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(Securities Code: 7438)

June 2, 2026

To Our Shareholders

Noboru Hamano
President and Representative Director

KONDOTEC INC.

2-2-1, Sakaigawa, Nisi-ku, Osaka-shi, Osaka, Japan

NOTICE OF THE 74TH 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 74th 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 74th 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 23, 2026. (Japan Time)

1. Date and Time:	Wednesday, June 24, 2026, at 10:00 a.m. 【Reception starts at 9:00 a.m.】 (Japan Time)
2. Venue:	2-2-1, Sakaigawa, Nisi-ku, Osaka-shi, Osaka, Japan Large Conference Room, 7th floor, KONDOTEC Osaka Head Office Building
3. Meeting Agenda:	Items to be reported: 1. Business Report, Consolidated Financial Statements, and Audit Reports for Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee, for the 74th Fiscal Year (from April 1, 2025 to March 31, 2026) 2. Non-consolidated Financial Statements for the 74th Fiscal Year (from April 1, 2025 to March 31, 2026) Items to be resolved: Proposal No. 1 Appropriation of Surplus Proposal No. 2 Partial Amendment to the Articles of Incorporation Proposal No. 3 Election of Ten (10) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) Proposal No. 4 Election of One (3) Directors Who Are Audit & Supervisory Committee Member Proposal No. 5 Continuation of Measures to Respond to a Large-Scale Purchase of the Company's Shares (Takeover Defense Measures)
4. Matters Decided on Regarding the Convocation:	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. 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 2) "Consolidated Statement of Changes in Shareholders' Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements 3) "Non-consolidated Statement of Changes in Shareholders' Equity" and "Notes to the Non-consolidated Financial Statements" of the Non-consolidated Financial Statements 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. 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. 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. 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).

- ◎ 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

Proposal No. 1	Appropriation of Surplus
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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 improve earning capacity through expansion of a strategic investment by M&A and capital investment for growth, as well as to work on improvement 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, with the medium- to long-term target of 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 ¥ 26 per share, having taken into account our earnings results and other such factors. This results in annual dividends of ¥ 52 per share in conjunction with the interim dividend of ¥ 26 per share previously paid.

Category of dividend assets	Cash
Allotment of dividend property and their aggregate amount	¥ 26 per share of the Company common stock Total dividends: ¥ 666,508,960
Effective date of dividends of surplus	June 25, 2026

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 (9) (Omitted) (10) Civil Engineering, Construction, Architectural Metalwork, Steel Structure Construction, Scaffolding and Earthwork, Plastering, Roofing, Electrical Construction, Plumbing, Paving, Landscaping, Telecommunication, Fire Protection Facilities, Machinery and Equipment Installation, Interior Finishing (11) to (18) (Omitted)	(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses. (1) to (9) (Unchanged) (10) Civil Engineering, Construction, Architectural Metalwork, Steel Structure Construction, Scaffolding and Earthwork, Plastering, Roofing, Electrical Construction, Plumbing, Paving, Landscaping, Telecommunication, Fire Protection Facilities, Machinery and Equipment Installation, Interior Finishing, <u>Painting, Waterproofing</u> (11) to (18) (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	Katsuhiko Kondo Reappointment	Chairman and Representative Director	12/12 meetings
2	Noboru Hamano Reappointment	President and Representative Director	12/12 meetings
3	Hiroyuki Yada Reappointment	Senior Executive Director, General Manager of Management Headquarters, and Manager of SDGs Promotion Department	12/12 meetings
4	Kazuhiro Ishino Reappointment	Executive Director, General Manager of Sales Headquarters	12/12 meetings
5	Kazuyuki Asakawa Reappointment	Director, Manager of Eastern Japan Sales Division	12/12 meetings
6	Soichi Furuta Reappointment	Director, Manager of International Sales Division	12/12 meetings
7	Yasushi Ishibashi Reappointment	Director, General Manager of Manufacturing Headquarters and Manager of Kyushu Factory	12/12 meetings
8	Tomoyuki Ejiri Reappointment	Director President and Representative Director, Nippon Scaffolding Holdings Co., Ltd. Representative Director and Chairman, TOKAI STEP CO., LTD. President and Representative Director, FUKOKU, Ltd.	12/12 meetings
9	Michiko Kanai Reappointment Outside Director Independent Director	Outside Director	12/12 meetings
10	Yaichiro Fukui Reappointment Outside Director Independent Director	Outside Director	12/12 meetings

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
1	Reappointment Katsuhiko Kondo (November 8, 1959)	June 1984 Joined the Company July 1988 Manager of Saitama Office, the Company Jan. 1991 Manager of Kitakanto Office, the Company June 1992 Director, Manager of Kitakanto Office, the Company Mar. 1999 Director, Manager of Yokohama Branch, the Company June 2002 Director, Manager of Delivery Division, the Company Oct. 2007 Director, Manager of Planning Division, the Company Apr. 2010 Director, the Company Vice President and Representative Director, Sanwa Denzai Co., Ltd. June 2011 President and Representative Director, Sanwa Denzai Co., Ltd. Jan. 2013 Director, In charge of Planning, the Company June 2013 President and Representative Director, the Company June 2021 Director, Sanwa Denzai Co., Ltd. Oct. 2021 Director, KURIYAMA ALUMINUM Co., Ltd. June 2024 Chairman and Representative Director, the Company (current position) [Significant concurrent positions] Representative Director, Towa Kosan Corp. Representative Director, Toto Kosan INC. Representative Director, Tosho Kosan INC.	186,032 shares
[Reasons for nomination as candidate for Director] 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. 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.			

No	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
2	Reappointment Noboru Hamano (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)	42,200 shares
[Reasons for nomination as candidate for Director] Noboru Hamano has extensive experience particularly engaging in sales operations since joining the Company in 1993. 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.			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
3	Reappointment Hiroyuki Yada (July 15, 1962)	Apr. 1985 Joined the Company June 2006 Manager of Yokohama Branch, the Company June 2011 Manager of Delivery Division, the Company Executive Officer, Manager of Delivery Division, the Company Apr. 2013 Executive Officer, Manager of Western Japan Sales Division, the Company June 2016 Director, Manager of Western Japan Sales Division, the Company Apr. 2018 Director, Manager of Western Japan Sales Division and Manager of Business Strategy Department, the Company June 2019 Director, General Manager of Sales Headquarters, Manager of Western Japan Sales Division, and Manager of Business Strategy Department, the Company June 2020 Executive Director, General Manager of Sales Headquarters, Manager of Western Japan Sales Division, and Manager of Business Strategy Department, the Company 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 Apr. 2024 Senior Executive Director, General Manager of Management Headquarters, the Company Oct. 2024 Director, UEDA CONSTRUCTION CO., LTD. (current position) Nov. 2024 Senior Executive Director, General Manager of Management, and Manager of SDGs Promotion Department, the Company (current position) Dec. 2025 Director, RYUKYU BRIDGE LTD. (current position) [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. Director, RYUKYU BRIDGE LTD.	55,500 shares
[Reasons for nomination as candidate for Director] Hiroyuki Yada has extensive experience particularly engaging in sales, logistics and management operations since joining the Company in 1985. 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.			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
4	Reappointment Kazuhiro Ishino (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 June 2025 Executive Director, General Manager of Sales Headquarters (current position) [Significant concurrent positions] Director, Sanwa Denzai Co., Ltd. Director, CHUOH GIKEN Co., Ltd. Director, KURIYAMA ALUMINUM Co., Ltd.	27,500 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
5	Reappointment Kazuyuki Asakawa (December 24, 1967)	Apr. 1990 Joined the Company	30,000 shares
		July 2004 Manager of Takamatsu Office, the Company	
		June 2011 Manager of Osaka Branch, the Company	
		Oct. 2017 Manager of Tokyo Branch, the Company	
		June 2018 Executive Officer, Manager of Eastern Japan Sales Division and Manager of Tokyo Branch, the Company	
		June 2019 Director, Manager of Eastern Japan Sales Division and Manager of Tokyo Branch, the Company	
		Nov. 2025 Director, SUZUTOH CO., LTD. (current position)	
		Apr. 2026 Director, Manager of Eastern Japan Sales Division (current position)	
	[Significant concurrent positions] Director, SUZUTOH CO., LTD.		
[Reasons for nomination as candidate for Director] Kazuyuki Asakawa has extensive experience particularly engaging in sales 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 Manager of Eastern Japan Sales Division 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
6	Reappointment Soichi Furuta (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.	15,500 shares
[Reasons for nomination as candidate for Director] Soichi Furuta has extensive experience particularly engaging in international operations and subsidiary management since joining the Company in 1991. 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.			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
7	<u>Reappointment</u> Yasushi Ishibashi (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)	29,400 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	Reappointment Tomoyuki Ejiri (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) June 2025 President and Representative Director, FUKOKU, Ltd. (current position) Nov. 2025 Director, SUZUTOH CO., LTD. (current position) [Significant concurrent positions] President and Representative Director, Nippon Scaffolding Holdings Co., Ltd. Representative Director and Chairman, TOKAI STEP CO., LTD. President and Representative Director, FUKOKU, Ltd. Director, SUZUTOH CO., LTD.	33,400 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	Reappointment Outside Independent Michiko Kanai (June 16, 1955)	Apr. 1990 Register Lawyer Joined OH-EBASHI LAW OFFICES (current OH-EBASHI LPC & PARTNERS) Apr. 1998 OH-EBASHI LAW OFFICES partner Aug. 2002 OH-EBASHI LPC & PARTNERS partner June 2007 Outside Audit & Supervisory Board Member, USJ Co., Ltd. (current USJ LLC.) June 2015 Outside Director, the Company (current position) Outside Audit & Supervisory Board Member, SANKYO SEIKO CO., Ltd. June 2016 Outside Director, IDEC CORPORATION June 2018 Outside Director (Audit & Supervisory Committee member), IDEC CORPORATION (current position) June 2020 Outside Director, AS ONE CORPORATION June 2023 Outside Director (Audit & Supervisory Committee member), AS ONE CORPORATION (current position) Jan. 2026 Lawyer (OH-EBASHI LPC & PARTNERS) (current position) [Significant concurrent positions] Lawyer (OH-EBASHI LPC & PARTNERS) Outside Director (Audit & Supervisory Committee member), IDEC CORPORATION Outside Director (Audit & Supervisory Committee member), AS ONE CORPORATION	8,400 shares
[Reasons for nomination as candidate for Outside Director and overview of role expectations] 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&A as well as cross-border transactions and intellectual property rights. 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. 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. 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.			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
10	Reappointment Outside Independent Yaichiro Fukui (November 10, 1946)	June 1997 Director, Sekisui Jushi Corporation June 1999 Executive Director and Executive Officer, Sekisui Jushi Corporation June 2001 Senior Executive Director, Sekisui Jushi Corporation June 2002 Vice President and Director, Sekisui Jushi Corporation June 2003 President and Representative Director, Sekisui Jushi Corporation June 2012 President, Sekisui Jushi Corporation Apr. 2016 Chairman of the Board and Chief Executive Officer, Sekisui Jushi Corporation Apr. 2022 Chairman of the Board and Director, Sekisui Jushi Corporation June 2022 Outside Director, NIHON KOGYO CO., LTD. June 2024 Outside Director, the Company (current position)	4,100 shares
[Reasons for nomination as candidate for Outside Director and overview of role expectations] 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. 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.			

(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	11 years
Yaichiro Fukui	2 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. 4**Election of Three (3) Directors Who Are Audit & Supervisory Committee Members**

As the terms of office of three (3) Directors who are Audit & Supervisory Committee Members, Norio Nishida, Kana Yasuda and Taku Tokuda, will expire at the conclusion of this General Meeting of Shareholders, the Company proposes the election of three (3) Directors who are Audit & Supervisory Committee Members.

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

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

Candidate No	Name	Position and Responsibilities at the Company	Number of Board of Director's Meetings Attended	Number of Audit & Supervisory Committee Meetings Attended
1	Hiroki Soya New Appointment	Advisor of Audit & Supervisory Committee	-	-
2	Kana Yasuda Reappointment Outside Director Independent Director	Outside Director (Audit & Supervisory Committee Member)	12/12 meetings	17/18 meetings
3	Taku Tokuda Reappointment Outside Director Independent Director	Outside Director (Audit & Supervisory Committee Member)	12/12 meetings	18/18 meetings

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
1	New Appointment Hiroki Soya (August 4, 1967)	Apr. 1991 Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Limited) Jan. 2016 General Manager of Shin-Osaka Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.) May 2019 Manager of Senba Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.) May 2021 Executive Officer, MST Insurance Service Co., Ltd. June 2022 Managing Executive Officer, MST Insurance Service Co., Ltd. June 2024 Director & Senior Managing Executive Officer, MST Insurance Service Co., Ltd. July 2025 Joined the Company Advisor of Audit & Supervisory Committee (current position)	-
[Reasons for nomination as candidate for Audit & Supervisory Committee Advisor] Hiroki Soya has gained extensive knowledge in finance and accounting since joining The Mitsubishi Bank, Limited (currently MUFG Bank, Limited) and experiencing the aforementioned roles. Subsequently, he also gained management experience at MST Insurance Service Co., Ltd. The Company has newly nominated him as a Director candidate who is an Audit & Supervisory Committee Member given expectations that he will be capable of performing the role of Director who is an Audit & Supervisory Committee Member based on such knowledge and experience.			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
2	Reappointment Outside Independent Kana Yasuda (April 10, 1969)	Oct. 1993 Joined Century Audit Corporation (current Ernst & Young ShinNihon LLC) Apr. 1997 Registered as Certified Public Accountant Mar. 2000 Founder and Representative of Yasuda Accounting Firm (current position) Mar. 2004 Registered as Licensed Tax Accountant Sep. 2009 Outside Audit & Supervisory Board Member, SHINPO CO., LTD. May 2010 Outside Audit & Supervisory Board Member, Sugi Holdings Co., Ltd. (current position) June 2016 Outside Director, GEO HOLDINGS CORPORATION (current position) June 2019 Outside Director, Chuo Spring Co., Ltd. (current position) Outside Audit & Supervisory Board Member, the Company June 2020 Outside Director, the Company (Audit & Supervisory Committee Member) (current position) Sep. 2021 Outside Director, Monogatari Corporation (current position) [Significant concurrent positions] Certified Public Accountant (Representative of Yasuda Accounting Firm) Outside Audit & Supervisory Board Member, Sugi Holdings Co., Ltd. (scheduled to resign in May 2026) Outside Director, GEO HOLDINGS CORPORATION Outside Director, Chuo Spring Co., Ltd. Outside Director, Monogatari Corporation	5,400 shares
[Reasons for nomination as candidate for Outside Director (Audit & Supervisory Committee Member) and overview of role expectations] Kana Yasuda has extensive experience and insight as a certified public accountant and licensed tax accountant. The Company has renominated her as an Outside Director candidate who is an Audit & Supervisory Committee Member given expectations that she will be capable of performing the role of Outside Director who is an Audit & Supervisory Committee Member from the expert perspective of a certified public accountant. Although she has not been involved in corporate management in any way other than service as an outside officer, the Company determined that she is able to appropriately fulfill her duties as an Outside Director who is an Audit & Supervisory Committee Member for the above reasons.			

No.	Name (Date of birth)	Past experience, positions and responsibilities [significant concurrent positions]	Number of shares of the Company held
3	Reappointment Outside Independent Taku Tokuda (February 5, 1972)	Apr. 2000 Registered as Lawyer, joined Ozawa & Akiyama Oct. 2003 Joined Tokuda Law Office Oct. 2018 Part-time Instructor, Graduate School of Law, Kyoto University Jan. 2020 Representative lawyer, Tokuda Law Office (current position) June 2020 Outside Director, the Company (Audit & Supervisory Committee Member) (current position) Apr. 2021 Visiting Professor, Graduate School of Law, Kyoto University [Significant concurrent positions] Lawyer (Representative lawyer, Tokuda Law Office)	5,700 shares
[Reasons for nomination as candidate for Outside Director (Audit & Supervisory Committee Member) and overview of role expectations] Taku Tokuda is conversant with areas such as general corporate law and litigation between companies. The Company has renominated him as an Outside Director candidate who is an Audit & Supervisory Committee Member given expectations that he will be capable of performing the role of Outside Director who is an Audit & Supervisory Committee Member based on his extensive knowledge and experience as a lawyer. Although he has not been directly involved in corporate management, the Company determined that he is able to appropriately fulfill his duties as an Outside Director who is an Audit & Supervisory Committee Member for the above reasons.			

(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 Kana Yasuda and Taku Tokuda as independent executives.
 - Number of years since having assumed the post of Outside Directors (Audit & Supervisory Committee Members) of the Company (as of the conclusion of this General Meeting of Shareholders)

Kana Yasuda 6 years

Taku Tokuda 6 years

Kana Yasuda has previously been an Outside Audit & Supervisory Committee Member of the Company.
 - The Company has entered into limited liability agreements with Kana Yasuda and Taku Tokuda 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 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.
- In February 2025, while Kana Yasuda was serving as Outside Director at Chuo Spring Co., Ltd., that company received a recommendation from the Japan Fair Trade Commission for a violation of the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (currently the Act on the Promotion of Proper Subcontracting Small and Medium-sized Enterprises).
- She regularly made proposals at that company’s board of directors meetings regarding the strengthening of governance systems, including compliance with laws and regulations and the enhancement of internal control systems. After recognizing the aforementioned fact, she fulfilled her responsibilities by advising on measures to prevent recurrence.

(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							
	Hiroki Soya		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.

At the 56th Annual General Meeting of Shareholders of the Company held on June 27, 2008, the Company received approval from shareholders to introduce “Measures to Respond to a Large-Scale Purchase of the Company's Share Certificates, etc. (Takeover Defense Measures).”

Subsequently, at the 71th Annual General Meeting of Shareholders of the Company held on June 23, 2023, the Company received approval from shareholders to continue these measures (hereinafter, the measures for which approval to continue was received at the 71th Annual General Meeting of Shareholders of the Company are referred to as “the previously approved plan”).

Because the effective period of the previously approved plan expires at the conclusion of this Annual General Meeting of Shareholders, the Company has considered its approach from the perspective of ensuring and enhancing corporate value and the common interests of shareholders, including whether or not to continue the measures, and after taking into account various developments related to takeover defense measures.

As a result, the Board of Directors resolved at a meeting held on May 14, 2026, to continue measures to respond to a large-scale purchase of the Company's shares (takeover defense measures), conditional on the approval of shareholders being received at this Annual General Meeting of Shareholders (hereinafter, the continuing measures to respond to a large-scale purchase of the Company's shares (takeover defense measures) are referred to as “this Plan”).

Therefore, the Company requests approval for the continuation of this Plan in accordance with Article 18 of the Articles of Incorporation of the Company.

The main changes in the continuation of this Plan are as follows.

- The definition of Large-Scale Purchases subject to this Plan has been reviewed and revised.
- It has been clearly stated that the Independent Committee, when making recommendations concerning the exercise of countermeasures, may include a reservation to the effect that the intent of the shareholders should be confirmed.
- The specific content of countermeasures has been limited to the allotment of the Share Acquisition Rights without contribution.
- It has been clearly stated that no economic benefits, such as cash, will be provided as consideration for the acquisition of Share Acquisition Rights held by Non-Qualified Parties.
- Other adjustments to wording and expressions have been made to make the Plan easier to understand.

I Basic policy on persons who control decisions on financial and business policies of the Company

As a party whose shares are listed on a stock exchange, the Company respects free trading of shares of the Company in the market and would not unconditionally reject a large-scale purchase of shares of the Company by a particular party as long as it contributes to the protection and enhancement of the corporate value of the Company and in turn to the common interests of shareholders. The Company also believes that whether to accept a proposal for a large-scale purchase of shares is a matter that should ultimately be decided by its shareholders. However, there may be a proposal for a large-scale purchase of shares that could undermine the corporate value of the Company and eventually the common interests of shareholders by, for example, potentially preventing the Company from maintaining a good relationship with its stakeholders, by not sufficiently reflecting the value of the Company, or by not providing sufficient information required by shareholders to make a final decision. The Board of Directors of the Company believes that when such a proposal is made, it is the responsibility of the board as a body mandated by its shareholders to secure necessary time and information and to negotiate with the party who engages in the large-scale purchase on behalf of its shareholders.

II Initiatives contributing to the implementation of the basic policy

1. The Company's source of corporate value

The Company was founded in 1947 in the Taisho ward of Osaka city, and is engaged mainly in the manufacture and sale of hardware for ships, but as Japan's economy shifted into the high-speed growth era, the proportion of materials for use in construction increased. Since opening its No.1 store in Tokyo in 1957 with the aim of opening up new markets and expanding the business, the Company has sought to grow through the manufacture and sale of infrastructure-related materials to a wide range of industries, including civil engineering and construction, logistics, ships, electric power, railways, forestry management, agriculture and horticulture, information technology, environmental and greening, and industrial waste treatment. The source of the Company's corporate value lies in its "customer-first" policy since its foundation, under which it has responded astutely to customer needs and proactively worked to supply materials and enhance infrastructure for various industries while providing products, merchandise, and services.

The fundamentals of this approach are as follows.

- 1) A nationwide network of sales offices that enables us to quickly capture customer needs
- 2) Planning/development and engineering capabilities that enable our development and manufacturing divisions to respond speedily to customer needs
- 3) Inventories maintained at sales offices nationwide to enable prompt supply to customers, and a system for enabling their quick delivery
- 4) An abundant lineup of more than 50,000 items of merchandise that enable us to respond to customer needs

2. Initiatives to enhance corporate value

In order to maintain and strengthen the above-mentioned source of our corporate value, we believe that the Company must not only remain trusted by customers and continue to provide satisfactory products, merchandise and services, but must also develop and manufacture products and merchandise that respond to rising interest in the environment on the part of customers.

In these circumstances, the Company will respond to changes in the management environment by expanding into areas of business with growth prospects, and seeking to enhance corporate value over the medium to long term.

Specifically, this calls for the following.

- 1) We believe that further refining the Company's technology for the manufacture of infrastructure-related materials used in our core market of civil engineering and construction, as well in logistics, ships, electric power, railways, forestry management, agriculture and horticulture, and information technology, will lead

to enhancements in the Kondo brand. By ensuring that development, manufacture and sales work together as one to respond astutely to changes in the market, we seek to enhance the corporate value of the Company and protect the common interests of shareholders.

- 2) The Company aims to expand its business into the fields of environment, greening, and industrial waste treatment, as well as renewable energy sectors, including offshore wind power generation. Specifically, in the offshore wind power generation sector, where the market is expected to expand, the Company aims to capture business opportunities through the supply of metal-related materials, leveraging its strengths in the development and supply system of such products.

Furthermore, the Company will contribute to solving social issues in the fields of environmental conservation and disaster recovery through the supply of products such as large and weatherproof sandbags and container bags, thereby enhancing corporate value and strengthening its brand power.

- 3) The Company is developing the business in areas with prospects for growth (response to an increase in maintenance and repair construction work; overseas markets; and labor-saving measures in response to labor shortages and workstyle reforms.), as follows.

2010	Acquired shares of Sanwa Denzai Co., Ltd., a wholesaler of electrical equipment, to make it a subsidiary with the objective of developing the business in environmental and eco-related areas such as LED lighting
2012	Established a local subsidiary in Thailand for the purpose of expanding the business in ASEAN countries
2014	Acquired shares of CHUOH GIKEN Co., Ltd., which designs and manufactures labor-saving and other equipment, to make it a subsidiary with the objective of expanding the business in the industrial automation and labor-saving fields
2016	Acquired the “ALPS BRAND iron pulley” manufacturing business from Akinaga Factory Co., Ltd., with the objective of enhancing products and services
2019	Acquired a labor-saving and image processing equipment business from Mechatro Engineering Co., Ltd., with the goal of strengthening our offerings in the industrial automation and labor-saving fields
	Acquired shares of Hirose Kosan Co., Ltd. (now TECBUILD CO., LTD.), which is involved in the business of assembly, disassembly and rental of scaffolding, etc., to make it a subsidiary with the objective of developing the area of maintenance and repair construction work driven by deteriorating social infrastructure
2020	Acquired the shares of TOKAI STEP CO., LTD., which is engaged in the business of assembly and disassembly of scaffolding, etc., to make it a subsidiary with the objective of expanding this business
2021	Acquired the shares of FUKOKU, Ltd. which is engaged in the business of assembly and disassembly of scaffolding, etc., to make it a subsidiary with the objective of expanding this business
	Established Nippon Scaffolding Holdings Co., Ltd. as an intermediate holding company to supervise the subsidiaries involved in the business of assembly and disassembly of scaffolding, etc. with the objective of strengthening cooperation between them
	Acquired the shares of KURIYAMA ALUMINUM Co., Ltd., which manufactures and sells aluminum extrusions, etc., to make it a subsidiary, with the objective of adding aluminum products for which demand is predicted to increase to the lineup of merchandise handled by the Group

2024	Acquired the shares of UEDA CONSTRUCTION CO., LTD., which is engaged in the business of assembly and disassembly of scaffolding, etc., to make it a subsidiary with the objective of expanding this business
2025	Acquired the shares of SUZUTOH Co., Ltd., which is engaged in the manufacture and sale of temporary enclosure materials, to make it a subsidiary with the objective of expanding the manufacturing functions of materials for construction sites, etc.
	Acquired the shares of Ryukyu Bridge Co., Ltd., an end-to-end provider of construction materials covering product development, manufacture, logistics, and sale, to make it a subsidiary with the objective of strengthening product development functions and expanding its global network.

Going forward, we will continue to work on developing the business through acquisitions, capital and business alliances with other companies, and other initiatives.

4) The Company has obtained permission to display the JIS mark and acquired ISO9001 certification for its construction turnbuckles, anchor bolts and other mainstay products at all of its factories, supplies high-quality products based on a high level of production engineering, and strives to enhance its new-product development capabilities.

In addition to enhancing quality and development capabilities, we are promoting activities that take into account environmental conservation, such as by obtaining ISO14001 certification for environmental management systems at all of our factories.

3. Strengthening corporate governance and returns to shareholders, etc.

The Company realizes that strengthening and enhancing corporate governance to improve the soundness, transparency, and efficiency of management and raise corporate value is one of the most important management issues that it faces.

In order to raise the transparency and efficiency of management as part of improvements to corporate governance, the Company has appointed two (2) Outside Directors with track records as attorneys at law and corporate managers, who provide management advice based on abundant experience and wide-ranging insights. In addition, fair and objective oversight that leverages specialized knowledge and experience is achieved through the work of four (4) Directors who are Audit & Supervisory Committee Members, of whom three (3) are Outside Directors with experience as attorneys at law, certified public accountants, and corporate managers. As an internal audit department reporting directly to the President, the Company has established Internal Audit Department that periodically audits the state of operational processes, compliance, and risk management in each division, and validates their appropriateness. In order to share auditing information, the results of internal audits are reported to the Audit Report Meeting, which is also attended by Directors who are Audit & Supervisory Committee Members.

Next, the Company has designated returns to shareholders an important management measure, and its policy is to implement returns of profits to shareholders that are commensurate with financial results, while seeking to improve profits and enhance corporate value. In the 30 years between the listing of the Company in 1995 and the fiscal year ended March 31, 2025, the Company has raised the annual dividend 22 times in accordance with improvements in results. The Company has also actively implemented share buybacks.

Going forward, it is our intention to continue to take an active approach to shareholder returns, in accordance with the basic policy.

By implementing the various measures described above, the Company seeks to secure and enhance corporate value and the common interests of shareholders.

III Measures to prevent decisions on financial and business policies of the Company from being controlled by inappropriate parties in the context of its basic policy

1. Outline and purpose of this Plan

The Board of Directors of the Company decided to continue this Plan for the purpose of clarifying the rules to be adhered to by a party intending to carry out a large-scale purchase of shares of the Company and securing information and time that are necessary and sufficient for shareholders and investors to make an appropriate decision as well as the opportunity to negotiate with the party intending to carry out such a large-scale purchase.

As outlined below, this Plan establishes rules to be adhered to by a party intending to carry out a large-scale purchase of shares of the Company, clarifies that in certain cases, the party intending to carry out a large-scale purchase may sustain a loss as the Company takes countermeasures, and warns the party intending to carry out a large-scale purchase of shares of the Company that will not contribute to the Company's corporate value and eventually the common interests of shareholders by appropriately disclosing such rules and clarifications.

In exercising countermeasures under this Plan and taking other similar actions, the Company will, in accordance with the Independent Committee Regulations (for the outline of the Regulations, see Appendix 1), respect the recommendations of an independent committee solely consisting of Outside Directors of the Company or outside experts (senior corporate executives with proven track records, ex-government officials, attorneys at law, certified public accountants, persons with academic experience or persons equivalent thereto) who are independent from the senior executives in charge of business execution of the Company (hereinafter "the Independent Committee") to the maximum extent in order to preclude any arbitrary decision by its Board of Directors, and ensure transparency through timely and appropriate information disclosure to shareholders and investors. The Independent Committee at the time of the continuation of this Plan will consist of the five (5) individuals whose names are listed in Appendix 2.

The status of major shareholders of the Company as of March 31, 2026 is as shown in Appendix 3 "Status of Major Shareholders of the Company."

At the same point in time, officers and related parties, and the employee shareholders association (hereinafter collectively known as "officers, etc. of the Company") held approximately 30.0% of the outstanding shares, but it is not necessarily the case that officers, etc. of the Company exercise their voting rights in unison or in cooperation with each other. Because these relationships are independent, it is possible that the shares, etc. of the Company will be transferred to or inherited by others or disposed of in other ways as a result of various developments, and that these holdings will become increasingly decentralized going forward. In addition, it is possible that the Company will procure funds from the capital markets as it seeks to expand the business going forward, and in such an event the ownership ratio of each group of shareholders could be diluted.

It is in these circumstances that public awareness of hostile takeover bids has risen, and it is because it may be undesirable from the perspective of enhancing corporate value to be completely defenseless against a takeover bid that risks damaging corporate value and in turn the common interests of shareholders that we consider this Plan to be necessary.

As of the date of this document, the Company has not received any proposal for a large-scale purchase of shares of the Company.

2. Content of this Plan

(1) Procedures for this Plan

1) Large-Scale Purchases subject to this Plan

This Plan applies to purchases of shares of the Company that fall under (i), (ii) or (iii) below or acts similar thereto (excluding those that are approved by the Board of Directors of the Company; hereinafter such acts are referred to as "Large-Scale Purchases"). A party who carries out or intends to carry out a

Large-Scale Purchase (hereinafter “Purchaser”) shall be required to follow the procedures preliminarily prescribed in this Plan.

- (i) A purchase resulting in the shareholding ratio¹ of the holder² becoming 20% or more of the shares issued by the Company³
- (ii) A tender offer resulting in the sum of the shareholding ratio⁴ of the shares pertaining to the tender offer⁵ and the shareholding ratio of their specially related parties⁶ becoming 20% or more of the shares issued by the Company⁷
- (iii) Regardless of whether any of the acts prescribed in (i) or (ii) above have been conducted, any agreement or other act conducted by a specific shareholder with other shareholders of the Company (including cases where there are multiple other shareholders; the same shall apply hereinafter in this (iii)) that results in such other shareholders falling under the category of joint holders of such specific shareholder, or any act⁹ to establish a relationship⁸ in which one party substantially controls the other or the parties act jointly or in concert with each other” (provided, however, that this shall be limited to cases where the aggregate shareholding ratio or stock ownership ratio of such specific shareholder and such other shareholders in the shares issued by the Company is 20% or more.)

2) Prior submission of a Letter of Intent to the Company

A Purchaser is required to submit to the Board of Directors of the Company a document containing, among others, a written pledge to the effect that the Purchaser will comply with the procedures prescribed in this Plan in relation to the proposed Large-Scale Purchase (hereinafter “Letter of Intent”) in a form prescribed by the Company before the execution of the Large-Scale Purchase.

More specifically, the Purchaser is required to state the following matters in the Letter of Intent.

¹ This term is as defined in Article 27-23, paragraph 4 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.

² This term means holders as defined in Article 27-23, paragraph 1 of the Financial Instruments and Exchange Act and includes parties who are included in the category of holders pursuant to the provisions of paragraph 3 of that Article.

³ This term is as defined in Article 27-23, paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter unless otherwise prescribed. In the case of an amendment to any of the laws and regulations, etc. referred to in this Plan (including changes in the names of laws and regulations and the establishment of new laws and regulations, etc. that succeed old laws and regulations, etc.), any reference to the provisions of such laws and regulations, etc. in this Plan shall be deemed to be replaced with a reference to the provisions of amended laws and regulations, etc. that substantively succeed the old provisions unless otherwise prescribed by the Board of Directors of the Company.

⁴ This term is as defined in Article 27-2, paragraph 8 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.

⁵ This term is as defined in Article 27-2, paragraph 6 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.

⁶ This term means specially related parties as defined in Article 27-2, paragraph 7 of the Financial Instruments and Exchange Act. However, the parties set forth in item (i) of that paragraph shall exclude those who are prescribed in Article 3, paragraph 2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer. The same shall apply hereinafter.

⁷ This term is as defined in Article 27-2, paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter in (ii).

⁸ Determination as to whether a "relationship in which one party substantially controls the other or the parties act jointly or in concert with each other" has been established between such specific shareholder and such other shareholder(s) shall be made based on factors such as the formation of new investment relationships, business alliances, transactional or contractual relationships, interlocking directorates, provision of funds, credit extension, or substantial interests in the Company's shares through derivatives, stock lending, or other means, as well as the direct or indirect influence that such specific shareholder and such other shareholder(s) exert on the Company.

⁹ Determination as to whether any of the actions prescribed in (iii) of the main text have been conducted shall be made by the Board of Directors of the Company, while giving the utmost respect to the recommendations of the Independent Committee.

Furthermore, the Board of Directors of the Company may request that a shareholder of the Company provide necessary information to the extent required to determine whether the requirements in (iii) above have been met.

- (i) Summary description of the Purchaser
 - (a) Name and address or location
 - (b) Title and name of the representative
 - (c) Purpose and business description of the company, etc.
 - (d) Summary description of major shareholders or equity holders (10 largest holders in terms of ownership ratio of shares or equity holding ratio)
 - (e) Contact address in Japan
 - (f) Law governing the incorporation
- (ii) The number of shares of the Company currently held by the Purchaser and the trading status of the Purchaser regarding the shares of the Company during the period of 60 days immediately preceding the date of submission of the Letter of Intent
- (iii) Summary of the Large-Scale Purchase proposed by the Purchaser (including the class and number of the Company's shares that the Purchaser plans to acquire through the Large-Scale Purchase, and the purpose of the Large-Scale Purchase [The fact and details in the case where the purpose is a material proposal¹⁰, such as to acquire a controlling interest or participate in management, to make a pure investment or establish a cross shareholding, to transfer the Company's shares to a third party after the Large-Scale Purchase, or other purpose. Moreover, in the case of multiple purposes, the Purchaser is required to state all of them.])

3) Provision of Necessary Information

In cases where the Purchaser has submitted the Letter of Intent referred to in 2) above, the Purchaser is required to submit to the Company information that is necessary and sufficient for shareholders and investors to make a decision regarding the Large-Scale Purchase (hereinafter "Necessary Information") in accordance with the following procedure:

First, the Board of Directors of the Company will send to the Purchaser at the contact address in Japan specified in 2) (i) (e) above an information list specifying information to be initially submitted within 10 business days¹¹ (the first day not included) from the date of submission of the Letter of Intent. The Purchaser is required to submit sufficient information to the Company in accordance with the information list.

If the information provided by the Purchaser in accordance with the information list is reasonably determined by the Board of Directors of the Company to be insufficient for shareholders and investors to make a decision and for the Board of Directors of the Company to make an evaluation or examination, etc., in view of the details and the form of the Large-Scale Purchase, the Company requires the Purchaser to provide additional information that is separately requested by the Board of Directors of the Company.

Regardless of the details and the form of the Large-Scale Purchase, the information listed in the following items shall, in principle, be included as part of the information list.

- (i) Details (including history, specific name, capital structure, business description, description of financial conditions, and names and career summary of officers) of the Purchaser and its group (including joint holders¹² specially related parties and, in the case of a fund, partners and other members). The same shall apply hereinafter unless otherwise prescribed.

¹⁰ This term means material proposal as defined in Article 27-26, paragraph 1 of the Financial Instruments and Exchange Act, Article 14-8-2, paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act, and Article 16 of the Cabinet Office Ordinance on Disclosure of the Status of Large Volume Holding of Share Certificates, etc. The same shall apply hereinafter unless otherwise prescribed.

¹¹ A business day means a day other than the days set forth in the items of Article 1, paragraph 1 of the Act on Holidays of Administrative Organs. The same shall apply hereinafter.

¹² This term means joint holder as defined in Article 27-23, paragraph 5 of the Financial Instruments and Exchange Act and includes parties who are deemed to be joint holders pursuant to the provisions of paragraph 6 of that Article by the Board of Directors of the Company.

- (ii) The purpose of the Large-Scale Purchase (details of the purpose disclosed in the Letter of Intent), the method and other details of the Large-Scale Purchase (including whether the Purchaser intends to participate in management of the Company, types and amounts of consideration for the Large-Scale Purchase, the timing of the Large-Scale Purchase, the structure of any related transactions, the planned number of shares to be purchased, the ownership ratio of shares after the execution of the purchase, and the legality of the method of the Large-Scale Purchase)
- (iii) The basis of calculation of the consideration for the Large-Scale Purchase (including the assumptions and facts of the calculation; the method of calculation; numerical information used in the calculation; the details of the synergy expected to arise from a series of transactions related to the Large-Scale Purchase; the name of a third party, if any, from whom an opinion is obtained in performing the calculation; the outline of such an opinion and; the process through which the amount is determined based on such an opinion)
- (iv) Supporting documents explaining the source of funds for the Large-Scale Purchase (including the specific name of the provider of the funds [including substantial providers of funds], funding methods and the details of any related transactions)
- (v) Presence or absence of communication with a third party in conducting the Large-Scale Purchase and the details of the communication and the outline of the third party if such communication exists
- (vi) If, with regard to shares of the Company already held by the Purchaser, there are any lending agreement, hypothecation agreement, sell-back agreement, sales reservation or other important contracts or arrangements (hereinafter “Hypothecation Agreements, etc.”), the type of the Hypothecation Agreements, etc., the other party to the agreement, and the specific terms and conditions such as the quantity, etc. of the shares that are the subject of the agreement.
- (vii) If the Purchaser plans to enter into Hypothecation Agreements, etc. or any other agreements with a third party with regard to the shares of the Company planned to be purchased by the Purchaser through the Large-Scale Purchase, the type of the agreement planned to be concluded, the other party to the agreement, and the specific terms and conditions of the agreement such as the quantity, etc. of the shares that are the subject of the agreement
- (viii) The management policy, business plan, capital policy, and dividend policy of the Company and the Group after the Large-Scale Purchase
- (ix) The policy on the treatment, etc. of the Company and the Group’s employees, labor union, business partners, customers, local communities, and other stakeholders of the Company after the Large-Scale Purchase
- (x) Specific measures to avoid any conflict of interest with other shareholders of the Company

When a Purchaser has proposed a Large-Scale Purchase, the Board of Directors of the Company discloses that fact at an appropriate point. The Board also promptly discloses the outline of the proposal, the outline of the Necessary Information, and any other information that is deemed necessary for shareholders to make a decision.

The Board of Directors of the Company submits all information received from the Purchaser to the Independent Committee. If the Independent Committee determines that the provided information is insufficient as the Necessary Information, the Independent Committee, through the Board of Directors, may request the Purchaser an additional submission of the Necessary Information.

In addition, when the Board of Directors of the Company determines that the Necessary Information has been sufficiently provided by the Purchaser, they notify the Purchaser to that effect (hereinafter “Information Provision Completion Notice”) and promptly disclose that fact.

4) Establishment of the Board of Directors' Evaluation Period

After giving the Information Provision Completion Notice, the Board of Directors of the Company selects either of the periods listed in (i) or (ii) below (in either case, not including the first day), depending on such factors as the difficulty of evaluation of the Large-Scale Purchase, as a period for evaluation, examination, negotiation, opinion formation, and development of an alternative proposal by the Board of Directors of the Company (hereinafter the "Board of Directors' Evaluation Period").

- (i) In the case of a tender offer of all shares of the Company, the consideration for which consists only of cash (in Japanese yen): a period of up to 60 days; or
- (ii) In the case of other Large-Scale Purchases: a period of up to 90 days.

However, in either of the above cases (i) and (ii), the Board of Directors' Evaluation Period may be extended if the Board of Directors finds it necessary. In such cases, the Company notifies the Purchaser of the specific length of the extension and the reasons for the necessity of the extension and discloses that fact to shareholders and investors. The extension may be up to 30 days.

During the Board of Directors' Evaluation Period, the Board of Directors of the Company shall sufficiently evaluate and examine the Necessary Information provided by the Purchaser while obtaining the advice of external experts from time to time as necessary and shall thereby examine the details of the Large-Scale Purchase proposed by the Purchaser from the perspective of protecting and enhancing the corporate value of the Company and the common interests of shareholders. The Board of Directors of the Company will carefully form its opinion on the proposed Large-Scale Purchase through these examinations, etc., and notify the Purchaser of it. It will also disclose its opinion to shareholders and investors in a timely and appropriate manner. The Board of Directors of the Company will also negotiate the terms and conditions and the method of the Large-Scale Purchase with the Purchaser as necessary and may present an alternative proposal to its shareholders and investors.

5) Recommendations of the Independent Committee concerning the exercise of countermeasures

During the Board of Directors' Evaluation Period, the Independent Committee shall, in parallel with the evaluation, examination, negotiation, opinion formation and development of an alternative proposal by the Board of Directors of the Company outlined in 4) above, make recommendations to the Board of Directors of the Company on whether any countermeasures should be exercised, in accordance with the procedure outlined below. In doing so, the Independent Committee may, at the cost of the Company, obtain advice of external experts who are independent from the senior executives in charge of business execution of the Company (including investment banks, securities companies, financial advisors, certified public accountants, attorneys at law, consultants, and other experts) in order to ensure that the judgment of the Independent Committee is made in a manner to contribute to the protection and enhancement of the corporate value of the Company and the common interests of shareholders. When the Independent Committee has made the following recommendations listed in (i) or (ii) below to the Board of Directors of the Company, the Board of Directors of the Company promptly discloses the fact that such recommendations have been made and the outline of the recommendations together with information about any other matters deemed appropriate by the Board of Directors of the Company.

- (i) In cases where the Purchaser has not complied with the procedures prescribed in this Plan

In cases where the Purchaser has not complied with the procedures prescribed in 2) through 4) above, the Independent Committee will, in principle, recommend the exercise of countermeasures to the Board of Directors of the Company.

- (ii) In cases where the Purchaser has complied with the procedures prescribed in this Plan

In cases where the Purchaser has complied with the procedures prescribed in this Plan, the Independent Committee will recommend the non-exercise of countermeasures to the Board of Directors of the Company.

However, even in cases where the Purchaser has complied with the procedures prescribed in this Plan, the Independent Committee may still exceptionally recommend the exercise of

countermeasures if it has concluded that the proposed Large-Scale Purchase is one of the types listed in Appendix 4 that would significantly undermine the corporate value of the Company and the common interests of shareholders. In addition, the Independent Committee may include a reservation to the effect that the intent of the shareholders should be confirmed in advance regarding the triggering of countermeasures.

6) Resolution of the Board of Directors and Confirmation of shareholder intent

The Board of Directors of the Company shall respect the recommendations of the Independent Committee prescribed in 5) above to the maximum extent and, taking into account the recommendation, promptly pass a resolution approving the exercise or non-exercise of countermeasures from the perspective of protecting and enhancing the corporate value of the Company and the common interests of shareholders.

In the event that the Independent Committee, when recommending the triggering of countermeasures, includes a reservation to the effect that shareholder intent should be confirmed in advance, the Board of Directors of the Company shall convene a general meeting of shareholders to confirm shareholder intent (the "General Meeting to Confirm Shareholder Intent") within the shortest practicable period and submit a proposal for the triggering of countermeasures, except where such a meeting is deemed extremely impractical. The General Meeting to Confirm Shareholder Intent may be held concurrently with an Ordinary General Meeting of Shareholders or an Extraordinary General Meeting of Shareholders. If the Board of Directors of the Company decides to convene a General Meeting to Confirm Shareholder Intent, the Board of Directors' Evaluation Period shall terminate at that point in time. If a proposal regarding the triggering of countermeasures is approved at such General Meeting to Confirm Shareholder Intent, the Board of Directors of the Company shall, in accordance with the decision made at the meeting, pass a resolution to trigger the countermeasures and carry out the necessary procedures. On the other hand, if a proposal regarding the triggering of countermeasures is rejected at such General Meeting to Confirm Shareholder Intent, the Board of Directors of the Company shall pass a resolution not to trigger the countermeasures.

When the Board of Directors of the Company has passed such a resolution, whether the content of the resolution is the exercise or non-exercise of countermeasures, it shall promptly disclose the outline of the resolution along with information about any other matters deemed appropriate by the Board of Directors of the Company and the Independent Committee. Additionally, if a General Meeting to Confirm Shareholder Intent is held, the voting results and any other matters deemed appropriate by the Board of Directors and the Independent Committee will also be promptly disclosed.

7) Discontinuation of countermeasures or revocation of the decision to exercise countermeasures

Even after the Board of Directors of the Company has passed a resolution approving the exercise of countermeasures in accordance with the procedure prescribed in 6) above or has started exercising countermeasures, if (i) the Purchaser has withdrawn the proposal for a Large-Scale Purchase or (ii) there have been changes in the facts on which the judgment as to whether countermeasures should be exercised and it is no longer deemed appropriate to exercise the countermeasures from the perspective of enhancing and protecting the corporate value of the Company and the common interests of shareholders, the Board of Directors of the Company shall discontinue countermeasures or revoke the decision to exercise countermeasures.

When the Board of Directors of the Company has passed such a resolution, it shall promptly disclose the outline of the resolution together with information about any other matters deemed appropriate by the Board of Directors of the Company.

8) Commencement of a Large-Scale Purchase

The Purchaser shall comply with the procedures prescribed in 1) through 6) above and may not commence the Large-Scale Purchase unless the Board of Directors passes a resolution approving the exercise or non-exercise of countermeasures.

(2) Specific countermeasures to be exercised under this Plan

The countermeasures to be exercised by the Board of Directors of the Company based on its resolution as described in (1) 6) above shall be the allotment of share acquisition rights (the “Share Acquisition Rights”) without contribution.

The outline of the allotment of the Share Acquisition Rights without contribution shall be as prescribed in Appendix 5 “Outline of the Allotment of the Share Acquisition Rights Without Contribution.”

As described in (1) 7) above, the Board of Directors of the Company may discontinue countermeasures or revoke the decision to exercise countermeasures even after it has passed a resolution approving the exercise of countermeasures or has started exercising countermeasures. For example, in the case where the Board of Directors of the Company had passed a resolution approving the allotment of the Share Acquisition Rights without contribution as countermeasures, if the Purchaser has discontinued the Large-Scale Purchase and the Board of Directors of the Company has passed a resolution described in (1) 7) above, the board may revoke the decision to exercise countermeasures by such way as aborting the allotment of the Share Acquisition Rights without contribution during the period until the day immediately preceding the ex-rights date pertaining to the record date set for the allotment of the Share Acquisition Rights without contribution and as the Company’s acquiring the Share Acquisition Rights without contribution during the period from the effective date of the allotment of the Share Acquisition Rights without contribution to the day immediately preceding the start date of the exercise period of the Share Acquisition Rights.

(3) Effective period, abolition, and change of this Plan

In the event that approval is obtained at this Annual General Meeting of Shareholders, the effective period of this Plan will expire in three years’ time, at the conclusion of the Annual General Meeting of Shareholders scheduled to be held in June 2029.

However, if a resolution approving the change or abolition of this Plan is passed at a General Meeting of Shareholders of the Company anytime before the expiration of the said effective period, this Plan shall be changed or abolished at that time pursuant to the resolution. In addition, if a resolution approving the abolition of this Plan is passed by the Board of Directors consisting of Directors elected at a General Meeting of Shareholders of the Company, this Plan shall be abolished at that time.

The Board of Directors of the Company may, upon approval of the Independent Committee, revise or change this Plan in a range that is judged reasonably necessary due to: a change in the Companies Act, Financial Instruments and Exchange Act, other laws or regulations or rules of the financial instruments exchange; a change in the interpretation or operation thereof; or a change in the taxation system, judicial precedents, etc.

In cases where this Plan is abolished or changed, the Company shall disclose such a fact of abolition or change and (in the case of a change) the detail of the change together with information about any other matters deemed appropriate by the Board of Directors of the Company.

3. Rationale of this Plan

(1) This Plan satisfies all the requirements of the guidelines on takeover defense measures.

This Plan satisfies the three principles (principle of protecting and enhancing corporate value and shareholders’ common interests, principle of prior disclosure and shareholders’ will, and principle of ensuring the necessity and reasonableness of defensive measures) prescribed in the “Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders’ Common Interest” jointly published by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005. Furthermore, the Plan is based on the content of “Takeover Defense Measures in Light of Recent Environmental Changes” published by the Corporate Value Study Group on June 30, 2008, “Principle 1-5: Anti-Takeover Measures” of the “Corporate Governance Code” revised by Tokyo Stock

Exchange, Inc., on June 11, 2021, and the “Guidelines for Corporate Takeovers” published by the Ministry of Economy, Trade and Industry on August 31, 2023.

(2) This Plan is being continued for the purpose of protecting and enhancing corporate value of the Company and the common interests of shareholders.

As noted in the 1. above, the continuation of this Plan is proposed for the purpose of protecting and enhancing the corporate value of the Company and the common interests of shareholders in the case where a Large-Scale Purchase of shares of the Company is proposed by securing information and time necessary for the shareholders to decide whether to accept the proposal for the Large-Scale Purchase or for the Board of Directors of the Company to present an alternative proposal, as well as by enabling the Company to negotiate with the Purchaser on behalf of its shareholders or to take similar actions.

(3) This Plan respects shareholders’ intention.

This Plan is to be continued subject to the consent of shareholders at this Annual General Meeting of Shareholders. As stated in 2. (3) above, if a resolution approving the change or abolition of this Plan is passed at a General Meeting of Shareholders of the Company anytime after it is approved at this Annual General Meeting of Shareholders, this Plan will be changed or abolished pursuant to that resolution. Therefore, the intention of shareholders will be adequately reflected in the continuation, change or revocation of this Plan through the procedure mentioned above.

(4) This Plan respects the judgment of highly independent outside parties and discloses information.

Under this Plan, an Independent Committee has been established for the purpose of precluding any arbitrary decision of the Board of Directors concerning, among others, the exercise of countermeasures against a Large-Scale Purchase and ensuring the objectivity and reasonableness of the decisions and responses of the Board of Directors.

The Independent Committee consists of three (3) or more members who are to be appointed from among Outside Directors of the Company, or outside experts (senior corporate executives with proven track record, ex-government officials, attorneys at law, certified public accountants, persons with academic experience, or persons equivalent thereto) who are independent from the senior executives in charge of business execution of the Company.

The Company will disclose to shareholders and investors information about the outline of the judgment made by the Independent Committee as necessary and has put in place a mechanism to ensure the transparent administration of this Plan in a manner that will contribute to the corporate value of the Company and the common interests of shareholders.

(5) Reasonable and objective requirements for the exercise of this Plan

As stated in 2. (1) above, the Company has structured this Plan in a manner that it will not be exercised unless reasonable and objective requirements for exercise are satisfied and has put in place a mechanism to prevent the Board of Directors of the Company from arbitrarily exercising it.

(6) This Plan is not a dead-hand type or slow-hand type takeover defense plan.

As stated in 2. (3) above, this Plan may be abolished at any time by a Board of Directors consisting of Directors who are elected at the General Meeting of Shareholders of the Company. Therefore, this Plan is not a dead-hand type takeover defense plan (a takeover defense plan whose exercise cannot be prevented even after replacing a majority of the members of the Board of Directors).

In accordance with statute, the term of office is one year for Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members), and two years for Directors who are Audit & Supervisory Committee Members, and the Company does not use staggered terms. Consequently, this Plan is not a slow-hand type takeover defense plan (a takeover defense plan that requires time to prevent exercise of the plan because the members of the Board of Directors cannot be replaced at once).

4. Impact on shareholders and investors

(1) Impact of the continuation of this Plan on shareholders and investors upon its taking effect

When the continuation of this Plan takes effect, none of the Share Acquisition Rights will be issued.

Therefore, upon its taking effect, this Plan will not directly have any specific impact on the legal rights and economic benefits pertaining to shares of the Company held by shareholders.

As stated in 2. (1) above, depending on whether the Purchaser complies with this Plan, the response policy of the Company to the proposed Large-Scale Purchase will be different. Therefore, shareholders and investors are advised to pay attention to any action that the Purchaser may or may not take.

(2) Impact on shareholders and investors at the time of allotment of the Share Acquisition Rights without contribution

In the case where the Board of Directors of the Company decides to exercise countermeasures and carry out allotment of the Share Acquisition Rights without contribution, the Share Acquisition Rights will be allotted without contribution to shareholders whose names are recorded in the shareholder register as of the allotment date to be specified separately at the rate of up to one Share Acquisition Rights per share held. Due to the nature of such a structure, while the allotment of the Share Acquisition Rights without contribution causes dilution of the economic value per share of the Company held by each shareholder, it does not cause dilution of the economic value of the shares of the Company held by each shareholder, or of the voting rights of each share of the Company. As such, the allotment of the Share Acquisition Rights without contribution is not expected to directly have a specific impact on legal rights and economic benefits pertaining to shares of the Company held by shareholders.

However, as a result of the exercise of these countermeasures, the Purchaser may eventually be subject to certain impact on its legal rights and economic benefits.

In cases where the Board of Directors of the Company passes a resolution approving the allotment of the Share Acquisition Rights without contribution, but subsequently decides to discontinue countermeasures that it has exercised or revoke the decision to exercise countermeasures in accordance with the procedure described in 2. (1) 7) above, the price of shares of the Company may fluctuate accordingly. For example, in cases where the Company revokes the exercise of countermeasures after the shareholders to receive the allotment of the Share Acquisition Rights without contribution are determined and thereby it acquires the Share Acquisition Rights without contribution and does not deliver new shares, no dilution of economic value per share of the Company held by each shareholder occurs. Accordingly, shareholders and investors who have traded shares of the Company based on the assumption that dilution of economic value per share of the Company would occur may be exposed to a loss due to share price fluctuation.

In cases where discriminatory conditions are attached in relation to the exercise or acquisition of the Share Acquisition Rights, while the legal rights and economic benefits of the Purchaser are expected to be affected with regard to the said exercise or acquisition, such conditions are not expected to directly have a specific impact on the legal rights and economic benefits pertaining to shares of the Company held by shareholders other than the Purchaser.

(3) Procedures to be followed by shareholders in conjunction with the allotment of the Share Acquisition Rights without contribution

As those shareholders whose names are recorded in the last shareholder register as of the date of the allotment of the Share Acquisition Rights without contribution would naturally become holders of share options as of the effective date of the allotment of the Share Acquisition Rights without contribution, no application procedure needs to be followed by these shareholders.

Shareholders may need to exercise the Share Acquisition Rights within a prescribed period for the acquisition of new shares. (In such cases, shareholders are required to pay a certain amount of money.)

In addition to the above, after the Board of Directors of the Company passes a resolution approving the allotment of the Share Acquisition Rights without contribution, the allotment method, the exercise method, the method of acquisition by the Company and other details of the required procedures will be, based on the applicable laws and regulations and rules of the financial instruments exchange, disclosed or notified by the Company to shareholders in a timely and appropriate manner for their confirmation.

Outline of the Independent Committee Regulations

1. The Independent Committee is established by a resolution of the Board of Directors of the Company for the purpose of precluding any arbitrary decision of the board concerning, among others, the exercise of countermeasures against a Large-Scale Purchase and securing the objectivity and reasonableness of the decisions and responses of the Board of Directors of the Company.
2. The Independent Committee shall consist of three (3) or more members. The Independent Committee members shall be appointed by resolution of the Board of Directors of the Company from among persons who are either Outside Directors of the Company, or outside experts (senior corporate executives with proven track record, ex-government officials, attorneys at law, certified public accountants, persons with academic experience or persons equivalent thereto) and who are independent from the senior executives in charge of business execution of the Company. The Company shall enter into an agreement concerning the duty of due care of a prudent manager and confidentiality obligations with the Independent Committee members.
3. The term of office of an Independent Committee member shall be the period from the day on which they are appointed to the day of the conclusion of the Annual General Meeting of Shareholders for the last fiscal year that ends within three years, or to another day separately agreed between the Company and said member. However, this shall not apply if otherwise prescribed by a resolution of the Board of Directors of the Company.
4. The Independent Committee shall be convened by a Representative Director of the Company or any of the Independent Committee members.
5. The chairperson of the Independent Committee shall be elected from among the Independent Committee members by a vote of the members.
6. In principle, a resolution of the Independent Committee shall be passed by a majority of the votes of all the Independent Committee members present at the meeting. However, in the case of an accident or any other special circumstances that prevent an Independent Committee member from voting on a resolution, in principle, a resolution of the Independent Committee shall be passed by a majority of the votes of Independent Committee members present at meetings at which all Independent Committee members, excluding the Independent Committee member in question, are present.
7. The Independent Committee, based on the consultation of the Company's Board of Directors, shall deliberate and make resolutions on the matters listed in the following items, and recommend the content of those resolutions to the Company's Board of Directors with reasons attached;
 - (1) Whether countermeasures under this Plan should be exercised (This includes whether or not to obtain prior confirmation of shareholders intent regarding the exercise);
 - (2) Whether countermeasures under this Plan should be discontinued or the decision to exercise the countermeasures should be revoked;
 - (3) Whether this Plan should be abolished and changed; and
 - (4) Any other matters on which the Board of Directors of the Company from time to time seeks advice from the Independent Committee in relation to this Plan.

In deliberating and passing resolutions at the Independent Committee, each Independent Committee member shall do so solely from the perspective of whether the matter in question contributes to the corporate value of the Company and the common interests of shareholders and shall not do so for the purpose of seeking personal benefits for themselves or senior executives of the Company.
8. The Independent Committee may have a Director, employee of the Company or any other persons deemed necessary attend its meeting and request their opinion or explanation about matters specified by the Independent Committee as necessary.
9. In performing its duties, the Independent Committee may, at the cost of the Company, obtain advice of external experts that are independent from the senior executives who are in charge of business execution of the Company (including investment banks, securities companies, financial advisors, certified public accountants, attorneys at law, consultants, and other experts).

End

Names and career summaries for Independent Committee members

Name (Date of birth)	Past experience		
Michiko Kanai (June 16, 1955)	Apr.	1990	Register Lawyer Joined OH-EBASHI LAW OFFICES (current OH-EBASHI LPC & PARTNERS)
	Apr.	1998	OH-EBASHI LAW OFFICES partner
	Aug.	2002	OH-EBASHI LPC & PARTNERS partner
	June	2007	Outside Audit & Supervisory Board Member, USJ Co., Ltd. (current USJ LLC.)
	June	2015	Outside Director, the Company (current position) Outside Audit & Supervisory Board Member, SANKYO SEIKO CO., Ltd.
	June	2016	Outside Director, IDEC CORPORATION
	June	2018	Outside Director (Audit & Supervisory Committee member), IDEC CORPORATION (current position)
	June	2020	Outside Director, AS ONE CORPORATION
	June	2023	Outside Director (Audit & Supervisory Committee member), AS ONE CORPORATION (current position)
	Jan.	2026	OH-EBASHI LPC & PARTNERS lawyer (current position)
Yaichiro Fukui (November 10, 1946)	June	1997	Director, Sekisui Jushi Corporation
	June	1999	Executive Director and Executive Officer, Sekisui Jushi Corporation
	June	2001	Senior Executive Director, Sekisui Jushi Corporation
	June	2002	Vice President and Director, Sekisui Jushi Corporation
	June	2003	President and Representative Director, Sekisui Jushi Corporation
	June	2012	President, Sekisui Jushi Corporation
	Apr.	2016	Chairman of the Board and Chief Executive Officer, Sekisui Jushi Corporation
	Apr.	2022	Chairman of the Board and Director, Sekisui Jushi Corporation
	June	2022	Outside Director, NIHON KOGYO CO., LTD.
	June	2024	Outside Director, the Company (current position)
Kana Yasuda (April 10, 1969)	Oct.	1993	Joined Century Audit Corporation (current Ernst & Young ShinNihon LLC)
	Apr.	1997	Registered as Certified Public Accountant
	Mar.	2000	Founder and Representative of Yasuda Accounting Firm (current position)
	Mar.	2004	Registered as Licensed Tax Accountant
	Sep.	2009	Outside Audit & Supervisory Board Member, SHINPO CO., LTD.
	May	2010	Outside Audit & Supervisory Board Member, Sugi Holdings Co., Ltd. (current position)
	June	2016	Outside Director, GEO HOLDINGS CORPORATION (current position)
	June	2019	Outside Director, Chuo Spring Co., Ltd. (current position) Outside Audit & Supervisory Board Member, the Company
	June	2020	Outside Director, the Company (Audit & Supervisory Committee Member) (current position)
	Sep.	2021	Outside Director, Monogatari Corporation (current position)

Name (Date of birth)	Past experience		
Taku Tokuda (February 5, 1972)	Apr.	2000	Registered as Lawyer, joined Ozawa & Akiyama
	Oct.	2003	Joined Tokuda Law Office
	Oct.	2018	Part-time Instructor, Graduate School of Law, Kyoto University
	Jan.	2020	Representative lawyer, Tokuda Law Office (current position)
	June	2020	Outside Director, the Company (Audit & Supervisory Committee Member) (current position)
Minako Yamaoka (April 7, 1959)	Apr.	2021	Visiting Professor, Graduate School of Law, Kyoto University
	June	2008	Executive Officer and Director, and President of Cosmetics Company, FANCL CORPORATION
	June	2010	Executive Officer and Director, and General Manager of Business Development Promotion Division, FANCL CORPORATION
	Mar.	2013	Senior Managing Director, and President of Cosmetics Company, FANCL CORPORATION
	Apr.	2014	Senior Managing Director, FANCL CORPORATION President and Representative Director, FANCL COSMETICS CORPORATION
	Apr.	2017	Senior Managing Director in charge of New Business Format Development, FANCL CORPORATION
	July	2018	Adviser, FANCL CORPORATION
	May	2020	Director in charge of New Business Development, Ands Corporation
	Mar.	2021	Outside Director, NICCA CHEMICAL CO., LTD. (current position)
	June	2021	Outside Director (Audit & Supervisory Committee member), the Company (current position)
	June	2023	Outside Director, St.Cousair Co., Ltd. (current position)

- (Notes)
1. There are no special interests between each of the above five individuals and the Company.
 2. The Company has notified the Tokyo Stock Exchange that Michiko Kanai, Yaichiro Fukui, Kana Yasuda, Taku Tokuda and Minako Yamaoka are all Independent Directors based on the regulations of the Tokyo Stock Exchange.

End

Status of Major Shareholders of the Company

The status of major shareholders of the Company as of March 31, 2026, is as shown below.

Name of shareholders	Number of shares held (thousand shares)	Ownership ratio (%)
Towa Kosan Corp.	2,714	10.59
THE BANK OF NEW YORK – JASDECNON – TREATY ACCOUNT	1,581	6.17
BBH FOR FIDELITY LOW – PRICED STOCK FUND	1,515	5.91
KONDOTEC employees stock ownership	1,342	5.24
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,330	5.19
Osaka Small and Medium Business Investment & Consultation Co., Ltd.	1,247	4.87
MUFG Bank, Ltd.	753	2.94
Toto Kosan INC.	676	2.64
Masahide Kondo	664	2.59
STATE STREET BANK AND TRUST CLIENT OMNIBUS ACCOUNT OM02 505002	485	1.89
Total	12,311	48.03

- (Notes)
1. The Company owns 709,440 of its own shares, but these are not taken into account when considering the status of major shareholders given above.
 2. Ownership ratios are calculated after deducting the 709,440 treasury shares.
 3. In the change report on large-volume holdings submitted for public inspection on September 19, 2019 (No.6), FIL Investments (Japan) Limited held the following shares as of September 13, 2019. However, because the Company was unable to confirm the actual number of shares held as of the end of the fiscal year in question, it has not been taken into account when considering the status of major shareholders given above.
The details of the change report are as follows.

Name	Number of shares, etc. held (thousand shares)	Ownership ratio of shares, etc. (%)
FMR LLC	2,656	9.74

4. In the change report on large-volume holdings submitted for public inspection on July 29, 2024 (No.3), Mitsubishi UFJ Financial Group, Inc. held the following shares as of July 22, 2024. However, because the Company was unable to confirm the actual number of shares held as of the end of the fiscal year in question, it has not been taken into account when considering the status of major shareholders given above.
The details of the change report are as follows.

Name	Number of shares, etc. held (thousand shares)	Ownership ratio of shares, etc. (%)
MUFG Bank, Ltd.	753	2.86
Mitsubishi UFJ Trust and Banking Corporation	585	2.22
Mitsubishi UFJ Asset Management Co., Ltd.	100	0.38
T o t a l	1,439	5.47

5. Although it is stated in the Large Shareholding Report made available for public inspection on December 9, 2025, that TADRANA Management und Asset GmbH held the following shares as of December 2, 2025, since the Company has been unable to confirm the number of shares effectively held as of the end of the current fiscal year, this has not been taken into account in the above status of major shareholders.
The details of the relevant Large Shareholding Report are as follows:

Name	Number of shares, etc. held (thousand shares)	Ownership ratio of shares, etc. (%)
TADRANA Management und Asset GmbH	1,318	5.01

End

Types of Large-Scale Purchase Proposals That Are Considered to Significantly Undermine the Corporate Value of the Company and the Common Interests of Shareholders

1. Cases where the Purchaser is found to be a party who does not have any intention to participate in corporate management and is acquiring or intends to acquire shares of the Company only for the purpose of selling the shares of the Company to the Company or a related party of the Company at a high price after driving the share price higher (so-called greenmailer)
2. Cases where the Purchaser is found to be acquiring shares of the Company for the purpose of transferring such assets of the Company or the Group companies as intellectual property rights, know-how, corporate secrets, major business partners or customers that are necessary for the business operation of the Company or the Group companies to the Purchaser or its group companies, etc. by temporarily acquiring control over the corporate management of the Company
3. Cases where the Purchaser is found to be acquiring shares of the Company for the purpose of using the assets of the Company or the Group companies as collateral for or the source of funds to repay, debts of the Purchaser or its group companies, etc. after acquiring the control over the corporate management of the Company
4. Cases where the Purchaser is found to be acquiring shares of the Company for the purpose of temporarily acquiring the control over the corporate management of the Company and disposing of high-value assets, etc. such as real estate, securities, etc., that are not currently related to the business of the Company or the Group companies by sale, etc. and temporarily paying higher dividends from the disposition proceeds or deliberately selling the shares of the Company at a high price as the share price surges during the period of the said temporarily higher dividends
5. Cases where the method of purchase of shares of the Company proposed by the Purchaser is found to impose restrictions on the opportunity or freedom of shareholders to make a decision by way of a so-called coercive two-tier tender offer (a method of carrying out a tender offer in two steps where the Purchaser does not solicit the sale of all shares of the Company in the first stage while specifying unfavorable terms and conditions for purchase in the second stage or not clarifying the terms and conditions for purchase in the second stage) and possibly resulting in shareholders being effectively forced to sell the shares of the Company

End

Outline of the Allotment of the Share Acquisition Rights Without Contribution

1. Total number of the Share Acquisition Rights to be allotted

The total number of the Share Acquisition Rights to be allotted shall be the number separately specified by the Board of Directors of the Company in the resolution approving the allotment of the Share Acquisition Rights without contribution (hereinafter “Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution”) and this number shall not exceed the number equivalent to the final total number of issued shares of the Company as of a certain day separately specified by the Board of Directors of the Company in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution (hereinafter “Allotment Date”) (excluding the number of shares of the Company held by the Company as of the said date).

2. Shareholders eligible for allotment

The Share Acquisition Rights shall be allotted without contribution to shareholders whose names are recorded in the last shareholder register as of the Allotment Date at the rate of up to one Share Acquisition Right per common share of the Company held by the said shareholders (excluding shares of the Company held by the Company as of the said date) that is separately specified by the Board of Directors of the Company in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution.

3. Effective date of the allotment of the Share Acquisition Rights without contribution

The effective date shall be the day separately specified by the Board of Directors of the Company in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution.

4. Class and number of shares that are the subject of the Share Acquisition Rights

The class of the shares that are the subject of the Share Acquisition Rights shall be common shares of the Company and the number of shares that are the subject of a Share Acquisition Right (hereinafter “Number of Subject Shares”) shall be the number separately specified by the Board of Directors of the Company in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution provided that the Number of Subject Shares shall not exceed one. However, in cases where the Company carries out a share split or share consolidation, the Number of Subject Shares shall be subject to required adjustment.

5. Type and amount of assets to be contributed upon exercise of the Share Acquisition Rights

The type of assets to be contributed upon exercise of the Share Acquisition Rights shall be money and the amount of assets to be contributed upon exercise of the Share Acquisition Rights per common share of the Company shall be the amount separately specified by the Board of Directors of the Company in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution provided that this amount shall not be less than ¥1.

6. Restrictions on the transfer of the Share Acquisition Rights

Any transfer of the Share Acquisition Rights shall be subject to the approval of the Board of Directors of the Company.

7. Exercise conditions of the Share Acquisition Rights

A party falling under any of the following categories (hereinafter collectively referred to as “non-qualified parties”) are not entitled to exercise the Share Acquisition Rights: (1) specified large volume holder¹³, (2) joint holder of a specified large volume holder, (3) specified large volume purchaser¹⁴, (4) specially related party of a specified large volume purchaser, (5) party who has received or succeeded the Share Acquisition Rights from any of the parties listed in (1) through (4) without obtaining the approval of the Board of Directors of the Company, or (6) related party¹⁵ of any of the parties falling under (1) through (5). The details of the exercise conditions of the Share Acquisition Rights shall be separately specified in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution.

8. Acquisition of the Share Acquisition Rights by the Company

The Company may acquire the Share Acquisition Rights held by parties other than non-qualified parties and deliver common shares of the Company in the Number of Subject Shares per Share Acquisition Right in exchange for them on the day separately specified by the Board of Directors of the Company. Furthermore, no monetary or other economic benefits shall be provided as consideration for the acquisition of the Stock Acquisition Rights held by Non-Qualified Parties. The details of the acquisition conditions of the Share Acquisition Rights shall be separately specified in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution.

9. Acquisition without contribution in the case of revocation, etc. of the decision to exercise countermeasures

In cases where the Board of Directors of the Company has revoked the exercise of countermeasures or other cases separately specified by the Board of Directors of the Company in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution, the Company may acquire all of the Share Acquisition Rights without contribution.

10. Exercise period, etc. of the Share Acquisition Rights

The exercise period of the Share Acquisition Rights and other necessary matters shall be separately specified by the Board of Directors of the Company in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution.

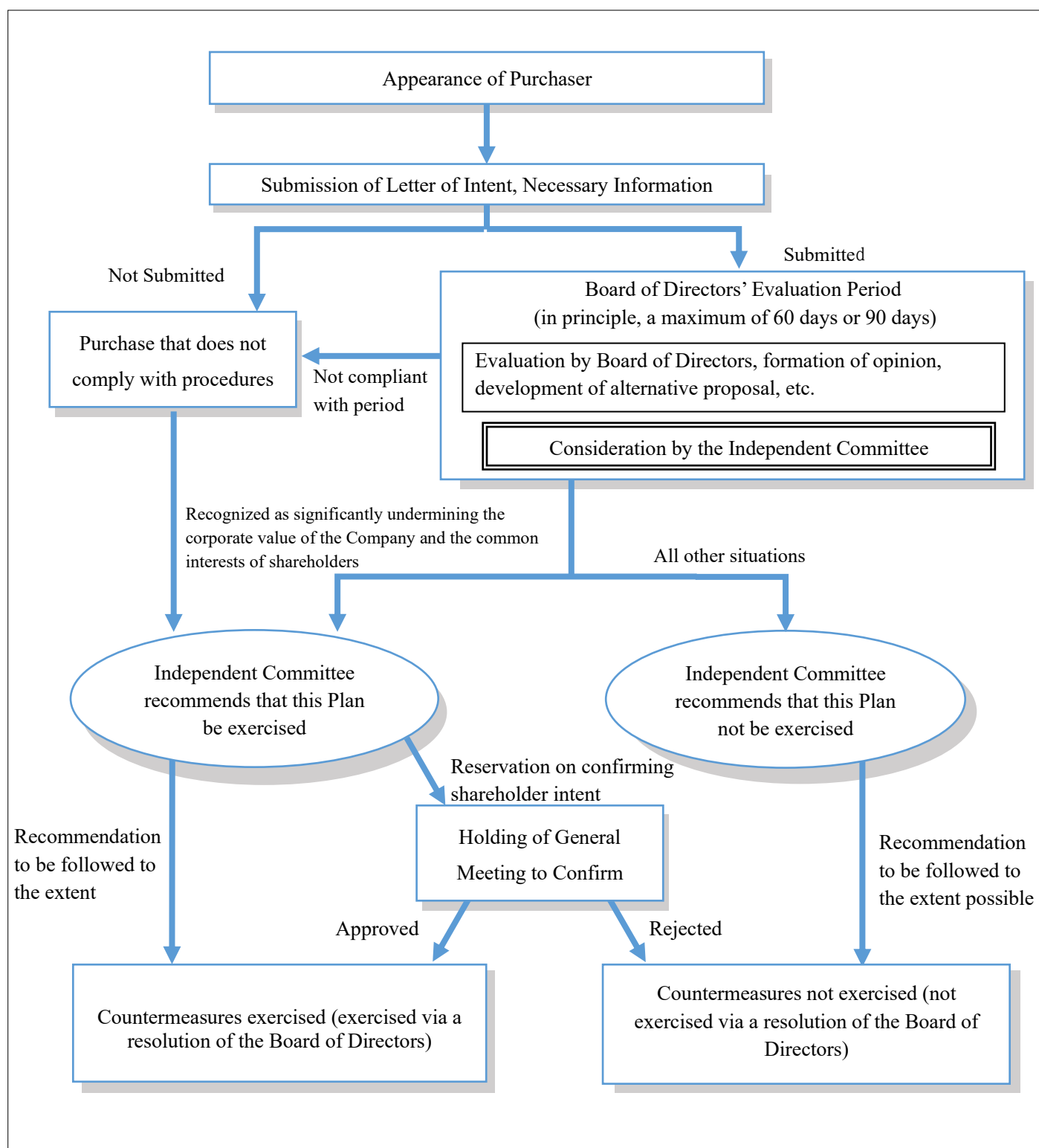
End

¹³ “Specified large volume holder” means a holder of shares, etc. issued by the Company whose ownership ratio of said shares, etc. is 20% or more, or a party who falls under the category of specified large volume holder as determined by the Board of Directors of the Company. However, such a party shall not fall under the category of specified large volume holder if the Board of Directors of the Company has determined that said party’s acquiring or holding shares, etc. of the Company is not against the corporate value of the Company and the common interests of shareholders or if the said party is a party separately specified as such by the Board of Directors of the Company in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution.

¹⁴ “Specified large volume purchaser” refers to a party who has given a public notice to the effect that it will carry out a purchase, etc. (meaning purchase, etc. as defined in Article 27-2, paragraph 1 of the Financial Instruments and Exchange Act; the same shall apply hereinafter in this note) of shares, etc. (meaning share certificates, etc. as defined in Article 27-2, paragraph 1 of the Financial Instruments and Exchange Act; the same shall apply hereinafter in this note) issued by the Company through a tender offer and the aggregate sum of whose ownership ratio of shares, etc. pertaining to its ownership after the said purchase, etc. (including those prescribed by Article 7, paragraph 2 of the Order for Enforcement of the Financial Instruments and Exchange Act as being equivalent thereto) as combined with the ownership ratio of shares, etc. of its specially related parties is 20% or more, or a party who falls under the category of specified large volume purchaser as determined by the Board of Directors of the Company. However, such a party shall not fall under the category of specified large volume purchaser if the Board of Directors of the Company has determined that said party’s acquiring or holding shares, etc. of the Company is not against the corporate value of the Company and the common interests of shareholders or if the said party is a party separately specified as such by the Board of Directors of the Company in the Resolution Approving the Allotment of the Share Acquisition Rights Without Contribution.

¹⁵ “Related party” of a given party means a party who substantively controls or is controlled by or is under the common control with the other party (including those who are determined by the Board of Directors of the Company to fall under the said definition) or a party who is determined by the Board of Directors of the Company to act in cooperation with the other party. “Control” means the “cases where a party controls decisions on financial and business policies” of other companies, etc. (meaning the cases defined in Article 3, paragraph 3 of the Regulations for Enforcement of the Companies Act).

Flowchart of the procedures of this Plan



※ This diagram has been created to enable the outline of this Plan to be more easily understood.

For the specific details of this Plan, please refer to the body of the text.

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