURUKAWA Yuji is elected as Outside Director serving as Audit & Supervisory Committee Member, the Company will conclude an agreement with him pursuant to Article 427, Paragraph 1 of the Companies Act to limit his liability for damage pursuant to Article 423, Paragraph 1 of the same Act. The maximum amount of liability under the agreement is the minimum amount stipulated by Article 425, Paragraph 1 of the same Act.
- The Company has concluded a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act, naming all Directors and Executive Officers as the insured persons. The insurance contract covers damages that may be incurred as a result of the liability assumed by Directors, the insured persons, in the execution of their duties, or any claim made against them in connection with such liability. The insurance premiums are fully paid by the Company. If each candidate assumes office as Director, the candidate will be an insured person under the insurance contract.
- The Company has registered Messrs. KIDO Kazuhiro and FURUKAWA Yuji as Independent Directors prescribed by the Tokyo Stock Exchange.

Proposal 6: Election of Two (2) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

Messrs. HANYA Katsuji and YAMAMICHI Shoichi are scheduled to resign at a time when the proposals pertaining to a capital increase by way of third-party allotment to Nissan Motor Co., Ltd. are approved as originally proposed at this Ordinary General Shareholders' Meeting, regulatory approvals are obtained for notifications to be made based on applicable laws and regulations, and the investment by Nissan Motor Co., Ltd. is completed upon issuance of shares that are to be offered pursuant to said proposals. In addition, for the purpose reorganizing the management structure for the execution of a restructuring plan of the Company, we propose the election of two (2) Directors (excluding Directors serving as Audit & Supervisory Committee Members).

The election of Messrs. FURUKAWA Koji and INAZU Shigeki will take effect, provided that Proposal 1 through Proposal 3 are approved and adopted as originally proposed at this Ordinary General Shareholders' Meeting and the investment pertaining to the capital increase by way of third-party allotment is completed pursuant to Proposal 2 of this Ordinary General Shareholders' Meeting.

Audit & Supervisory Committee has reviewed this Proposal without any comments.

The candidates for Directors (excluding Directors serving as Audit & Supervisory Committee Members) are as follows:

No.	Name (Date of birth)	Career summary (positions and significant concurrent positions)	Number of shares of the Company held
1	FURUKAWA Koji (September 10, 1961) [New election]	<p>April 1984 Joined Nissan Motor Co., Ltd.</p> <p>May 1987 Seconded to Nissan Prince Saitama Hanbai Co., Ltd.</p> <p>August 1989 First Purchasing Department, Nissan Motor Co., Ltd.</p> <p>July 1996 Seconded to Nissan Motor Manufacturing (UK) Ltd.</p> <p>July 1999 Senior Manager, Second Purchasing Department, Nissan Motor Co., Ltd.</p> <p>April 2002 Senior Manager, Purchasing Strategy Department</p> <p>April 2006 Seconded to Renault-Nissan Purchasing Organization</p> <p>April 2009 General Manager, Power Train Project Purchasing Department, Nissan Motor Co., Ltd.</p> <p>April 2014 General Manager, Power Train Project Purchasing Department Seconded to Renault-Nissan Purchasing Organization</p> <p>April 2015 VP (Head of Purchasing Division), JATCO Ltd</p> <p>October 2015 Corporate Vice President (Head of Purchasing Division)</p> <p>April 2017 Senior Vice President (Head of Purchasing Division) (current position) (to present)</p>	0
<p>(Reason for nomination as a candidate for Director)</p> <p>Mr. FURUKAWA Koji has held key positions in procurement and purchasing sector of Nissan Motor Co., Ltd., a company that operates automotive businesses globally. He also serves as Senior Vice President and Head of Purchasing Division of JATCO Ltd, a group company of Nissan Motor Co., Ltd. His career includes assignments at Nissan Motor Manufacturing (UK) Ltd. and allied organizations with Renault S.A., and thus rich in experience of management in different cultures. He has been in the automotive industry for many years and has experience in global business and management and broad insights. He is slated to fulfill his duty as Representative Director, President after being elected as Director. He is expected to tackle management issues toward achieving sustainable growth, after revitalizing the Company's business and recovering its business performance.</p>			

No.	Name (Date of birth)	Career summary (positions and significant concurrent positions)	Number of shares of the Company held
2	INAZU Shigeki (November 26, 1967) [New election]	<p>April 1992 Joined Nissan Motor Co., Ltd. Production Section, Engineering Department, Tochigi Plant</p> <p>November 1993 Seconded to Tokai Nissan Motor Co., Ltd.</p> <p>December 1995 Production Section, Engineering Department, Tochigi Plant, Nissan Motor Co., Ltd.</p> <p>April 2001 Manufacturing HR Department</p> <p>April 2004 Production Control Department</p> <p>April 2006 Senior Manager, Production Control Department</p> <p>April 2008 Seconded to Nissan Mexicana S.A. de C.V.</p> <p>April 2013 Manager, Production Control Department, Nissan Motor Co., Ltd.</p> <p>April 2015 General Manager, Production Control Department</p> <p>April 2019 Seconded to Nissan Do Brasil Automoveis Ltda.</p> <p>April 2023 Deputy Division General Manager, Manufacturing Strategy Planning Division, Nissan Motor Co., Ltd. (current position) (to present)</p>	0
<p>(Reason for nomination as a candidate for Director)</p> <p>Mr. INAZU Shigeki accumulated experience and achievements in the field of production control at plants and the head office of Nissan Motor Co., Ltd. In addition to serving as General Manager of Production Control Department at the head office, he accumulated experience of managing overseas subsidiaries at Nissan Mexicana S.A. de C.V. and Nissan Do Brasil Automoveis Ltda., etc. He is currently assuming responsibility of Deputy Division General Manager of Manufacturing Strategy Planning Division. He also possesses a broad-ranging career, including the engagement in HR planning and personnel development operations at production divisions in Manufacturing HR Department. He has been in the automotive industry for many years and has a wealth of experience in the field of manufacturing and global, broad insights. He is slated to fulfill his duty as Director, Executive Vice President after being elected as Director. He is expected to rebuild and strengthen the global manufacturing structure of the Company.</p>			

Notes:

1. There are no special interests between the Company and each of the candidates.
2. The Company has concluded a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act, naming all Directors and Executive Officers as the insured persons. The insurance contract covers damages that may be incurred as a result of the liability assumed by Directors, the insured persons, in the execution of their duties, or any claim made against them in connection with such liability. The insurance premiums are fully paid by the Company. If each candidate assumes office as Director, the candidate will be an insured person under the insurance contract, and the Company plans to renew the insurance contract during his or her term of office.

Proposal 7: Election of One (1) Substitute Director Serving as Audit & Supervisory Committee Member

To prepare for a contingency in which the Company does not have the number of Directors serving as Audit & Supervisory Committee Members prescribed by laws and regulations, we propose the election of one Substitute Director serving as Audit & Supervisory Committee Member.

The Company has received an approval from Audit & Supervisory Committee for this Proposal.

The candidate for Substitute Director serving as Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary (positions and significant concurrent positions)	Number of shares of the Company held
SUGINO Shoko (August 7, 1945) [Outside] [Independent]	April 1973 Registered as attorney-at-law April 1973 Joined Fujibayashi Law Office April 1994 Partner attorney (current position) March 2007 Outside Auditor, Kitoku Shinryo Co., Ltd. June 2014 Outside Auditor, Aoki Shinkin Bank March 2017 Outside Director, MDI Corporation June 2018 Outside Corporate Auditor, TAKEEI CORPORATION (current position) June 2019 Outside Director, JAPAN SECURITIES FINANCE CO., LTD. (current position) September 2019 Auditor, MDI Corporation June 2022 Outside Director, JANOME Corporation (current position) (to present)	0
(Reason for nomination as a candidate for Substitute Outside Director serving as Audit & Supervisory Committee Member and expected roles) Ms. SUGINO Shoko has provided guidance to strengthen internal control as a legal advisor to the Company for many years, and has served as a lecturer for the education, etc. of Directors on several occasions. Based on these achievements, the Company has confirmed that she has sufficient information gathering ability, understanding, and practical ability to fulfill her duties as an Outside Director. She is well versed in the Company's business, and has a wealth of experience and broad insights related to corporate legal affairs and internal control. She is thus expected to appropriately play roles in monitoring on business execution of the Company. Therefore, the Company proposes her again as a candidate for Substitute Outside Director serving as Audit & Supervisory Committee Member.		

Notes:

1. The Company has concluded a legal advisory contract with Ms. SUGINO Shoko.
2. There are no special interests between the Company and the candidate.
3. If Ms. SUGINO Shoko assumes her office as Outside Director serving as Audit & Supervisory Committee Member, the Company will conclude an agreement with her pursuant to Article 427, Paragraph 1 of the Companies Act to limit her liability for damage pursuant to Article 423, Paragraph 1 of the same Act. The maximum amount of liability under the agreement is the minimum amount stipulated by Article 425, Paragraph 1 of the same Act.
4. The Company has concluded a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act, naming all Directors and Executive Officers as the insured persons. The insurance contract covers damages that may be incurred as a result of the liability assumed by Directors, the insured persons, in the execution of their duties, or any claim made against them in connection with such liability. The insurance premiums are fully paid by the Company. If Ms. SUGINO Shoko assumes her office as Outside Director serving as Audit & Supervisory Committee Member, she will be an insured person under the insurance contract, and the Company plans to renew the insurance contract during her term of office.
5. If Ms. SUGINO Shoko assumes her office as Outside Director serving as Audit & Supervisory Committee Member, the Company will register her as an Independent Director prescribed by the Tokyo Stock Exchange.

[Skills Matrix After the General Shareholders' Meeting in June 2024]

The following table shows the skills and experience of Directors of the Company

	Name	Corporate management	<i>Monozukuri</i> (Manufacturing excellence)		Sales / Marketing	Finance & Accounting	HR	Legal / Governance	International experience / Diversity
			R&D / IT	Production / Engineering					
Directors (excluding Directors serving as Audit & Supervisory Committee Members)	HANYA Katsuji	○				○	○	○	
	YAMAMICHI Shoichi	○			○				○
	OGAWA Koichi	○				○		○	
	KODAMA Yukinobu [Outside] [Independent]	○		○			○		○
	NOJI Hikomitsu [Outside] [Independent]	○	○	○					○
	MIHARA Yasuhiro [Outside]	○			○				○
Directors serving as Audit & Supervisory Committee Members	MATSUYA Hideaki	○				○	○	○	○
	KIDO Kazuhiro [Outside] [Independent]					○		○	
	FURUKAWA Yuji [Outside] [Independent]	○				○	○		

[Skills Matrix After the Completion of Investment by Nissan Motor Co., Ltd.]

The following table shows the skills and experience of Directors of the Company

	Name	Corporate management	<i>Monozukuri</i> (Manufacturing excellence)		Sales / Marketing	Finance & Accounting	HR	Legal / Governance	International experience / Diversity
			R&D / IT	Production / Engineering					
Directors (excluding Directors serving as Audit & Supervisory Committee Members)	FURUKAWA Koji	○		○					○
	INAZU Shigeki	○		○			○		○
	OGAWA Koichi	○				○		○	
	KODAMA Yukinobu [Outside] [Independent]	○		○			○		○
	NOJI Hikomitsu [Outside] [Independent]	○	○	○					○
	MIHARA Yasuhiro [Outside]	○				○			○
Directors serving as Audit & Supervisory Committee Members	MATSUYA Hideaki	○				○	○	○	○
	KIDO Kazuhiro [Outside] [Independent]					○		○	
	FURUKAWA Yuji [Outside] [Independent]	○				○	○		