

Securities Code: 2429  
March 4, 2026

To: Shareholders

Eikichi Iida  
Chairman and President  
**WORLD HOLDINGS CO., LTD.**  
11-2 Otemachi, Kokurakita-ku, Kitakyushu-shi, Fukuoka

## **NOTICE OF CONVOCATION OF THE 33<sup>rd</sup> ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We are pleased to announce that the 33rd Ordinary General Meeting of Shareholders of WORLD HOLDINGS CO., LTD. (the “Company”), which will be held as described hereunder.

Reference materials and other information (electronically provided items) concerning this shareholders meeting are posted on the WORLD HOLDINGS website. Please visit the website to see this information.

Our website: <https://world-hd.co.jp/>

Electronically provided items can be viewed on the WORLD HOLDINGS website and on the website of the Tokyo Stock Exchange.

Tokyo Stock Exchange website (Listed company information service):  
<https://www2.jpx.co.jp/tseHpFront/JJK020020Action.do?Show=Show>

On the Tokyo Stock Exchange website, access WORLD HOLDINGS information by entering either “WORLD HOLDINGS” in the company name box or “2429” in the securities code box and clicking “search.” Next, click “basic information” and then “documents for public inspection/PR information.” Shareholders meeting documents are in the “public inspection” section.

If you are unable to attend the meeting, you may exercise your voting rights by one of the two methods below. Please review the attached Reference Documents for General Meeting of Shareholders and submit your votes no later than 5:45 p.m., Wednesday, March 18, 2026 (Japan time).

### **Exercise of voting rights in writing**

Please indicate your approval or disapproval for each agenda item on the voting rights exercise form that was sent with this notice of the shareholders meeting and return the form to us by the above deadline.

### **Exercise of voting rights via the internet**

Please access the Company’s designated shareholder voting website (<https://evote.tr.mufg.jp/>), follow the on-screen guidance, and enter your approval or disapproval for each agenda matter by the above deadline.

1. Date and Time: Thursday, March 19, 2026 at 10:00 a.m. (Japan time)		
2. Venue:	Royal Hall, 4th floor, RIHGA Royal Hotel Kokura 2-14-2 Asano, Kokurakita-ku, Kitakyushu, Fukuoka	
3. Purposes:	Matters to be reported	<ol style="list-style-type: none"> <li>1. Business Report and Consolidated Financial Statements and Reports of Audit on Consolidated Financial Statements by Accounting Auditor and Audit &amp; Supervisory Board for the 33rd Fiscal Year (from January 1, 2025 to December 31, 2025)</li> <li>2. Non-Consolidated Financial Statements for the 33rd Fiscal Year (from January 1, 2025 to December 31, 2025)</li> </ol>
	Matters to be resolved	
	Proposal 1:	Election of Fifteen (15) Directors
	Proposal 2:	Election of One (1) Audit & Supervisory Board Member
	Proposal 3:	Election of One (1) Substitute Audit & Supervisory Board Member
	Proposal 4:	Issuance of Stock Acquisition Rights as Tax-qualified Stock Options
	Proposal 5:	Issuance of Stock Acquisition Rights as Non-tax-qualified Stock Options
4. Matter to be resolved concerning the convocation of shareholders meetings (information about exercising voting rights)		
	(1)	When voting instructions are submitted by using a paper (sent by postal mail) voting rights exercise form, any item where no voting instruction is entered will be counted as a “yes” vote.
	(2)	When voting instructions are submitted using the internet more than once, the last voting instructions received will be counted.
	(3)	When a shareholder submits voting instructions using both the internet and a paper (sent by postal mail) voting rights exercise form, the internet voting instructions will be counted regardless of the order in which the two voting instructions were received.

If you are attending the meeting, please submit the enclosed voting rights exercise form to the reception desk upon arrival.

If there are revisions to electronically provided items, notification of the revisions and the information before and after revisions will be posted on the Company’s website and the Tokyo Stock Exchange website.

At this shareholders meeting, regardless of whether or not a request for the delivery of a paper document is made, a paper document containing the items to be provided electronically will be sent to all shareholders in a uniform manner.

The following matters included in items distributed electronically are not included in this notice in accordance with laws and regulations and Article 14 of the Company’s Articles of Incorporation.

- (1) Business Report: Information concerning stock acquisition rights, etc., Outline of system for ensuring proper business operations and the operation of this system
- (2) Consolidated Financial Statements: Consolidated Statement of Changes in Equity, Notes to the Consolidated Financial Statements
- (3) Non-consolidated Financial Statements: Non-consolidated Statement of Changes in Equity, Notes to the Non-consolidated Financial Statements

Consequently, the business report, the Consolidated Financial Statements and the Non-consolidated Financial Statements attached to this notice are parts of documents that were audited when the accounting auditor and the Audit & Supervisory Board prepared their audit reports.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Election of Fifteen (15) Directors

The terms of office of all fifteen (15) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes to elect fifteen (15) Directors including seven (7) Outside Directors.

The candidates for Director are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Eikichi Iida (May 5, 1956)	February 1981 Representative Director of Mikuni Industry Co., Ltd. (currently MIKUNI Co., Ltd.) February 1997 Director of the Company December 1997 Chairman of the Company May 1999 President of the Company July 2003 Chairman of Mikuni Industry Co., Ltd. (currently MIKUNI Co., Ltd.) (to present) July 2008 Representative Chairman of GEOGRAPHIC INFORMATION OF KYUSHU, INC. (to present) April 2010 Chairman of WORLD RESIDENTIAL Co., Ltd. (to present) December 2011 Chairman and President of the Company (to present) January 2012 Director of Taiwan Human Resource Management (currently WORLD INTEC TAIWAN CO., LTD.) (to present) March 2014 Chairman of World Wisteria Homes Co., Ltd. (currently WORLD RESIDENTIAL KANSAI CO., LTD.) (to present) March 2014 Chairman of World iCity Co., Ltd. (to present) December 2014 Chairman of Best IT Business Co., Ltd. (to present) August 2015 Chairman of OMACHI Co., Ltd. (currently OMACHI WORLD Co., Ltd) (to present) March 2016 Chairman of WORLD MIKUNI Co., Ltd. (currently REMOVE MIKUNI Co., LTD.) (to present) July 2019 Chairman of WORLD INTEC CO., LTD. (to present) January 2020 Director of WORLD CAPITAL SOLUTION CO., LTD. (to present) March 2021 Director of Nichimo Real Estate Co., Ltd. June 2021 Chairman of WORLD STAFFING Co., Ltd. (to present) February 2022 Director of Dimples Co.,Ltd. (to present) May 2022 Director of DOT WORLD Co., LTD. (to present) May 2023 Chairman of Nippon Gijutsu Center Co., Ltd. (currently NICHIGI WORLD CO., LTD.) (to present) March 2025 Chairman of M'S WORLD CO., LTD. (to present)	796,500
<p><b>Reasons for nomination as a candidate for Director</b>                      Mr. Eikichi Iida has taken charge of management for more than 30 years since the establishment of the Company and served as Representative Directors of subsidiaries. He thus has considerable experience, achievements, and insight into company management. In addition, he is expected to demonstrate strong leadership skills developed through his steady efforts to tackle various management issues that contribute to enhancing the corporate value of World Holdings Group (the “Group”). The Company has therefore nominated him as a candidate for Director, believing that he is the right person for strengthening the management base of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Shigeru Nakano (November 9, 1957)	<p>April 1976      Joined Fuji Bank (currently Mizuho Bank, Ltd.)</p> <p>October 2002    General Manager of SENGENDAI Branch of Mizuho Bank, Ltd.</p> <p>March 2004      Joined the Company</p> <p>March 2007      Executive Officer of the Company</p> <p>March 2010      Director, Executive Officer and Manager of Business Management Division of the Company</p> <p>April 2010        Audit &amp; Supervisory Board Member of WORLD RESIDENTIAL Co., Ltd. (to present)</p> <p>November 2012    Audit &amp; Supervisory Board Member of DOT INTERNATIONAL Co., Ltd. (currently DOT WORLD Co., LTD.) (to present)</p> <p>July 2014         Director, General Manager of Business Management Division of the Company</p> <p>November 2018    Audit &amp; Supervisory Board Member of WORLD INTEC TAIWAN CO., LTD. (to present)</p> <p>July 2019         Director, Executive Officer of WORLD INTEC CO., LTD. (to present)</p> <p>March 2024        Audit &amp; Supervisory Board Member of WORLD CONSTRUCTION CO., LTD. (to present)</p> <p>May 2025         Director, General Manager of Corporate Planning and Management Division and General Manager of Business Management Division of the Company (to present)</p>	7,000
<p><b>Reasons for nomination as a candidate for Director</b></p> <p>Mr. Shigeru Nakano, who had experience in financial institutions, has been responsible for the Corporate Management Division of the Group. He thus has considerable experience, achievements, and insight into company management. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting management and strengthening corporate governance of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Katsuhiro Kuriyama (November 3, 1967)	<p>December 1994 Joined ACTIS Co., Ltd.</p> <p>April 1998 General Manager of Production Headquarters of ACTIS Co., Ltd.</p> <p>March 2001 President of Crystal US Co., Ltd.</p> <p>December 2001 Director of Nihon Aim Co., Ltd. (currently UT Aim Co., Ltd.)</p> <p>June 2006 Managing Director of Micro Engineering Inc.</p> <p>April 2007 Director of United Technology Holdings Co., Ltd. (currently UT Group Co., Ltd.)</p> <p>June 2014 Executive Officer of WORLD INTEC CO., LTD.</p> <p>November 2014 Vice Chairman of ENGMANTEC CO., LTD. (to present)</p> <p>December 2014 Chairman of WORLD INTEC TAIWAN CO., LTD. (to present)</p> <p>March 2017 Director of WORLD INTEC CO., LTD.</p> <p>April 2020 Director of TOHOEWORLD CO., LTD (to present)</p> <p>July 2021 President, Representative Director, Executive Officer of WORLD INTEC Co., Ltd. (to present)</p> <p>March 2022 Director, in charge of Human Resources and Education Business (Manufacturing Human Resources) of the Company (to present)</p> <p>June 2022 Representative Director of Creative Inc. (to present)</p> <p>May 2023 Director of Nippon Gijutsu Center Co., Ltd. (currently NICHIGI WORLD CO., LTD.) (to present)</p> <p>June 2023 Director of Sankin Kaihatsu (to present)</p> <p>July 2023 Representative Director of WORLD SYSTEM SERVICE CO., LTD. (to present)</p> <p>July 2023 Representative Director of CREATION VIEW CO., LTD. (to present)</p> <p>January 2024 Representative Director of WORLD RETECH CO., LTD. (to present)</p> <p>March 2024 Director of WORLD CONSTRUCTION CO., LTD. (to present)</p> <p>March 2024 Representative Director of Advan Co., Ltd. (to present)</p> <p>March 2025 Director of TOHO TECHNICAL SERVICE CO., LTD. (to present)</p> <p>March 2025 Representative Director of DOT WORLD Co., Ltd. (to present)</p>	2,100
<p><b>Reasons for nomination as a candidate for Director</b>  Mr. Katsuhiro Kuriyama, who had experience at companies outside the group, has been responsible for the Human Resources Business Division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			
4	Shinji Honda (July 10, 1965)	<p>July 1996 Joined K.K. Tie-up</p> <p>March 2001 President and Representative Director of Intellect Co., Ltd.</p> <p>February 2002 Joined the Company</p> <p>September 2002 Director of the Company</p> <p>February 2005 Managing Director of the Company</p> <p>March 2010 Director, Senior Managing Director, Executive Officer of the Company</p> <p>July 2014 Director, in charge of Human Resources and Education Business (Services Human Resources) (to present)</p> <p>June 2017 Representative Director of WORLD STAFFING CO., LTD. (to present)</p> <p>July 2021 Director, Executive Officer of WORLD INTEC CO., LTD. (to present)</p> <p>February 2022 Representative Director of Dimples Co.,Ltd. (to present)</p> <p>January 2024 Director of JW SOLUTION CO., LTD.</p>	43,000
<p><b>Reasons for nomination as a candidate for Director</b>  Mr. Shinji Honda, who had experience at companies outside the group, has been responsible for the Human Resources Business Division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
5	Masaaki Shiomi (October 27, 1965)	<p>April 1988      Joined Mitsui Bank (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2005      Manager of Kyushu Branch of RISA Partners, Inc.</p> <p>December 2008    Head of Principal Investment Office of Mitsubishi UFJ Lease &amp; Finance Company Limited (currently Mitsubishi HC Capital Inc.)</p> <p>March 2009      Managing Director of MUL Principal Investments Co., Ltd.</p> <p>May 2014        Managing Director of LUMICA CORPORATION</p> <p>May 2015        Joined the Company General Manager of Business Development Division of the Company</p> <p>September 2015    Director of OMACHI Co., Ltd. (currently OMACHI WORLD Co., Ltd.) (to present)</p> <p>March 2020      Director, General Manager of Business Development Division of the Company</p> <p>May 2022        Director of Dimples Co.,Ltd. (to present)</p> <p>May 2023        Director of Nippon Gijutsu Center Co., Ltd. (currently NICHIGI WORLD CO., LTD.) (to present)</p> <p>January 2024     Director, General Manager of Business Strategy Planning &amp; Management Division</p> <p>May 2025        Director, Deputy General Manager of Corporate Planning and Management Division and General Manager of Business Development Division of the Company (to present)</p>	-
<p><b>Reasons for nomination as a candidate for Director</b> Mr. Masaaki Shiomi, who had experience in financial institutions, has been responsible for the Corporate Development Division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			
6	Shinichiro Kuwahara (April 25, 1959)	<p>April 1984      Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.) Seconded to Kankyo Kaihatsu Co.,Ltd. (currently COSMOS INITIA Co., Ltd.)</p> <p>January 1986     Transferred to Recruit Cosmos Co., Ltd. (currently COSMOS INITIA Co., Ltd.)</p> <p>June 2008        Director, Managing Executive Officer, in charge of Kansai Branch Office, General Affairs, Personnel and Solutions of Recruit Cosmos Co., Ltd. (currently COSMOS INITIA Co., Ltd.)</p> <p>October 2012    Director, Managing Executive Officer, in charge of Residential Property Sales Division of Recruit Cosmos Co., Ltd. (currently COSMOS INITIA Co., Ltd.)</p> <p>June 2017        Director, Full-time Audit Committee Member of Recruit Cosmos Co., Ltd. (currently COSMOS INITIA Co., Ltd.)</p> <p>June 2021        Advisor of Recruit Cosmos Co., Ltd. (currently COSMOS INITIA Co., Ltd.)</p> <p>July 2022        Advisor of WORLD RESIDENTIAL CO., LTD.</p> <p>December 2022    Representative Director of WORLD RESIDENTIAL CO., LTD. (to present)</p> <p>March 2023      Director of Nichimo Real Estate Co, Ltd.</p> <p>March 2023      Director of World iCity Co., Ltd. (to present)</p> <p>March 2023      Director of WORLD RESIDENTIAL KANSAI CO., LTD. (to present)</p> <p>March 2024      Director, in charge of Real Estate Business of the Company (to present)</p> <p>March 2024      Director of WORLD LIFE PARTNER CO., LTD. (to present)</p>	700
<p><b>Reasons for nomination as a candidate for Director</b> Mr. Shinichiro Kuwahara, who had experience at companies outside the Group, has been responsible for the subsidiaries of the Real Estate Business division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
7	Tomoharu Hamachi (January 3, 1962)	<p>April 1985      Joined The Bank of Fukuoka, Ltd.</p> <p>July 2008      General Manager, Special Examination Office, Examination Department of The Bank of Fukuoka, Ltd.</p> <p>April 2016      General Manager, Public Solution Department of The Bank of Fukuoka, Ltd.</p> <p>March 2018      Director of FFG Business Consulting Co., Ltd.</p> <p>April 2019      Seconded to WORLD INTEC CO., LTD.</p> <p>March 2020      Joined WORLD INTEC CO., LTD., Director, Executive Officer (to present)</p> <p>March 2021      Executive Officer of the Company</p> <p>June 2024      Audit &amp; Supervisory Board Member of Sankin Kaihatsu Co., Ltd. (to present)</p> <p>June 2024      Audit &amp; Supervisory Board Member of TOHO WORLD CO., LTD. (to present)</p> <p>March 2025      Audit &amp; Supervisory Board Member of TOHO TECHNICAL SERVICE CO., LTD. (to present)</p> <p>March 2025      Director, General Manager of Finance &amp; Accounting Planning Division of the Company</p> <p>May 2025      Director, Deputy General Manager of Corporate Planning and Management Division and General Manager of Finance &amp; Accounting Planning Division of the Company (to present)</p>	-
<p><b>Reasons for nomination as a candidate for Director</b>  Mr. Tomoharu Hamachi, who had experience in financial institutions, has been responsible for the Finance &amp; Accounting Planning Division of the Group. He thus has considerable experience, achievements, and insight into company management. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting management and strengthening corporate governance of the Group.</p>			
*8	Ichiro Okamoto (September 26, 1964)	<p>April 1988      Joined The Dai-ichi Mutual Life Insurance Company (currently The Dai-ichi Life Insurance Company, Limited)</p> <p>April 2009      Manager of Management and General Affairs Department of The Dai-ichi Mutual Life Insurance Company</p> <p>April 2016      Executive Officer of The Dai-ichi Mutual Life Insurance Company</p> <p>October 2016    Executive Officer of Dai-ichi Life Holdings, Inc.</p> <p>April 2019      Managing Executive Officer of The Dai-ichi Life Insurance Company, Limited</p> <p>April 2019      Managing Executive Officer of Dai-ichi Life Holdings, Inc.</p> <p>April 2020      Director, Managing Executive Officer of The Dai-ichi Life Insurance Company, Limited</p> <p>November 2022    Joined WORLD INTEC CO., LTD., Deputy General Manager of Business Management Division (to present)</p> <p>November 2022    Executive Officer, Deputy General Manager of Business Management Division of the Company</p> <p>May 2023      Audit &amp; Supervisory Board Member of Nippon Gijutsu Center Co., Ltd. (currently NICHIGI WORLD CO., LTD.)</p> <p>June 2023      Audit &amp; Supervisory Board Member of Sankin Kaihatsu Co., Ltd.</p> <p>May 2025      Executive Officer, General Manager of Corporate Planning Division and Deputy General Manager of Business Management Division of the Company (to present)</p>	-
<p><b>Reasons for nomination as a candidate for Director</b>  Mr. Ichiro Okamoto has advanced expertise in finance and risk management, as well as experience, achievements, and insight into company management, based on his substantial experience in financial institutions. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting management and strengthening corporate governance of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
9	Souichi Kawamoto (September 19, 1957)	<p>April 1980      Joined Fukuoka SOGO Bank (currently, THE NISHI-NIPPON CITY BANK, LTD.)</p> <p>June 2008      Director, Deputy Head of Kita-Kyushu Regional Headquarters, General Manager of Kita-Kyushu Head Office, General Manager of Kokura Branch of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2010      Managing Director, Head of Kita-Kyushu General Headquarters of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2012      Executive Director, Head of Kita-Kyushu General Headquarters of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2014      Deputy President (Representative Director), Head of Kitakyushu &amp; Yamaguchi Region, Regional Headquarters Management of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>October 2016    Director, Executive Officer of Nishi-Nippon Financial Holdings, Inc.</p> <p>June 2019      Deputy President (Representative Director) of Nishi-Nippon Financial Holdings, Inc.</p> <p>April 2020      Deputy President (Representative Director), Director in charge of Regional Headquarters, the IT Planning &amp; Management Division, the Operations Planning &amp; Management Division, the Internal Audit Division of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2021      Executive Officer of Nishi-Nippon Financial Holdings, Inc. (to present)</p> <p>June 2021      Representative Director and President of The Kyushu Card Co., Ltd. (to present)</p> <p>June 2021      Representative Director and Chairman of Japan Payment Service CO., LTD. (to present)</p> <p>March 2022      Outside Director of the Company (to present)</p>	-
<p><b>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</b>  Mr. Souichi Kawamoto has been engaged in management of financial institutions for many years. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge and experience from an objective position. The Company has therefore nominated him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
10	Kappei Isomata (March 9, 1959)	<p>October 1983    Joined Tohmatsu Aoki Audit Corporation (currently Deloitte Touche Tohmatsu LLC), Fukuoka office</p> <p>August 1987    Registered as a certified public accountant</p> <p>September 2000    Energy &amp; Resources Group Leader of Tohmatsu &amp; Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>September 2006    Energy &amp; Resources Group Asia Pacific Leader of Deloitte Touche Tohmatsu LLC</p> <p>November 2010    Representative Director of Deloitte Tohmatsu Venture Support Co., Ltd.</p> <p>October 2013    Executive Officer, West Japan Area Head of Deloitte Touche Tohmatsu LLC</p> <p>June 2015    Board Member of Deloitte Tohmatsu LLC/Deloitte Touche Tohmatsu LLC</p> <p>June 2017    Executive Officer and Comprehensive Representative Assistant of Deloitte Touche Tohmatsu LLC</p> <p>November 2018    Vice Board Chairman of Deloitte Tohmatsu LLC/Deloitte Touche Tohmatsu LLC</p> <p>April 2022    Director of Seinan Gakuin (to present)</p> <p>June 2024    Retired from Deloitte Tohmatsu LLC/Deloitte Touche Tohmatsu LLC</p> <p>August 2024    Chairman and Representative Director of Mebuku Ground Inc. (to present)</p> <p>October 2024    Director of my FinTech Inc. (to present)</p> <p>December 2024    Director of Koga Management Institute (to present)</p> <p>March 2025    Outside Director of the Company (to present)</p>	-
<p><b>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</b>  Mr. Kappei Isomata has many years of experience as a certified public accountant. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge experience from an objective position. The Company has therefore nominated him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
11	Kazuyoshi Kimura (November 12, 1943)	<p>April 1967      Joined Nikko Securities Inc. (currently SMBC Nikko Securities Inc.)</p> <p>March 2000     Executive Vice President of Nikko Securities Inc.(currently SMBC Nikko Securities Inc.)</p> <p>June 2001      President of Nikko Asset Management Co., Ltd. (currently Amova Asset Management Co., Ltd.)</p> <p>June 2005      Executive Chairman of Nikko Cordial Securities Inc. (currently SMBC Nikko Securities Inc.)</p> <p>February 2007   Representative Executive Chairman of Nikko Cordial Corporation (currently SMBC Nikko Securities Inc.)</p> <p>June 2011      Director of Hitachi Koki Co, Ltd. (currently Koki Holdings Co.,Ltd.)</p> <p>June 2012      Auditor of SPARX Asset Management Co., Ltd.</p> <p>June 2012      Director of DAIWA HOUSE INDUSTRY CO., LTD.</p> <p>November 2012   Director of BIC CAMERA INC.</p> <p>November 2012   Director of Kojima Co.,Ltd.</p> <p>September 2013   Chairman, President and Representative Executive Officer of Kojima Co.,Ltd.</p> <p>June 2020      Director, Supervisory Committee Member of SPARX Group Co., Ltd.</p> <p>September 2020   President of BIC CAMERA INC.</p> <p>September 2020   Director of Kojima Co.,Ltd.</p> <p>September 2022   Director of BIC CAMERA INC.</p> <p>March 2023      Outside Independent Director of the Company (to present)</p>	10,000
<p><b>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</b>  Mr. Kazuyoshi Kimura has extensive knowledge of management due to his many years of management experience at SMBC Nikko Securities and BIC CAMERA. He is thus expected to make appropriate suggestions and give advice on our management based on his extensive knowledge and experience. The Company has therefore nominated him as a candidate for Outside Director, given that he is in an objective position, independent of the executive management of the Company.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
12	Kozo Ogino (May 9, 1958)	<p>April 1981    Joined The Mitsui Bank Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2010    Executive Officer of Sumitomo Mitsui Banking Corporation</p> <p>April 2011    Managing Executive Officer of Sumitomo Mitsui Banking Corporation</p> <p>April 2013    Managing Executive Officer of Sumitomo Mitsui Banking Corporation Managing Executive Officer of Sumitomo Mitsui Financial Group, Inc.</p> <p>June 2013    Managing Executive Officer of Sumitomo Mitsui Banking Corporation Director of Sumitomo Mitsui Financial Group, Inc.</p> <p>April 2017    Director, Executive Officer and Deputy President of Sumitomo Mitsui Banking Corporation Director, Executive Officer and Deputy President, Group CRO of Sumitomo Mitsui Financial Group, Inc.</p> <p>April 2019    Senior Advisor of Sumitomo Mitsui Banking Corporation Senior Advisor of Sumitomo Mitsui Financial Group, Inc.</p> <p>July 2019    Retired</p> <p>August 2019    Director of SMBC Trust Bank Ltd.</p> <p>September 2019    President &amp; CEO of SMBC Trust Bank Ltd.</p> <p>June 2022    Chairperson of SMBC Trust Bank Ltd.</p> <p>June 2023    Outside Corporate Auditor of Toray Industries, Inc. (to present)</p> <p>June 2024    Special Advisor to SMBC Trust Bank Ltd. (to present)</p> <p>March 2025    Outside Independent Director of the Company (to present)</p>	-
<p><b>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</b> Mr. Kozo Ogino has been engaged in management of financial institutions for many years. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge and experience from an objective position. The Company has therefore nominated him as a candidate for Outside Director.</p>			
13	Kazumi Ono (August 11, 1963)	<p>April 1986    Joined Nikkei Inc.</p> <p>August 1991    Joined Leo Burnett-Kyodo Company Ltd. (currently Beacon Communications K.K.)</p> <p>April 1999    Joined Dentsu Kyushu Inc.</p> <p>July 2003    General Manager of Marketing Department of Dentsu Kyushu Inc.</p> <p>July 2015    Deputy Managing Director of Communication Design Division of Dentsu Kyushu Inc.</p> <p>July 2018    Managing Director of Communication Design Division and Manager of Open Innovation Office of Dentsu Kyushu Inc.</p> <p>January 2020    Managing Director of Integrated Marketing Division and Manager of New Business Development Office of Dentsu Kyushu Inc.</p> <p>January 2021    Associate Managing Director of Integrated Solution Division and Manager of New Business Development Office of Dentsu Kyushu Inc.</p> <p>January 2022    Director of Koga Management Institute Co., Ltd.</p> <p>March 2022    Outside Independent Director of the Company (to present)</p> <p>April 2022    Visiting professor at Global Innovation Center, Kyushu University</p> <p>April 2024    Visiting professor at Graduate School of Engineering Sciences, Kyushu University (to present)</p>	-
<p><b>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</b> Ms. Kazumi Ono has been engaged in strategic planning for branding and marketing in major corporations for many years through her entire career, while working as a committee member of administrative organs, extra-governmental organizations and universities. She is thus expected to make appropriate suggestions or give advice on our management based on her wide knowledge and experience. The Company has therefore nominated her as a candidate for Outside Director, given that she is in an objective position, independent of the executive management of the Company.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held
14	Hiroshi Hoshino (July 11, 1958)	<p>April 1982    Joined Nippon Yusen Kabushiki Kaisha (NYK Line)</p> <p>April 1984    Seconded to Nippon Cargo Airlines Co., Ltd.</p> <p>December 1988    Returned to NYK Line, Ltd.</p> <p>December 1994    Associate Professor at Faculty of Business Administration, Kobe University</p> <p>April 1998    Team Manager of Business Planning Department of NYK Line</p> <p>April 2000    Associate Professor at Research Institute of Economics and Business Administration, Kobe University</p> <p>April 2003    Associate Professor at Graduate School of Economics, Kyushu University</p> <p>February 2006    Professor at School of Economics, Kyushu University</p> <p>April 2007    Dean and Deputy Dean of Faculty of Economics of Kyushu University Business School</p> <p>April 2011    Visiting Professor at Faculty of Maritime Science, Kobe University</p> <p>May 2011    Visiting Fellow at Columbia Business School, Columbia University</p> <p>February 2016    Visiting Professor at National Mae Fah Luang University, Thailand</p> <p>April 2019    Director of Yunus &amp; Shiiki Social Business Research Center of Kyushu University</p> <p>March 2024    Outside Independent Director of the Company (to present)</p> <p>April 2024    Emeritus professor at Kyushu University (to present)</p> <p>April 2024    Distinguished professor at Department of Business, Marketing and Distribution of Nakamura Gakuen University (to present)</p>	-
<p><b>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</b></p> <p>Mr. Hiroshi Hoshino has served on many committees, including those for human resource development through research activities at universities, and as chairperson of administrative and local government bodies. He is expected to use his many years of experience and broad knowledge to make appropriate suggestions and give advice on our management from a perspective that is independent of executives who conduct business operations. The Company has therefore nominated him as a candidate for Outside Director.</p>			
15	Yoshi Kubo (April 7, 1967)	<p>October 1995    Joined ITOCHU Corporation, Beijing office</p> <p>November 1997    Manager of Finance, Personnel &amp; General Affairs Division of ITOCHU Corporation</p> <p>February 2001    Manager, Business Development Division of ITOCHU Corporation</p> <p>August 2003    Relationship Manager of GESIS-Asia (GE Capital International Services)</p> <p>February 2004    Vice President, of Business Planning &amp; Analysis Office of The Tokyo Star Bank, Limited</p> <p>May 2006    Deputy General Manager of China Office, International Department, Corporate Planning Group of Mizuho Securities Co., Ltd.</p> <p>October 2008    General Manager of President Office of MouseComputer Co., Ltd.</p> <p>December 2009    Business Development VP of Genpact Japan Inc.</p> <p>January 2017    Director of GiG Works Inc.</p> <p>February 2019    Managing Director, of Operations Consulting Division of Accenture Japan Ltd.</p> <p>April 2023    Outside Director of Kinliser Co.,Ltd. (to present)</p> <p>January 2024    Outside Director of GiG Works Inc. (to present)</p> <p>March 2025    Outside Independent Director of the Company (to present)</p>	-
<p><b>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</b></p> <p>Ms. Yoshi Kubo has considerable experience in financial institutions, operating companies with global BPO operations and consulting companies. She is thus expected to make appropriate suggestions or give advice on our management based on her wide knowledge and experience. The Company has therefore nominated her as a candidate for Outside Director, given that she is in an objective position, independent of the executive management of the Company.</p>			

- Notes:
1. Numbers with an asterisk (\*) are new candidates for Director.
  2. None of the candidates for Directors has any special conflicts of interest with the Company.
  3. Mr. Souichi Kawamoto, Mr. Kappei Isomata, Mr. Kazuyoshi Kimura, Mr. Kozo Ogino, Ms. Kazumi Ono, Mr. Hiroshi Hoshino and Ms. Yoshi Kubo are the candidates for Outside Directors.
  4. Mr. Souichi Kawamoto, Mr. Kappei Isomata, Mr. Kazuyoshi Kimura, Mr. Kozo Ogino, Ms. Kazumi Ono, Mr. Hiroshi Hoshino, and Ms. Yoshi Kubo, our current Outside Directors, will have served as Outside Directors for four years, one year, three years, one year, four years, two years and one year, respectively, at the conclusion of this General Meeting of Shareholders.
  5. Mr. Souichi Kawamoto served as an executive officer, during the past 10 years, of THE NISHI-NIPPON CITY BANK, LTD., which is a specified related business operator (a major business partner) of the Company. His positions and responsibilities at the said bank are as described in the above column "Past experience, positions and responsibilities at the Company, and significant concurrent positions." In fact, he resigned from the said bank in June 2021.
  6. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into a liability limitation agreement with Mr. Souichi Kawamoto, Mr. Kappei Isomata, Mr. Kazuyoshi Kimura, Mr. Kozo Ogino, Ms. Kazumi Ono, Mr. Hiroshi Hoshino and Ms. Yoshi Kubo to limit their liabilities for damages set forth in Article 423, Paragraph 1 of the same Act. The cap on the liability for damages under the said agreement is the minimum liability amount set forth in Article 425, Paragraph 1 of the same Act. If they are reelected, the Company will renew the contract with each of them.
  7. The Company has appointed Mr. Kazuyoshi Kimura, Mr. Kozo Ogino, Ms. Kazumi Ono, Mr. Hiroshi Hoshino and Ms. Yoshi Kubo as Independent Directors according to the rules of the Tokyo Stock Exchange. They will continue to be Independent Directors when reelected.

**Proposal 2: Election of One (1) Audit & Supervisory Board Member**

The term of office of Audit & Supervisory Board Member Tetsuo Kato will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of one (1) Audit & Supervisory Board Member.

This proposal has been approved by the Audit & Supervisory Board.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience, positions at the Company (Significant concurrent positions)	Number of shares of the Company held
Tetsuo Kato (October 1, 1962)	December 1991    Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)	-
	April 1997        Complete legal training at the Legal Training and Research Institute of the Supreme Court of Japan	
	April 1997        Registered as an Attorney (Fukuoka Bar Association)	
	April 1998        Registered as a certified public accountant	
	July 2000         Established Kato Law and Accounting Firm	
	March 2006       Audit & Supervisory Board Member of the Company (to present)	
	February 2014    Standing Audit & Supervisory Board Member of WORLD INTEC SPLIT PREPARATION COMPANY CO., LTD. of WORLD INTEC Co., Ltd. (currently WORLD INTEC Co., Ltd.) (to present)	
<p><b>Reasons for nomination as a candidate for Audit and Supervisory Board member</b></p> <p>The reasons for nominating Mr. Tetsuo Kato as a candidate for Outside Audit &amp; Supervisory Board Member is that he has wealth of insights into corporate monitoring based on his long years of experience as an attorney and certified public accountant, and he thus is expected to leverage such insights in carry out auditing and supervision of the Company as an Outside Audit &amp; Supervisory Board Member. Although Mr. Tetsuo Kato has no experience in corporate management other than serving as an outside director, from the above reasons the Company believes that he will be able to appropriately execute his duties as an Outside Audit &amp; Supervisory Board Member of the Company.</p>		

- Notes:
1. The candidate for Audit & Supervisory Board Member has no special conflicts of interest with the Company.
  2. Mr. Tetsuo Kato is a candidate for Outside Audit & Supervisory Board Member.
  3. Mr. Tetsuo Kato is currently an Outside Audit & Supervisory Board Member, and at the conclusion of this General Meeting of Shareholders, his tenure as an Audit & Supervisory Board Member will have been twenty (20) years.
  4. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into a liability limitation agreement with Mr. Tetsuo Kato to limit his liabilities for damages set forth in Article 423, paragraph 1 of the same Act. The cap on the liability for damages under the said agreement is the minimum liability amount set forth in Article 425, Paragraph 1 of the same Act. If this proposal is approved, the Company will renew the contract with Mr. Tetsuo Kato.
  5. As required by the Tokyo Stock Exchange, the Company will register Mr. Tetsuo Kato as an Independent Director with the Tokyo Stock Exchange if he is elected because he meets the qualifications as an Independent Director with no risk of having conflicts of interests with general shareholders.

### Proposal 3: Election of One (1) Substitute Audit & Supervisory Board Member

To prepare for cases where the number of Audit & Supervisory Board Members falls short of the requisite number stipulated by laws and regulations, in accordance with Article 329, Paragraph 3 of the Companies Act, the Company proposes the preliminary election of one (1) substitute Audit & Supervisory Board Member.

This proposal has been approved by the Audit & Supervisory Board.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held	
Akihiro Igawa (September 16, 1963)	October 1998	Joined Kabushiki Kaisha Shinpatsu Sunrise	500
	February 2003	Joined the Company	
	February 2008	General Manager of Kikuyo Office of the Company	
	May 2015	In charge of Safety & Health of WORLD INTEC CO., LTD.	
	March 2017	General Manager of Safety & Health Office of WORLD INTEC CO., LTD. (to present)	
April 2020	General Manager of Safety & Health Office of the Company		
<b>Reasons for nomination as a candidate for substitute Audit &amp; Supervisory Board member</b> Mr. Akihiro Igawa is in charge of the business office and is responsible for the Group's health and safety department. He thus has knowledge and experience with business operation. The Company has therefore nominated him as a candidate for substitute Audit & Supervisory Board member, believing that he is the right person for appropriately auditing business execution from an objective and fair standpoint.			

Note: The candidate for substitute Audit & Supervisory Board member has no special conflicts of interest with the Company.

#### **Proposal 4: Issuance of Stock Acquisition Rights as Tax-qualified Stock Options**

Pursuant to the provisions of Articles 236, 238 and 239 of the Companies Act, the Company proposes approval to give the directors the authority to determine the terms of stock acquisition rights, issued as tax-qualified stock options, to be distributed to directors (excluding outside directors) of the Company and its subsidiaries and employees of the Company and its subsidiaries.

##### **I. Reason for the need to grant stock options with favorable terms**

The stock options are to be granted for the purposes of motivating directors (excluding outside directors) of the Company and its subsidiaries and employees of the Company and its subsidiaries to increase consolidated sales and earnings of the Group as a whole, improving the ability to recruit skilled people, and contributing to the growth of corporate value.

##### **II. Recipients of the stock options**

Directors (excluding outside directors) of the Company and its subsidiaries and employees of the Company and its subsidiaries

##### **III. Need for determining the maximum number of and payment for the stock options with terms that can be determined based on items approved at the shareholders meeting**

###### **1. Maximum number of stock options with terms that can be determined based on the proposal to be submitted at the shareholders meeting**

The maximum number of stock options is 3,000 as stated in the following item IV.

The maximum number of shares to be issued upon exercise of the stock options allocated to directors (excluding outside directors) is 1,000.

The maximum number of shares of the Company's common stock that can be granted due to the exercise of the stock options is 300,000, including a maximum of 100,000 shares for stock options exercised by directors (excluding outside directors). If the number of shares granted is adjusted (defined below) as explained in the following item IV 1., the new maximum will be the number of shares granted after adjustment multiplied by the maximum number of stock options.

###### **2. No payment is required for the stock options with terms that can be determined based on the proposal to be submitted at the shareholders meeting.**

##### **IV. Stock option terms that can be determined based on the proposal to be submitted at the shareholders meeting**

###### **1. Class and number of shares to be issued upon exercise of the stock options**

The class of the shares to be issued upon exercise of the stock options is common stock of the Company, and the number of shares to be issued upon exercise of the stock options is 100 shares for each stock option.

The number of shares granted will be adjusted using the following formula if, after the conclusion of the shareholders meeting, the Company conducts a common stock split (including gratis allocations of common stock of the Company, the same applied hereafter) or a stock consolidation. Any fraction of less than one share resulting from the adjustment is discarded.

$$\text{Number of shares granted after adjustment} = \text{Number of shares granted before adjustment} \times \text{Ratio of stock split or stock consolidation}$$

Furthermore, after the conclusion of the shareholders meeting, if the Company merges with another company or conducts a divestiture or if there are any other similar events that require an adjustment of the number of shares granted, the Company will perform this adjustment in an appropriate manner within reasonable limits.

When the number of shares granted is adjusted, the Company must notify every holder of the stock options in the register of stock options or make a public announcement, of the required items by no later than the day before the adjusted number of shares granted becomes effective. However, if the Company is unable to perform this notification or public announcement by this day, a notice or public announcement must be conducted promptly afterward.

###### **2. Value of assets to be contributed upon the exercise of the stock options**

The value of assets to be contributed when a stock option is exercised is the number of shares granted multiplied by the amount paid per share (the "exercise price").

The exercise price is the higher of (1) 1.05 multiplied by the average closing price for ordinary trading of the Company's common stock on the Tokyo Stock Exchange for every trading day (except days when the

Company's stock was not traded) in the month prior to the month of the day the stock options were allocated with any fraction of one yen rounded up or (2) the closing price on the day the stock options were allocated (or the nearest prior closing price if the Company's stock was not traded on the allocation day). However, the exercise price is subject to adjustments as prescribed in the following item 3.

3. Adjustment of the exercise price

If the Company takes an action concerning its common stock described in the following items 1) or 2) on or after the day the stock options are allocated, the adjustment price will be adjusted by using the following applicable exercise price adjustment formula. Any fraction of less than one yen is rounded up.

1) Stock split or stock consolidation

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split or stock consolidation}}$$

2) Issuance of stock or disposal of treasury shares at a price below the market price

(excludes the sale of treasury shares in accordance with Article 194 of the Companies Act (demand for sale of number of shares less than one unit by a shareholder holding less than one unit) and excluding the conversion of securities that are or can be converted into the Company's common stock or the exercise of stock options (including stock options attached to bonds) with the right to receive the Company's common stock)

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of issued shares} + \frac{\text{Number of newly issued shares} \times \text{Amount to be paid per share}}{\text{Market price}}}{\text{Number of issued shares} + \text{Number of newly issued shares}}$$

i. In this formula, the number of issued shares is the number of shares of common stock issued after deducting common stock held as treasury shares.

ii. If treasury shares are used for the stock distributed when a stock option is exercised, the number of newly issued shares in this formula is instead the number of treasury shares used.

4. Exercise period

The exercise period begins on the first day of the month following the month two years after the month of the day of the stock allocation and ends on March 28, 2035.

5. Conditions for exercising the stock options

When a stock option is exercised, the holder of the stock option must be a director or employee of the Company or any of its subsidiaries. However, former directors of the Company or a subsidiary who left because they reached the end of their term of office and former employees of the Company or a subsidiary who left because they reached the mandatory retirement age are exempt from this requirement.

6. Matters pertaining to capital stock and legal capital surplus that would increase upon stock issuance by the exercise of the stock options

(1) The increase in capital stock when new shares are issued upon the exercise of stock options is 50% of the maximum limit of a capital increase as calculated in accordance with Article 17, Paragraph 1 of the Corporate Accounting Rules. Any fraction of less than one yen arising from the calculation will be rounded up.

(2) The increase in legal capital surplus when new shares are issued upon exercise of the stock options is the maximum increase in capital in item (1) above less the increase in capital stock as stipulated in item (1) above.

7. Restrictions on the transfer of stock options

Transfers of ownership of stock options require the prior approval of the Company's Board of Directors.

8. Conditions for the Company to acquire the stock options

(1) When a stock option holder is no longer qualified to exercise a stock option due to the provisions of the item 5 above, the Company can acquire that individual's stock options without compensation.

(2) If the shareholders of the Company approve a proposal for a merger in which the Company is dissolved, a proposal for an approval of a company split agreement or an incorporation-type company split plan under which the Company is the splitting company, a contract for an exchange of stock that makes the Company a wholly owned subsidiary or a proposal for a stock transfer plan, the Company can acquire the

stock options without compensation.

9. Other terms for the stock options will be determined separately by resolutions of the Company's Board of Directors.
10. Policy for determining terms for distribution of stock options of the restructured company following a reorganization

If the Company conducts a merger (only when the Company becomes a dissolving company), absorption-type or incorporation-type company split (in either type, only when the Company becomes a splitting company), or a share exchange or transfer (in either case, only when the Company becomes a wholly owned subsidiary) (the "corporate reorganization"), the Company will grant the stock options of the stock company described in Article 236, Paragraph 1, Item 8 (a) to (e) of the Companies Act (the "restructured company"), as appropriate, to any stock option holders who hold the remaining stock options immediately before the date of the implementation of the corporate reorganization (the effective date of the absorption-type merger in the case of an absorption-type merger, the date of establishment of the company established by a consolidation-type merger in the case of a consolidation-type merger, the effective date of the absorption-type company split in the case of an absorption-type company split, the date of establishment of the splitting company in the case of an incorporation-type company split, the effective date of the share exchange in the case of a share exchange, or the date of establishment of the wholly-owning parent company upon the share transfer in the case of a share transfer; the same applies hereinafter), as appropriate, only to the extent that the absorption-type merger agreement, consolidation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement, or share transfer plan provided for the issuance of the stock options of the restructured company according to the provisions of the respective items below:

- (1) Number of stock options of the restructured company to be issued  
The same number as the remaining stock options held by the stock option holders.
  - (2) Class of shares of the restructured company for the stock options of the restructured company  
Common shares of the restructured company.
  - (3) Number of shares of the restructured company for the stock options of the restructured company  
Will be determined in accordance with the provisions of item 1 above, taking into consideration the terms for the corporate reorganization and any other related matters.
  - (4) Value of assets to be contributed upon the exercise of the stock options  
The value of assets to be contributed upon the exercise of the respective stock options issued by the restructured company is the amount obtained by multiplying the amount paid in after the restructuring, which is obtained by adjusting the exercise price described in item 2 above by the number of shares of the restructured company for the stock options of the restructured company, which is determined according to item (3) above, taking into consideration the terms for the corporate reorganization and any other related matters.
  - (5) Exercise period  
The period starts from either the first date of the exercise period in item 4 above or the effective date of the corporate reorganization, whichever comes later, and expire upon the date of expiration of the exercise period in item 4 above.
  - (6) Matters pertaining to capital stock and legal capital surplus that would increase upon stock issuance by the exercise of stock options  
Will be determined in accordance with the provisions of item 6 above.
  - (7) Restrictions on the transfer of stock options  
Transfers of ownership of stock options require the prior approval of the Board of Directors of the restructured company.
  - (8) Conditions to acquire the stock options  
Will be determined in accordance with the provisions of item 8 above.
  - (9) Other conditions for the exercise of stock options  
Will be determined in accordance with the provisions of item 5 above and item 12 below.
11. Agreement on fractions of one share resulting from the exercise of stock options  
Any fraction of one share included in the shares issued to the stock option holders who exercise their stock options is discarded.
  12. Other conditions for the exercise of stock options  
If a stock option holder forfeits the right to exercise a stock option, the holder can no longer exercise the right.

## **Proposal 5: Issuance of Stock Acquisition Rights as Non-tax-qualified Stock Options**

Pursuant to the provisions of Articles 236, 238 and 239 of the Companies Act, the Company proposes approval to give the directors the authority to determine the terms of stock acquisition rights, issued as non-tax-qualified stock options, to be distributed to directors (excluding outside directors) of the Company.

### **I. Reason for the need to grant stock options with favorable terms**

The stock options are to be granted for the purposes of motivating directors (excluding outside directors) of the Company to increase consolidated sales and earnings of the Group as a whole, and contributing to the growth of corporate value.

### **II. Recipients of the stock options**

Directors (excluding outside directors) of the Company

### **III. Need for determining the maximum number of and payment for the stock options with terms that can be determined based on items approved at the shareholders meeting**

#### **1. Maximum number of stock options with terms that can be determined based on the proposal to be submitted at the shareholders meeting**

The maximum number of stock options is 3,000 as stated in the following item IV.

The maximum number of shares of the Company's common stock that can be granted due to the exercise of the stock options is 300,000. If the number of shares granted is adjusted (defined below) as explained in the following item IV 1., the new maximum will be the number of shares granted after adjustment multiplied by the maximum number of stock options.

#### **2. No payment is required for the stock options with terms that can be determined based on the proposal to be submitted at the shareholders meeting.**

### **IV. Stock option terms that can be determined based on the proposal to be submitted at the shareholders meeting**

#### **1. Class and number of shares to be issued upon exercise of the stock options**

The class of the shares to be issued upon exercise of the stock options is common stock of the Company, and the number of shares to be issued upon exercise of the stock options is 100 shares for each stock option.

The number of shares granted will be adjusted using the following formula if, after the conclusion of the shareholders meeting, the Company conducts a common stock split (including gratis allocations of common stock of the Company, the same applied hereafter) or a stock consolidation. Any fraction of less than one share resulting from the adjustment is discarded.

$$\begin{array}{rcccl} \text{Number of shares granted} & & \text{Number of shares granted} & & \text{Ratio of stock split or} \\ \text{after adjustment} & = & \text{before adjustment} & \times & \text{stock consolidation} \end{array}$$

Furthermore, after the conclusion of the shareholders meeting, if the Company merges with another company or conducts a divestiture or if there are any other similar events that require an adjustment of the number of shares granted, the Company will perform this adjustment in an appropriate manner within reasonable limits.

When the number of shares granted is adjusted, the Company must notify every holder of the stock options in the register of stock options or make a public announcement, of the required items by no later than the day before the adjusted number of shares granted becomes effective. However, if the Company is unable to perform this notification or public announcement by this day, a notice or public announcement must be conducted promptly afterward.

#### **2. Value of assets to be contributed upon the exercise of the stock options**

The value of assets to be contributed when a stock option is exercised is the number of shares granted multiplied by the amount paid per share (the "exercise price").

The exercise price is the higher of (1) 1.05 multiplied by the average closing price for ordinary trading of the Company's common stock on the Tokyo Stock Exchange for every trading day (except days when the Company's stock was not traded) in the month prior to the month of the day the stock options were allocated with any fraction of one yen rounded up or (2) the closing price on the day the stock options were allocated (or the nearest prior closing price if the Company's stock was not traded on the allocation day). However, the exercise price is subject to adjustments as prescribed in the following item 3.

#### **3. Adjustment of the exercise price**

If the Company takes an action concerning its common stock described in the following items 1) or 2) on or

after the day the stock options are allocated, the adjustment price will be adjusted by using the following applicable exercise price adjustment formula. Any fraction of less than one yen is rounded up.

1) Stock split or stock consolidation

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split or stock consolidation}}$$

2) Issuance of stock or disposal of treasury shares at a price below the market price

(excludes the sale of treasury shares in accordance with Article 194 of the Companies Act (demand for sale of number of shares less than one unit by a shareholder holding less than one unit) and excluding the conversion of securities that are or can be converted into the Company's common stock or the exercise of stock options (including stock options attached to bonds) with the right to receive the Company's common stock)

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of issued shares} + \frac{\text{Number of newly issued shares} \times \text{Amount to be paid per share}}{\text{Market price}}}{\text{Number of issued shares} + \text{Number of newly issued shares}}$$

i. In this formula, the number of issued shares is the number of shares of common stock issued after deducting common stock held as treasury shares.

ii. If treasury shares are used for the stock distributed when a stock option is exercised, the number of newly issued shares in this formula is instead the number of treasury shares used.

4. Exercise period

10 years from the allocation date

5. Conditions for exercising the stock options

When a stock option is exercised, the holder of the stock option must be a director the Company or any of its subsidiaries. However, former directors of the Company who left because they reached the end of their term of office are exempt from this requirement.

6. Matters pertaining to capital stock and legal capital surplus that would increase upon stock issuance by the exercise of the stock options

(1) The increase in capital stock when new shares are issued upon the exercise of stock options is 50% of the maximum limit of a capital increase as calculated in accordance with Article 17, Paragraph 1 of the Corporate Accounting Rules. Any fraction of less than one yen arising from the calculation will be rounded up.

(2) The increase in legal capital surplus when new shares are issued upon exercise of the stock options is the maximum increase in capital in item (1) above less the increase in capital stock as stipulated in item (1) above.

7. Restrictions on the transfer of stock options

Transfers of ownership of stock options require the prior approval of the Company's Board of Directors.

8. Conditions for the Company to acquire the stock options

(1) When a stock option holder is no longer qualified to exercise a stock option due to the provisions of the item 5 above, the Company can acquire that individual's stock options without compensation.

(2) If the shareholders of the Company approve a proposal for a merger in which the Company is dissolved, a proposal for an approval of a company split agreement or an incorporation-type company split plan under which the Company is the splitting company, a contract for an exchange of stock that makes the Company a wholly owned subsidiary or a proposal for a stock transfer plan, the Company can acquire the stock options without compensation.

9. Other terms for the stock options will be determined separately by resolutions of the Company's Board of Directors.

10. Policy for determining terms for distribution of stock options of the restructured company following a reorganization

If the Company conducts a merger (only when the Company becomes a dissolving company), absorption-type or incorporation-type company split (in either type, only when the Company becomes a splitting company), or a share exchange or transfer (in either case, only when the Company becomes a wholly owned subsidiary) (the

“corporate reorganization”), the Company will grant the stock options of the stock company described in Article 236, Paragraph 1, Item 8 (a) to (e) of the Companies Act (the “restructured company”), as appropriate, to any stock option holders who hold the remaining stock options immediately before the date of the implementation of the corporate reorganization (the effective date of the absorption-type merger in the case of an absorption-type merger, the date of establishment of the company established by a consolidation-type merger in the case of a consolidation-type merger, the effective date of the absorption-type company split in the case of an absorption-type company split, the date of establishment of the splitting company in the case of an incorporation-type company split, the effective date of the share exchange in the case of a share exchange, or the date of establishment of the wholly-owning parent company upon the share transfer in the case of a share transfer; the same applies hereinafter), as appropriate, only to the extent that the absorption-type merger agreement, consolidation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement, or share transfer plan provided for the issuance of the stock options of the restructured company according to the provisions of the respective items below:

- (1) Number of stock options of the restructured company to be issued  
The same number as the remaining stock options held by the stock option holders.
  - (2) Class of shares of the restructured company for the stock options of the restructured company  
Common shares of the restructured company.
  - (3) Number of shares of the restructured company for the stock options of the restructured company  
Will be determined in accordance with the provisions of item 1 above, taking into consideration the terms for the corporate reorganization and any other related matters.
  - (4) Value of assets to be contributed upon the exercise of the stock options  
The value of assets to be contributed upon the exercise of the respective stock options issued by the restructured company is the amount obtained by multiplying the amount paid in after the restructuring, which is obtained by adjusting the exercise price described in item 2 above by the number of shares of the restructured company for the stock options of the restructured company, which is determined according to item (3) above, taking into consideration the terms for the corporate reorganization and any other related matters.
  - (5) Exercise period  
The period starts from either the first date of the exercise period in item 4 above or the effective date of the corporate reorganization, whichever comes later, and expire upon the date of expiration of the exercise period in item 4 above.
  - (6) Matters pertaining to capital stock and legal capital surplus that would increase upon stock issuance by the exercise of stock options  
Will be determined in accordance with the provisions of item 6 above.
  - (7) Restrictions on the transfer of stock options  
Transfers of ownership of stock options require the prior approval of the Board of Directors of the restructured company.
  - (8) Conditions to acquire the stock options  
Will be determined in accordance with the provisions of item 8 above.
  - (9) Other conditions for the exercise of stock options  
Will be determined in accordance with the provisions of item 5 above and item 12 below.
11. Agreement on fractions of one share resulting from the exercise of stock options  
Any fraction of one share included in the shares issued to the stock option holders who exercise their stock options is discarded.
12. Other conditions for the exercise of stock options  
If a stock option holder forfeits the right to exercise a stock option, the holder can no longer exercise the right.

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