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(Securities Code: 7438)

June 3, 2025

To Our Shareholders

Noboru Hamano  
President and Representative Director

**KONDOTEC INC.**

2-2-90, Sakaigawa, Nisi-ku, Osaka-shi, Osaka, Japan

## NOTICE OF THE 73TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

We are pleased to announce the 73th Annual General Meeting of Shareholders of KONDOTEC INC. (the “Company”), which will be held as indicated below.

When convening this general meeting of shareholders, the Company has taken measures to provide information that constitutes the content of informational materials for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and has posted this information as “Notice of the 73th Annual General Meeting of Shareholders” on the Company’s website. Please access the Company’s website by using the internet address shown below to review the information.

【The Company’s website】

<https://www.kondotec.co.jp/en/ir/stocksinfo/meeting.html>



The Company also posts items subject to measures for electronic provision on the website of Tokyo Stock Exchange, Inc. (TSE). To access this information, navigate to the TSE website (Listed Company Search) using the internet address shown below, enter the issue name (Kondotec) or the code (7438), click “Search,” then click “Basic information” and select “Documents for public inspection/PR information.”

【Tokyo Stock Exchange website (Listed Company Search)】

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



**Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights following the instructions provided no later than 5:30 p.m. on Tuesday, June 24, 2025. (Japan Time)**

<b>1. Date and Time:</b>	Wednesday, June 25, 2025, at 10:00 a.m. 【Reception starts at 9:00 a.m.】 (Japan Time)
<b>2. Venue:</b>	5-3-51, Nakanoshima, Kita-ku, Osaka-shi, Osaka, Japan Conference Hall 12th Floor, Osaka International Convention Center (Grand Cube Osaka)
<b>3. Meeting Agenda:</b>	<p><b>Items to be reported:</b></p> <ol style="list-style-type: none"> <li>1. Business Report, Consolidated Financial Statements, and Audit Reports for Consolidated Financial Statements by the Accounting Auditor and the Audit &amp; Supervisory Committee, for the 73th Fiscal Year (from April 1, 2024 to March 31, 2025)</li> <li>2. Non-consolidated Financial Statements for the 73th Fiscal Year (from April 1, 2024 to March 31, 2025)</li> </ol> <p><b>Items to be resolved:</b></p> <p><b>Proposal No. 1</b> Appropriation of Surplus</p> <p><b>Proposal No. 2</b> Partial Amendment to the Articles of Incorporation</p> <p><b>Proposal No. 3</b> Election of Ten (10) Directors (Excluding Directors Who Are Audit &amp; Supervisory Committee Members)</p> <p><b>Proposal No. 4</b> Election of One (1) Director Who Is Audit &amp; Supervisory Committee Member</p>
<b>4. Matters Decided on Regarding the Convocation:</b>	<ol style="list-style-type: none"> <li>1. In accordance with laws and regulations and the Company's Article of Incorporation, the following items from among those subject to measures for electronic provision will not be included in the paper-based documents sent. <ol style="list-style-type: none"> <li>1) "Status of Accounting Auditor," "System to Ensure the Appropriateness of Business," "Overview of Status of System to Ensure the Appropriateness of Business," and "Basic Policy on Control of the Company" in the Business Report</li> <li>2) "Consolidated Statement of Changes in Shareholders' Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements</li> <li>3) "Non-consolidated Statement of Changes in Shareholders' Equity" and "Notes to the Non-consolidated Financial Statements" of the Non-consolidated Financial Statements</li> </ol> <p>Accordingly, the documents that are delivered to shareholders are part of what was audited by the Financial Auditor and the Audit and Supervisory Committee in preparing their respective audit reports.</p> </li> <li>2. If you do not indicate your vote of approval or disapproval for any proposal on the Exercise of Voting Rights form, you will be deemed to have approved that proposal.</li> <li>3. If you exercise your voting rights both via the Internet and by postal mail, the valid vote will be deemed to be the one exercised via the Internet.</li> </ol> <p>Also, if you exercise your voting rights via the Internet more than once, the valid vote will be deemed to be the one cast most recently (provided that it was cast before the deadline for the exercise of voting rights).</p>

- ◎ For this General Meeting of Shareholders all shareholders will be sent paper-based documents consisting of items subject to measures for electronic provision irrespective of whether delivery of paper-based documents has been requested.
- ◎ If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be promptly posted on the Company's aforementioned website and the TSE website.

**No gifts will be provided for shareholders in attendance.**

**We thank you for your understanding in that regard.**

## **Reference Documents for the General Meeting of Shareholders**

### **Proposals and Reference Information**

<b>Proposal No. 1</b>	<b>Appropriation of Surplus</b>
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The Company proposes to appropriate surplus as follows.

#### **Matters related to year-end dividends**

The Company regards return of profits to shareholders as an important management policy, and we will continue to make an effort to improvement of earning capacity through expansion of a strategic investment by M&A and an aggressive business investment for growth, as well as to work on improvement of the capital efficiency.

In terms of dividends, while fully taking into account both the consolidated operating results and the consolidated dividend payout ratio, we have the basic policy to increase dividends to shareholders continuously, targeting dividend on equity (DOE) of 4.0% or higher.

We have adopted DOE, the ratio of dividends returned from net assets, as a benchmark for ensuring consistent dividends regardless of temporary fluctuations in profits. Moreover, the KONDOTEC Group also strives to achieve return on equity (ROE), a benchmark of capital efficiency, of 10% or higher. Accordingly achieving this aim enables us to generate profits above a certain level each fiscal year. That culminates in higher consolidated net assets, which form the basis for determining the dividend, thereby making it possible for us to continuously increase dividends.

With respect to the year-end dividend for the current fiscal year, we seek to express our gratitude to our shareholders for their ongoing support by increasing the dividend by ¥ 3 relative to that of the previous fiscal year to ¥ 23 per share, having taken into account our earnings results and other such factors. This results in annual dividends of ¥ 46 per share in conjunction with the interim dividend of ¥ 23 per share previously paid.

<b>Category of dividend assets</b>	Cash
<b>Allotment of dividend property and their aggregate amount</b>	¥ 23 per share of the Company common stock Total dividends: ¥ 588,579,384
<b>Effective date of dividends of surplus</b>	June 26, 2025

**1. Reason for proposal**

The Company proposes to partially amend the business purposes set forth in Article 2 (Purpose) of the current Articles of Incorporation, thereby enabling it going forward to address business expansion and diversification encompassing the Company and its subsidiaries.

**2. Details of amendment**

Details regarding the amendment are as follows.

(Amendments are underlined)

Current Articles of Incorporation	Proposed amendment
(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses. (1) to (16) ( Omitted )  ( Newly established )  ( <u>17</u> ) ( Omitted )	(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses. (1) to (16) ( Unchanged )  <u>(17) Management of various facilities and restaurants</u>  ( <u>18</u> ) ( Unchanged )

**Proposal No. 3****Election of Ten (10) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)**

The terms of office of all ten (10) currently serving Directors (excluding Directors who are Audit & Supervisory Committee Members) will expire at the conclusion of this meeting.

Accordingly, the Company proposes the election of ten (10) Directors.

The Company's Audit & Supervisory Committee deems that all of the Director Candidates are qualified with respect to this proposal.

The candidates for Director are as follows:

Candidate No	Name	Position and Responsibilities at the Company	Number of Board of Director's Meetings Attended
1	<b>Katsuhiko Kondo</b> <span>Reappointment</span>	Chairman and Representative Director	12/12 meetings
2	<b>Noboru Hamano</b> <span>Reappointment</span>	President and Representative Director	12/12 meetings
3	<b>Hiroyuki Yada</b> <span>Reappointment</span>	Senior Executive Director, General Manager of Management Headquarters, and Manager of SDGs Promotion Department	12/12 meetings
4	<b>Kazuhiro Ishino</b> <span>Reappointment</span>	Director, General Manager of Sales Headquarters	12/12 meetings
5	<b>Kazuyuki Asakawa</b> <span>Reappointment</span>	Director, Manager of Eastern Japan Sales Division and Manager of Tokyo Branch	12/12 meetings
6	<b>Soichi Furuta</b> <span>Reappointment</span>	Director, Manager of International Sales Division	12/12 meetings
7	<b>Yasushi Ishibashi</b> <span>Reappointment</span>	Director, General Manager of Manufacturing Headquarters and Manager of Kyushu Factory	12/12 meetings
8	<b>Tomoyuki Ejiri</b> <span>Reappointment</span>	Director President and Representative Director, Nippon Scaffolding Holdings Co., Ltd. Representative Director and Chairman, TOKAI STEP CO., LTD.	12/12 meetings
9	<b>Michiko Kanai</b> <span>Reappointment</span> <span>Outside Director</span> <span>Independent Director</span>	Outside Director	12/12 meetings
10	<b>Yaichiro Fukui</b> <span>Reappointment</span> <span>Outside Director</span> <span>Independent Director</span>	Outside Director	10/10 meetings

Note: The number of Board of Director's meetings attended by Yaichiro Fukui is based on the Board of Director's meetings held after he has assumed the posts of Directors on June 25, 2024.

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
1	<p><b>Katsuhiko Kondo</b> (November 8, 1959)</p> <p><b>Reappointment</b></p>	<p>June 1984 Joined the Company</p> <p>July 1988 Manager of Saitama Office, the Company</p> <p>Jan. 1991 Manager of Kitakanto Office, the Company</p> <p>June 1992 Director, Manager of Kitakanto Office, the Company</p> <p>Mar. 1999 Director, Manager of Yokohama Branch, the Company</p> <p>June 2002 Director, Manager of Delivery Division, the Company</p> <p>Oct. 2007 Director, Manager of Planning Division, the Company</p> <p>Apr. 2010 Director, the Company Vice President and Representative Director, Sanwa Denzai Co., Ltd.</p> <p>June 2011 President and Representative Director, Sanwa Denzai Co., Ltd.</p> <p>Jan. 2013 Director, In charge of Planning, the Company</p> <p>June 2013 President and Representative Director, the Company</p> <p>June 2021 Director, Sanwa Denzai Co., Ltd.</p> <p>Oct. 2021 Director, KURIYAMA ALUMINUM Co., Ltd.</p> <p>June 2024 Chairman and Representative Director, the Company (current position)</p> <p>[Significant concurrent positions] Representative Director, Towa Kosan Corp. Representative Director, Toto Kosan INC. Representative Director, Tosho Kosan INC.</p>	179,532 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Katsuhiko Kondo has engaged in sales, logistics, planning and other operations since joining the Company in 1984, and has extensive experience otherwise that includes serving as Representative Director of Sanwa Denzai Co., Ltd. in conjunction with the Company having made wholesaler of electric equipment Sanwa Denzai Co., Ltd. a subsidiary.</p> <p>The Company has renominated him as a Director candidate, given that he performs his professional duties as serving as Chairman and Representative Director and having deemed that he is an individual who helps the Company sustainably increase its corporate value.</p>			

No	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
2	<div>Reappointment</div> <b>Noboru Hamano</b> (June 12, 1970)	Apr. 1993 Joined the Company  Mar. 1999 Manager of Kitakanto Office, the Company  Aug. 2000 Manager of Kanagawa Office, the Company  Apr. 2003 Manager of Keiji Office, the Company  Sep. 2012 Manager of Sanyo Office, the Company  Apr. 2017 Manager of Kansai Branch, the Company  June 2018 Executive Officer, Manager of Structural Steel Sales Division and Manager of Kansai Branch, the Company  Apr. 2020 Executive Officer, Manager of Structural Steel Sales Division, the Company  June 2020 Director, Manager of Structural Steel Sales Division, the Company  June 2021 Executive Director, General Manager of Sales Headquarters and Manager of Structural Steel Sales Division, the Company  Apr. 2023 Executive Director, General Manager of Sales Headquarters, the Company  June 2024 President and Representative Director, the Company (current position)	36,500 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Noboru Hamano has extensive experience particularly engaging in sales operations since joining the Company in 1993.</p> <p>The Company has renominated him as a Director candidate, given that he performs his professional duties serving as President and Representative Director and having deemed that he is an individual who helps the Company sustainably increase its corporate value.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
3	<div>Reappointment</div> <div><b>Hiroyuki Yada</b></div> <div>(July 15, 1962)</div>	<p>Apr. 1985 Joined the Company</p> <p>June 2006 Manager of Yokohama Branch, the Company</p> <p>June 2011 Manager of Delivery Division, the Company Executive Officer, Manager of Delivery Division, the Company</p> <p>Apr. 2013 Executive Officer, Manager of Western Japan Sales Division, the Company</p> <p>June 2016 Director, Manager of Western Japan Sales Division, the Company</p> <p>Apr. 2018 Director, Manager of Western Japan Sales Division and Manager of Business Strategy Department, the Company</p> <p>June 2019 Director, General Manager of Sales Headquarters, Manager of Western Japan Sales Division, and Manager of Business Strategy Department, the Company</p> <p>June 2020 Executive Director, General Manager of Sales Headquarters, Manager of Western Japan Sales Division, and Manager of Business Strategy Department, the Company</p> <p>June 2021 Director, FUKOKU, Ltd. (current position) Director, TOKAI STEP CO., LTD. (current position) Director, TECBUILD CO., LTD. (current position) Director, Nippon Scaffolding Holdings Co., Ltd. (current position) Senior Executive Director, General Manager of Management Headquarters, Manager of General Affairs Division, and Manager of Business Strategy Department, the Company</p> <p>Apr. 2024 Senior Executive Director, General Manager of Management Headquarters, the Company</p> <p>Oct. 2024 Director, UEDA CONSTRUCTION CO., LTD. (current position)</p> <p>Nov. 2024 Senior Executive Director, General Manager of Management, and Manager of SDGs Promotion Department, the Company (current position)</p> <p>[Significant concurrent positions] Director, Nippon Scaffolding Holdings Co., Ltd. Director, TECBUILD CO., LTD. Director, TOKAI STEP CO., LTD. Director, FUKOKU, Ltd. Director, UEDA CONSTRUCTION CO., LTD.</p>	51,200 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Hiroyuki Yada has extensive experience particularly engaging in sales, logistics and management operations since joining the Company in 1985.</p> <p>The Company has renominated him as a Director candidate, given that he performs his professional duties serving as General Manager of Management Headquarters and having deemed that he is an individual who helps the Company sustainably increase its corporate value.</p>			



No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
4	<u>Reappointment</u> <b>Kazuhiro Ishino</b> (October 11, 1967)	Feb. 1990    Joined the Company  Apr. 2006    Manager of Akita Office, the Company  June 2011    Manager of Niigata Office, the Company  Apr. 2014    Manager of Niigata Branch, the Company  June 2020    Manager of Delivery Division, the Company  June 2021    Director, CHUOH GIKEN Co., Ltd. (current position) Executive Officer, Manager of Western Japan Sales Division, the Company  Apr. 2022    Executive Officer, Manager of Western Japan Sales Division and Manager of Development Sales Division, the Company  June 2022    Director, Sanwa Denzai Co., Ltd. (current position) Director, KURIYAMA ALUMINUM Co., Ltd. (current position) Director, Manager of Western Japan Sales Division and Manager of Development Sales Division, the Company  Apr. 2023    Director, Manager of Western Japan Sales Division, Manager of Development Sales Division, and Manager of E- commerce Group, the Company  Apr. 2024    Director, Manager of Western Japan Sales Division, the Company  June 2024    Director, General Manager of Sales Headquarters, the Company (current position)  [Significant concurrent positions] Director, Sanwa Denzai Co., Ltd. Director, CHUOH GIKEN Co., Ltd. Director, KURIYAMA ALUMINUM Co., Ltd.	23,900 shares
[Reasons for nomination as candidate for Director] Kazuhiro Ishino has extensive experience particularly engaging in sales and logistics operations since joining the Company in 1990. The Company has renominated him as a Director candidate, given that he performs his professional duties serving as General Manager of Sales Headquarters having deemed that he is an individual who helps the Company sustainably increase its corporate value.			



No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
6	<div>Reappointment</div> <b>Soichi Furuta</b> (September 17,1968)	Apr. 1991 Joined the Company  Mar. 2019 Managing Director, KONDOTEC INTERNATIONAL (THAILAND) Co.,LTD. (current position)  June 2019 Executive Officer, the Company  Mar. 2020 Executive Officer, Manager of International Sales Division, the Company  June 2023 Director, Manager of International Sales Division, the Company (current position)  [Significant concurrent positions] Managing Director, KONDOTEC INTERNATIONAL (THAILAND) Co.,LTD.	13,500 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Soichi Furuta has extensive experience particularly engaging in international operations and subsidiary management since joining the Company in 1991.</p> <p>The Company has renominated him as a Director candidate, given that he performs his professional duties serving as Manager of International Sales Division and having deemed that he is an individual who helps the Company sustainably increase its corporate value.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
7	<div>Reappointment</div> <b>Yasushi Ishibashi</b> (April 24,1969)	Apr. 1992 Joined the Company  July 1997 Manager of Toukai Office, the Company  Oct. 2001 Manager of Chukyo Office, the Company  Apr. 2009 Manager of Chukyo Branch, the Company  Apr. 2013 Manager of Shiga Plant, the Company  June 2016 Executive Officer, Manager of Shiga Factory, the Company  Oct. 2017 Executive Officer, Manager of Kanto Factory, the Company  Oct. 2021 Executive Officer, the Company President and Representative Director, KURIYAMA ALUMINUM Co., Ltd.  Oct. 2022 Executive Officer, Manager of Kyushu Factory, the Company  June 2023 Director, General Manager of Manufacturing Headquarters and Manager of Kyushu Factory, the Company (current position)	27,400 shares
[Reasons for nomination as candidate for Director] Yasushi Ishibashi has extensive experience particularly engaging in sales, and subsidiary management since joining the Company in 1992. The Company has renominated him as a Director candidate, given that he performs his professional duties serving as General Manager of Manufacturing Headquarters and having deemed that he is an individual who helps the Company sustainably increase its corporate value.			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
8	<u>Reappointment</u> <b>Tomoyuki Ejiri</b> (August 30, 1965)	Apr. 1988    Joined the Company  Oct. 1998    Manager of Shizuoka Office, the Company  Jan. 2002    Manager of Kanazawa Office, the Company  Oct. 2007    Manager of Fukuoka Branch, the Company  Apr. 2013    Manager of Delivery Division, the Company  June 2015    Manager of International Division, the Company  June 2016    Executive Officer, Manager of International Division, the Company  June 2019    Director, Manager of International Division, the Company  Feb. 2020    Director, the Company (current position) Representative Director and Chairman, TOKAI STEP CO., LTD. (current position)  Apr. 2021    President and Representative Director, Nippon Scaffolding Holdings Co., Ltd. (current position)  [Significant concurrent positions] President and Representative Director, Nippon Scaffolding Holdings Co., Ltd. Representative Director and Chairman, TOKAI STEP CO., LTD.	30,900 shares
[Reasons for nomination as candidate for Director] Tomoyuki Ejiri has extensive experience particularly engaging in sales, logistics, and international operations, and subsidiary management since joining the Company in 1988. The Company has renominated him as a Director candidate, given that he performs his professional duties serving as Representative Director of subsidiaries and having deemed that he is an individual who helps the Company sustainably increase its corporate value.			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
9	<div>Reappointment</div> <div>Outside</div> <div>Independent</div> <p><b>Michiko Kanai</b> (June 16, 1955)</p>	<p>Apr. 1990 Register Lawyer Joined OH-EBASHI LAW OFFICES (current OH-EBASHI LPC &amp; PARTNERS)</p> <p>Apr. 1998 OH-EBASHI LAW OFFICES partner</p> <p>Aug. 2002 OH-EBASHI LPC &amp; PARTNERS partner (current position)</p> <p>June 2007 Outside Audit &amp; Supervisory Board Member, USJ Co., Ltd. (current USJ LLC.)</p> <p>June 2015 Outside Director, the Company (current position) Outside Audit &amp; Supervisory Board Member, SANKYO SEIKO CO., Ltd.</p> <p>June 2016 Outside Director, IDEC CORPORATION</p> <p>June 2018 Outside Director (Audit &amp; Supervisory Committee member), IDEC CORPORATION (current position)</p> <p>June 2020 Outside Director, AS ONE CORPORATION</p> <p>June 2023 Outside Director (Audit &amp; Supervisory Committee member), AS ONE CORPORATION (current position)</p> <p>[Significant concurrent positions] Lawyer (OH-EBASHI LPC &amp; PARTNERS partner) Outside Director (Audit &amp; Supervisory Committee member), IDEC CORPORATION Outside Director (Audit &amp; Supervisory Committee member), AS ONE CORPORATION</p>	7,700 shares
<p>[Reasons for nomination as candidate for Outside Director and overview of role expectations]</p> <p>Michiko Kanai is qualified when it comes to independence in furnishing management oversight and providing advice from an objective standpoint taking into account the corporate world as a whole including laws and regulations, drawing on her experience and insight as an attorney at law who is well-versed in fields that include M&amp;A as well as cross-border transactions and intellectual property rights.</p> <p>The Company has renominated her as an Outside Director candidate upon having accordingly deemed that her involvement will lead to improved transparency and reinforcement of the supervisory function with respect to the Board of Directors.</p> <p>Although she has not been involved in corporate management except as an outside executive, the Company deems her capable of appropriately executing her professional duties as an Outside Director for the aforementioned reasons.</p> <p>Moreover, the Company intends to enlist her involvement from a standpoint of objectivity and neutrality serving as a member of the Nomination and Compensation Committee, with respect to nominating the Company's executive candidates as well as determining executive remuneration and other such matters, subject to her appointment.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
10	<div>Reappointment</div> <div>Outside</div> <div>Independent</div> <p><b>Yaichiro Fukui</b> (November 10, 1946)</p>	<p>June 1997 Director, Sekisui Jushi Corporation</p> <p>June 1999 Executive Director and Executive Officer, Sekisui Jushi Corporation</p> <p>June 2001 Senior Executive Director, Sekisui Jushi Corporation</p> <p>June 2002 Vice President and Director, Sekisui Jushi Corporation</p> <p>June 2003 President and Representative Director, Sekisui Jushi Corporation</p> <p>June 2012 President, Sekisui Jushi Corporation</p> <p>Apr. 2016 Chairman of the Board and Chief Executive Officer, Sekisui Jushi Corporation</p> <p>Apr. 2022 Chairman of the Board and Director, Sekisui Jushi Corporation</p> <p>June 2022 Outside Director, NIHON KOGYO CO., LTD.</p> <p>June 2024 Outside Director, the Company (current position)</p>	1,700 shares
<p>[Reasons for nomination as candidate for Outside Director and overview of role expectations]</p> <p>Yaichiro Fukui has extensive experience related to corporate management particularly engaging in corporate management for Sekisui Jushi Corporation as Representative Director, and the Company has nominated him as an Outside Director candidate upon having accordingly deemed that his useful advice and recommendations regarding the management of the Company will lead to increase the Company's corporate value.</p> <p>Moreover, the Company intends to enlist his involvement from a standpoint of objectivity and neutrality serving as a member of the Nomination and Compensation Committee, with respect to nominating the Company's executive candidates as well as determining executive remuneration and other such matters, subject to his appointment.</p>			

(Notes)

- There are no special interests between each candidate and the Company.
  - The Company has submitted to the Tokyo Stock Exchange an Independent Directors/Auditors Notification listing Outside Director candidates Michiko Kanai and Yaichiro Fukui as independent executives.
  - Number of years since having assumed the post of Outside Director of the Company (as of the conclusion of this General Meeting of Shareholders)
 

Michiko Kanai	10 years
Yaichiro Fukui	1 year
  - The Company has entered into limited liability agreements with Michiko Kanai and Yaichiro Fukui effectively stating that their liability shall be limited to an amount stipulated by law regarding liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act. The limited liability agreements are to remain in effect, subject to approval of their reappointment.
  - The Company has entered into a liability insurance policy for directors and officers with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Content of the insurance policy is as described in "2. Overview, etc. of liability insurance policy for directors and officers" in "IV Matters Relating to Directors and Officers of the Company" of the Business Report. Any Director candidate whose appointment gains approval is to be listed as an insured party under the insurance policy.
- Moreover, the Company intends to leave the content of the insurance policy unchanged upon its next renewal.

### Proposal No. 3

## Election of One (1) Director Who Is an Audit & Supervisory Committee Member

As the terms of office of one (1) Director who is an Audit & Supervisory Committee Member, Minako Yamaoka, will expire at the conclusion of this General Meeting of Shareholders, the Company proposes the election of one (1) Director who is an Audit & Supervisory Committee Member.

The Company has gained prior consent of the Audit & Supervisory Committee for the submission of this proposal.

The candidate for Director who is an Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
<div> <div>Reappointment</div> <div>Outside</div> <div>Independent</div> </div> <div> <b>Minako Yamaoka</b> (April 7, 1959) </div> <div> <div>■ Number of Board of Director's Meetings Attended</div> <div>12/12 meetings</div> </div> <div> <div>■ Number of Audit &amp; Supervisory Committee Meetings Attended</div> <div>18/18 meetings</div> </div>	<div> <div>June 2008</div> <div>Executive Officer and Director, and President of Cosmetics Company, FANCL CORPORATION</div> </div> <div> <div>June 2010</div> <div>Executive Officer and Director, and General Manager of Business Development Promotion Division, FANCL CORPORATION</div> </div> <div> <div>Mar. 2013</div> <div>Senior Managing Director, and President of Cosmetics Company, FANCL CORPORATION</div> </div> <div> <div>Apr. 2014</div> <div>Senior Managing Director, FANCL CORPORATION President and Representative Director, FANCL COSMETICS CORPORATION</div> </div> <div> <div>Apr. 2017</div> <div>Senior Managing Director in charge of New Business Format Development, FANCL CORPORATION</div> </div> <div> <div>July 2018</div> <div>Adviser, FANCL CORPORATION</div> </div> <div> <div>May 2020</div> <div>Director in charge of New Business Development, Ands Corporation</div> </div> <div> <div>Mar. 2021</div> <div>Outside Director, NICCA CHEMICAL CO., LTD. (current position)</div> </div> <div> <div>June 2021</div> <div>Outside Director (Audit &amp; Supervisory Committee member), the Company (current position)</div> </div> <div> <div>June 2023</div> <div>Outside Director, St.Cousair Co., Ltd. (current position)</div> </div> <div> <div>[Significant concurrent positions]</div> <div>Outside Director, NICCA CHEMICAL CO., LTD.</div> <div>Outside Director, St.Cousair Co., Ltd.</div> </div>	<div>1,400 shares</div>
<div> <div>[Reasons for nomination as candidate for Director (Audit &amp; Supervisory Committee Member)]</div> <div>Minako Yamaoka has extensive experience related to corporate management including experience regarding the professional duties listed above at FANCL CORPORATION. The Company has renominated her as a candidate for Outside Director who is an Audit &amp; Supervisory Committee Member given expectations that she will be capable of performing the role of Outside Director who is an Audit &amp; Supervisory Committee Member by providing advice and oversight based on experience that she has accumulated throughout her career.</div> </div>		



(Notes)

1. There are no special interests between the candidate and the Company
2. The Company has submitted to the Tokyo Stock Exchange an Independent Directors/Auditors Notification listing Outside Director candidate Minako Yamaoka as an independent executive.
3. Number of years since having assumed the post of Outside Director (Audit & Supervisory Committee Member) of the Company (as of the conclusion of this General Meeting of Shareholders)  
Minako Yamaoka 4 years
4. The Company has entered into limited liability agreements with Minako Yamaoka effectively stating that their liability shall be limited to an amount stipulated by law regarding liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act. The limited liability agreements are to remain in effect, subject to approval of their reappointment.
5. The Company has entered into a liability insurance policy for directors and officers with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Content of the insurance policy is as described in “2. Overview, etc. of liability insurance policy for directors and officers” in “IV Matters Relating to Directors and Officers of the Company” of the Business Report. Any Directors who are Audit & Supervisory Committee Members candidate whose appointment gains approval is to be listed as an insured party under the insurance policy.  
Moreover, the Company intends to leave the content of the insurance policy unchanged upon its next renewal.

**(Reference) Skill matrix for Directors and Audit & Supervisory Committee Members after the conclusion of this general meeting of shareholders**

	Name	Gender	Managerial experience	Sales & Marketing	Manufacturing & Procurement	Finance & Accounting	Legal affairs & Risk management
Directors							
	Katsuhiko Kondo		Male	○	○	○	
	Noboru Hamano		Male	○	○		
	Hiroyuki Yada		Male		○	○	○
	Kazuhiro Ishino		Male		○	○	
	Kazuyuki Asakawa		Male		○		
	Soichi Furuta		Male	○	○		
	Yasushi Ishibashi		Male	○	○	○	
	Tomoyuki Ejiri		Male	○	○	○	
	Michiko Kanai	Outside	Female				○
	Yaichiro Fukui	Outside	Male	○	○	○	○
Directors who are Audit & Supervisory Committee Members							
	Norio Nishida		Male			○	
	Kana Yasuda	Outside	Female			○	
	Taku Tokuda	Outside	Male				○
	Minako Yamaoka	Outside	Female	○	○		

Note: It does not represent all of the expertise and experience possessed by each Director and each Director who is Audit & Supervisory Committee Member.

End