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(Securities Code 3104)  
June 4, 2026

**To Shareholders with Voting Rights:**

Masahide Inoue  
Representative Director and President  
Fujibo Holdings, Inc.  
1-18-12 Nihonbashi Ningyocho, Chuo-ku, Tokyo,  
Japan

**NOTICE OF CONVOCAION OF  
THE 206TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

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

We are pleased to inform you that the 206th Annual General Meeting of Shareholders of Fujibo Holdings, Inc. (the “Company”) will be held for the purposes as described below.

The Company has taken measures for electronic provision in convening this General Meeting of Shareholders and posted matters subject to measures for electronic provision on the following website on the Internet.

Website of the Company:  
<https://www.fujibo.co.jp/ir/stock/stockholders/>

In addition to the website above, the Company also posts the matters subject to measures for electronic provision on the website of the Tokyo Stock Exchange, Inc. (TSE). To confirm the information, please visit the TSE website (TSE Listed Company Information Service) below.

TSE website (TSE Listed Company Information Service):  
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

\* You can confirm the information by entering and searching for the issue name (company name) or the securities code and select “Basic information” and “Documents for public inspection/PR information” in that order.

**Instead of attending the meeting, you can exercise your voting rights in writing or via the Internet. Please review the attached Reference Materials for the General Meeting of Shareholders, and then indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it, or enter your vote for or against the proposals via the Internet, by 5:30 p.m. on Thursday, June 25, 2026, Japan time.**

- 1. Date and Time:** Friday, June 26, 2026 at 10:00 a.m. Japan time
- 2. Place:** 10F, Kokusai Fashion Center Building (KFC Room 101 to 103)  
1-6-1 Yokoami, Sumida-ku, Tokyo
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company’s 206th Fiscal Year (April 1, 2025 - March 31, 2026) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company’s 206th Fiscal Year (April 1, 2025 - March 31, 2026)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Partial Amendments to Articles of Incorporation
    - Proposal 3:** Election of Nine Directors
    - Proposal 4:** Revision of Compensation Amounts for Directors and Corporate Auditors
    - Proposal 5:** Revision of Compensation for Allotment of Restricted Stock to Directors (Excluding Outside Directors)

#### **4. Matters regarding the Convocation**

- (1) When there is no indication of for or against for each of the proposals in a mailed Voting Rights Exercise Form, the vote shall be deemed as approval.
  - (2) If voting rights are exercised both in writing and via the Internet, the voting rights exercised via the Internet shall be deemed valid.
  - (3) If voting rights are exercised multiple times via the Internet, the most recent voting rights exercised shall be deemed valid.
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- ⊙ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- ⊙ Shareholders who have not requested a paper copy will receive the Reference Materials for the General Meeting of Shareholders together with this Notice.
- ⊙ Pursuant to laws and regulations and the Company's Articles of Incorporation, the following matters are not contained in the paper copy sent to shareholders who have requested it. As such, the paper copy is a part of the documents that were audited by the Corporate Auditors and the Accounting Auditor for the preparation of their audit reports.
  - Notes to Consolidated Financial Statements
  - Notes to Non-consolidated Financial Statements
- ⊙ Any revisions to matters subject to measures for electronic provision will be posted on each of the websites.

# Reference Materials for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The Company considers profit returns to shareholders as one of the most important management matters. As such, its basic policy for profit distribution is to take into consideration matters of business environment and business performance trends, and carry out a lasting and stable dividend policy based on performance. Specifically, the Company will now aim for a consolidated dividend payout ratio of 35% and set a minimum dividend on equity ratio (DOE) of 3.5%.

Based on the above policy, the Company proposes a year-end dividend of ¥105 per share for the fiscal year under review as described below. Added to the interim dividend of ¥75 per share, this gives a total dividend for the year of ¥180 per share.

### Items Related to the Year-end Dividend

- (1) Type of dividend property  
Cash
- (2) Items related to the allocation of dividend property to shareholders and its total amount  
¥105 per common share  
Total of ¥1,180,119,045
- (3) Effective date of the distribution of surplus  
June 29, 2026

### (Note)

Whereas the Company conducted a three-for-one stock split of the common shares effective April 1, 2026, year-end dividends for the fiscal year under review will be paid on the basis of the number of shares held before the stock split because the record date for the dividends was March 31, 2026.

## Proposal 2: Partial Amendments to Articles of Incorporation

### 1. Reason for the proposed amendments

Since its establishment in 1896 as a spinning company, the Company has continued to steadily grow for 130 years by providing new technologies and products that meet the needs of the times to create value.

In recent years, the Company has advanced the structural reform of Lifestyle Apparel Business (textile business) while focusing its management resources on the Polishing Pad Business and Industrial Chemicals Business that are highly profitable and have high growth potential. In view of this business portfolio transformation and the business operation policy going forward, the Company proposes to amend Article 1 of the current Articles of Incorporation in order to change its trade name in Japanese from “富士紡ホールディングス株式会社” to “フジボウホールディングス株式会社.”

The Company also proposes to establish a supplementary provision stipulating that this partial amendment to the Articles of Incorporation come into effect on October 1, 2026 and to delete it after that effective date.

### 2. Content of the proposed amendments

The content of the proposed amendments is as follows:

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
Chapter 1 General Provisions (Trade Name) Article 1 The name of the Company shall be <u>富士紡ホールディングス株式会社</u> in Japanese (in English, Fujibo Holdings, Inc.).  [Newly established]	Chapter 1 General Provisions (Trade Name) Article 1 The name of the Company shall be <u>フジボウホールディングス株式会社</u> in Japanese (in English, Fujibo Holdings, Inc.).  <u>Supplementary Provision</u> <u>The amendment to Article 1 shall come into effect on October 1, 2026. This supplementary provision shall be deleted after the effective date of the amendment to Article 1.</u>

### Proposal 3: Election of Nine Directors

The terms of office of all nine Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of nine Directors, including four Outside Directors.

With the aim to strengthen the corporate governance, the Company has established the Nomination Committee, with a majority of the members being independent Outside Directors. Regarding the candidates for Director, the Nomination Committee deliberates on the policy, procedures and original proposals, and the Board of Directors determines the candidates for Director based on the recommendation of the Committee.

The candidates for Director are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Masahide Inoue (April 16, 1964)  <u>Reelection</u>	<p>April 1987      Joined the Company</p> <p>August 2015    General Manager, Functional Product Business Development Department</p> <p>January 2017    Executive Officer, the Company; Representative Director &amp; President, Fujibo Textile, Inc.</p> <p>September 2017 Executive Officer and General Manager, Osaka Branch, the Company; Representative Director &amp; President, Fujibo Textile, Inc.; Representative Director &amp; President, Fujibo Trading Co., Ltd.; Representative Director &amp; President, Angle Co., Ltd.</p> <p>January 2018    Executive Officer and General Manager, Functional Product Business Development Department, the Company; Representative Director &amp; President, Fujibo Textile, Inc.</p> <p>May 2018        Executive Officer, the Company; Representative Director &amp; President, Yanai Chemical Industry Co., Ltd.</p> <p>November 2018 Executive Officer and General Manager, Functional Product Business Development Department, the Company; Representative Director &amp; President, Yanai Chemical Industry Co., Ltd.</p> <p>April 2019       Executive Officer and General Manager, Functional Product Development Department, Near-Future Product Development Supervisory Department, the Company; Representative Director &amp; President, Yanai Chemical Industry Co., Ltd.</p> <p>April 2020       Executive Officer, the Company; Representative Director &amp; President, Yanai Chemical Industry Co., Ltd.</p> <p>June 2020        Director and Senior Executive Officer, the Company; Representative Director &amp; President, Yanai Chemical Industry Co., Ltd.</p> <p>May 2021        Director and Senior Executive Officer, the Company</p> <p>June 2022        Representative Director and President / Executive President To the present</p>	14,942
<p>[Reason for nomination as candidate for Director]</p> <p>After serving as a responsible person in development departments and as Representative Director &amp; President of a business subsidiary, Mr. Masahide Inoue has served as Representative Director and President of the Company since June 2022. As he possesses a wealth of experience and broad insight regarding the Group's business and corporate management, the Company has judged that he is suited for the position of the Company's Director, and has thus designated him as a candidate.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Osamu Hirano (December 9, 1960)  <u>Reelection</u>	<p>April 1984      Joined the Company</p> <p>November 2010    General Manager, Human Resources Development Office</p> <p>April 2015      General Manager Responsible for General Affairs, General Affairs and Human Resources Department</p> <p>June 2015      General Manager, General Affairs Department</p> <p>April 2017      General Manager, General Affairs Department and General Manager Responsible for Human Resources Department</p> <p>August 2018    Executive Officer and General Manager, Secretarial Office</p> <p>June 2022      Director, Senior Executive Officer, and General Manager, Secretarial Office</p> <p>June 2023      Representative Director, Managing Executive Officer, and General Manager, Secretarial Office</p> <p>June 2025      Representative Director, Senior Managing Executive Officer, and General Manager, Secretarial Office</p> <p>To the present</p> <p>(Current responsibilities)</p> <p>Supervisory duties of Human Resources Responsible for General Affairs General Manager, Secretarial Office</p>	10,849
<p>[Reason for nomination as candidate for Director]</p> <p>While serving as a responsible person in management departments, Mr. Osamu Hirano has served as Representative Director of the Company since June 2023. As he possesses a wealth of experience and broad insight regarding the Group's business and corporate management, the Company has judged that he is suited for the position of the Company's Director, and has thus designated him as a candidate.</p>			
3	Tatsuya Sasaki (May 8, 1964)  <u>Reelection</u>	<p>April 1988      Joined the Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>September 2011    General Manager, Corporate Planning Dept. and General Manager, Human Resources Dept., Mitsubishi UFJ Research and Consulting Co., Ltd.</p> <p>June 2013      General Manager, Private Banking Department, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.) (also serving as the same for Mitsubishi UFJ Financial Group, Inc.)</p> <p>May 2015      General Manager, Public Relations Department (also serving as the same for Mitsubishi UFJ Financial Group, Inc.)</p> <p>June 2018      Managing Executive Officer and General Manager, Business Promotion Unit, Consulting Business Division, Mitsubishi UFJ Research and Consulting Co., Ltd.</p> <p>July 2022      Advisor, Corporate Planning Department, the Company</p> <p>October 2022    Executive Officer and General Manager Responsible for Finance and Accounting Department</p> <p>June 2023      Director, Senior Executive Officer, and General Manager, Finance and Accounting Department</p> <p>June 2024      Director and Senior Executive Officer</p> <p>June 2025      Representative Director and Managing Executive Officer</p> <p>To the present</p> <p>(Current responsibilities)</p> <p>Supervisory duties of Corporate Planning Responsible for Finance and Accounting, IR, and Risk Management</p>	3,919
<p>[Reason for nomination as candidate for Director]</p> <p>After holding responsible positions in financial institutions, Mr. Tatsuya Sasaki has served as Representative Director of the Company since June 2025. As he possesses a wealth of experience and broad insight regarding the Group's business and corporate management, the Company has judged that he is suited for the position of the Company's Director, and has thus designated him as a candidate.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	Yoshimi Mochizuki (November 24, 1966)  <u>Reelection</u>	<p>April 1989      Joined the Company</p> <p>March 2013     Plant Manager, Nyugawa Plant, Fujibo Ehime Co., Ltd.</p> <p>October 2015   Director and Managing Executive Officer</p> <p>May 2017       Director and Senior Managing Executive Officer</p> <p>January 2018   Director and Executive Vice President</p> <p>April 2019      Representative Director &amp; President</p> <p>June 2020      Executive Officer, the Company; Representative Director &amp; President, Fujibo Ehime Co., Ltd.</p> <p>June 2021      Director and Senior Executive Officer, the Company; Representative Director &amp; President, Fujibo Ehime Co., Ltd.</p> <p>June 2025      Director and Managing Executive Officer, the Company; Representative Director &amp; President, Fujibo Ehime Co., Ltd.</p> <p>To the present</p> <p>(Current responsibilities) Supervisory duties of Polishing Pad Business Responsible for Intellectual Properties</p> <p>(Significant concurrent positions) Representative Director &amp; President, Fujibo Ehime Co., Ltd.</p>	7,177
<p>[Reason for nomination as candidate for Director]</p> <p>While serving as Representative Director &amp; President of a business subsidiary of the Company, Mr. Yoshimi Mochizuki has served as Director of the Company since June 2021. As he possesses a wealth of experience and broad insight regarding the Group's business and corporate management, the Company has judged that he is suited for the position of the Company's Director, and has thus designated him as a candidate.</p>			
5	Koji Tosaka (August 29, 1967)  <u>Reelection</u>	<p>April 1990      Joined the Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>October 2015   General Manager, Aobadai Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>April 2018      General Manager, Nishi-Kasai Branch, MUFG Bank, Ltd.</p> <p>November 2019 General Manager for Special Missions, Corporate Planning Department, the Company</p> <p>May 2020       General Manager for Special Missions, Corporate Planning Department, the Company; Director and Executive Vice President, Yanai Chemical Industry Co., Ltd.</p> <p>May 2021      General Manager for Special Missions, Corporate Planning Department, the Company; Representative Director &amp; President, Yanai Chemical Industry Co., Ltd.</p> <p>June 2021      Executive Officer, the Company; Representative Director &amp; President, Yanai Chemical Industry Co., Ltd.</p> <p>June 2025      Director and Senior Executive Officer, the Company; Representative Director &amp; President, Yanai Chemical Industry Co., Ltd.</p> <p>To the present</p> <p>(Current responsibilities) Supervisory duties of Industrial Chemicals Business Responsible for Environment and Safety Promotion</p> <p>(Significant concurrent positions) Representative Director &amp; President, Yanai Chemical Industry Co., Ltd.</p>	3,460
<p>[Reason for nomination as candidate for Director]</p> <p>After holding responsible positions in financial institutions, Mr. Koji Tosaka has served as Representative Director &amp; President of a business subsidiary of the Company and, since June 2025, also as Director of the Company. As he possesses a wealth of experience and broad insight regarding the Group's business and corporate management, the Company has judged that he is suited for the position of the Company's Director, and has thus designated him as a candidate.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	Ruth Marie Jarman (May 30, 1966)  Reelection  Outside  Independent	December 1988    Joined Recruit Co., Ltd. June 1992        Ran a translation/interpreting operation December 2000    Joined Space Design Inc. April 2008        Director April 2012        Chief Executive Officer, Jarman International K.K. To the present June 2019        Outside Director, the Company To the present June 2020        Outside Director, Member of the Board, KADOKAWA CORPORATION To the present March 2024        Outside Director, Earth Corporation To the present  (Significant concurrent positions) Chief Executive Officer, Jarman International K.K. Outside Director, Member of the Board, KADOKAWA CORPORATION Outside Director, Earth Corporation	4,100
[Reason for nomination as candidate for Outside Director and summary of expected role] Ms. Ruth Marie Jarman possesses abundant knowledge and experience regarding business strategy to satisfy international clients as a consultant, and to utilize her professional insight and the viewpoint of a woman in the Company's management, the Company has designated her as a candidate. The Company expects her to supervise the Company's management from a standpoint independent of the Company's management.			
7	Rieko Sato (December 6, 1964)  Reelection  Outside  Independent	April 1990        Joined Tokyo Electric Power Company Co., Ltd. (currently Tokyo Electric Power Company Holdings, Inc.) April 2013        Executive Officer and Vice President, Customer Service Company April 2016        Managing Director, TEPCO Energy Partner, Incorporated June 2017        Corporate Auditor, TEPCO Energy Partner, Incorporated June 2022        Full-time Corporate Auditor, Tokyo Power Technology Ltd. June 2022        Outside Director, the Company To the present June 2025        Full-time Corporate Auditor, TEPCO Systems Corporation To the present  (Significant concurrent position) Full-time Corporate Auditor, TEPCO Systems Corporation	1,700
[Reason for nomination as candidate for Outside Director and summary of expected role] Ms. Rieko Sato has long been involved in management, and to utilize her wealth of experience and broad insight as a corporate manager as well as the viewpoint as a woman in the Company's management, the Company has designated her as a candidate. The Company expects her to supervise the Company's management from a standpoint independent of the Company's management.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	Takahiro Tsubota (May 15, 1957)  Reelection  Outside  Independent	<p>April 1981      Joined Iwata Air Compressor Manufacturing Co., Ltd. (currently ANEST IWATA Corporation)</p> <p>April 2000      General Manager, Coating System Division, ANEST IWATA Corporation</p> <p>June 2001      Director and General Manager, Coating System Division</p> <p>April 2003      Director, General Manager, Coating Equipment Division, and General Manager, Coating System Division</p> <p>April 2004      Director and General Manager, Coating Equipment &amp; System Division</p> <p>April 2008      President and Representative Director</p> <p>April 2014      President, Representative Director, and Chief Executive Officer</p> <p>April 2022      Chairman and Director</p> <p>July 2023      Advisor</p> <p>June 2024      Outside Director, the Company</p> <p>To the present</p>	800
<p>[Reason for nomination as candidate for Outside Director and summary of expected role]</p> <p>Mr. Takahiro Tsubota has long been involved in management, and to utilize his wealth of experience and broad insight as a corporate manager in the Company's management, the Company has designated him as a candidate. The Company expects him to supervise the Company's management from a standpoint independent of the Company's management.</p>			
9	Takayoshi Takai (June 13, 1963)  New  Outside  Independent	<p>April 1986      Joined Yokohama Agency Co., Ltd. (currently Yokohama Agency &amp; Communications Co., Ltd.)</p> <p>April 1988      Joined Ebara Corporation Co., Ltd.</p> <p>January 2000    Joined Ebara Foods Industry, Inc.</p> <p>April 2004      General Manager, Public Relations Office</p> <p>April 2007      General Manager, Corporate Planning Office</p> <p>October 2007    Executive Officer and General Manager, Corporate Planning Department</p> <p>June 2011      Director with responsibility for Management Supervision Division</p> <p>April 2012      Senior Managing Director</p> <p>April 2018      Director and Executive Vice President</p> <p>April 2021      Representative Director and Executive Vice President</p> <p>April 2022      Representative Director and Executive Vice President, Ebara Foods Industry, Inc.; Representative Director and President, Ebara Business Management Co., Ltd.</p> <p>July 2022      Special Advisor, Ebara Foods Industry, Inc.; Representative Director and President, Ebara Business Management Co., Ltd.</p> <p>April 2023      Special Advisor, Ebara Business Management Co., Ltd.</p> <p>April 2024      Consultant</p> <p>To the present</p> <p>May 2025      Outside Director, M&amp;A Loyal Advisory Co., Ltd.</p> <p>To the present</p> <p>(Significant concurrent positions)</p> <p>Consultant, Ebara Business Management Co., Ltd.</p> <p>Outside Director, M&amp;A Loyal Advisory Co., Ltd.</p>	0
<p>[Reason for nomination as candidate for Outside Director and summary of expected role]</p> <p>Mr. Takayoshi Takai has long been involved in management, and to utilize his wealth of experience and broad insight as a corporate manager in the Company's management, the Company has designated him as a candidate. The Company expects him to supervise the Company's management from a standpoint independent of the Company's management.</p>			

(Notes)

1. There are no special interests between each candidate for Director and the Company.
2. Ms. Ruth Marie Jarman, Ms. Rieko Sato, Mr. Takahiro Tsubota, and Mr. Takayoshi Takai are candidates for Outside Director.
3. The Company has designated Ms. Ruth Marie Jarman, Ms. Rieko Sato, and Mr. Takahiro Tsubota as Independent Directors as defined by the rules of the Tokyo Stock Exchange, and has made a submission to the said Exchange. The Company also plans to designate Mr. Takayoshi Takai as Independent Director as defined by the rules of the Tokyo Stock Exchange and make a submission to the said Exchange.

4. Ms. Ruth Marie Jarman, Ms. Rieko Sato, and Mr. Takahiro Tsubota are currently Outside Directors of the Company, and at the conclusion of this General Meeting, their respective terms of office as Outside Directors will be seven years for Ms. Ruth Marie Jarman, four years for Ms. Rieko Sato, and two years for Mr. Takahiro Tsubota.
5. In its Articles of Incorporation, the Company defines that it may conclude agreements with Directors (excluding executive directors, etc.) to limit their liability for damages due to negligence of duties, and such liability limitation agreements have been concluded with Ms. Ruth Marie Jarman, Ms. Rieko Sato, and Mr. Takahiro Tsubota with the limit set as the amount stipulated by laws and regulations. In the event that Ms. Ruth Marie Jarman, Ms. Rieko Sato, and Mr. Takahiro Tsubota are reelected, the Company plans to continue said liability limitation agreements with them. Similarly, in the event that Mr. Takayoshi Takai is elected, the Company plans to conclude such a liability limitation agreement with him with the limit set as the amount stipulated by laws and regulations.
6. 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 insurance contract will compensate for damages and litigation expenses to be borne by the insured in the event that a claim for damages is made against the insured due to an act committed in his/her capacity as a director or an officer of the Company. Each candidate for Director will be included as the insured of the insurance contract. In addition, the Company plans to renew the insurance contract with the above details at the next renewal.
7. Whereas the Company conducted a three-for-one stock split of the common shares effective April 1, 2026, the number of shares of the Company held by each candidate above is stated on the basis of the number of shares held before the stock split.

**(Reference) Knowledge and expertise expected from Directors and Corporate Auditors of the Company (skill matrix)**

	Name	Independent officer	Gender	Corporate management, management strategy	Production technology, safety, quality	Sales, marketing	Legal affairs, risk management	International experience	Financial affairs, accounting
Directors	Masahide Inoue		Male	●	●	●			
	Osamu Hirano		Male	●			●		
	Tatsuya Sasaki		Male	●		●	●		●
	Yoshimi Mochizuki		Male	●	●				
	Koji Tosaka		Male	●	●	●	●		●
	Ruth Marie Jarman	●	Female	●		●		●	
	Rieko Sato	●	Female	●		●	●		
	Takahiro Tsubota	●	Male	●	●	●		●	
	Takayoshi Takai	●	Male	●			●	●	●
Corporate Auditors	Atsunori Noguchi		Male	●			●		●
	Katsuhiko Okamoto	●	Male	●			●		●
	Kotaro Otsuka	●	Male				●		
	Katsuya Fujii	●	Male	●			●		●

#### **Proposal 4: Revision of Compensation Amounts for Directors and Corporate Auditors**

Since approved at the 193rd Annual General Meeting of Shareholders on June 27, 2013, the amount of compensation for the Company's Directors has remained at up to ¥300 million (including up to ¥30 million for Outside Directors) per year, and that for its Corporate Auditors at up to ¥72 million per year.

To allow for further business expansion, stronger management frameworks, and more flexible operation of the officers' compensation plan going forward while also taking into account recent changes in economic conditions and various other factors, the Company now proposes to revise the amount of compensation for Directors to up to ¥500 million (including up to ¥70 million for Outside Directors) per year, and that for Corporate Auditors to up to ¥90 million per year.

Similarly to the current plan, the amount of compensation for Directors will not include employee salaries for the Directors who concurrently serve as employees.

This proposal is submitted for the aforementioned purposes in view of the various factors mentioned above and has also been deliberated and recommended by the Compensation Committee, the majority of which comprise independent Outside Directors. For these reasons, the Company considers that the content of the proposal is reasonable.

Furthermore, the Company's Board of Directors resolved at its meeting on May 15, 2026 that the Policies for Determining the Details of Compensation, Etc. for Individual Directors, which it had established as outlined on pages 34 to 36 of the Business Report (in Japanese), be amended as detailed on pages 14 to 16 hereof on the condition that both this proposal and Proposal 5 "Revision of Compensation for Allotment of Restricted Stock to Directors (Excluding Outside Directors)" are approved at this General Meeting. As the content of this proposal is in line with the amended policies, the Company considers it reasonable.

The Company currently has nine Directors (including four Outside Directors) and four Corporate Auditors and, if Proposal 3 is approved as originally proposed, will continue to have nine Directors (including four Outside Directors) and four Corporate Auditors.

## **Proposal 5: Revision of Compensation for Allotment of Restricted Stock to Directors (Excluding Outside Directors)**

The 193rd Annual General Meeting of Shareholders held on June 27, 2013 resolved that the amount of compensation for the Company's Directors be up to ¥300 million (including up to ¥30 million for Outside Directors) per year. Subsequently, the 199th Annual General Meeting of Shareholders held on June 27, 2019 resolved, among other things, that the Company's Directors (excluding Outside Directors; hereinafter "Eligible Director[s]") be allotted shares of the Company's common stock that are subject to provisions regarding a certain transfer restriction period, grounds for gratis acquisition by the Company, and other conditions (hereinafter "Restricted Stock"; and, hereinafter, this Restricted Stock-based compensation plan is referred to as the "Plan"); that the total amount of monetary compensation claims to be paid, separately from the abovementioned amount of compensation for Directors, to Eligible Directors as Restricted Stock compensation be up to ¥30 million per year; that the number of shares of Restricted Stock to be allotted to Eligible Directors be up to 15,000 (currently 45,000 as a result of the stock split in April 2026) per fiscal year; and that the transfer restriction period for the shares of Restricted Stock allotted to Eligible Directors be a period between three and five years from the date of allotment as determined by the Company's Board of Directors.

Now, the Company seeks to further enhance incentives for Eligible Directors to contribute to the sustainable enhancement of the Company's corporate value, and to further promote greater alignment of interests between the Company's Directors and shareholders. Toward these ends, the Company asks shareholders to approve the following: (i) revising the total amount of monetary compensation claims to be paid to Eligible Directors as Restricted Stock compensation to up to ¥60 million per year; (ii) revising the number of shares of Restricted Stock to be allotted to Eligible Directors to up to 20,000 per fiscal year; and (iii) revising the transfer restriction period for shares of Restricted Stock to be allotted to Eligible Directors to "the period from the date of allotment until the date on which the Eligible Director resigns from or retires from all of the positions as Director (excluding Outside Director) or Executive Officer of the Company, or, if later, until the date on which the Company's annual securities report (or semiannual securities report, if the date of allotment falls within six months after the beginning of the fiscal year) for the fiscal year in which the date of allotment falls is filed" (hereinafter collectively, the "Revisions"), as well as (iv) allowing the Board of Directors to determine the specific timing and distribution of payments to individual Eligible Directors after the Compensation Committee deliberates and makes recommendations. In line with the Revisions, necessary revisions will also be made to the Plan such as conditions for lifting transfer restrictions. Note that the Revisions will apply only to shares of Restricted Stock to be allotted in the future and will not change the transfer restriction period and other conditions for the shares of Restricted Stock already allotted.

The Company currently has nine Directors (including four Outside Directors) and, if Proposal 3 is approved as originally proposed, will continue to have nine Directors (including four Outside Directors).

The details of the Plan after the Revisions will be as described below.

### **1. Allotment of and payment for Restricted Stock**

Under the Plan, the Company pays monetary compensation claims to Eligible Directors in an amount up to ¥60 million per year as Restricted Stock compensation; thereafter the Eligible Directors make contributions in kind of the entire monetary compensation claims and, in return, are allotted shares of Restricted Stock.

The amount to be paid for shares of Restricted Stock is determined by the Company's Board of Directors, based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors' resolution on the issuance or disposal of such shares (or on the trading day immediately prior thereto if no trading was effected on that business day), to the extent that the amount is not particularly advantageous to the Eligible Directors who will receive those shares of Restricted Stock.

The monetary compensation claims mentioned above are paid on the condition that the Eligible Director agrees on the aforementioned contribution in kind and concludes a Restricted Stock allotment agreement that includes the provisions described in 3. below (hereinafter the "Allotment Agreement").

### **2. Total number of shares of Restricted Stock**

The number of shares of Restricted Stock to be allotted to Eligible Directors is up to 20,000 per fiscal year. The decision on paying monetary compensation claims as Restricted Stock compensation and allotting shares of Restricted Stock in accordance with the Plan is made each fiscal year.

However, if, on or after the date of the resolution of this proposal, the Company conducts a stock split or consolidation of its common stock or other similar circumstances arise that require adjustments to the total

number of shares of Restricted Stock to be allotted, the Company may reasonably adjust such total number of shares of Restricted Stock.

### **3. Provisions of a Restricted Stock allotment agreement**

The Allotment Agreement, which is concluded between the Company and each Eligible Director to whom shares of Restricted Stock are to be allotted, contains the following provisions:

(1) Details of transfer restrictions

An Eligible Director to whom shares of Restricted Stock have been allotted may not transfer to a third party, create a security right on, or dispose in any other way of, the shares of the Company's common stock allotted in accordance with the Allotment Agreement (hereinafter "Allotted Shares") for the period from the date of allotment until the date on which the Eligible Director resigns from or retires from all of the positions as Director (excluding Outside Director) or Executive Officer of the Company, or, if later, until the date on which the Company's annual securities report (or semiannual securities report, if the date of allotment falls within six months after the beginning of the fiscal year) for the fiscal year in which the date of allotment falls is filed (hereinafter the "Transfer Restriction Period").

(2) Lifting of transfer restrictions

On the condition that an Eligible Director to whom shares of Restricted Stock have been allotted continuously holds one of the positions mentioned in (1) above for the period from the date of the Annual General Meeting of Shareholders immediately preceding the date of allotment until the date of the following Annual General Meeting of Shareholders (hereinafter the "Service Provision Period"), the Company lifts the transfer restrictions on all of the Allotted Shares upon expiration of the Transfer Restriction Period.

However, if the Eligible Director resigns from or retires from all of the positions mentioned in (1) above before the expiration of the Service Provision Period due to death, expiration of the term of office, mandatory retirement, or other reasons that the Company's Board of Directors deems justifiable, the Company reasonably adjusts the number of Allotted Shares for which transfer restrictions are to be lifted, and the timing of lifting the transfer restrictions, as necessary.

(3) Gratis acquisition of Restricted Stock

If an Eligible Director to whom shares of Restricted Stock have been allotted resigns from or retires from all of the positions as Director (excluding Outside Director) or Executive Officer of the Company before the expiration of the Service Provision Period, the Company automatically acquires the Allotted Shares gratis unless the resignation or retirement results from death, expiration of the term of office, mandatory retirement, or other reasons that the Company's Board of Directors deems justifiable.

Additionally, the Company automatically acquires the Allotted Shares gratis for which transfer restrictions have not been lifted at the time of lifting the transfer restrictions specified in (2) above.

(4) Handling in the event of organizational restructuring, etc.

If, during the Transfer Restriction Period, a merger agreement in which the Company becomes the disappearing company, a share exchange agreement or a share transfer plan concerning the share exchange or share transfer in which the Company becomes a wholly owned subsidiary, or other arrangement relating to organizational restructuring, etc. is approved at a General Meeting of Shareholders of the Company (or by the Board of Directors of the Company if that organizational restructuring, etc. does not require approval of a General Meeting of Shareholders of the Company), the Company, upon resolution by the Board of Directors and prior to the effective date of the organizational restructuring, etc., lifts transfer restrictions on Allotted Shares in the number that is reasonably determined based on the period from the beginning of the Service Provision Period until the date of approval of the organizational restructuring, etc. In that case, immediately after the lifting of those transfer restrictions, the Company automatically acquires the Allotted Shares gratis for which transfer restrictions have still not been lifted.

(5) Other matters

Other matters related to the Allotment Agreement are decided by the Company's Board of Directors.

### **4. Reason that granting Restricted Stock is reasonable**

This proposal is to grant shares of Restricted Stock to Eligible Directors with the aim of further enhancing incentives for the Eligible Directors to contribute to the sustainable enhancement of the Company's corporate

value and further promoting greater alignment of interests between the Company's Directors and shareholders. It has also been deliberated and recommended by the Compensation Committee, the majority of which comprise independent Outside Directors.

Furthermore, the Company's Board of Directors resolved at its meeting on May 15, 2026 that the Policies for Determining the Details of Compensation, Etc. for Individual Directors, which it had established as outlined on pages 34 to 36 of the Business Report (in Japanese), be amended as detailed below on the condition that both this proposal and Proposal 4 "Revision of Compensation Amounts for Directors and Corporate Auditors" are approved at this General Meeting. Even factoring in the Revisions, the amount for the allotment of shares of Restricted Stock that is measured at the market value on the date of the Board of Directors' resolution is less than the maximum annual amount to be approved at this General Meeting. Also, the maximum annual number of shares to be issued or disposed of according to this proposal will account for 0.06% of the Company's total number of issued shares (as of May 15, 2026), which indicates that the dilution rate is likely to be insignificant.

For these reasons, the Company considers that the content of this proposal is reasonable.

**(Reference: Policies for Determining the Details of Compensation, Etc. for Individual Directors, as amended by this proposal and Proposal 4 "Revision of Compensation Amounts for Directors and Corporate Auditors")**

### **1. Basic policy**

The Company makes it a basic policy to establish a Directors compensation plan that ensures transparency and objectivity, promotes alignment of interests with shareholders, and helps the Company grow sustainably and enhance its corporate value over the medium to long term; and, when determining compensation for individual Directors, to set it at an appropriate level in light of each Director's job responsibility.

Specifically, compensation for Directors (excluding Outside Directors) comprises (1) monetary compensation and (2) stock compensation. Monetary compensation, which is up to ¥500 million (including up to ¥70 million for Outside Directors) per year, consists of two components: base compensation that is position-based fixed compensation (1a); and short-term incentive compensation that varies according to the consolidated financial results for the preceding fiscal year (1b). Outside Directors, who perform supervisory functions, are only paid base compensation that is fixed compensation (1a) in view of their duties.

### **2. Policy for determining the amount of base compensation for individual Directors (including policy for determining the timing and conditions of payment of such compensation)**

Base compensation that constitutes monetary compensation is paid monthly in a fixed amount. As compensation for the risk and burden associated with the role, responsibility, and mission assigned to each Director, it is set at a fixed amount based on their position.

### **3. Policy for determining the details of performance indicators for, and the calculation method of the amounts or numbers of, performance-linked compensation, etc. (including policy for determining the timing and conditions of payment of such compensation, etc.)**

Performance-linked compensation, etc. (short-term incentive compensation) that constitute monetary compensation are operated in the following manner:

- Reflect the evaluations of the financial results of the entire Company and the performance of the organizations each Director is responsible for on the position-based standard amount by applying the position-based weights shown below.

Targets	Key performance indicators (KPIs)	Weights	
		Representative Director	Director
Financial results of the entire Company	Operating profit (in comparison with the target for the fiscal year)	75%	50%
	Return on invested capital (ROIC; in comparison with the target for the fiscal year)	20%	15%
	Total shareholder return (TSR; in comparison with TOPIX for the single year)	5%	5%
Performance of the organizations each Director is responsible for	The targets for the fiscal year of the companies or organizations the Director is responsible for	—	30%

- Calculate the amount of compensation for each Director that reflects the evaluations of the financial results of the entire Company and the performance of the organizations the Director is responsible for (the latter not applicable to Representative Directors) for the preceding fiscal year and pay it in money together with base compensation at a certain time of each month.
- In terms of the financial results of the entire Company, define operating profit, ROIC, and TSR as KPIs, as these are indicators that are highly important to the Company and should be paid attention to by all Directors.
- In terms of the performance of the organizations each Director is responsible for, define KPIs based on the targets for the fiscal year of the companies or organizations the Director is responsible for in order to evaluate the Director's responsibility for and degree of contribution to the improvement of their performance.
- Have the amount of short-term incentive compensation vary within the range of 80% to 120% of the standard amount, after comprehensively considering the evaluations of the financial results of the entire Company and the performance of the organizations the Director is responsible for.

**4. Policy for determining the details and the amounts or numbers, or the calculation method, of nonmonetary compensation, etc. (including policy for determining the timing and conditions of payment of such compensation, etc.)**

Nonmonetary compensation, etc. are paid in shares of the Company's common stock that are subject to provisions regarding a certain transfer restriction period, grounds for gratis acquisition by the Company, and other conditions (hereinafter "Restricted Stock" or "Stock Compensation"). Such shares are allotted at a certain time of each fiscal year with the aim of providing incentives to contribute to the sustainable enhancement of the Company's corporate value and promoting greater alignment of interests between Directors (excluding Outside Directors) and shareholders.

The Company pays monetary compensation claims to Directors (excluding Outside Directors) as Restricted Stock compensation, in an amount that is up to ¥60 million per year and allows them to be allotted the number of shares appropriate as an incentive to contribute to the sustainable enhancement of the Company's corporate value; thereafter, the Directors make contributions in kind of the entire monetary compensation claims and, in return, are allotted shares of Restricted Stock. The Board of Directors determines the total number of shares of Restricted Stock to be allotted to Directors within the maximum number of 20,000 per fiscal year; and sets the amount to be paid for those shares based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors' resolution on the issuance or disposal of such shares (or on the trading day immediately prior thereto if no trading was effected on that business day), to the extent that the amount is not particularly advantageous to the Directors who will receive those shares of Restricted Stock. The transfer restriction period is defined as the period from the date of allotment until the date on which the allottee resigns from or retires from all of the positions as Director (excluding Outside Director) or Executive Officer of the Company, or, if later, until the date on which the Company's annual securities report (or semiannual securities report, if the date of allotment falls within six months after the beginning of the fiscal year) for the fiscal year in which the date of allotment falls is filed.

**5. Policy for determining the ratio of the amounts of base compensation and performance-linked compensation, etc. or nonmonetary compensation, etc. in the amount of each Director's compensation, etc.**

The ratio of the amounts of base compensation, short-term incentive compensation, and Stock Compensation in the amount of compensation, etc. for each Director (excluding Outside Director) is roughly 5:4:1. Compensation for Outside Directors is consisted entirely of base compensation.

**6. Matters related to determining the details of compensation, etc. for individual Directors (including matters related to delegating the determination of the details of compensation, etc. for individual Directors)**

Of compensation, etc. for individual Directors, the determination of the amounts of base compensation and short-term incentive compensation is delegated through a resolution of the Board of Directors to the Compensation Committee, an organization under the auspices of the Board of Directors. To ensure that the Compensation Committee properly exercises the delegated authority to determine such amounts, independent Outside Directors comprise the majority of the Committee.

In regard to the details of Stock Compensation for Directors (excluding Outside Director), the Board of Directors determines, through its resolution, the amounts of monetary compensation claims to be paid and the numbers of shares to be allotted to individual Directors on the basis of the recommendations by the Compensation Committee.

**7. Other important matters related to determining the details of compensation, etc. for individual Directors**

If a Director to whom shares of Restricted Stock have been allotted resigns from or retires from all of the positions as Director or Executive Officer of the Company before the expiration of the period from the date of the Annual General Meeting of Shareholders immediately preceding the date of allotment until the date of the following Annual General Meeting of Shareholders (Service Provision Period) or other circumstances stipulated separately in the Company's Stock Compensation rules occur, the Company automatically acquires the shares of Restricted Stock gratis unless the resignation or retirement results from death, expiration of the term of office, mandatory retirement, other reasons that the Company's Board of Directors deems justifiable, or other circumstances stipulated separately in the Company's Stock Compensation rules. This is designed to ensure that Stock Compensation serves as an appropriate incentive for Directors (excluding Outside Director) to contribute to the sustainable enhancement of the Company's corporate value.

**(Reference)**

If Proposal 5 is approved at this General Meeting, the Company also intends to allot shares of Restricted Stock under a plan similar to the Plan after the Revisions to its Executive Officers.