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Securities code: 7280

June 4, 2024

(Date of Commencement of Measures for Electronic Provision: May 29, 2024)

To shareholders with voting rights:

Katsuyoshi Kitada
Representative Director, President
MITSUBA Corporation
1-2681 Hirosawa-cho, Kiryu-shi,
Gunma
Japan

CONVOCAION NOTICE FOR THE 79TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

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

We also would like to extend our sincerest sympathies to the victims and their families affected by the 2024 Noto Peninsula Earthquake and pray for the earliest recovery of the affected areas.

We are pleased to notify you that the 79th Annual General Meeting of Shareholders of MITSUBA Corporation (the “Company”) will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision of information, and posted matters to be provided electronically as “CONVOCAION NOTICE FOR THE 79TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” and “Other Matters to be Provided Electronically (Matters Not to be Provided in Document for Delivery)” on the following Company’s website.

The Company’s website:

https://www.mitsuba.co.jp/en/news_ir/

In addition to the above, the information is also posted on the Tokyo Stock Exchange (TSE)’s website.

Please access the following TSE’s website (Listed Company Search), and input “MITSUBA” into [Issue name (company name)] or “7280” into [Code] and click “Search”, and select [Basic information] and then [Documents for public inspection/PR information] to review the information.

TSE’s website (Listed Company Search):

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

If you do not attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders included in the matters to be provided electronically, and exercise your voting rights by 5 p.m. (JST) on Wednesday, June 19, 2024.

- 1. Date and Time:** Thursday, June 20, 2024 at 10 a.m. (JST)
- 2. Place:** 7F Hall, Mitsuba Building, MITSUBA Corporation
1-2789-1 Hirosawa-cho, Kiryu City, Gunma Prefecture
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company’s 79th Fiscal Year (April 1, 2023 - March 31, 2024)
 2. Results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements for the Company’s 79th

Fiscal Year (April 1, 2023 - March 31, 2024)

Matters to be resolved:

- Proposal No. 1:** Partial Amendments to the Articles of Incorporation
- Proposal No. 2:** Issuance of Shares for Subscription (Class D Shares) by Allocation to Third Party
- Proposal No. 3:** Election of Four Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal No. 4:** Election of Three Directors Serving as Audit and Supervisory Committee Members

Guidance on Exercise of Voting Rights

If you can attend the meeting

When attending the meeting, the shareholder him/herself (the same shall apply for a proxy, who shall also be a shareholder of the Company holding voting rights) must submit the enclosed Voting Rights Exercise Form at the reception desk.

In the case of attendance by a proxy, please present a document evidencing authority of the proxy along with the Voting Rights Exercise Form (pursuant to the provisions of the Articles of Incorporation of the Company, a proxy must be a shareholder of the Company holding voting rights).

Please be advised that the admission procedure may take time if you forget to bring the Voting Rights Exercise Form with you.

Date of the General Meeting of Shareholders: **Thursday, June 20, 2024 at 10 a.m. (JST)**

If you are unable to attend the meeting

➤ **By mail**

Please indicate your vote for or against each of the proposals on the enclosed Voting Rights Exercise Form and return it by the following deadline. Please note that if there is no indication of your vote for or against on the Voting Rights Exercise Form, we will treat it as if it was presented as vote for.

Deadline for exercise: **5 p.m. on Wednesday, June 19, 2024**

➤ **Via the Internet**

Please access the voting rights exercise website designated by the Company (<https://evote.tr.mufg.jp/>) (available only in Japanese) and exercise your voting rights by the following deadline.

Deadline for exercise: **5 p.m. on Wednesday, June 19, 2024**

Please see page 4 for the method of exercising voting rights via the Internet.

For institutional investors

In addition to the above method for exercising voting rights via the Internet, institutional investors may exercise their voting rights by using the electronic voting platform operated by ICJ, Inc. Please note that this service is only available for those who requested it in advance.

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- The reception is scheduled to start at 9 a.m.
 - When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. For resource-saving purposes, please bring this Convocation Notice with you.
 - Please note that no souvenirs will be distributed to attending shareholders in consideration of ensuring fairness between shareholders who are present at and those who are absent from the General Meeting of Shareholders. We appreciate your understanding.
 - Of the matters to be provided electronically, the following matters are not provided in the paper copy sent to shareholders (including the paper copy to be sent to shareholders who have requested it). Therefore, the paper copy sent to shareholders is a part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor for preparing their audit report.
 - (1) Consolidated Statements of Changes in Net Assets, (2) Notes to Consolidated Financial Statements in the Consolidated Financial Statements

(3) Non-Consolidated Statements of Changes in Net Assets, (4) Notes to Non-Consolidated Financial Statements in the Non-Consolidated Financial Statements

- Should the matters to be provided electronically require any revisions, the revised version will be posted on the website containing these matters.

Method of Exercise of Voting Rights Via the Internet

1. Access the voting rights exercise website (<https://evote.tr.mufg.jp/>) (available only in Japanese)
 - (1) Click “Next.”
2. Login
 - (2) Enter your Login ID and Temporary Password, which are printed in the bottom right corner of the Voting Rights Exercise Form. (The Company notifies shareholders of a new Login ID and a new Temporary Password each time it convenes a General Meeting of Shareholders.)
 - (3) Click “Login.”

● Voting rights exercise website

- (1) Exercise of voting rights via the Internet is possible only by accessing the voting rights exercise website designated by the Company (<https://evote.tr.mufg.jp/>) (available only in Japanese) from a personal computer or a smartphone. (However, service is suspended from 2:30 a.m. to 4:30 a.m. every day.)
- (2) Depending on the environment of Internet usage through personal computers or smartphones, and Internet providers’ services or types of communication devices used, there are cases where the voting rights exercise website is not available. For more information, please contact the Help Desk below.

● Costs incurred for accessing the voting rights exercise website

Internet connection fees, telecommunication charges, and other fees incurred by accessing the voting rights exercise website through a personal computer or a smartphone shall be borne by the shareholder.

● Treatment of voting rights exercised multiple times

- (1) If you have exercised your voting rights both by mail and via the Internet, the exercise of voting rights via the Internet shall be deemed effective.
- (2) If you have exercised your voting rights multiple times via the Internet, the content of the final exercise shall be deemed effective.

System-related inquiries:

Securities Agency Division (Help Desk), Mitsubishi UFJ Trust and Banking Corporation

Toll-free service phone number in Japan: 0120-173-027 Operating hours: 9 a.m. – 9 p.m.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Items

Proposal No. 1: Partial Amendment of the Articles of Incorporation

1. Reasons for Amendments

- (1) At a Board of Directors meeting held on May 10, 2024, the Company resolved that, pursuant to the provisions of Article 107, paragraph 2, item iii of the Companies Act and Article 11, paragraph 7 and Article 11, paragraph 23 of the Articles of Incorporation, it will acquire Class A shares and Class C shares (collectively the “Existing Class Shares,” the total issuance amount of 15.0 billion yen) issued by the Company and held by Japan Industrial Solutions Fund II for cash and will retire the existing class shares pursuant to the provisions of Article 178 of the Companies Act on the condition that such acquisition is done. In accordance with the resolution, the Company will conduct said acquisition and retirement on June 28, 2024 and will remove the provisions of the Articles of Incorporation pertaining to Class A shares, Class B shares, and Class C shares.
- (2) In order to enable Class D shares to be issued, the Company will add Class D shares as new class of shares and will newly establish provisions on Class D shares (the “Amendment of the Articles of Incorporation”). Please refer to Proposal No. 2 for the reasons the issuance of Class D shares is required. We will conduct the Amendment of the Articles of Incorporation on the condition that: i) Proposals No. 1 and No. 2 are approved as originally proposed; ii) no later than the date of the Annual General Meeting of Shareholders, a proposal on the Amendment of the Articles of Incorporation is approved by a Class A General Meeting of Class Shareholders and a Class C General Meeting of Class Shareholders (the “Meetings of Class Shareholders”) which plan to resolve it in writing pursuant to Article 319, paragraph 1 as applied mutatis mutandis pursuant to Article 325 of the Companies Act; and iii) the acquisition and retirement of existing class shares have been completed.

2. Content of Amendments

The details of the amendments are as follows

(Underlines indicate changes.)

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation												
<p>(Total Number of Authorized Shares and Total Number of Authorized Class Shares)</p> <p>Article 5 The total number of authorized shares of the Company shall be 150 million. The total number of authorized class shares of the Company shall be as follows for each class of shares:</p> <table style="margin-left: 40px;"> <tr> <td>Common shares</td> <td>150 million shares</td> </tr> <tr> <td><u>Class A shares</u></td> <td><u>15,000 shares</u></td> </tr> <tr> <td><u>Class B shares</u></td> <td><u>6,000 shares</u></td> </tr> <tr> <td><u>Class C shares</u></td> <td><u>5,000 shares</u></td> </tr> </table>	Common shares	150 million shares	<u>Class A shares</u>	<u>15,000 shares</u>	<u>Class B shares</u>	<u>6,000 shares</u>	<u>Class C shares</u>	<u>5,000 shares</u>	<p>(Total Number of Authorized Shares and Total Number of Authorized Class Shares)</p> <p>Article 5 The total number of authorized shares of the Company shall be 150 million. The total number of authorized class shares of the Company shall be as follows for each class of shares:</p> <table style="margin-left: 40px;"> <tr> <td>Common shares</td> <td>150 million shares</td> </tr> <tr> <td><u>Class D shares</u></td> <td><u>200 shares</u></td> </tr> </table>	Common shares	150 million shares	<u>Class D shares</u>	<u>200 shares</u>
Common shares	150 million shares												
<u>Class A shares</u>	<u>15,000 shares</u>												
<u>Class B shares</u>	<u>6,000 shares</u>												
<u>Class C shares</u>	<u>5,000 shares</u>												
Common shares	150 million shares												
<u>Class D shares</u>	<u>200 shares</u>												
<p>(Number of Shares per Unit)</p> <p>Article 6 The number of shares constituting one unit of shares of common stock of the Company shall be 100 shares, and <u>the number of shares constituting one unit of Class A shares, Class B shares, and Class C shares shall be one share each.</u></p>	<p>(Number of Shares per Unit)</p> <p>Article 6 The number of shares constituting one unit of shares of common stock of the Company shall be 100 shares, and <u>the number of shares constituting one unit of Class D shares shall be one share.</u></p>												

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p style="text-align: center;"><u>Chapter II-2 Class A Shares</u> (<u>Class A Preferred Dividends</u>)</p> <p>Article 11-2 <u>When the Company pays a dividend of surplus based on a record date that belongs to a business year, such payment shall be made, according to the order of priority of the payment set forth in Article 11-10, paragraph 1, in the amount specified in paragraph 2 for each Class A share (the money to be paid per Class A share as a result of such dividend shall be hereinafter referred to as “Class A Preferred Dividends”) to shareholders holding Class A shares (hereinafter referred to as “Class A Shareholders”) or registered pledgees of Class A shares (hereinafter referred to as “Class A Shareholders, etc.” together with Class A Shareholders) who are stated or recorded in the final shareholder registry as of the record date for the distribution of such surplus (hereinafter referred to as “Dividend Record Date”). If the amount obtained by multiplying the Class A Preferred Dividends by the number of Class A shares to which each of the Class A Shareholders, etc. has rights includes a fraction of less than one yen, such fraction shall be rounded down.</u></p>	<p style="text-align: center;"><u>Chapter II-2 Class D Shares</u> (<u>Class D Preferred Dividends</u>)</p> <p>Article 11-2 <u>When the Company pays a year-end dividend of surplus in accordance with the provisions of Article 40, paragraph 2, such dividend shall be paid to shareholders holding Class D shares (hereinafter referred to as “Class D Shareholders”) or registered pledgees of Class D shares (hereinafter referred to as “Class D Share Registered Pledgees”; hereinafter referred to as “Class D Shareholders, etc.” together with Class D Shareholders) who are stated or recorded in the final shareholder registry as of the record date for the relevant year-end dividend, before the shareholders holding common shares (hereinafter referred to as “Common Shareholders”) or registered pledgees of common shares (hereinafter referred to as “Common Share Registered Pledgees”; hereinafter referred to as “Common Shareholders, etc.” together with Common Shareholders) who are stated or recorded in the final shareholder registry as of the same date, as Class D Preferred Dividends per Class D Share, in the amount calculated by prorating, with one year being 365 days, the amount of money calculated by multiplying the sum of the amount to be paid in for Class D shares and the Unpaid Class D Preferred Dividends (as defined in the following paragraph) after the year-end dividend for the previous business year (if any) by 7.8% per annum, for the actual number of days during the period from the first day of the business year that includes the record date for the relevant year-end dividend (however, if the record date for the relevant dividend of surplus belongs to the same business year as the payment date, it shall be the payment date) (including the same day) to the record date for the dividend of such surplus (including the same day) (hereinafter referred to as “Class D Preferred Dividend Amount”) (however, the division shall be made at the end and calculated to the third decimal place below the unit of yen and rounded off to the second decimal place). However, in the business year containing the record date of the year-end dividends, if the Class D Preferred Interim Dividends set forth in Article 11-3 have been paid, the amount obtained by deducting the total amount thereof shall be paid. If the Company acquires the Class D shares during the period between the record date for such year-end dividend and the date on which such year-end dividend is paid, the Company shall not be required to pay a year-end dividend pertaining to such record date with respect to such Class D shares.</u></p>

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p>2. <u>The amount of the Class A Preferred Dividends shall be calculated by pro-rating, with one year being 365 days (however, 366 days when the business year includes a leap day), the amount of money calculated by multiplying 1,000,000 yen (hereinafter referred to as “Amount Equivalent to Paid-in Amount” in this Chapter) by 6.0%, for the actual number of days during the period from the first day of the business year that includes the relevant Dividend Record Date (however, in the case where such day belongs to the business year ended on the last day of March 2021, the date of issuance of Class A shares) (including the same day) to the relevant Dividend Record Date (including the same day) (the division shall be made at the end and calculated to the second decimal place below the unit of yen, rounded to the first decimal place). However, if surplus is distributed to the Class A Shareholders, etc. on the basis of a record date prior to the relevant Dividend Record Date during the business year containing the relevant Dividend Record Date, the amount of Class A Preferred Dividends pertaining to the relevant Dividend Record Date shall be the amount obtained by deducting the total amount of Class A Preferred Dividends paid for each such distribution.</u></p>	<p>2. <u>If in a business year, the total amount of surplus per share paid to the Class D Shareholders, etc., does not reach the Class D Preferred Dividend Amount when calculated with the last day of the relevant business year as the record date, the shortfall (hereinafter referred to as “Unpaid Class D Preferred Dividends”) shall be accumulated from the following business year onward.</u></p>
<p>3. <u>The Company shall not pay dividends of surplus to the Class A Shareholders, etc. in excess of the amount of Class A Preferred Dividends and the Amount Equivalent to Class A Cumulative Unpaid Dividends (as defined in paragraph 4). However, this shall not apply to the distribution of surplus prescribed in Article 758, item (viii), (b) or Article 760, item (vii), (b) of the Companies Act made as part of the absorption-type company split procedures conducted by the Company, or the distribution of surplus prescribed in Article 763, paragraph (1), item (XII), (b) or Article 765, paragraph (1), item (viii), (b) of the Companies Act made as part of the incorporation-type company split procedures conducted by the Company.</u></p>	<p>3. <u>The Company shall not pay dividends from surplus to Class D Shareholders, etc., in excess of the total amount of Class D Preferred Dividends.</u></p>
<p>4. <u>In the case where the total amount of dividends of surplus per share made to Class A Shareholders, etc. on the basis of the record date that belongs to a business year (excluding the dividend in the Amount Equivalent to Class A Cumulative Unpaid Dividends (as defined below) accumulated in accordance with this paragraph with respect to Class A Preferred Dividends pertaining to each business year prior to that business year) does not reach the amount of Class A Preferred Dividends pertaining to that business year (meaning the amount of Class A Preferred Dividends to be calculated in accordance with</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p><u>paragraph 2 in the case where a dividend of surplus is assumed to be paid with the last day of the that business year as the record date; however, the provisions of the proviso to paragraph 2 shall not be applied in such calculation), the shortfall shall be accumulated in the business year immediately following that business year (hereinafter referred to as “Business Year with the Shortfall” in this paragraph) and the subsequent business years. The accumulated amount, in this case, shall be the amount obtained by adding the amount calculated by compounding annually at an interest rate of 6.0% per annum in each business year following the Business Year with the Shortfall and thereafter (however, for the first year, the period from the day following the ordinary general meeting of shareholders for the Business Year with the Shortfall (hereinafter referred to as “Ordinary General Meeting of Shareholders for the Business Year with the Shortfall” in this paragraph) (including the same day) to the last day of the business year following the Business Year with the Shortfall (including the same day)) from the day (including the same day) following the Ordinary General Meeting of Shareholders for the Business Year with the Shortfall until the day when the accumulated amount is distributed to the Class A Shareholders, etc. (including the same day). Such calculation shall be made on a pro-rata daily basis, with one year being 365 days (or 366 days if the relevant business year includes a leap day), and the division shall be made at the end and calculated to the second decimal place below the unit of yen, rounded to the first decimal place. The amount accumulated in accordance with this paragraph (hereinafter referred to as “Amount Equivalent to Class A Cumulative Unpaid Dividends”) shall be distributed to the Class A Shareholders, etc. in the order of priority of the payment set forth in Article 11-10, paragraph 1. If the amount obtained by multiplying the Amount Equivalent to Class A Cumulative Unpaid Dividends to be distributed by the number of Class A shares to which each of the Class A Shareholders, etc. has rights includes a fraction of less than one yen, such fraction shall be rounded down.</u></p>	

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p data-bbox="193 230 815 264"><u>(Class A Preferred Dividends)</u></p> <p data-bbox="193 264 815 1198">Article 11-3 <u>When the Company distributes residual assets, it shall pay, per Class A share, to Class A Shareholders, etc. the amount obtained by adding the Amount Equivalent to Class A Cumulative Unpaid Dividend and the Daily Unpaid Preferred Dividends set forth in paragraph 3 to the Amount Equivalent to Paid-in Amount (hereinafter referred to as “Class A Residual Asset Distribution Amount”), according to the order of priority of the payment set forth in Article 11-10, paragraph 2. However, in this paragraph, if the day on which the distribution of residual assets is made (hereinafter referred to as “Distribution Date” in this Chapter) falls between the day following a Dividend Record Date (including the same day) and the time at which the dividend of surplus is paid based on such Dividend Record Date, the Amount Equivalent to Class A Cumulative Unpaid Dividends shall be calculated, deeming that dividend of surplus based on such Dividend Record Date is not paid. If the amount obtained by multiplying the Class A Residual Asset Distribution Amount by the number of Class A shares to which each of the Class A Shareholders, etc. has rights includes a fraction of less than one yen, such fraction shall be rounded down.</u></p> <p data-bbox="193 1809 815 1904">2. <u>No distribution of residual assets shall be made to the Class A Shareholders, etc. in addition to the provisions of the preceding paragraph.</u></p>	<p data-bbox="815 230 1439 264"><u>(Class D Preferred Interim Dividends)</u></p> <p data-bbox="815 264 1439 1809">Article 11-3 <u>When the Company pays dividends of surplus (hereinafter referred to as “Interim Dividend”) with a record date other than the last day of the business year (hereinafter referred to as “Record Date for Interim Dividend”) in accordance with the provisions of Article 40, paragraphs 2 and 3, the Company shall pay, per Class D Share, to the Class D Shareholders, etc. who are stated or recorded in the final shareholder registry as of the Record Date for Interim Dividend, before the Common Shareholders, etc., the dividend of surplus in cash in the amount calculated by, after multiplying the total of the amount to be paid in for the Class D shares and the Unpaid Class D Preferred Dividends (if any) after the year-end dividend for the previous business year by 7.8% per annum, dividing the resulting amount by 365 days (however, the division shall be made at the end and calculated to the third decimal place below the unit of yen and rounded off to the second decimal place) for the actual number of days during the period from the first day of the business year that includes the Record Date for Interim Dividend (however, if the Record Date for Interim Dividend belongs to the same business year as the payment date, it shall be the payment date) (including the same day) to the Record Date for Interim Dividend (including the same day) (hereinafter referred to as “Class D Preferred Interim Dividends”). However, in the business year containing the Record Date for Interim Dividend, if the Class D Preferred Interim Dividends set forth in this Article have been paid during the period up to the relevant Interim Dividend, it shall be the amount obtained by deducting the total amount thereof. If the Company acquires the Class D Shares during the period between the Record Date for Interim Dividend and the date on which such Interim Dividend is paid, the Company shall not be required to pay an Interim Dividend pertaining to the Record Date for Interim Dividend with respect to such Class D Shares.</u></p> <p data-bbox="815 1809 1439 1904">(Deleted)</p>

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p data-bbox="201 237 807 589">3. <u>The Daily Unpaid Preferred Dividends per Class A share shall be the amount equivalent to the Class A Preferred Dividends calculated in accordance with Article 11-2, paragraph 2 (hereinafter, in this Chapter, the daily unpaid preferred dividends per Class A share shall be referred to as “Daily Unpaid Preferred Dividends”) assuming that the Class A Preferred Dividends are paid in the business year containing the Distribution Date with such Distribution Date as the record date.</u></p> <p data-bbox="201 622 379 651"><u>(Voting Rights)</u></p> <p data-bbox="217 663 807 786">Article 11-4 <u>The Class A Shareholders shall not have voting rights at any general meeting of shareholders unless otherwise provided for by laws and regulations.</u></p> <p data-bbox="392 1783 619 1812">(Newly established)</p>	<p data-bbox="1078 237 1182 266">(Deleted)</p> <p data-bbox="831 622 1198 651"><u>(Distribution of Residual Assets)</u></p> <p data-bbox="839 663 1430 1783">Article 11-4 <u>When the Company distributes residual assets, the Company shall distribute, per Class D share, to Class D Shareholders, etc. before the Common Shareholders, etc. the amount equivalent to the basic redemption price set forth in paragraph 2 of the following Article less the amount equivalent to the deduction amount (however, the amount equivalent to basic redemption price and the amount equivalent to the deduction amount shall be calculated in the basic redemption price formula and the deduction amount formula by replacing the “Class D Redemption Claim Date” with the “Residual Asset Distribution Date” (meaning the date on which the distribution of the residual assets is made; the same shall apply hereinafter) and replacing the “Class D Preferred Dividends paid before redemption claim” with the “Class D Preferred Dividends paid before dissolution” (meaning the amount of Class D Preferred Dividends paid during the period up to the Residual Assets Distribution Date (including the Class D Preferred Interim Dividends paid during the period up to the Residual Assets Distribution Date)). If the Class D Preferred Dividends paid before dissolution have been paid more than once, the amount equivalent to the deduction amount shall be calculated for each of the Class D Preferred Dividends paid before dissolution, and the total of these amounts shall be deducted from the amount equivalent to basic redemption price.</u></p> <p data-bbox="831 1783 1430 1879">2. <u>No distribution of residual assets shall be made to Class D Shareholders, etc. in addition to the preceding paragraph.</u></p>

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p data-bbox="201 237 746 297"><u>(Right to Claim Acquisition of Common Share Consideration)</u></p> <p data-bbox="217 309 810 887">Article 11-5 <u>A Class A Shareholder may, at any time on and after the date of issuance of Class A shares, request that the Company acquire all or part of the Class A shares that they hold (hereinafter referred to as “Claim for Acquisition of Common Share Consideration” in this Chapter) in exchange for the delivery of the number of common shares set forth in paragraph 2 (hereinafter referred to as “Common Shares Subject to Claim” in this paragraph), and the Company shall deliver the Common Shares Subject to Claim to such Class A Shareholder to the extent permitted by laws and regulations in exchange for the acquisition of the Class A shares pertaining to such Claim for Acquisition of Common Share Consideration.</u></p> <p data-bbox="201 1048 810 1850">2. <u>The number of common shares to be delivered in exchange for the acquisition of Class A shares shall be the number obtained by, after multiplying the sum of the Amount Equivalent to Paid-in Amount per Class A share, the Amount Equivalent to Class A Cumulative Unpaid Dividends, and the Daily Unpaid Preferred Dividends by the number of the Class A shares pertaining to Claim for Acquisition of Common Share Consideration, dividing the resulting amount by the acquisition price set forth in paragraphs 3 and 4. In this Article, the “Distribution Date” in the calculation of the amount of Daily Unpaid Preferred Dividends shall be replaced with the “effective date of Claim for Acquisition of Common Share Consideration” to calculate such amount. In addition, if the total number of common shares to be delivered in exchange for the acquisition of the Class A shares pertaining to the Claim for Acquisition of Common Share Consideration includes a fraction of less than one share, such fraction shall be rounded off, and in this case, the money specified in Article 167, paragraph (3) of the Companies Act shall not be delivered.</u></p>	<p data-bbox="823 237 1417 266"><u>(Right to Claim Acquisition of Cash Consideration)</u></p> <p data-bbox="839 309 1436 1048">Article 11-5 <u>A Class D Shareholder may at any time request that the Company deliver cash in exchange for the acquisition of all or part of their Class D Shares (hereinafter referred to as “Class D Redemption Claim”) to the extent possible under the laws and regulations, up to the distributable amount prescribed in Article 461, paragraph 2 of the Companies Act. When such claim (hereinafter, the date on which the Class D Redemption Claim was made is referred to as “Class D Redemption Claim Date”) is made, the Company shall carry out acquisition procedures in accordance with the provisions of laws and regulations. If a redemption claim is made in excess of the amount available for distribution on the Class D Redemption Claim Date and only a portion of the claimed Class D shares can be acquired, the number of shares to be acquired shall be determined on a pro-rata basis, by lot, or by other reasonable method determined by the Board of Directors.</u></p> <p data-bbox="823 1048 1436 1496">2. <u>The acquisition price per Class D share shall be calculated by deducting the deduction amount from the basic redemption price, and these amounts shall be calculated by the following formula. However, the division shall be made at the end and calculated to the third decimal place below the unit of yen and rounded off to the second decimal place. If the Class D Preferred Dividends paid before redemption claim specified in the formula below are paid more than once, the deduction amount shall be calculated for each of the Class D Preferred Dividends paid before redemption claim, and the total of these amounts shall be deducted from the basic redemption price.</u></p> <p data-bbox="823 1496 1337 1525"><u>(Basic redemption price calculation formula)</u></p> <p data-bbox="871 1525 1310 1592"><u>Basic redemption price = 50 million yen × (1+0.078)^{m+n/365}</u></p> <p data-bbox="871 1592 1436 1749"><u>The number of days in the period from the payment date (including the same date) to the Class D Redemption Claim Date (including the same date) is “m years and n days,” and “m+n/365” represents the index of “(1+0.078).”</u></p> <p data-bbox="823 1783 1326 1812"><u>(Calculation formula for deduction amount)</u></p> <p data-bbox="871 1812 1436 1879"><u>Deduction amount = Class D Preferred Dividends paid before redemption claim × (1+0.078)^{x+y/365}</u></p> <p data-bbox="871 1912 1436 2036"><u>The “Class D Preferred Dividends paid before redemption claim” shall be the amount of the Class D Preferred Dividends paid on or after the payment date (including Class D Preferred</u></p>

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p>3. The initial acquisition price shall be the greater of (a) or (b) below:</p> <p>(a) 390.3 yen</p> <p>(b) Value obtained (it shall be calculated to the second decimal place below the unit of yen and rounded off to the first decimal place) by multiplying the average value of the volume weighted average price (hereinafter referred to as “VWAP”) of the ordinary trading of the Company’s common shares as announced by the Tokyo Stock Exchange, Inc. (hereinafter referred to as “Tokyo Stock Exchange”) for the 20 consecutive trading days preceding July 15, 2020 and the 20 consecutive trading days following July 15, 2020 (July 15, 2020 is not inclusive) by 0.9; the “trading day” means a day on which ordinary trading of the Company’s common shares is conducted on the Tokyo Stock Exchange, and shall not include the days on which VWAP is not announced.</p> <p>4. Adjustment of Acquisition Price</p> <p>(a) If any of the following events occur, the acquisition price shall be adjusted as follows:</p> <p>[1] In the case of a share split or allotment of shares without contribution with respect to common shares, the acquisition price shall be adjusted according to the following formula. In the case of allotment of shares without contribution, in the following formula, the “Number of common shares outstanding before split” shall be replaced with the “Number of common shares outstanding before allotment without contribution (excluding, however, common shares held by the Company at the time)” and the “Number of common shares outstanding after split” shall be replaced with the “Number of common shares outstanding after allotment without contribution” (excluding common shares held by the Company at that time)” respectively.</p> <p>[Formula]</p> <p>Adjusted acquisition price = $A \times B \div C$</p> <p>A = Unadjusted acquisition price</p> <p>B = Number of common shares outstanding before split</p> <p>C = Number of common shares outstanding after</p>	<p><u>Interim Dividends paid during the period up to the Class D Redemption Claim Date).</u></p> <p><u>The number of days from the payment date of the Class D Preferred Dividends paid before redemption claim (including the same day) to the Class D Redemption Claim Date (including the same day) is “x years and y days,” and “x+y/365” represents the index of “(1+0.078).</u></p> <p>3. <u>A Class D Redemption Claim under paragraph 1 of this Article shall become effective when the written claim for such redemption pertaining to the Class D shares arrives at the Company’s head office.</u></p> <p>(Deleted)</p>

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<p><u>split</u> <u>The adjusted acquisition price shall be applied on or after the day following the record date pertaining to the split of shares or on or after the effective date of the allotment of shares without contribution (in cases where the record date pertaining to the allotment of shares without contribution is specified, the day following said record date).</u></p> <p>[2] <u>In the case of a consolidation of common shares, the acquisition price shall be adjusted according to the following formula:</u></p> <p>[Formula]</p> <p><u>Adjusted acquisition price = A × B ÷ C</u> <u>A = Unadjusted acquisition price</u> <u>B = Number of common shares outstanding before consolidation</u> <u>C = Number of common shares outstanding after consolidation</u></p> <p><u>The adjusted acquisition price shall be applied on or after the effective date of share consolidation.</u></p> <p>[3] <u>If the Company issues common shares or disposes of common shares held by the Company at a paid-in amount that falls below the market price per common share specified in (d) below (in the case of allotment of shares without contribution, excluding cases of acquisition of shares or share options (including those attached to bonds with share options; hereinafter the same shall apply in this paragraph) acquired in exchange for the delivery of common shares, exercise of share options for common shares, or delivery of common shares due to merger, share exchange, or company split), the acquisition price shall be adjusted in accordance with the following formula (hereinafter referred to as “Acquisition Price Adjustment Formula” in this paragraph). The “Paid-in amount per share” in the Acquisition Price Adjustment Formula shall be the appropriate appraisal value of the property when property other than money is the subject of the contribution. The adjusted acquisition price shall be applied on or after the day following the payment date (the last day of the payment period, if a payment period is specified), or if a record date for allotment to shareholders is specified, on or after the day following such record date (hereinafter referred to as “Shareholder Allotment Date” in this paragraph). In the cases where the Company disposes of common shares that it holds, the “Number of common shares to be newly issued” and the “Number of common shares held by the Company” in the following formula shall be replaced with the “Number of common shares held by the Company to be disposed” and the “Number of common shares</u></p>	

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<p>held by the Company before disposition” respectively.</p> <p><u>Adjusted acquisition price = $A \times (B - C + D \times E \div F) \div (B - C + D)$</u></p> <p><u>A = Unadjusted acquisition price</u></p> <p><u>B = Number of common shares outstanding</u></p> <p><u>C = Number of common shares held by the Company</u></p> <p><u>D = Number of common shares to be newly issued</u></p> <p><u>E = Paid-in amount per share</u></p> <p><u>F = Market price per common share</u></p> <p>[4] <u>If the Company issues or disposes of shares for which the delivery of common shares may be taken at an acquisition price per common share that falls below the market price per common share specified in (d) below (including the case of allotment of shares without contribution) by causing the Company to acquire or by being acquired by the Company, the adjusted acquisition price shall be the amount calculated by applying such price to “Paid-in amount per share” in the Acquisition Price Adjustment Formula, deeming that all of the shares to be issued or disposed of are acquired under the initial conditions and common shares are delivered on the payment date for such shares (or, if a payment period is specified, the last day of such payment period; the same shall apply hereinafter in this [4]), in the case of the allotment of shares without contribution, on the day when it takes effect (if a record date for the allotment of shares without contribution is specified, on such record date; the same shall apply hereinafter in this [4]) or if there is a Shareholder Allotment Date, on such date. The adjusted acquisition price shall be applied on or after the day following the payment date, or in the case of an allotment of shares without contribution, on or after the day following the day on which such allotment takes effect, or if there is a Shareholder Allotment Date, on or after the day following such date. Notwithstanding the foregoing, if the consideration for the common shares to be delivered upon the acquisition is not fixed at the time stated above, the adjusted acquisition price shall be calculated, deeming that all of the shares to be issued or disposed of at the time such consideration is fixed are acquired and common shares are delivered under the conditions as of the time such consideration is fixed and the adjusted acquisition price shall be applied on or after the day following the day on which the consideration is fixed.</u></p> <p>[5] <u>If the Company issues share options for which the delivery of common shares may be taken at a price where the sum of the amount to be paid in for the share options per common share and the amount</u></p>	

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<p><u>of properties to be contributed upon the exercise of the share options (in the case where contributions are in the form of properties other than cash, the appropriate appraisal amount of such properties; hereinafter the same shall apply in this [5]) falls below the market price per common share specified in (d) below (including the case of allotment of share options without contribution) by exercising them or by being acquired by the Company, the adjusted acquisition price shall be the amount calculated by using such total amount of the paid-in price of share options per common share and the price per common share of properties to be contributed upon exercise of share options as the “Paid-in amount per share” in the Acquisition Price Adjustment Formula, deeming that all of share options to be issued are exercised or acquired under the initial conditions and common shares are delivered on the allotment date of such share options, in the case of the allotment of share options without contribution, on the day when it takes effect (if a record date for the allotment of share options without contribution is specified, on such record date; the same shall apply hereinafter in this [5]), or if there is a Shareholder Allotment Date, on such date. The adjusted acquisition price shall be applied on or after the day following the allotment date of share options, or in the case of an allotment of share options without contribution, on or after the day following the day on which such allotment takes effect, or if there is a Shareholder Allotment Date, on or after the day following such date. Notwithstanding the foregoing, if the consideration for the common shares to be delivered upon the acquisition or exercise is not fixed at the time stated above, the adjusted acquisition price shall be calculated, deeming that all of the share options to be issued at the time such consideration is fixed are exercised or acquired and common shares are delivered under the conditions as of the time such consideration is fixed and the adjusted acquisition price shall be applied on or after the day following the day on which the consideration is fixed. However, adjustments of acquisition price pursuant to this [5] shall not apply to share options for common shares to be issued for the purpose of stock options to directors, Audit & Supervisory Board members, executive officers or other officers or employees of the Company or its subsidiaries.</u></p> <p><u>(b) In addition to the reasons listed in (a) above, if any of [1] through [3] below is applicable, the Company shall appropriately adjust the acquisition price after notifying Class A Shareholders, etc. in writing in advance of such</u></p>	

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p><u>fact, the reasons therefor, the adjusted acquisition price, the date of application and other necessary matters:</u></p> <p>[1] <u>When the adjustment of the acquisition price is required for a merger, share exchange, acquisition of all of the outstanding shares of another stock company through share exchange, share transfer, absorption-type company split, succession to all or part of the rights and obligations held by another company in relation to its business through an absorption-type company split, or incorporation-type company split;</u></p> <p>[2] <u>When two or more events for adjusting the acquisition price occur together, and it is necessary, with regard to the market price to be used in calculating the adjusted acquisition price based on one of the events, to consider the effect of the other events; or</u></p> <p>[3] <u>Other cases where the acquisition price needs to be adjusted due to the occurrence of a change or an event that may cause a change in the number of common shares outstanding (excluding, however, the number of common shares held by the Company).</u></p> <p>(c) <u>If calculation is necessary for adjustment of the acquisition price, it shall be made to the second decimal place below the unit of yen, rounded to the first decimal place.</u></p> <p>(d) <u>The market price per common share used in the Acquisition Price Adjustment Formula shall be the average value of the VWAP for the 30 consecutive trading days preceding the date on which the adjusted acquisition price (calculated to the second decimal place below the unit of yen and rounded off to the first decimal place) is applied (or if a reason for adjusting the acquisition price is announced on the timely disclosure information inspection service provided by the Tokyo Stock Exchange, the date of such announcement). The term “trading day “ means a day on which ordinary trading of the Company’s common shares is conducted on the Tokyo Stock Exchange, and shall not include a day on which VWAP is not announced.</u></p> <p>(e) <u>If, as a result of the calculation in adjusting an acquisition price, the difference between the adjusted acquisition price and the unadjusted acquisition price is less than 0.1 yen, the adjustment of the acquisition price shall not be made. However, adjustments that have become unnecessary pursuant to this (e) will be carried forward and taken into account in the subsequent adjustment calculations.</u></p>	

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<p data-bbox="204 237 810 297">5. <u>Place for Receiving Claim for Acquisition of Common Share Consideration</u></p> <p data-bbox="245 297 810 427"><u>Shareholder Registry Administrator Office: 4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo</u> <u>Stock Transfer Agency, Mitsubishi UFJ Trust and Banking Corporation</u></p> <p data-bbox="204 432 810 492">6. <u>Effectuation of Claim for Acquisition of Common Share Consideration</u></p> <p data-bbox="245 492 810 750"><u>The Claim for Acquisition of Common Share Consideration shall become effective when the documents required for the Claim for Acquisition of Common Share Consideration reach the place for receiving Claim for Acquisition of Common Share Consideration stated in the preceding paragraph or on the desired effective date stated in the said documents, whichever is later.</u></p> <p data-bbox="204 786 810 846"><u>(Right to Claim Acquisition of Cash and Class B Share Consideration)</u></p> <p data-bbox="220 860 810 1597">Article 11-6 <u>A Class A Shareholder may, at any time on and after the date of issuance of Class A shares, to the extent permitted by the laws and regulations, request that the Company acquire all or part of the Class A shares that they hold (however, partial acquisitions shall be limited to an integral multiple of 1,000 shares) in exchange for the delivery of (i) the cash set forth in paragraph 2 (hereinafter referred to as “Cash Subject to Claim”) and (ii) the number of Class B Shares set forth in paragraph 3 (hereinafter referred to as “Class B Shares Subject to Claim”) (hereinafter referred to as “Claim for Acquisition of Cash and Class B Share Consideration”), and the Company shall deliver the Cash Subject to Claim and the Class B Shares Subject to Claim to such Class A Shareholder to the extent permitted by laws and regulations in exchange for the acquisition of the Class A shares pertaining to such Claim for Acquisition of Cash and Class B Share Consideration.</u></p>	<p data-bbox="831 786 1334 815"><u>(Acquisition Clause for Cash Consideration)</u></p> <p data-bbox="842 860 1436 2040">Article 11-6 <u>The Company may, at any time, acquire all or some of the Class D Shares in exchange for money up to the distributable amount, upon the arrival of a date separately determined in accordance with a resolution of the Company’s Board of Directors (hereinafter referred to in this Article as “Class D Compulsory Redemption Date”), regardless of the intentions of Class D Shareholders, etc. When acquiring a part of Class D shares, the number of shares to be acquired shall be determined by proportional allocation, lottery, or any other reasonable method specified based on a resolution of the Board of Directors. The number of shares to be acquired shall be determined. The acquisition price per Class D share shall be the amount equivalent to the basic redemption price set forth in paragraph 2 of the preceding Article less the amount equivalent to deduction amount (however, the amount equivalent to basic redemption price and the amount equivalent to deduction amount shall be calculated in the basic redemption price formula and the deduction amount formula by replacing the “Class D Redemption Claim Date” with the “Class D Compulsory Redemption Date” and replacing the “Class D Preferred Dividends paid before redemption claim” with the “Class D Preferred Dividends paid before compulsory redemption” (meaning the amount of the Class D Preferred Dividends paid during the period up to the Class D Compulsory Redemption Date (including the Class D Preferred Interim Dividends paid during the period up to the Class D</u></p>

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<p>2. <u>The amount of cash to be delivered in exchange for the acquisition of Class A Class Shares shall be the amount obtained by multiplying the sum of the Amount Equivalent to Paid-in Amount per Class A share, the Amount Equivalent to Class A Cumulative Unpaid Dividends, and the Daily Unpaid Preferred Dividends by the number of Class A Class Shares pertaining to the Claim for Acquisition of Cash and Class B Share Consideration. In this Article, the “Distribution Date” in the calculation of the amount of Daily Unpaid Preferred Dividends shall be replaced with the “effective date of Claim for Acquisition of Cash and Class B Share Consideration” to calculate such amount. If there is a fraction of less than one yen in the cash to be delivered in exchange for the acquisition of Class A Shares pertaining to the Claim for Acquisition of Cash and Class B Share Consideration, such fraction shall be rounded down.</u></p> <p>3. <u>The number of Class B shares to be delivered in exchange for the acquisition of Class A shares shall be the number obtained by, after calculating the amount obtained by multiplying the amount obtained by multiplying the Amount Equivalent to Paid-in Amount per Class A share by the Redemption Factor (as defined in the following Article) less the Amount Equivalent to Paid-in Amount per Class A share by the number of the Class A shares pertaining to the Claim for Acquisition of Cash and Class B Share Consideration, dividing the resulting amount by 1,000,000 yen. In this Article, the “Cash Consideration Redemption Date” in the Redemption Factor shall be replaced with the “effective date of Claim for Acquisition of Cash and Class B Share Consideration.” In addition, if the total number of Class B shares to be delivered in exchange for the acquisition of the Class A shares pertaining to the Claim for Acquisition of Cash and Class B Share Consideration includes a fraction of less than one share, such fraction shall be rounded off, and in this case, the monies specified in Article 167, paragraph 3 of the Companies Act shall not be delivered.</u></p>	<p><u>Compulsory Redemption Date)).</u> <u>If the Class D Preferred Dividends paid before redemption claim are paid on multiple occasions, an amount equivalent to the deduction amount shall be calculated for each of Class D Preferred Dividends paid before redemption claim, and the combined total amount shall be deducted from the amount equivalent to basic redemption price.</u></p> <p>(Deleted)</p> <p>(Deleted)</p>

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<p data-bbox="201 237 807 456">4. <u>The Claim for Acquisition of Cash and Class B Share Consideration shall become effective when the documents required for the Claim for Acquisition of Cash and Class B Share Consideration reach the Company or on the desired effective date stated in such documents, whichever is later.</u></p> <p data-bbox="201 495 707 521">(Acquisition <u>Clause</u> for <u>Cash</u> Consideration)</p> <p data-bbox="217 568 807 2033">Article 11-7 <u>At any time on and after the date of issuance of the Class A Shares, the Company may, upon the arrival of a date separately determined by the Company’s Board of Directors (hereinafter referred to as “Cash Consideration Redemption Date” in this Article), acquire all or part of the Class A shares (however, partial acquisitions shall be limited to an integral multiple of 5,000 shares) for cash consideration to the extent permitted by laws and regulations upon giving written notice (which shall be irrevocable) to the Class A Shareholders, etc. at least 20 trading days (meaning the day on which ordinary trading of the Company’s common shares is conducted on the Tokyo Stock Exchange) before the Cash Consideration Redemption Date (hereinafter referred to as “Cash Consideration Redemption” in this Article), and the Company shall, in exchange for acquiring the Class A Shares pertaining to such Cash Consideration Redemption, deliver to the Class A Shareholders the amount obtained by multiplying the number of Class A shares pertaining to such Cash Consideration Redemption by the sum of (i) the amount obtained by multiplying the Amount Equivalent to Paid-in Amount per Class A share by the Redemption Factor set forth below and (ii) the Amount Equivalent to Class A Cumulative Unpaid Dividends and the Daily Unpaid Preferred Dividend. In this Article, the “Distribution Date” in the calculation of the amount of Daily Unpaid Preferred Dividends shall be replaced with the “Cash Consideration Redemption Date” to calculate such amount. If there is a fraction of less than one yen in the cash to be delivered in exchange for the acquisition of Class A shares pertaining to Cash Consideration Redemption, such fraction shall be rounded down. When acquiring a part of Class A shares, the Class A shares to be acquired from the Class A Shareholders shall be determined on a pro-rata basis or by</u></p>	<p data-bbox="1075 237 1182 264">(Deleted)</p> <p data-bbox="823 495 1433 551"><u>(Right to Claim Acquisition of Common Share Consideration)</u></p> <p data-bbox="839 568 1433 947">Article 11-7 <u>A Class D Shareholder may at any time, to the extent permitted by laws and regulations, request that the Company deliver common shares in exchange for the acquisition of all or part of its Class D shares that they hold in accordance with the conditions set forth in this Article (hereinafter referred to as “Class D Conversion Claim,” and the date on which the Class D Conversion Claim is made shall be referred to as “Class D Conversion Claim Date”).</u></p>

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<p><u>any other reasonable method specified by the Board of Directors of the Company. The “Redemption Factor” in this Chapter means the numerical value specified in [1] through [6] below, depending on the classification of which of the periods [1] through [6] below the Cash Consideration Redemption Date belongs.</u></p> <p>[1] From the day after the issuance date of the Class A shares until June 30, 2021: 1.07</p> <p>[2] From July 1, 2021 to June 30, 2022: 1.12</p> <p>[3] From July 1, 2022 to June 30, 2023: 1.18</p> <p>[4] From July 1, 2023 to June 30, 2024: 1.24</p> <p>[5] From July 1, 2024 to June 30, 2025: 1.31</p> <p>[6] From July 1, 2025: 1.40</p> <p>(Newly established)</p>	<p>2. <u>The number of common shares to be delivered by the Company to Class D Shareholders as consideration under this Article shall be calculated in the manner set forth below. However, rounding down of fractions shall be done at the end, and any fraction less than one share in the number of common shares to be delivered to Class D Shareholders shall be rounded down, and no adjustment in cash shall be made.</u></p> <p><u>(Formula for Number of Shares to be Delivered)</u></p> <p><u>Number of common shares of the Company to be delivered in exchange for the acquisition of Class D shares</u></p> <p><u>= Number of Class D shares that the Class D Shareholder has requested to be acquired × Amount equivalent to basic redemption price set forth in Article 11-5, paragraph 2 less the amount equivalent to deduction amount (however, the amount equivalent to basic redemption price and the amount equivalent to deduction amount shall be calculated in the basic redemption price formula and the deduction amount formula by replacing the “Class D Redemption Claim Date” with the “Class D Conversion Claim Date” and replacing the “Class D Preferred Dividends paid before redemption claim” with the “Class D Preferred Dividends paid before conversion claim” (meaning the amount of Class D Preferred Dividends paid up to the Class D Conversion Claim Date (including the Class D Preferred Interim Dividends paid up to the Class D Conversion Claim Date) ÷ Conversion price</u></p> <p><u>Conversion price</u></p> <p><u>a. Initial conversion price</u></p> <p><u>The initial conversion price shall be 1,344 yen.</u></p> <p><u>b. Revision of the conversion price</u></p> <p><u>The conversion price shall be adjusted on the last</u></p>

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	<p><u>day of June and the last day of December of each year from the last day of December 2024 (hereinafter in this Article, individually or collectively referred to as “Conversion Price Revision Date”) to an amount equal to 95% of the market price as of the Conversion Price Revision Date (hereinafter in this Article referred to as “Revised Conversion Price”). However, if the Revised Conversion Price is less than 708 yen (hereinafter referred to as “Minimum Conversion Price” in this Article), the Revised Conversion Price shall be the Minimum Conversion Price. If the conversion price is adjusted in accordance with c. below, the Minimum Conversion Price shall be adjusted in the same manner.</u></p> <p><u>The above “market price” shall be the average value (excluding the days with no closing price; it shall be calculated to the second decimal place below the unit of yen and rounded off to the first decimal place) of the daily closing price (including quotes) of the common shares of the Company in ordinary trading on the Tokyo Stock Exchange, Inc. (hereinafter in this article referred to as “Tokyo Stock Exchange”) for 30 trading days commencing on the 45th trading day preceding such Conversion Price Revision Date.</u></p> <p><u>c. Adjustment of the conversion price</u></p> <p><u>(a) If, after the issuance of the Class D shares, the number of common shares is or may be changed for any of the reasons listed in (b) below, the Company shall adjust the conversion price (including the Revised Conversion Price in accordance with b. above) by the formula set forth below (hereinafter referred to as “Conversion Price Adjustment Formula” in this Article).</u></p> <p><u>Adjusted conversion price</u></p> $\text{Adjusted conversion price} = \frac{\text{Unadjusted conversion price} \times (\text{Number of common shares outstanding} + ((\text{Number of common shares delivered} \times \text{paid-in amount per share}) \div \text{Market price}))}{\text{Number of common shares outstanding} + \text{Number of common shares delivered}}$ <p><u>The “Number of common shares outstanding” used in the Conversion Price Adjustment Formula shall be the number of outstanding common shares of the Company less the number of common shares held by the Company if a record date for each of the transactions in (b)(i) through (iv) below is set for the Common Shareholders, on that date, or, if no such record date is set, on the date one month before the date on which the adjusted conversion price is to be applied as of such date, plus the number of common shares</u></p>

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	<p><u>deemed to be the number of common shares delivered under (b) or (d) below before such conversion price adjustment that have not yet been delivered.</u></p> <p><u>The “Number of common shares delivered” used in the Conversion Price Adjustment Formula shall be the number of common shares to be increased by the stock split (not including the number of common shares increased with respect to the common shares held by the Company on the record date) if a stock split of common shares is carried out, and if a consolidation of common shares is carried out, the number of common shares to be reduced by the consolidation of shares (not including the number of common shares decreased with respect to the common shares held by the Company on the effective date) shall be indicated as a negative value and used.</u></p> <p><u>The “Paid-in amount per share” used in the Conversion Price Adjustment Formula shall be the amount to be paid in the case of (b)(i) below (it shall be appropriate appraisal value of the property in the case where property other than cash is the subject of the contribution; it shall be zero yen in the case of the allotment without contribution), shall be zero yen in the case of (b)(ii) and (iv) below, and in the case of (b)(iii) below, it shall be the amount obtained by dividing the amount paid in or otherwise paid in consideration upon delivery of the Shares with Put Option, etc. (defined in (b)(iii) below) (in the case of share options for which the delivery of common shares may be requested for consideration that falls below the market price, it shall be the amount plus the amount of the properties to be contributed upon exercise of the share option) less the value of properties other than common shares delivered to the holder of Shares with Put Option, etc. upon acquisition, conversion, exchange, or exercise thereof by the number of common shares to be delivered upon acquisition, conversion, exchange, or exercise thereof (hereinafter referred to as “Consideration” in (b)(iii).</u></p> <p><u>(b) When the conversion price of Class D shares is adjusted by the Conversion Price Adjustment Formula and the time of application of the adjusted conversion price shall be as set forth below.</u></p> <p><u>(i) In the case of delivering the common shares at a paid-in amount that falls below the market price set forth in (c)(ii) below (including a case of allotment without contribution) (however, excluding the case of delivery in exchange for acquisition of shares with put option, shares subject to call, or share options subject to call delivered by the Company (including those</u></p>

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	<p><u>attached to bonds with share options; the same shall apply in this c.) or the case of delivery upon acquisition, conversion, exchange, or exercise of share options (including those attached to bonds with share options; the same shall apply in this c.) or other securities or rights for which the delivery of common shares may be requested.)</u></p> <p><u>The adjusted conversion price shall be applied on and after the day following the payment date (if a payment period is specified for the offering, the last day of such payment period; the same shall apply hereinafter) or the effective date of the allotment without contribution. However, if there is a record date for granting the Company's Common Shareholders the right to receive an allotment of shares for subscription or for an allotment without contribution, the adjusted conversion price shall be applied on and after the day following such date.</u></p> <p><u>(ii) In the case of a stock split of common shares</u></p> <p><u>The adjusted conversion price shall be applied on and after the day following the record date for the stock split of common shares.</u></p> <p><u>(iii) In the case of delivering shares with put option, shares subject to call, or share options subject to call for which there are provisions to deliver common shares at a price that falls below the market price set forth in (c)(ii) below in exchange for the acquisition (including a case of allotment without contribution), or in the case of delivery of share options or other securities or rights for which the delivery of common shares may be requested for Consideration that falls below the market price set forth in (c)(ii) below (including a case of allotment without contribution)</u></p> <p><u>The adjusted conversion price shall be calculated by applying the Conversion Price Adjustment Formula mutatis mutandis, deeming that all of the shares with put option, shares subject to call, share options subject to call or share options, or other securities or rights (hereinafter referred to as "Shares with Put Option, etc.") to be delivered were acquired, converted, exchanged, or exercised and common shares were delivered under the initial conditions, and shall be applied on or after the day after the date of delivery or the effective date of allotment without contribution. However, if there is a record date for granting the Common Shareholders the right to receive allotment of Shares with Put Option, etc., or for allotment without contribution, it shall be applied from the day following such date.</u></p> <p><u>Notwithstanding the foregoing, if the Consideration for the common shares to be delivered upon the acquisition, conversion, exchange, or exercise is not fixed at the time stated</u></p>

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	<p>above, the adjusted conversion price shall be calculated by applying the Conversion Price Adjustment Formula mutatis mutandis, deeming that all of the Shares with Put Option, etc. delivered at the time such Consideration is fixed are acquired, converted, exchanged, or exercised and common shares are delivered under the conditions as of the time such Consideration is fixed and the adjusted conversion price shall be applied on or after the day following the day on which the Consideration is fixed.</p> <p>(iv) In the case of consolidation of common shares The adjusted conversion price shall be applied on or after the effective date of share consolidation.</p> <p>(c) (i) The Conversion Price Adjustment Formula shall be calculated to the second decimal place below the unit of yen, and such decimal place shall be rounded down.</p> <p>(ii) The market price used in the Conversion Price Adjustment Formula shall be the average value (excluding the days with no closing price; it shall be calculated to the second decimal place below the unit of yen and rounded off to the first decimal place) of the daily closing price (including quotes) of the common shares in ordinary trading on the Tokyo Stock Exchange for 30 trading days commencing on the 45th trading day preceding the date on which the adjusted conversion price is applied.</p> <p>(d) In addition to the cases that require adjustment of the conversion price set forth in (b) above, the Company shall make the necessary adjustment of the conversion price if the Company's Board of Directors reasonably determines that any of the following cases applies:</p> <p>(i) When adjustment of the conversion price is necessary due to a merger in which the Company is the surviving company, or the succession of all or part of the rights and obligations of another company in an absorption-type company split carried out by such company, or the acquisition of all the shares outstanding of another stock company in a share exchange carried out by such stock company;</p> <p>(ii) When two or more events for adjusting the conversion price occur closely in time, and it is necessary, with regard to the market price to be used in calculating the adjusted conversion price based on one of the events, to consider the effect of the other events; or</p> <p>(iii) Other cases where the conversion price needs to be adjusted due to the occurrence of a change or an event that may cause a change in the number of the Company's common shares outstanding.</p> <p>(e) If the difference between the adjusted conversion price calculated by the Conversion Price</p>

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<p>(Newly established)</p> <p>(Newly established)</p> <p><u>(Exclusion of the Right to Request to be Added to the Specific Shareholders from Whom the Company Acquires Treasury Shares)</u> Article 11-8 <u>The provisions of Article 160, paragraphs 2 and 3 of the Companies Act shall not apply if the Company decides, upon resolution of a general meeting of shareholders, that it acquires all or part of the Class A shares held by Class A Shareholders based on agreement with such Class A Shareholders.</u></p> <p><u>(Consolidation or Split of Shares, Allotment of Shares for Subscription, etc.)</u> Article 11-9 <u>The Company shall not split or consolidate shares with respect to Class A shares.</u></p> <p><u>2. The Company shall not grant Class A Shareholders the right to receive the allotment of shares for subscription or the right to receive the allotment of share options for subscription.</u></p>	<p><u>Adjustment Formula and the unadjusted conversion price is less than one yen, the adjustment of the conversion price shall not be made. However, adjustments that have become unnecessary pursuant to the this (e) will be carried forward and taken into account in the subsequent adjustment calculations.</u></p> <p><u>(f) If the Company adjusts the conversion price pursuant to (a) through (e) above, the Company shall notify each Class D Shareholder listed in the shareholder registry in writing in advance of such fact, reasons therefor, the unadjusted conversion price the adjusted conversion price, the date of application, and other necessary matters. However, if the above notice cannot be given by the day preceding the date of application, it shall be given promptly after the date of application.</u></p> <p><u>3. Place for Receiving Conversion Requests</u> <u>Shareholder Registry Administrator Office</u> <u>Stock Transfer Agency, Mitsubishi UFJ Trust and Banking Corporation</u> <u>4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo</u></p> <p><u>4. A Class D Conversion Claim under paragraph 1 of this Article shall become effective when the written request for such conversion with respect the Class D shares arrives at the place for receiving conversion requests described in the preceding paragraph.</u></p> <p><u>(Voting Rights)</u></p> <p>Article 11-8 <u>Class D Shareholders shall not have voting rights at any general meeting of shareholders unless otherwise provided for by laws and regulations.</u></p> <p><u>(Consolidation or Split of Shares, etc.)</u></p> <p><u>Article 11-9 Except as otherwise provided for by laws and regulations, there shall be no consolidation or split of shares with respect to Class D shares. Class D Shareholders shall not be entitled to the allotment of shares for subscription or share options for subscription, and the allotment of shares or share options without contribution shall not be made.</u></p> <p>(Deleted)</p>

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<p data-bbox="204 237 810 360">3. <u>Class A Shareholders of the Company shall not be entitled to the allotment of shares without contribution or the allotment of share options without contribution.</u></p> <p data-bbox="204 398 312 427">(Priority)</p> <p data-bbox="220 432 810 969"><u>Article 11-10 The order of priority of the payment of Class A Preferred Dividends, Amount Equivalent to Class A Cumulative Unpaid Dividends, Class B Preferred Dividends, Amount Equivalent to Class B Cumulative Unpaid Dividends, and dividends of surplus to shareholders holding common stocks or registered pledgees of common stocks (hereinafter collectively referred to as "Common Shareholders, etc.") shall be as follows: (1) Amount Equivalent to Class A Cumulative Unpaid Dividends and Amount Equivalent to Class B Cumulative Unpaid Dividends (2) Class A Preferred Dividends and Class B Preferred Dividends (3) dividends of surplus to Common Shareholders, etc.</u></p> <p data-bbox="204 981 810 1200">2. <u>The order of priority of the payment of residual assets pertaining to Class A shares, Class B shares, Class C shares and common stocks shall be in the following order: (1) the distribution of residual assets pertaining to Class A, Class B and Class C shares (2) the distribution of residual assets pertaining to common stocks.</u></p> <p data-bbox="204 1211 810 1503">3. <u>If the amount of the distribution of dividends of surplus or residual assets to be paid by the Company is less than the total amount necessary for such payment with a priority order, the payment of such dividends of surplus or residual assets shall be made on a pro rata basis according to the necessary amount for distribution of such dividends of surplus or residual assets with that priority order.</u></p>	<p data-bbox="1075 237 1184 266">(Deleted)</p> <p data-bbox="1075 398 1184 427">(Deleted)</p>

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<p style="text-align: center;"><u>Chapter II-3 Class B Shares</u> (Class B Preferred Dividends)</p> <p><u>Article 11-11 When the Company pays a dividend of surplus based on a record date that belongs to a business year, such payment shall be made, according to the order of priority of the payment set forth in Article 11-18, paragraph 1, in the amount specified in paragraph 2 for each Class B share (the money to be paid per Class B share as a result of such dividend shall be hereinafter referred to as “Class B Preferred Dividends”) to shareholders holding Class B shares (hereinafter referred to as “Class B Shareholders”) or registered pledgees of Class B shares stated or recorded in the final shareholder registry on the Dividend Record Date (hereinafter collectively referred to as “Class B Shareholders, etc.” together with the Class B Shareholders). If the amount obtained by multiplying the Class B Preferred Dividends by the number of Class B shares to which each of the Class B Shareholders, etc. has rights includes a fraction of less than one yen, such fraction shall be rounded down.</u></p> <p><u>2. The amount of the Class B Preferred Dividends shall be calculated by pro-rating, with one year being 365 days (however, 366 days when the business year includes a leap day), the amount of money calculated by multiplying 1,000,000 yen (hereinafter referred to as “Amount Equivalent to Paid-in Amount” in this Chapter) by 8.0%, for the actual number of days during the period from the first day of the business year that includes the relevant Dividend Record Date (however, in the case where such day belongs to the business year ended on the last day of March 2021, the date of issuance of Class B shares) (including the same day) to the relevant Dividend Record Date (including the same day) (the division shall be made at the end and calculated to the second decimal place below the unit of yen, rounded to the first decimal place). Provided, however, that if surplus is distributed to Class B Shareholders, etc. on the basis of a record date prior to the relevant Dividend Record Date during the business year containing the relevant Dividend Record Date, the amount of Class B Preferred Dividends pertaining to the relevant Dividend Record Date shall be the amount obtained by deducting the total amount of Class B Preferred Dividends paid for each such distribution.</u></p>	<p>(Deleted)</p>

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<p>3. <u>The Company shall not pay dividends of surplus to Class B Shareholders, etc. in excess of the amount of Class B Preferred Dividends and the Amount Equivalent to Class B Cumulative Unpaid Dividends (set forth in paragraph 4); However, this shall not apply to the distribution of surplus prescribed in Article 758, item (viii), (b) or Article 760, item (vii), (b) of the Companies Act made as part of the absorption-type company split procedures conducted by the Company, or the distribution of surplus prescribed in Article 763, paragraph (1), item (XII), (b) or Article 765, paragraph (1), item (viii), (b) of the Companies Act made as part of the incorporation-type company split procedures conducted by the Company.</u></p> <p>4. <u>In the case where the total amount of dividends of surplus per share made to Class B Shareholders, etc. on the basis of the record date that belongs to a business year (excluding the dividend in the Amount Equivalent to Class B Cumulative Unpaid Dividends (as defined below) accumulated in accordance with this paragraph with respect to Class B Preferred Dividends pertaining to each business year prior to that business year) does not reach the amount of Class B Preferred Dividends pertaining to that business year (meaning the amount of Class B Preferred Dividends to be calculated in accordance with paragraph 2 in the case where a dividend of surplus is assumed to be paid with the last day of the that business year as the record date; however, the provisions of the proviso to paragraph 2 shall not be applied in such calculation), the shortfall shall be accumulated in the business year immediately following that business year (hereinafter referred to as “Business Year with the Shortfall” in this paragraph) and the subsequent business years. The accumulated amount, in this case, shall be the amount obtained by adding the amount calculated by compounding annually at an interest rate of 8.0% per annum in each business year following the Business Year with the Shortfall and thereafter (however, for the first year, the period from the day following the ordinary general meeting of shareholders for the Business Year with the Shortfall (hereinafter referred to as “Ordinary General Meeting of Shareholders for the Business Year with the Shortfall” in this paragraph) (including the same day) to the last day of the business year following the Business Year with the Shortfall (including the same day)) from the day (including the same day) following the Ordinary General Meeting of Shareholders for the Business Year with the Shortfall until the day when the accumulated</u></p>	

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<p><u>amount is distributed to the Class B Shareholders, etc. (including the same day). Such calculation shall be made on a pro-rata daily basis, with one year being 365 days (or 366 days if the relevant business year includes a leap day), and the division shall be made at the end and calculated to the second decimal place below the unit of yen, rounded to the first decimal place. The amount accumulated in accordance with this paragraph (hereinafter referred to as “Amount Equivalent to Class B Cumulative Unpaid Dividends”) shall be distributed to Class B Shareholders, etc. in the order of priority of the payment set forth in Article 11-18, paragraph 1. If the amount obtained by multiplying the Amount Equivalent to Class B Cumulative Unpaid Dividends to be distributed by the number of Class B shares to which each of the Class B Shareholders, etc. has rights includes a fraction of less than one yen, such fraction shall be rounded down.</u></p> <p><u>(Distribution of Residual Assets)</u></p> <p><u>Article 11-12 When the Company distributes residual assets, it shall pay, per Class B share, to Class B Shareholders, etc. the amount obtained by adding the Amount Equivalent to Class B Cumulative Unpaid Dividends and the Daily Unpaid Preferred Dividends set forth in paragraph 3 to the Amount Equivalent to Paid-in Amount (hereinafter referred to as “Class B Residual Asset Distribution Amount”), according to the order of priority of the payment set forth in Article 11-18, paragraph 2. However, in this paragraph, if the day on which the distribution of residual assets is made (hereinafter referred to as “Distribution Date” in this Chapter) falls between the day following a Dividend Record Date (including the same day) and the time at which the dividend of surplus is paid based on such Dividend Record Date, the Amount Equivalent to Class B Cumulative Unpaid Dividends shall be calculated, deeming that dividend of surplus based on such Dividend Record Date is not paid. If the amount obtained by multiplying the Class B Residual Asset Distribution Amount by the number of Class B shares to which each of the Class B Shareholders, etc. has rights includes a fraction of less than one yen, such fraction shall be rounded down.</u></p>	<p>(Deleted)</p>

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<p>2. <u>No distribution of residual assets shall be made to Class B Shareholders, etc. in addition to the provisions of the preceding paragraph.</u></p> <p>3. <u>The Daily Unpaid Preferred Dividends per Class B share shall be the amount equivalent to the Class B Preferred Dividends calculated in accordance with Article 11-11, paragraph 2 (hereinafter, in this Chapter, the daily unpaid preferred dividends per Class B share shall be referred to as “Daily Unpaid Preferred Dividends”) assuming that the Class B Preferred Dividends are paid in the business year containing the Distribution Date with such Distribution Date as the record date.</u></p>	
<p><u>(Voting Rights)</u> <u>Article 11-13 Class B Shareholders shall not have voting rights at any general meeting of shareholders unless otherwise provided for by laws and regulations.</u></p>	(Deleted)
<p><u>(Right to Claim Acquisition of Common Share Consideration)</u> <u>Article 11-14 A Class B Shareholder may, at any time on and after the date of issuance of Class B shares, request that the Company acquire all or part of the Class B shares that they hold (hereinafter referred to as “Claim for Acquisition of Common Share Consideration” in this Chapter) in exchange for the delivery of the number of common shares set forth in paragraph 2 (hereinafter referred to as “Common Shares Subject to Claim” in this paragraph), and the Company shall deliver the Common Shares Subject to Claim to such Class B Shareholder to the extent permitted by laws and regulations in exchange for the acquisition of the Class B shares pertaining to such Claim for Acquisition of Common Share Consideration.</u></p>	(Deleted)
<p>2. <u>The number of common shares to be delivered in exchange for the acquisition of Class B shares shall be the number obtained by, after multiplying the sum of the Amount Equivalent to Paid-in Amount per Class B share, the Amount Equivalent to Class B Cumulative Unpaid Dividends, and the Daily Unpaid Preferred Dividends by the number of the Class B shares pertaining to Claim for Acquisition of Common Share Consideration, dividing the resulting amount by the acquisition price set forth in paragraphs 3 and 4. In this Article, the “Distribution Date” in the calculation of the amount of Daily Unpaid Preferred Dividends</u></p>	

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<p>shall be replaced with the “effective date of Claim for Acquisition of Common Share Consideration” to calculate such amount. In addition, if the total number of common shares to be delivered in exchange for the acquisition of the Class B shares pertaining to the Claim for Acquisition of Common Share Consideration includes a fraction of less than one share, such fraction shall be rounded off, and in this case, the money specified in Article 167, paragraph (3) of the Companies Act shall not be delivered.</p> <p>3. <u>The initial acquisition price shall be the greater of (a) or (b) below:</u></p> <p>(a) <u>390.3 yen</u></p> <p>(b) <u>Value obtained (calculated to the second decimal place below the unit of yen and rounded off to the first decimal place) by multiplying the average value of VWAP for the 20 consecutive trading days preceding July 15, 2020 and the 20 consecutive trading days following July 15, 2020 (July 15, 2020 is not inclusive) by 0.9; the term “trading day” shall mean a day on which ordinary trading of the Company’s common shares is conducted on the Tokyo Stock Exchange, and shall not include the days on which VWAP is not announced.</u></p> <p>4. <u>Adjustment of Acquisition Price</u></p> <p>(a) <u>If any of the following events occur, the acquisition price shall be adjusted as follows:</u></p> <p>[1] <u>In the case of a share split or allotment of shares without contribution with respect to common shares, the acquisition price shall be adjusted according to the following formula. In the case of allotment of shares without contribution, in the following formula, the “Number of common shares outstanding before split” shall be replaced with the “Number of common shares outstanding before allotment without contribution (excluding, however, common shares held by the Company at the time)” and the “Number of common shares outstanding after split” shall be replaced with the “Number of common shares outstanding after allotment without contribution” (excluding common shares held by the Company at that time)” respectively.</u></p> <p>[Formula]</p> <p><u>Adjusted acquisition price = A × B ÷ C</u></p> <p><u>A = Unadjusted acquisition price</u></p> <p><u>B = Number of common shares outstanding before split</u></p> <p><u>C = Number of common shares outstanding after split</u></p> <p><u>The adjusted acquisition price shall be applied on or after the day following the record date pertaining to the split of shares or on or after the effective date of the allotment of shares without</u></p>	

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<p><u>contribution (in cases where the record date pertaining to the allotment of shares without contribution is specified, the day following said record date).</u></p> <p>[2] <u>In the case of a consolidation of common shares, the acquisition price shall be adjusted according to the following formula:</u></p> <p>[Formula]</p> <p><u>Adjusted acquisition price = A × B ÷ C</u> <u>A = Unadjusted acquisition price</u> <u>B = Number of common shares outstanding before consolidation</u> <u>C = Number of common shares outstanding after consolidation</u> <u>The adjusted acquisition price shall be applied on or after the effective date of share consolidation.</u></p> <p>[3] <u>If the Company issues common shares or disposes of common shares held by the Company at a paid-in amount that falls below the market price per common share specified in (d) below (in the case of allotment of shares without contribution, excluding cases of acquisition of shares or share options (including those attached to bonds with share options; hereinafter the same shall apply in this paragraph) acquired in exchange for the delivery of common shares, exercise of share options for common shares, or delivery of common shares due to merger, share exchange, or company split), the acquisition price shall be adjusted in accordance with the following formula (hereinafter referred to as “Acquisition Price Adjustment Formula” in this paragraph). The “Paid-in amount per share” in the Acquisition Price Adjustment Formula shall be the appropriate appraisal value of the property when property other than money is the subject of the contribution. The adjusted acquisition price shall be applied on or after the day following the payment date (the last day of the payment period, if a payment period is specified), or if a record date for allotment to shareholders is specified, on or after the day following such record date (hereinafter referred to as “Shareholder Allotment Date” in this paragraph). In the cases where the Company disposes of common shares that it holds, the “Number of common shares to be newly issued” and the “Number of common shares held by the Company” in the following formula shall be replaced with the “Number of common shares held by the Company to be disposed” and the “Number of common shares held by the Company before disposition” respectively.</u> <u>Adjusted acquisition price = A × (B - C + D × E ÷ F) ÷ (B - C + D)</u> <u>A = Unadjusted acquisition price</u></p>	

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<p> <u>B = Number of common shares outstanding</u> <u>C = Number of common shares held by the Company</u> <u>D = Number of common shares to be newly issued</u> <u>E = Paid-in amount per share</u> <u>F = Market price per common share</u> </p> <p> <u>[4] If the Company issues or disposes of shares for which the delivery of common shares may be taken at an acquisition price per common share that falls below the market price per common share specified in (d) below (including the case of allotment of shares without contribution) by causing the Company to acquire or by being acquired by the Company, the adjusted acquisition price shall be the amount calculated by applying such price to “Paid-in amount per share” in the Acquisition Price Adjustment Formula, deeming that all of the shares to be issued or disposed of are acquired under the initial conditions and common shares are delivered on the payment date for such shares (or, if a payment period is specified, the last day of such payment period; the same shall apply hereinafter in this [4]), in the case of the allotment of shares without contribution, on the day when it takes effect (if a record date for the allotment of shares without contribution is specified, on such record date; the same shall apply hereinafter in this [4]) or if there is a Shareholder Allotment Date, on such date. The adjusted acquisition price shall be applied on or after the day following the payment date, or in the case of an allotment of shares without contribution, on or after the day following the day on which such allotment takes effect, or if there is a Shareholder Allotment Date, on or after the day following such date. Notwithstanding the foregoing, if the consideration for the common shares to be delivered upon the acquisition is not fixed at the time stated above, the adjusted acquisition price shall be calculated, deeming that all of the shares to be issued or disposed of at the time such consideration is fixed are acquired and common shares are delivered under the conditions as of the time such consideration is fixed and the adjusted acquisition price shall be applied on or after the day following the day on which the consideration is fixed.</u> </p> <p> <u>[5] If the Company issues share options for which the delivery of common shares may be taken at a price where the sum of the amount to be paid in for the share options per common share and the amount of properties to be contributed upon the exercise of the share options (in the case where contributions are in the form of properties other than cash, the appropriate appraisal amount of such properties; hereinafter the same shall apply</u> </p>	

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<p><u>in this [5]) falls below the market price per common share specified in (d) below (including the case of allotment of share options without contribution) by exercising them or by being acquired by the Company, the adjusted acquisition price shall be the amount calculated by using such total amount of the paid-in price of share options per common share and the price per common share of properties to be contributed upon exercise of share options as the “Paid-in amount per share” in the Acquisition Price Adjustment Formula, deeming that all of share options to be issued are exercised or acquired under the initial conditions and common shares are delivered on the allotment date of such share options, in the case of the allotment of share options without contribution, on the day when it takes effect (if a record date for the allotment of share options without contribution is specified, on such record date; the same shall apply hereinafter in this [5]), or if there is a Shareholder Allotment Date, on such date. The adjusted acquisition price shall be applied on or after the day following the allotment date of share options, or in the case of an allotment of share options without contribution, on or after the day following the day on which such allotment takes effect, or if there is a Shareholder Allotment Date, on or after the day following such date. Notwithstanding the foregoing, if the consideration for the common shares to be delivered upon the acquisition or exercise is not fixed at the time stated above, the adjusted acquisition price shall be calculated, deeming that all of the share options to be issued at the time such consideration is fixed are exercised or acquired and common shares are delivered under the conditions as of the time such consideration is fixed and the adjusted acquisition price shall be applied on or after the day following the day on which the consideration is fixed. However, adjustments of acquisition price pursuant to this [5] shall not apply to share options for common shares to be issued for the purpose of stock options to directors, Audit & Supervisory Board members, executive officers or other officers or employees of the Company or its subsidiaries.</u></p> <p><u>(b) In addition to the reasons listed in (a) above, if any of [1] through [3] below is applicable, the Company shall appropriately adjust the acquisition price after notifying Class B Shareholders, etc. in writing in advance of such fact, the reasons therefor, the adjusted acquisition price, the date of application and other necessary matters: [1] When the adjustment of the acquisition price is required for a merger, share exchange, acquisition of all of the outstanding</u></p>	

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p><u>shares of another stock company through share exchange, share transfer, absorption-type company split, succession to all or part of the rights and obligations held by another company in relation to its business through an absorption-type company split, or incorporation-type company split;</u></p> <p><u>[2] When two or more events for adjusting the acquisition price occur together, and it is necessary, with regard to the market price to be used in calculating the adjusted acquisition price based on one of the events, to consider the effect of the other events; or</u></p> <p><u>[3] Other cases where the acquisition price needs to be adjusted due to the occurrence of a change or an event that may cause a change in the number of common shares outstanding (excluding, however, the number of common shares held by the Company).</u></p> <p><u>(c) If calculation is necessary for adjustment of the acquisition price, it shall be made to the second decimal place below the unit of yen, rounded to the first decimal place.</u></p> <p><u>(d) The market price per common share used in the Acquisition Price Adjustment Formula shall be the average value of the VWAP for the 30 consecutive trading days preceding the date on which the adjusted acquisition price (calculated to the second decimal place below the unit of yen and rounded off to the first decimal place) is applied (or if a reason for adjusting the acquisition price is announced on the timely disclosure information inspection service provided by the Tokyo Stock Exchange, the date of such announcement). The term “trading day “ means a day on which ordinary trading of the Company’s common shares is conducted on the Tokyo Stock Exchange, and shall not include a day on which VWAP is not announced.</u></p> <p><u>(e) If, as a result of the calculation in adjusting an acquisition price, the difference between the adjusted acquisition price and the unadjusted acquisition price is less than 0.1 yen, the adjustment of the acquisition price shall not be made. However, adjustments that have become unnecessary pursuant to this (e) will be carried forward and taken into account in the subsequent adjustment calculations.</u></p> <p><u>5. Place for Receiving Claim for Acquisition of Common Share Consideration</u> <u>Shareholder Registry Administrator Office: Stock Transfer Agency, Mitsubishi UFJ Trust and Banking Corporation, 4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo</u></p>	

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p data-bbox="201 237 807 297">6. <u>Effectuation of Claim for Acquisition of Common Share Consideration</u></p> <p data-bbox="244 300 807 555"><u>The Claim for Acquisition of Common Share Consideration shall become effective when the documents required for the Claim for Acquisition of Common Share Consideration reach the place for receiving Claim for Acquisition of Common Share Consideration stated in the preceding paragraph or on the desired effective date stated in the said documents, whichever is later.</u></p> <p data-bbox="201 589 707 618"><u>(Acquisition Clause for Cash Consideration)</u></p> <p data-bbox="217 633 807 1951"><u>Article 11-15 At any time after the issuance date of Class B shares, as long as there are no Class A shares outstanding (excluding those held by the Company), the Company may, within the scope permitted by laws and regulations and upon the arrival of a date separately determined by the Board of Directors of the Company (hereinafter in this Article referred to as the “Cash Consideration Redemption Date”), acquire all of the Class B shares by paying cash (hereinafter in this Article referred to as “Cash Consideration Redemption”) after giving written notice (it shall be irrevocable) to the Class B Shareholders, etc. no later than 20 trading days (the days on which the ordinary trading of the Company’s common shares is conducted on the Tokyo Stock Exchange) prior to the Cash Consideration Redemption Date, and the Company may, in exchange for acquiring the Class B shares pertaining to such Cash Consideration Redemption, pay to Class B Shareholders the amount obtained by multiplying the number of Class B shares pertaining to such Cash Consideration Redemption by the sum of: (i) the amount obtained by multiplying the Amount Equivalent to Paid-in Amount per Class B share by 1.05 and (ii) the Amount Equivalent to Class B Cumulative Unpaid Dividends and the Daily Unpaid Preferred Dividends. In this Article, the “Distribution Date” in the calculation of the amount of Daily Unpaid Preferred Dividends shall be replaced with the “Cash Consideration Redemption Date” to calculate such amount. If there is a fraction of less than one yen in the cash to be delivered in exchange for the acquisition of Class B shares pertaining to Cash Consideration Redemption, such fraction shall be rounded down.</u></p>	<p data-bbox="1074 589 1182 618">(Deleted)</p>

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p><u>(Exclusion of the Right to Request to be Added to the Specific Shareholders from Whom the Company Acquires Treasury Shares)</u></p> <p><u>Article 11-16 The provisions of Article 160, paragraphs 2 and 3 of the Companies Act shall not apply if the Company decides, upon resolution of a general meeting of shareholders, that it acquires all or part of the Class B shares held by Class B Shareholders based on agreement with such Class B Shareholders.</u></p>	(Deleted)
<p><u>(Consolidation or Split of Shares, Allotment of Shares for Subscription, etc.)</u></p> <p><u>Article 11-17 The Company shall not split or consolidate shares with respect to Class B shares.</u></p> <p><u>2. The Company shall not grant Class B Shareholders the right to receive the allotment of shares for subscription or the right to receive the allotment of share options for subscription.</u></p> <p><u>3. Class B Shareholders of the Company shall not be entitled to the allotment of shares without contribution or the allotment of share options without contribution.</u></p>	(Deleted)
<p><u>(Priority)</u></p> <p><u>Article 11-18 The order of priority of the payment of Class A Preferred Dividends, Amount Equivalent to Class A Cumulative Unpaid Dividends, Class B Preferred Dividends, Amount Equivalent to Class B Cumulative Unpaid Dividends, and dividends of surplus to Common Shareholders, etc. shall be as follows: (1) Amount Equivalent to Class A Cumulative Unpaid Dividends and Amount Equivalent to Class B Cumulative Unpaid Dividends (2) Class A Preferred Dividends and Class B Preferred Dividends (3) dividends of surplus to Common Shareholders, etc.</u></p> <p><u>2. The order of priority of the payment of residual assets pertaining to Class A shares, Class B shares, Class C shares and common stocks shall be in the following order: (1) the distribution of residual assets pertaining to Class A, Class B and Class C shares (2) the distribution of residual assets pertaining to common stocks.</u></p> <p><u>3. If the amount of the distribution of dividends of surplus or residual assets to be paid by the Company is less than the total amount necessary for such payment with a priority order, the payment of such dividends of surplus or residual assets shall be made on a pro rata basis according to the necessary amount for distribution of such</u></p>	(Deleted)

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p><u>dividends of surplus or residual assets with that priority order.</u></p>	
<p style="text-align: center;"><u>Chapter II-4 Class C Shares</u></p> <p><u>(Dividends of Surplus)</u></p>	(Deleted)
<p><u>Article 11-19 The Company shall not pay dividends from surplus to shareholders who hold Class C shares (hereinafter referred to as “Class C Shareholders”).</u></p>	
<p><u>(Distribution of Residual Assets)</u></p>	(Deleted)
<p><u>Article 11-20 When the Company distributes residual assets, it shall pay one million yen (hereinafter referred to as “Amount Equivalent to Paid-in Amount”) per Class C share to Class C Shareholders and registered pledgees of Class C shares (hereinafter referred to as “Class C Shareholders, etc.” together with the Class C Shareholders) in the order of priority of the payment set forth in Article 11-26, paragraph 2.</u></p>	
<p><u>2. No distribution of residual assets shall be made to Class C Shareholders, etc. in addition to the provisions of the preceding paragraph.</u></p>	
<p><u>(Voting Rights)</u></p>	(Deleted)
<p><u>Article 11-21 Class C Shareholders shall not have voting rights at any general meeting of shareholders unless otherwise provided for by laws and regulations.</u></p>	
<p><u>(Right to Claim Acquisition of Common Share Consideration)</u></p>	(Deleted)
<p><u>Article 11-22 A Class C Shareholder may, at any time on and after the date of issuance of Class C shares, request that the Company acquire all or part of the Class C shares that they hold (hereinafter referred to as “Claim for Acquisition of Common Share Consideration” in this Chapter) in exchange for the delivery of the number of common shares set forth in paragraph 2 (hereinafter referred to as “Common Shares Subject to Claim” in this paragraph), and the Company shall deliver the Common Shares Subject to Claim to such Class C Shareholder to the extent permitted by laws and regulations in exchange for the acquisition of the Class C shares pertaining to such Claim for Acquisition of Common Share Consideration.</u></p>	

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p>2. <u>The number of common shares to be delivered in exchange for the acquisition of Class C shares shall be the number obtained by multiplying the Amount Equivalent to Paid-in Amount per Class C share by the number of the Class C shares pertaining to Claim for Acquisition of Common Share Consideration and then dividing the resulting amount by the acquisition price specified in paragraphs 3 and 4. In addition, if the total number of common shares to be delivered in exchange for the acquisition of the Class C shares pertaining to the Claim for Acquisition of Common Share Consideration includes a fraction of less than one share, such fraction shall be rounded off, and in this case, the money specified in Article 167, paragraph (3) of the Companies Act shall not be delivered.</u></p> <p>3. <u>The initial acquisition price shall be 390.3 yen.</u></p> <p>4. <u>Adjustment of Acquisition Price</u> (a) <u>If any of the following events occur, the acquisition price shall be adjusted as follows:</u> [1] <u>In the case of a share split or allotment of shares without contribution with respect to common shares, the acquisition price shall be adjusted according to the following formula. In the case of allotment of shares without contribution, in the following formula, the “Number of common shares outstanding before split” shall be replaced with the “Number of common shares outstanding before allotment without contribution (excluding, however, common shares held by the Company at the time)” and the “Number of common shares outstanding after split” shall be replaced with the “Number of common shares outstanding after allotment without contribution” (excluding common shares held by the Company at that time)” respectively.</u> [Formula] <u>Adjusted acquisition price = A × B ÷ C</u> <u>A = Unadjusted acquisition price</u> <u>B = Number of common shares outstanding before split</u> <u>C = Number of common shares outstanding after split</u> <u>The adjusted acquisition price shall be applied on or after the day following the record date pertaining to the split of shares or on or after the effective date of the allotment of shares without contribution (in cases where the record date pertaining to the allotment of shares without contribution is specified, the day following said record date).</u> [2] <u>In the case of a consolidation of common shares, the acquisition price shall be adjusted according to the following formula:</u></p>	

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p>[Formula]</p> <p><u>Adjusted acquisition price = A × B ÷ C</u> <u>A = Unadjusted acquisition price</u> <u>B = Number of common shares outstanding before consolidation</u> <u>C = Number of common shares outstanding after consolidation</u> <u>The adjusted acquisition price shall be applied on or after the effective date of share consolidation.</u></p> <p>[3] <u>If the Company issues common shares or disposes of common shares held by the Company at a paid-in amount that falls below the market price per common share specified in (d) below (in the case of allotment of shares without contribution, excluding cases of acquisition of shares or share options (including those attached to bonds with share options; hereinafter the same shall apply in this paragraph) acquired in exchange for the delivery of common shares, exercise of share options for common shares, or delivery of common shares due to merger, share exchange, or company split), the acquisition price shall be adjusted in accordance with the following formula (hereinafter referred to as “Acquisition Price Adjustment Formula” in this paragraph). The “Paid-in amount per share” in the Acquisition Price Adjustment Formula shall be the appropriate appraisal value of the property when property other than money is the subject of the contribution. The adjusted acquisition price shall be applied on or after the day following the payment date (the last day of the payment period, if a payment period is specified), or if a record date for allotment to shareholders is specified, on or after the day following such record date (hereinafter referred to as “Shareholder Allotment Date” in this paragraph). In the cases where the Company disposes of common shares that it holds, the “Number of common shares to be newly issued” and the “Number of common shares held by the Company” in the following formula shall be replaced with the “Number of common shares held by the Company to be disposed” and the “Number of common shares held by the Company before disposition” respectively.</u> <u>Adjusted acquisition price = A × (B - C + D × E ÷ F) ÷ (B - C + D)</u> <u>A = Unadjusted acquisition price</u> <u>B = Number of common shares outstanding</u> <u>C = Number of common shares held by the Company</u> <u>D = Number of common shares to be newly issued</u> <u>E = Paid-in amount per share</u> <u>F = Market price per common share</u></p>	

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p>[4] <u>If the Company issues or disposes of shares for which the delivery of common shares may be taken at an acquisition price per common share that falls below the market price per common share specified in (d) below (including the case of allotment of shares without contribution) by causing the Company to acquire or by being acquired by the Company, the adjusted acquisition price shall be the amount calculated by applying such price to “Paid-in amount per share” in the Acquisition Price Adjustment Formula, deeming that all of the shares to be issued or disposed of are acquired under the initial conditions and common shares are delivered on the payment date for such shares (or, if a payment period is specified, the last day of such payment period; the same shall apply hereinafter in this [4]), in the case of the allotment of shares without contribution, on the day when it takes effect (if a record date for the allotment of shares without contribution is specified, on such record date; the same shall apply hereinafter in this [4]) or if there is a Shareholder Allotment Date, on such date. The adjusted acquisition price shall be applied on or after the day following the payment date, or in the case of an allotment of shares without contribution, on or after the day following the day on which such allotment takes effect, or if there is a Shareholder Allotment Date, on or after the day following such date. Notwithstanding the foregoing, if the consideration for the common shares to be delivered upon the acquisition is not fixed at the time stated above, the adjusted acquisition price shall be calculated, deeming that all of the shares to be issued or disposed of at the time such consideration is fixed are acquired and common shares are delivered under the conditions as of the time such consideration is fixed and the adjusted acquisition price shall be applied on or after the day following the day on which the consideration is fixed.</u></p> <p>[5] <u>If the Company issues share options for which the delivery of common shares may be taken at a price where the sum of the amount to be paid in for the share options per common share and the amount of properties to be contributed upon the exercise of the share options (in the case where contributions are in the form of properties other than cash, the appropriate appraisal amount of such properties; hereinafter the same shall apply in this [5]) falls below the market price per common share specified in (d) below (including the case of allotment of share options without contribution) by exercising them or by being acquired by the Company, the adjusted acquisition price shall be the amount calculated by using such</u></p>	

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p><u>total amount of the paid-in price of share options per common share and the price per common share of properties to be contributed upon exercise of share options as the “Paid-in amount per share” in the Acquisition Price Adjustment Formula, deeming that all of share options to be issued are exercised or acquired under the initial conditions and common shares are delivered on the allotment date of such share options, in the case of the allotment of share options without contribution, on the day when it takes effect (if a record date for the allotment of share options without contribution is specified, on such record date; the same shall apply hereinafter in this [5]), or if there is a Shareholder Allotment Date, on such date. The adjusted acquisition price shall be applied on or after the day following the allotment date of share options, or in the case of an allotment of share options without contribution, on or after the day following the day on which such allotment takes effect, or if there is a Shareholder Allotment Date, on or after the day following such date. Notwithstanding the foregoing, if the consideration for the common shares to be delivered upon the acquisition or exercise is not fixed at the time stated above, the adjusted acquisition price shall be calculated, deeming that all of the share options to be issued at the time such consideration is fixed are exercised or acquired and common shares are delivered under the conditions as of the time such consideration is fixed and the adjusted acquisition price shall be applied on or after the day following the day on which the consideration is fixed. However, adjustments of acquisition price pursuant to this [5] shall not apply to share options for common shares to be issued for the purpose of stock options to directors, Audit & Supervisory Board members, executive officers or other officers or employees of the Company or its subsidiaries.</u></p> <p><u>(b) In addition to the reasons listed in (a) above, if any of [1] through [3] below is applicable, the Company shall appropriately adjust the acquisition price after notifying Class C Shareholders, etc. in writing in advance of such fact, the reasons therefor, the adjusted acquisition price, the date of application and other necessary matters: [1] When the adjustment of the acquisition price is required for a merger, share exchange, acquisition of all of the outstanding shares of another stock company through share exchange, share transfer, absorption-type company split, succession to all or part of the rights and obligations held by another company in relation to its business through an absorption-type company split, or incorporation-type company</u></p>	

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p><u>split;</u></p> <p>[2] <u>When two or more events for adjusting the acquisition price occur together, and it is necessary, with regard to the market price to be used in calculating the adjusted acquisition price based on one of the events, to consider the effect of the other events; or</u></p> <p>[3] <u>Other cases where the acquisition price needs to be adjusted due to the occurrence of a change or an event that may cause a change in the number of common shares outstanding (excluding, however, the number of common shares held by the Company).</u></p> <p>(c) <u>If calculation is necessary for adjustment of the acquisition price, it shall be made to the second decimal place below the unit of yen, rounded to the first decimal place.</u></p> <p>(d) <u>The market price per common share used in the Acquisition Price Adjustment Formula shall be the average value of the VWAP for the 30 consecutive trading days preceding the date on which the adjusted acquisition price (calculated to the second decimal place below the unit of yen and rounded off to the first decimal place) is applied (or if a reason for adjusting the acquisition price is announced on the timely disclosure information inspection service provided by the Tokyo Stock Exchange, the date of such announcement). The term “trading day “ means a day on which ordinary trading of the Company’s common shares is conducted on the Tokyo Stock Exchange, and shall not include a day on which VWAP is not announced.</u></p> <p>(e) <u>If, as a result of the calculation in adjusting an acquisition price, the difference between the adjusted acquisition price and the unadjusted acquisition price is less than 0.1 yen, the adjustment of the acquisition price shall not be made. However, adjustments that have become unnecessary pursuant to this (e) will be carried forward and taken into account in the subsequent adjustment calculations.</u></p> <p>5. <u>Place for Receiving Claim for Acquisition of Common Share Consideration</u> <u>Shareholder Registry Administrator Office: 4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo</u> <u>Stock Transfer Agency, Mitsubishi UFJ Trust and Banking Corporation</u></p> <p>6. <u>Effectuation of Claim for Acquisition of Common Share Consideration</u> <u>The Claim for Acquisition of Common Share Consideration shall become effective when the documents required for the Claim for Acquisition of Common Share Consideration reach the place for receiving Claim for Acquisition of Common Share Consideration stated in the preceding</u></p>	

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p>paragraph or on the desired effective date stated in the said documents, whichever is later.</p> <p><u>(Acquisition Clause for Cash Consideration)</u></p> <p><u>Article 11-23 At any time after the issuance date of Class C shares, as long as there are no Class A shares or Class B shares outstanding (excluding those held by the Company), the Company may, within the scope permitted by laws and regulations and upon the arrival of a date separately determined by the Board of Directors of the Company (hereinafter in this Article referred to as the “Cash Consideration Redemption Date”), acquire all of the Class C shares by paying cash (hereinafter in this Article referred to as “Cash Consideration Redemption”) after giving written notice (it shall be irrevocable) to the Class C Shareholders, etc. no later than 20 trading days (the days on which the ordinary trading of the Company’s common shares is conducted on the Tokyo Stock Exchange; the same shall apply hereinafter) prior to the Cash Consideration Redemption Date, and the Company may, in exchange for acquiring the Class C shares pertaining to such Cash Consideration Redemption, pay to Class C Shareholders the amount obtained by multiplying the number of Class C shares pertaining to such Cash Consideration Redemption by the amount obtained by multiplying the Amount Equivalent to Paid-in Amount per Class C share by the Redemption Factor set forth below. If there is a fraction of less than one yen in the cash to be delivered in exchange for the acquisition of Class C shares pertaining to Cash Consideration Redemption, such fraction shall be rounded down. The “Redemption Factor” in this Chapter means the numerical value specified in [1] through [6] below, depending on the classification of which of the periods [1] through [6] below the Cash Consideration Redemption Date belongs.</u></p> <p><u>[1] From the day after the issuance date of the Class C shares to June 30, 2021: 1.13</u></p> <p><u>[2] From July 1, 2021 to June 30, 2022: 1.25</u></p> <p><u>[3] From July 1, 2022 to June 30, 2023: 1.37</u></p> <p><u>[4] From July 1, 2023 to June 30, 2024: 1.51</u></p> <p><u>[5] From July 1, 2024 to June 30, 2025: 1.66 or the parity factor, whichever is larger</u></p> <p><u>[6] From July 1, 2025: 1.80</u></p> <p><u>“Parity factor” shall be calculated using the following formula; however, it shall not exceed</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p><u>1.80.</u> <u>1 + [(a) ÷ (b)] - 1]</u> <u>(a) The closing price of ordinary transactions of the Company's common shares on the Tokyo Stock Exchange on the trading day preceding the date of the notice on Cash Consideration Redemption</u> <u>(b) The acquisition price specified in paragraphs 3 and 4 of the preceding Article that is effective as of the Cash Consideration Redemption Date</u></p> <p><u>(Exclusion of the Right to Request to be Added to the Specific Shareholders from Whom the Company Acquires Treasury Shares)</u></p> <p><u>Article 11-24 The provisions of Article 160, paragraphs 2 and 3 of the Companies Act shall not apply if the Company decides, upon resolution of a general meeting of shareholders, that it acquires all or part of the Class C shares held by Class C Shareholders based on agreement with such Class C Shareholders.</u></p> <p><u>(Consolidation or Split of Shares, Allotment of Shares for Subscription, etc.)</u></p> <p><u>Article 11-25 The Company shall not split or consolidate shares with respect to Class C shares.</u></p> <p><u>2. The Company shall not grant Class C Shareholders the right to receive the allotment of shares for subscription or the right to receive the allotment of share options for subscription.</u></p> <p><u>3. Class C Shareholders of the Company shall not be entitled to the allotment of shares without contribution or the allotment of share options without contribution.</u></p> <p><u>(Priority)</u></p> <p><u>Article 11-26 The order of priority of the payment of Class A Preferred Dividends, Amount Equivalent to Class A Cumulative Unpaid Dividends, Class B Preferred Dividends, Amount Equivalent to Class B Cumulative Unpaid Dividends, and dividends of surplus to Common Shareholders, etc. shall be as follows: (1) Amount Equivalent to Class A Cumulative Unpaid Dividends and Amount Equivalent to Class B Cumulative Unpaid Dividends (2) Class A Preferred Dividends and Class B Preferred Dividends (3) dividends of surplus to Common Shareholders, etc.</u></p>	<p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current Articles of Incorporation	Draft Amendments to the Articles of Incorporation
<p data-bbox="201 237 807 461">2. <u>The order of priority of the payment of residual assets pertaining to Class A shares, Class B shares, Class C shares and common stocks shall be in the following order: (1) the distribution of residual assets pertaining to Class A, Class B and Class C shares (2) the distribution of residual assets pertaining to common stocks.</u></p> <p data-bbox="201 495 807 779">3. <u>If the amount of the distribution of dividends of surplus or residual assets to be paid by the Company is less than the total amount necessary for such payment with a priority order, the payment of such dividends of surplus or residual assets shall be made on a pro rata basis according to the necessary amount for distribution of such dividends of surplus or residual assets with that priority order.</u></p> <p data-bbox="201 813 517 846">(Dividends of Surplus, etc.)</p> <p data-bbox="217 857 807 1111">Article 40 Unless otherwise provided for by laws and regulations, the Company shall determine the matters specified in the items of Article 459, paragraph (1) of the Companies Act, such as dividends of surplus, by resolution of the Board of Directors, not by resolution of a general meeting of shareholders.</p> <p data-bbox="201 1122 807 1272">2. The Company may pay dividends of surplus in cash to shareholders or registered pledgees of shares stated or recorded in the final shareholder registry on March 31 and September 30 of each year.</p> <p data-bbox="389 1283 619 1317">(Newly established)</p>	<p data-bbox="823 813 1139 846">(Dividends of Surplus, etc.)</p> <p data-bbox="839 857 1445 1111">Article 40 Unless otherwise provided for by laws and regulations, the Company shall determine the matters specified in the items of Article 459, paragraph (1) of the Companies Act, such as dividends of surplus, by resolution of the Board of Directors, not by resolution of a general meeting of shareholders.</p> <p data-bbox="823 1122 1445 1272">2. The Company may pay dividends of surplus in cash to shareholders or registered pledgees of shares stated or recorded in the final shareholder registry on March 31 and September 30 of each year.</p> <p data-bbox="823 1283 1445 1433">3. <u>In addition to the preceding two paragraphs, the Company may specify a record date and pay dividends of surplus to shareholders or registered pledgees of shares stated or recorded in the final shareholder registry on such record date.</u></p>

Proposal No. 2: Issuance of Shares for Subscription (Class D Shares) by Third-Party Allotment

Pursuant to Article 199 of the Companies Act, for the reason stated in 1. below and through the process stated in 2. below, the Company requests the shareholders' approval of the issuance of shares for subscription (Class D shares) by third-party allotment (the "Third-Party Allotment Capital Increase") to the Development Bank of Japan Inc. (the "Development Bank of Japan") and The Bank of Yokohama, Ltd. (the "The Bank of Yokohama") (these banks are collectively referred to as the "Prospective Allottees" and each of them is individually referred to as "Prospective Allottee").

We will conduct the proposed capital increase through a third-party allotment on the condition that: i) Proposals No. 1 and No. 2 are approved as originally proposed; ii) the proposal on the Amendment of the Articles of Incorporation is approved by the general meeting of class shareholders (including the fact that a resolution is passed by the general meeting of class shareholders pursuant to the provisions of Article 319 of the Companies Act to be applied mutatis mutandis under the provisions of Article 325 of the Companies Act), and iii) the acquisition and retirement of existing class shares have been completed.

As we announced in the "Notice on Acquisition and Retirement of Existing Class Shares, Issuance of Class Shares Through Third-Party Allotment, Partial Amendments to the Articles of Incorporation, Reduction of Share Capital and Capital Reserve, and Refinancing of Current Borrowings by Syndicated Loans" published on May 10, 2024, payments by prospective allottees for Class D shares are made on the condition that: i) the Amendment of the Articles of Incorporation has come into effect and remains in effect; ii) procedures required for the reduction of share capital and capital reserve have been completed and the amount of reduction in share capital and capital reserve is expected to be definite; iii) a syndicated loan agreement (the "Syndicated Loan Agreement") has been effectively and lawfully entered into with a syndicate group whose arranger is The Bank of Yokohama and the agreement remains in effect; iv) a commitment line revision agreement (the "Commitment Line Revision Agreement") has been effectively and lawfully entered into, and kept in effect, with The Bank of Yokohama as the lender and the agent for other financial institutions as an agreement that stipulates a revision to an extendable due date for a commitment period maturity date set forth in a commitment line agreement (the "Commitment Agreement"); and v) the acquisition and retirement of the existing class shares have been completed.

In addition, if the Class D shares are allotted to the Prospective Allottees through the Third-Party Allotment Capital Increase, assuming that the put option with common shares as consideration is exercised for all Class D shares, and provided that there are no cumulative unpaid dividends nor unpaid preferred dividends prorated on a daily basis for Class D shares, a maximum of 141,242 voting rights of common shares will be delivered, and the ratio to the total number of 447,067 voting rights of the Company's issued common shares based on the shareholder registry as of March 31, 2024, will be approximately 31.59%. Through this method, the Third-Party Allotment Capital Increase will result in a dilution rate of 25% or greater, and therefore the Company requests that the shareholders confirm their intentions regarding this proposal at this Annual General Meeting of Shareholders in accordance with Article 432 of the Securities Listing Regulations prescribed by Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange").

1. Reason for issuance of shares for subscription at a payment amount that is particularly advantageous

(1) Background to the offering and its purposes

Under the new Medium-Term Management Plan, we are now working on a group-wide basis to realize MITSUBA VISION 2030 as we see as an opportunity in the growing need for electrification, where our core technologies can be utilized, in accordance with a corporate philosophy of "offering pleasure and peace of mind to customers worldwide."

On September 30, 2020, the Company issued existing class shares to be allocated to the JIS Fund, and formulated the 12th Medium-Term Management Plan (the "12th Medium-Term Plan") in response to the Company seeing its earnings and financial position deteriorate due to the management policy of sales expansion and to increasing fixed costs and capital expenditures, which led its capital adequacy ratio to decline. Since then, we continued to pursue business structural reforms under the 12th Medium-Term Plan. However, affected by significant changes in the operating environment, such as the spread of COVID-19, the decline in OEM production due to semiconductor supply problems, and soaring raw material and logistics costs, our business performance declined below the targets of the 12th Medium-Term Plan. Therefore, we formulated the current Medium-Term Management Plan (the "Current Medium-Term Plan")

for the period from FY2023 to FY2027 by adding new measures.

Under the current Medium-Term Plan, following on from the 12th Medium-Term Plan, we are now working to sophisticate our business management by: i) shifting our business resources to future growth domains through election and concentration: ii) further strengthening our corporate structure through sales improvement activities and global staffing optimization efforts: iii) controlling inventories and investment forecasting-spending in a more rigorous manner, and iv) stepping up our operations by clearly identifying quality costs in production processes. Through the above, we achieved certain results in improving management and strengthening our earnings and financial structure. Therefore, we decided to reduce the risk of potential stock dilution by using retained earnings to acquire and retire existing class shares and promote self-propelled management.

On the other hand, in order to make its financial structure even sounder toward realizing MITSUBA VISION 2030, the Company set financial targets such as an ROE of 10% or more and a capital adequacy ratio of 30% or more for FY2027, the final year of the Medium-Term Management Plan. We concluded that the Company needed to secure funds to invest in the growth areas described in “3. (2) Specific uses of cash to be raised” and to utilize capital funds to maintain a certain level of capital and ensure management stability. This was in consideration of: i) the need to invest in areas expected to grow, such as electric vehicles and electrification, as a means to achieve these goals and make the Company grow sustainably; and ii) the need to make it more resilient to unforeseen events such as impairment risks stemming from unexpected changes in the external environment, deterioration in business performance, and a rapid appreciation of the yen.

(2) Reason for choosing the third-party allotment

To date, we have been considering various alternatives in an effort to stabilize our financial position and care about potential impacts on our existing shareholders. As described in the section titled “I. Acquisition and Retirement of Existing Class Shares,” acquiring and retiring existing class shares will cause the Company’s equity capital to decrease. However, we think it is necessary to raise long-term and stable funds as capital expenditures in areas expected to grow, and future growth will take a certain length of time to recover investments. In this situation, we believe that it is necessary and appropriate to raise capital funds while comparing it with debt financing in the form of loans from financial institutions or bond issuance.

With regard to a financing method, in consideration of the current economic conditions and capital market developments as well as the operating environment for the Company, its financial position and business performance, and the recent stock price situation, the Company concluded it would be inappropriate to conduct a public offering or a third-party allotment of common shares because: i) it would immediately result in a commensurate degree of dilution of common shares, potentially causing detriment to shareholders; and ii) the financing value might fluctuate depending on stock price levels. We also concluded that it would be now inappropriate to take the alternative of conducting a gratis allotment of stock acquisition rights (rights offering) to existing shareholders or an allotment of shares to existing shareholders because the definitive financing value is unknown as allotted shareholders might not exercise all of their stock acquisition rights in light of stock price movements and shareholders might not accept the allotment of shares. We also came to a conclusion that the equity commitment line intended to allocate stock acquisition rights to securities companies was inappropriate for the same reason and due to a gradual but commensurately large dilution of common shares.

In comparison, we concluded that a third-party allotment of new shares using class shares would be the most effective alternative for the Company because it can reliably raise the required amount and, depending on product design, and it would be possible to avoid a rapid dilution and changes in the composition of shareholders while raising capital, and to choose appropriate external investors. Therefore, as described in the section titled “(1) Background to the offering and its purposes” above, as a result of reviewing the selection of external investors, the Company decided to conduct a capital increase through third-party allotment to the prospective allottees. Against the background of the Company’s financial soundness enhancement, Class-D shares now enjoy improved real economic conditions in comparison to existing class shares when taking into account a preferred dividend rate and other factors. As described in “(3) Overview of Class-D shares,” conversion to common shares is designed to be carried out only in limited circumstances. In order to achieve MITSUBA VISION 2030, the Company concluded that it would be currently the best option to stabilize its financial position as soon as possible by conducting the third-party allotment and raising funds for capital expenditures targeting growth areas.

(3) Reason for choosing the prospective allottees

We chose The Development Bank of Japan and The Bank of Yokohama as our prospective allottees in comprehensive consideration of the fact that: i) both banks were major partner financial institutions for the Company; ii) having Class-D shares held by multiple major partner financial institutions would further stabilize the Company's financial policies; and iii) they fully understood the business environment for the Company as well as its business conditions and capital policy approach.

The Company resolved to enter into an agreement with The Development Bank of Japan and The Bank of Yokohama on matters related to investment in the Company, including the following:

[1] Oath of the Company

The Company has promised the prospective allottees that the former will i) inform the latter of the business operation status and the business performance and hold regular meetings and officer meetings with the prospective allottees; ii) obtain prior approval of the prospective allottees in the event of canceling or terminating any matter requiring a special resolution of a general meeting of the shareholders of the Company or all or a significant part of operations or in the event of engaging in an act to assume certain obligations or in certain swap transactions, such as for sale of important real estate, leasing of entire business operations, delegation of management of entire business operations, amendment of the articles of incorporation, organizational realignment, corporate dissolution, filing of a petition for bankruptcy proceedings, stock split, stock merger, gratis allotment, acquisition of treasury shares, dividends of certain surplus, and share capital reduction (however, any of the prospective allottees shall maximally respect decision-making by the Company and may not unreasonably refuse to give, or refrain from giving, such approval; iii) inform duly the prospective allottees of any change made to the shareholders of the Company or to the shareholder breakdown, of any commencement done of a lawsuit that could potentially affect its financial position adversely, of any termination done of the Syndicate Loan or the Commitment Line Agreement or any event of a relevant debt default, and of any change (excluding any change to be made under a renewed Commitment Line Agreement) to, or termination of, the Syndicate Loan Agreement or the Commitment Line Agreement, and iv) make commercially-reasonable and utmost efforts to take necessary measures to reduce share capital and capital reserve in order to generate cash for paying dividends of surplus or acquiring Class-D shares to the extent possible by consulting with the prospective allottees in good faith to obey their reasonable demand and to an extent conforming to laws, for the purpose of becoming able to pay out dividends of surplus to the prospective allottees and acquire Class-D shares.

[2] Restriction on exercise of acquisition rights

The prospective allottees may not exercise the acquisition rights for common shares without obtaining approval from the Company unless there is a reason for lifting the conversion restriction, and may not exercise the acquisition rights for cash until June 27, 2029, unless there is a reason for lifting the restriction on the exercise of the acquisition rights for cash.

[3] Prerequisites to payment obligation

The prerequisites to the fulfillment of the payment for Class-D shares by the prospective allottees are that: i) the Amendment of the Articles of Incorporation has come into effect and remains in effect; ii) procedures required for the share capital reduction have been completed and the reduction will likely be definitive; iii) the Syndicated Loan Agreement has been effectively and lawfully entered into and been kept in effect; iv) the agreement on the revision to the Commitment Line Agreement has been effectively and lawfully entered into and been kept in effect; and v) the existing class shares have been acquired and retired completely.

(4) Basis for calculating the amount to be paid in and its specifics

The Company has judged the terms and conditions for issuing Class-D shares (including the terms and conditions of the Subscription Agreement) to be reasonable as a result of considering various conditions such as the preferred dividend rate for Class-D shares (7.8% per annum) and the credit costs to be borne by preferred shareholders and comprehensively taking into account the operating environment and financial position of the Company.

In addition, the Company requested Akasaka International Accounting Co., Ltd. ("Akasaka International Accounting"), a third-party valuation organization independent of our company, to analyze the value of Class-D shares in order to ensure fairness in the determination of the terms and conditions of issuance of such shares. Akasaka International Accounting calculated the value of Class-D shares using a

binomial lattice model, a general stock option valuation model able to calculate a valuation reflecting the major characteristics of Class-D shares. Today, we obtained a valuation report on Class-D shares (“Class Share Valuation Report”) from Akasaka International Accounting.

According to the Class Share Valuation Report, Akasaka International Accounting set certain assumptions that took into account market conditions as of the valuation record date (the dividend amount of Class-D shares, the clause of acquisition for cash, the right of acquisition for cash, the right of acquisition for common shares, acquisition price of Class-D shares, a period until the Company can exercise the clause for acquisition for cash, a period until Class D shareholders exercise the right of acquisition for cash and the right of acquisition for common shares, the stock price of the Company, volatility, dividend yield, risk-free interest rates, and credit spreads) and calculated the fair valuation of Class-D shares to be between 48,765,645 yen and 50,213,259 yen per Class-D share.

The Company received a proposal from the prospective allottees for the terms and conditions of issuance, including the payment amount for Class-D shares to be 50 million yen per share, and confirmed that the payment amount is not below the lower limit of the valuation range, with reference to the valuation amount calculated by the calculation institution based on the above assumptions. In addition, while comprehensively taking into account the operating environment and financial position of the Company, the Company repeatedly consulted and negotiated with the prospective allottees regarding the terms and conditions of issuance, and determined an amount to be paid in for Class-D shares to be 50 million yen per share and decided other terms and conditions of issuance. Since the issue price of Class-D shares has been determined to be not less than the lower limit of the valuation range and the valuation procedure does not contain anything unreasonable, the terms and conditions for issuing Class-D shares are reasonable and their issuance does not fall under the category of advantageous issuance.

However, given that there could be various views on the valuation of Class shares, we will issue Class-D Shares in accordance with the provisions of Article 199, paragraphs 2 and 3 and Article 309, paragraph 2 of the Companies Act conservatively on condition of obtaining approval by a special resolution at the General Meeting of Shareholders.

(5) Overview of Class-D shares

[1] Preferred dividend

We set the dividend rate of Class-D shares at 7.8% per annum. In the event of any shortfall in preferred dividends for Class-D shareholders in a given fiscal year, the shortfall value is intended to accrue cumulatively for the following fiscal year and thereafter. In principle, Class-D shareholders may not receive dividends of surplus in excess of the amount of such preferred dividends.

[2] Acquisition rights for common shares

Class-D shares are entitled to acquisition rights for common shares. The Guidelines for Issuance of Class-D shares stipulate that, in principle, a prospective allottees may request the Company for an acquisition of all or part of Class-D shares for common shares at any time after the date of issuance of the Class-D Shares. However, pursuant to the provisions of this Subscription Agreement, the prospective allottees may exercise acquisition rights for common shares only in the cases described below (“Reason for lifting conversion restriction”).

- (i) An elapse of six months from the date on which acquisition rights for cash come into effect
- (ii) An elapse of December 27, 2029
- (iii) In cases where dividends of surplus for Class-D shareholders are not paid at all during two fiscal years
- (iv) In cases where the preconditions for payment by the prospective allottees set forth in this Subscription Agreement are found to have not been met on the payment date
- (v) In cases where the Company has [1] materially breached the representations and warranties under the Subscription Agreement or [2] breached any other provision of the agreement (excluding the representations and warranties in the agreement) (except for minor breaches), and where such breach is not corrected within 30 days after the date on which the Company receives from the subscriber a written notice informing such breach

The number of common shares to be delivered upon exercise of the acquisition rights of Class-D shares for common shares shall be a number calculated using the following calculation formula:

(Calculation formula)

The number of common shares of the Company to be delivered in exchange for Class-D shares

= The number of Class-D shares for which acquisition is requested by the shareholder

× An amount to be determined by subtracting a subtraction value specified in [3] (b) below from a

basic redemption value specified in [3] (a) below (however, the basic redemption value and the subtraction value will be computed by replacing a redemption demand date in a basic redemption value calculation formula and a subtraction value calculation formula with a conversion demand date and by replacing Class-D preferred dividends paid prior to a redemption demand in the formulas with Class-D preferred dividends paid prior to a conversion demand (referring to Class-D preferred dividends paid (including interim Class-D preferred dividends paid prior to the conversion demand date);

÷ Conversion price

The initial conversion price will be 1,344 yen and on June 30 and December 31 each year after December 31, 2024 will be revised to 95% of the market value (the average daily closing price (includes indication) on the Tokyo Stock Exchange for 30 trading days from a date 45 trading days prior to a conversion value adjustment date (excludes days without closing price), which shall be calculated up to two decimal places and be rounded to one decimal place). The lowest revised value will be 708 yen (the lowest conversion price). If an acquisition right is exercised at the lowest conversion price, 14,124,293 common shares (31.56% of the number of issued common shares prior to the issuance of the preferred stock (the third decimal place will be rounded to the second decimal place)) will be delivered. The number of shares of our common stock to be converted upon exercise of the acquisition right will increase further if dividends of surplus on Class-D shares are not paid and the amount of accrued preferred dividends accumulates.

[3] Acquisition rights for cash

Class D shares are entitled to acquisition rights for cash. The Guidelines for Issuance of Class-D Shares stipulates that the prospective allottees may, in principle, demand that the Company acquire all or part of Class-D Shares for cash at any time after the issuance date for the Class-D shares. However, pursuant to the provisions of this Subscription Agreement, until June 27, 2029 (including on the date), the prospective allottees may exercise the right to demand that the Company acquire such shares for money only in the cases described in the outline and below (“reasons for lifting restriction on right exercise for cash”):

- (i) Cases where a distributable of surplus on the Company’s non-consolidated balance sheet on March 31, 2025, or on any last day of each fiscal year thereafter is less than, or equal to, the sum of compulsory redemption values to be determined on the assumption that all Class-D Shares are forcibly redeemed on the last day of the relevant fiscal year (however, this shall not apply to cases: i) where, at the annual meeting of shareholders of the Company pertaining to the relevant fiscal year, a proposal required for reducing share capital or capital reserve by an amount equal to, or over, one to be determined by subtracting the distributable surplus on the Company’s non-consolidated balance sheet on the last day of the fiscal year from a compulsory redemption value to be determined on the assumption that all of Class-D shares are redeemed compulsorily; and ii) where the intended reduction in such share capital or capital reserve comes into effect lawfully and validly within three months from the last day of the fiscal year in question);
- (ii) Cases where the amount of equity capital (referring to an amount to be determined by subtracting the amount of non-controlling interests from the amount of total net assets under the net assets account) on the Company’s consolidated balance sheets on March 31, 2025, and on any last day of each fiscal year thereafter is less than 75% of the amount on the last day of the previous fiscal year or of the amount on the last day of the fiscal year ending March 2024, whichever is larger;
- (iii) Cases where the net income or loss on the consolidated profit and loss statement of the Company on March 31, 2025, and at the end of each fiscal year thereafter is in the red for two consecutive business years;
- (iv) In cases where the preconditions for payment by the prospective allottees set forth in this Subscription Agreement are found to have not been met;
- (v) Cases where the Company has [1] materially breached the representations and warranties under the Subscription Agreement or [2] breached any other provision of the agreement (excluding the representations and warranties under the Agreement) (with the exception of minor breaches) and such breach is not corrected within 30 days after the date on which the Company receives from the subscriber a written notice informing the breach

The amount of money to be delivered upon exercise of the acquisition rights for cash attached to Class-D Shares (“Redemption Value”) will be an amount to be calculated by the following calculation formula:

(a) Basic redemption value

Redemption value per Class-D share will be an amount to be calculated by the following calculation

formula (“Basic Redemption Value”).

(Basic redemption value calculation formula)

Basic redemption value = 50 million yen $\times (1 + 0.078)^{m+n/365}$

The number of days in the period from the payment date (including the date) to the redemption demand date (including the date, and referred to as “Redemption Demand date”) will be shown as “m years and n days”.

(b) Subtraction value

Notwithstanding [3] (a) above, redemption value per Class-D share will be an amount to be calculated by deducting a value to be calculated by the following calculation formula from a basic redemption value specified in [3] (a) above in cases where any Class-D preferred dividends (“Class-D Preferred Dividends Paid Prior to Redemption Demand” including interim preferred dividends paid prior to a redemption demand date) are paid prior to the redemption request. If Class-D preferred dividends paid before a redemption demand are paid multiple times, a subtraction value will be calculated for each of Class-D preferred dividends paid before the redemption demand, and the combined total amount will be subtracted from the basic redemption value specified in [3] (a) above.

(Calculation formula for subtraction value)

Subtraction value = Class-D preferred dividend paid prior to a redemption demand $\times (1 + 0.078)^{x+y/365}$

The number of days from the payment date for Class-D preferred dividends paid prior to a redemption demand (including the date) to the redemption demand date (including the date) will be shown as “m years and n days”.

[4] Cause for acquisition for money

A clause for acquisition for cash applies to Class-D shares. Under the clause attached to Class-D shares on an acquisition for cash in the Guidelines for Issuance of Class D Shares, it is allowed, within a scope permitted by laws and regulations, to acquire all or part of Class-D shares for cash after giving a written notice (which shall be irrevocable) to Class-D shareholders no later than 20 trading days prior to the redemption date for Class-D shares for cash on or after a date separately specified by the Board of Directors of the Company (“Class-D Share Redemption Date for Cash”) at any time after the issuance date. However, pursuant to the provisions of the Subscription Agreement, the clause for acquisition for money is allowed to be exercised only after the passage of one year from the payment date.

An amount of money to be delivered upon exercise of the acquisition clause for cash attached to Class-D shares (“Compulsory Redemption Value”) will be an amount to be calculated by the following calculation formula.

(a) Basic compulsory redemption value

A compulsory redemption value per Class-D share will be an amount equivalent to a basic redemption value to be calculated by the basic redemption value calculation formula (however, “redemption demand date” in the formula will be replaced with “compulsory redemption date” for application purposes) that is set forth in [3] (a) above (“Basic Compulsory Redemption Value”).

(b) Subtraction value

Notwithstanding [4] (a) above, if any Class-D preferred dividends (“Class-D Preferred Dividends Paid Prior to Compulsory Redemption,” including interim Class-D preferred dividends paid prior to a compulsory redemption date) are paid prior to a compulsory redemption date, the compulsory redemption value per Class-D share will be an amount to be determined by subtracting, from the basic compulsory redemption value set forth in [4] (a) above, a subtraction value to be calculated by the subtraction value calculation formula set forth in [3] (b) above (however, “Redemption Date” and “Class-D Preferred Dividends Paid Prior to a Redemption Demand” in the subtraction value calculation formula will be replaced respectively with “Compulsory Redemption date” and “Class-D Preferred Dividends Paid Prior to a Compulsory Redemption.” If Class-D Preferred Dividends Paid Prior to Compulsory Redemption are paid multiple times, a subtraction value will be calculated for each of Class-D Preferred Dividends Paid Prior to Compulsory Redemption, and the combined total amount will be subtracted from the basic redemption value specified in [4] (a) above.

[5] Voting rights

Class-D shareholders shall not have voting rights at shareholders meetings unless otherwise provided for by laws and regulations.

[6] Transfer restrictions

Yes

2. Overview of the offering

(1) Payment date June 28, 2024

(2) Number of new shares to be issued Class-D shares: 200 shares

(3) Issue amount 50 million yen per share

(4) Amount of proceeds 10 billion yen

(5) Amount to be credited to share capital 5 billion yen (25 million yen per share)

(6) Preferred dividend rate 7.8% per annum

(7) Offering or allotment method

To be allotted to the following prospective allottees through a third-party allotment.

(Prospective allottees) Development Bank of Japan Inc.: 100 shares

The Bank of Yokohama, Ltd.: 100 shares

(8) Others

Please see Attachment 1 “Class D Share Issuance Guidelines” of the “Notice on Acquisition and Retirement of Existing Class Shares, Issuance of Class Shares Through Third-Party Allotment, Partial Amendments to the Articles of Incorporation, Reduction of Share Capital and Capital Reserve, and Refinancing of Current Borrowings by Syndicated Loans” published on May 10, 2024.

Proposal No. 3: Election of Four Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The terms of office of all five Directors (excluding Directors serving as Audit and Supervisory Committee Members; the same shall apply hereinafter) will expire at the conclusion of this Annual General Meeting of Shareholders.

Accordingly, the Company proposes the election of four Directors.

The Company has nominated the candidates for Directors through deliberation of the Nomination and Compensation Committee with a majority of its members comprised of Independent External Directors.

In addition, the Audit and Supervisory Committee has discussed this proposal at its meeting, and has determined that the candidates are qualified for their respective posts.

The candidates for Directors are as follows.

No.	Name	Positions and responsibilities at the Company		Sex	Attendance at the Board of Directors meetings
1	Sadami Hino	Reelection	Director Senior Managing Officer Chief of Business Management Chief of Information Systems	Male	11/12
2	Nobuyuki Take	Reelection	Representative Director Executive Vice President, Executive Officer Chief of Corporate Management Chief of Corporate Planning	Male	12/12
3	Masahiko Sugiyama	Reelection	Director Managing Officer Chief of Accounting and Finance	Male	12/12
4	Katsuyoshi Kitada	Reelection	Representative Director, President President, Chief Operating Officer Management of Quality Assurance	Male	12/12

Note: In addition to the number of the Board of Directors meetings above, two written resolutions were made pursuant to Article 370 of the Companies Act and Article 24 of the Articles of Incorporation of the Company, which shall be deemed to constitute the resolutions of the meeting of the Board of Directors.

Candidates for Directors:

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (significant concurrent position)	Number of shares of the Company held
1	Sadami Hino (October 4, 1977) (Reelection)	<p>April 2003 Joined DTS CORPORATION July 2009 Joined the Company April 2017 Operating Officer April 2019 Managing Officer April 2020 Chief of Marketing and Sales, Chief of Information Systems April 2021 Senior Managing Officer (current) April 2021 Vice Chief of Business Management, Chief of Marketing and Sales April 2021 Chief of Information Systems (current) April 2022 Chief of Automobile Parts Business Management June 2022 Director (current) April 2023 Vice Chief of Business Management April 2024 Chief of Business Management (current)</p> <p>[Reason for nomination as Director] Mr. Sadami Hino has been serving as Director of the Company since June 2022 and has effectively fulfilled his roles and responsibilities toward the business management, business promotion and development of the Company. In addition, he has demonstrated strong leadership in the process of planning and implementing the “Mitsuba Vision 2030.” The Company therefore proposes his reelection as Director in order to leverage his ability and experience in the Group’s business management.</p>	539,700 shares

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (significant concurrent position)	Number of shares of the Company held
2	Nobuyuki Take (May 8, 1957) (Reelection)	<p>April 1981 Joined the Company</p> <p>April 2011 Operating Officer</p> <p>April 2017 Managing Officer</p> <p>April 2019 Chief of Corporate Planning and Environment Management</p> <p>April 2019 Chief of Information Systems</p> <p>April 2020 Executive Vice President, Executive Officer (current)</p> <p>April 2020 Chief of Corporate Planning, Environment Management, Administrative and Human Resources, and Accounting and Finance</p> <p>June 2020 Representative Director (current)</p> <p>April 2021 Chief of Corporate Management, Chief of Corporate Planning (current)</p> <p>(significant concurrent position) Representative Director, Kiryu Small Businesses Welfare Cooperative Association</p> <hr/> <p>[Reason for nomination as Director] Mr. Nobuyuki Take has been serving as Representative Director of the Company since June 2020 and has effectively proceeded with building a corporate governance structure to ensure efficiency and fairness of the Company's business management. In addition, he has engaged in duties including finance, general affairs, and human resources of the Group, and has the ability essential for promoting measures related to finance, general affairs, and human resources. The Company therefore proposes his reelection as Director in order to leverage his ability and experience in the Group's business management.</p>	36,800 shares

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (significant concurrent position)	Number of shares of the Company held
3	Masahiko Sugiyama (July 29, 1963) (Reelection)	<p>April 1986 Joined The Bank of Yokohama, Ltd.</p> <p>April 2017 Executive Officer and General Manager, Atsugi Branch of The Bank of Yokohama, Ltd.</p> <p>April 2017 General Manager, Central Kanagawa Prefecture Block Business Headquarters of The Bank of Yokohama, Ltd.</p> <p>April 2019 Executive Officer, General Manager, Central Region Headquarters and Senior Deputy General Manager, Business Division Head Office of The Bank of Yokohama, Ltd.</p> <p>May 2020 Joined the Company Managing Officer (current)</p> <p>May 2020 In charge of Accounting and Finance</p> <p>June 2020 Director (current)</p> <p>April 2021 Chief of Accounting and Finance (current)</p> <p>[Reason for nomination as Director] Mr. Masahiko Sugiyama has been serving as Director of the Company since June 2020 and has effectively fulfilled his roles and responsibilities toward the Company's business management. In addition, he has a wealth of experience and broad knowledge in the operations of financial institutions. The Company therefore proposes his reelection as Director in order to leverage his ability and experience in the Group's business management.</p>	10,100 shares
4	Katsuyoshi Kitada (September 3, 1953) (Reelection)	<p>April 1976 Joined the Company</p> <p>April 2007 Operating Officer</p> <p>April 2015 Managing Officer</p> <p>April 2019 Vice Chief of Business Management</p> <p>April 2020 President, Chief Operating Officer (current)</p> <p>April 2020 Chief of Business Management</p> <p>April 2020 Management of Quality Assurance (current)</p> <p>June 2020 Representative Director, President (current)</p> <p>[Reason for nomination as Director] Mr. Katsuyoshi Kitada has been serving as Representative Director, President of the Company since June 2020 and has appropriately directed and supervised the Company's business management. In addition, he has engaged in duties including business operations and development of the Group, and has experience and track record of leading the main business. The Company therefore proposes his reelection as Director in order to leverage his ability and experience in the Group's business management.</p>	50,200 shares

- Notes: 1. Among the candidates, those who have special interests with the Company are as follows:
Mr. Nobuyuki Take is Representative Director of Kiryu Small Businesses Welfare Cooperative Association. There is a transactional relationship between the said company and the Company involving business entrustment and other transactions.
2. There are no special interests between the Company and the other candidates.
 3. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The said insurance contract covers litigation expenses and damages, etc. borne by the insured being held liable for the performance of its duties or claims relating to the pursuit of such liability. If this proposal is approved as originally proposed, all candidates for Director will be included as insured under the insurance policy.

Proposal No. 4: Election of Three Directors Serving as Audit and Supervisory Committee Members

The terms of office of three Directors serving as Audit and Supervisory Committee Members, Mr. Keiji Kiuchi, Mr. Hiroaki Tanji, and Ms. Yoko Nakai, will expire at the conclusion of this Annual General Meeting of Shareholders.

Accordingly, the Company proposes the election of three Directors serving as Audit and Supervisory Committee Members.

The Company has nominated the candidates for Directors serving as Audit and Supervisory Committee Members through deliberation of the Nomination and Compensation Committee with a majority of its members comprised of Independent External Directors.

In addition, the consent of the Audit and Supervisory Committees have been obtained with regard to this proposal.

The candidate for Director serving as Audit and Supervisory Committee Member is as follows.

No.	Name	Positions and responsibilities at the Company		Sex	Attendance at the Board of Directors meetings
1	Hideo Imai	New election	Operating Officer in charge of Internal Audit	Male	- /12
2	Hiroaki Tanji	Reelection External Independent	External Director serving as Audit and Supervisory Committee Member	Male	12/12
3	Yoko Nakai	Reelection External Independent	External Director serving as Audit and Supervisory Committee Member	Female	12/12

Note: In addition to the number of Board of Directors meetings above, two written resolutions were made pursuant to Article 370 of the Companies Act and Article 24 of the Articles of Incorporation of the Company, which shall be deemed to constitute the resolutions at the meeting of the Board of Directors.

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (significant concurrent position)	Number of shares of the Company held
2	Hiroaki Tanji (July 31, 1952) (Reelection) (External) (Independent)	<p>April 1976 Joined DENKI KAGAKU KOGYO KABUSHIKI KAISHA (currently, Denka Company Limited)</p> <p>April 1992 Joined HOYA CORPORATION</p> <p>July 1999 Senior Vice President, HOYA Holdings, Inc</p> <p>June 2000 Director, HOYA CORPORATION</p> <p>June 2003 Director, Corporate Executive Officer, and General Manager, Business Development Department, HOYA CORPORATION</p> <p>June 2006 Director, Corporate Executive Officer, Chief Technology Officer, HOYA CORPORATION</p> <p>June 2009 Corporate Executive Officer, in charge of Planning, HOYA CORPORATION</p> <p>April 2012 Joined ASAHI TEC CORPORATION, Counsel, ASAHI TEC CORPORATION</p> <p>May 2012 Vice President & Representative Corporate Executive Officer, Chief Financial Officer, ASAHI TEC CORPORATION</p> <p>June 2012 Director, Vice President & Representative Corporate Executive Officer, Chief Financial Officer, ASAHI TEC CORPORATION</p> <p>June 2013 Director, President & Representative Corporate Executive Officer, Chief Executive Officer, ASAHI TEC CORPORATION</p> <p>June 2017 Chairman and Director, ASAHI TEC CORPORATION</p> <p>September 2019 Outside Director, Akebono Brake Industry Co., Ltd.</p> <p>June 2021 Outside Director (Audit & Supervisory Committee Member), Akebono Brake Industry Co., Ltd. (current)</p> <p>June 2022 External Director serving as Audit and Supervisory Committee Member of the Company (current)</p> <p>(significant concurrent position) Outside Director (Audit & Supervisory Committee Member), Akebono Brake Industry Co., Ltd.</p> <p>[Reason for nomination as External Director serving as Audit and Supervisory Committee Member and expected role] Mr. Hiroaki Tanji has held a position as Director serving as Audit and Supervisory Committee Member (Independent External Director) since June 2022 and has appropriately conducted supervision of the Company's business management. In addition, he has extensive experience and deep insight in business management, having served as Director, Corporate Executive Officer, Chief Technology Officer, of HOYA CORPORATION, and Director, President & Representative Corporate Executive Officer, Chief Executive Officer of ASAHI TEC CORPORATION. The Company proposes his reelection as External Director serving as Audit and Supervisory Committee Member with the expectation that he will conduct supervision and offer advice based on his wealth of experience and from an independent and objective standpoint in fulfilling his role if he is elected as Independent External Director.</p>	2,600 shares

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (significant concurrent position)	Number of shares of the Company held
3	Yoko Nakai (July 19, 1965) (Reelection) (External) (Independent)	<p>April 1988 Joined the Union Bank of Switzerland (currently, The UBS Bank), Tokyo Branch</p> <p>October 2001 Registered as attorney</p> <p>October 2001 Joined Akatsuki Sogo Law Office</p> <p>January 2006 Joined Luce Law Office (current)</p> <p>April 2021 Appointed Vice President of Tokyo Bar Association</p> <p>June 2022 External Director serving as Audit and Supervisory Committee Member of the Company (current)</p> <p>(significant concurrent position) Representative, Luce Law Office.</p> <p>[Reason for nomination as External Director serving as Audit and Supervisory Committee Member and expected role] Ms. Yoko Nakai has held a position as Director serving as Audit and Supervisory Committee Member (Independent External Director) since June 2022 and has appropriately conducted supervision of the Company's business management. In addition, she has a broad range of experience and a high degree of insight as a legal professional, and is well versed in corporate legal affairs. The Company proposes her reelection as Independent External Director serving as Audit and Supervisory Committee Member with the expectation that she will conduct supervision and offer advice based on her wealth of experience and from an independent and objective standpoint in fulfilling her roles. She has not been directly involved in corporate management in the past, but for the reasons stated above, she is able to appropriately perform her duties as an External Director serving as Audit and Supervisory Committee Member.</p>	1,600 shares

- Notes: 1. There are no special interests between the Company and the candidates.
2. Mr. Hiroaki Tanji and Ms. Yoko Nakai are candidates for External Directors.
- 1) The reasons for nomination as External Director of the Company are as stated in the "Reason for nomination as External Director serving as Audit and Supervisory Committee Member and expected role" on pages 12-14.
 - 2) Mr. Hiroaki Tanji and Ms. Yoko Nakai are External Directors serving as Audit and Supervisory Committee Members, and their terms of office as External Directors serving as Audit and Supervisory Committee Members will be two years at the conclusion of this Annual General Meeting of Shareholders.
 - 3) The Company designated Mr. Hiroaki Tanji and Ms. Yoko Nakai as Independent Directors as stipulated by the regulations of the Tokyo Stock Exchange, and registered them with the Tokyo Stock Exchange.
 - 4) None of the candidates was a business executor or officer in the Company or any entity that has a special relationship with the Company during the last ten years. None of them was a business executor in a company where the Company assumed rights and obligations during the past two years through merger, absorption-type company split, incorporation-type company split or assignment of business, immediately prior to the said merger or the like.
 - 5) None of the candidates anticipates receiving a large sum of money or other property from the Company or any entity that has a special relationship with the Company, and has not received them for the past two years.
 - 6) None of the candidates is a spouse, a relative within the third degree, or any person similar to these persons, of the business executor or officer of the Company or any entity that has a special relationship with the Company.

- 7) The Company has entered into an agreement with Mr. Hiroaki Tanji and Ms. Yoko Nakai to limit their liabilities for damages as stipulated in Article 423, Paragraph 1 of the Companies Act, and the minimum liability amount based on the agreement is the amount stipulated in Article 425, Paragraph 1 of the Companies Act. The Company will continue the same agreement with them if the proposal for their election is approved and adopted.
3. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The said insurance contract covers litigation expenses and damages, etc. borne by the insured being held liable for the performance of its duties or claims relating to the pursuit of such liability. If this proposal is approved as originally proposed, any candidate for Director serving as Audit and Supervisory Committee Member will be included as insured under the insurance policy.