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(Stock Exchange Code 6309)

January 14, 2025

(Date of commencement of measures for
electronic provision: January 6, 2025)

To Shareholders with Voting Rights:

Akitomo Tamai
President
Tomoe Engineering Co., Ltd.
5-15 Kitashinagawa 5-chome,
Shinagawa-ku, Tokyo, Japan

**NOTICE OF
THE 95TH ANNUAL SHAREHOLDERS MEETING**

Dear Shareholders:

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

Please be informed that the 95th Annual Shareholders Meeting of Tomoe Engineering Co., Ltd. (the “Company”) will be held for the purposes as described below.

The Company has taken measures for electronic provision in convening the Annual Shareholders Meeting and posted matters subject to electronic provision measures in the “Notice of Convocation Annual General Meeting 2025” on the following website on the Internet.

The Company’s website:

<https://www.tomo-e.co.jp/english/ir/>

In addition to the above, the information is posted on the following website on the Internet as well.

Tokyo Stock Exchange website (TSE Listed Company Search):

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

Please access the above Tokyo Stock Exchange website, enter “Tomoe Engineering” in the “Issue name (company name)” or our stock exchange code “6309” in “Code,” and click “Search.” Then, select “Basic information” and “Documents for public inspection/PR information” and check “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” column under “Filed information available for public inspection.”

You can exercise your voting rights in writing by mail or through electromagnetic means such as the Internet, etc. Please review the attached “Reference Documents for the Shareholders Meeting” described in the matters subject to electronic provision measures and exercise your voting rights using one of the methods written on page 3 (Japanese original) by 5:40 p.m. on Wednesday, January 29, 2025, Japan time.

- 1. Date and Time:** Thursday, January 30, 2025 at 10:00 a.m., Japan time
- 2. Place:** Osaki Bright Core Hall on the third floor of Osaki Bright Core located at 5-15, Kitashinagawa 5-chome, Shinagawa-ku, Tokyo, Japan
Kindly note that the venue is different from last time.
- 3. Meeting Agenda:**
- Matters to be reported:** (1) The Business Report, Consolidated Financial Statements for the Company's 95th Fiscal Year (from November 1, 2023 to October 31, 2024) and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements
(2) Non-consolidated Financial Statements for the Company's 95th Fiscal Year (from November 1, 2023 to October 31, 2024)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Five Directors (excluding Directors serving as Audit & Supervisory Committee Members)
- Proposal 3:** Election of Four Directors serving as Audit & Supervisory Committee Members
- Proposal 4:** Election of One Substitute Director serving as Audit & Supervisory Committee Member
- Proposal 5:** Payment of Bonuses to Officers

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- © When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Also, for the purposes of resource conservation, please bring this notice along with you.
- © Should the matters subject to electronic provision measures require any revisions, the revised matters will be posted on each of the websites on which they are posted.
- © Among the matters subject to electronic provision measures, the Consolidated Statements of Changes in Shareholders' Equity of the Consolidated Financial Statements and Notes to the Consolidated Financial Statements as well as the Non-consolidated Statements of Changes in Shareholders' Equity of the Non-consolidated Financial Statements and Notes to the Non-consolidated Financial Statements are not contained in the hard copy provided to shareholders who have requested it pursuant to the provisions of laws and regulations and Article 14, Paragraph 2 of the Articles of Incorporation of the Company. Accordingly, the hard copy is part of the Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Audit & Supervisory Committee and the Accounting Auditor in preparing audit reports and accounting audit reports, respectively.

Reference Documents for the Shareholders Meeting

Proposals and References

Proposal 1: Appropriation of Surplus

1. Matters regarding the year-end dividend

As its basic policy in our current medium-term management plan (from the fiscal year ended October 31, 2023 to the fiscal year ending October 31, 2025), the Company will implement stable dividends with the targeted payout ratio of at least 40% while seeking to maintain its sound financial position, and by considering the medium- to long-term earnings outlook, business strategy, and other factors in a comprehensive manner.

Based on the above policy, the Company proposes a year-end dividend of 82 yen per share for the current fiscal year, an increase of 12 yen per share from the previous fiscal year, taking into consideration the status of its financial position, operating results for the fiscal year ended October 31, 2024, and the future outlook.

(1) Matters regarding the assignment of assets to be distributed to shareholders and the total amount thereof

82 yen per share of the Company's common stock, in a total amount of 818,217,320 yen

As the Company has already paid the interim dividend of 63 yen per share, the annual dividend for the fiscal year ended October 31, 2024 will amount to 145 yen per share.

(2) The date on which dividends of retained earnings become effective

January 31, 2025

2. Matters regarding appropriation of surplus

Regarding the internal reserves, the Company proposes as follows to reinforce the management foundation in preparation for the future business development.

(1) Item of surplus to be increased and the amount thereof

General reserve of 1,500,000,000 yen

(2) Item of surplus to be decreased and the amount thereof

Retained earnings brought forward of 1,500,000,000 yen

Proposal 2: Election of Five Directors (excluding Directors serving as Audit & Supervisory Committee Members)

The term of office of all five Directors (excluding Directors serving as Audit & Supervisory Committee Members; hereinafter the same shall apply in this proposal) will expire at the conclusion of this Annual Shareholders Meeting. Accordingly, the election of five Directors is proposed. With regard to this proposal, based on the Nomination & Remuneration Advisory Committee's report and the Audit & Supervisory Committee's opinion, all candidates have been deemed to qualify as a Director of the Company after each candidate's execution of duties, performance, knowledge, and past experience, etc. were reviewed.

The candidates for Directors are as follows:

No.	Name	Current positions and responsibilities, etc. at the Company	Attributes	Attendance at Board of Directors meetings
1	Akitomo Tamai	President	Reappointment	100% (22/22)
2	Akiyoshi Shinoda	Director & Managing Executive Officer General Manager, Machinery & Equipment Div.	Reappointment	100% (22/22)
3	Tetsuyuki Azuma	Director & Managing Executive Officer General Manager, Chemical Products Div.	Reappointment	100% (22/22)
4	Osamu Fujii	Director & Executive Officer In charge of General Affairs Div. and Business Coordination Div.	Reappointment	100% (22/22)
5	Kazuyuki Kitta	Director & Executive Officer In charge of Accounting Div. and Management Planning Div.	Reappointment	100% (22/22)

New appointment	Candidate for new Director
Reappointment	Candidate for reappointment as Director
Outside Director	Candidate for Outside Director
Independent Officer	Candidate for independent officer stipulated by stock exchanges, etc.

No.	Name (Date of birth)	Past experience, positions and responsibilities		Number of shares of the Company held
1	Akitomo Tamai (February 12, 1957) Reappointment	<p>April 1980 April 1988 April 2000 November 2005 January 2011 November 2012 January 2013 November 2017 January 2018 January 2021 January 2023</p>	<p>Joined JDC CORPORATION Joined Elkem Japan K.K. Joined the Company General Manager, Industrial Materials Dept., Chemical Products Div. Director Deputy General Manager, Chemical Products Div. (in charge of Plastics Dept., Industrial Materials Dept., and Fine Chemicals Dept.) President, Tomoe Butsuryu Co., Ltd. President, Tomoe Trading (Shenzhen) Co., Ltd. Deputy General Manager, Chemical Products Div. (in charge of Plastics Dept. and Industrial Materials Dept.) and General Manager, China Business Promotion Dept., Chemical Products Div. of the Company Deputy General Manager, Chemical Products Div. (in charge of Plastics Dept. and Industrial Materials Dept.) Managing Director General Manager, Chemical Products Div. Senior Managing Director General Manager, Machinery & Equipment Div. President (current position)</p>	28,210
<p>(Reasons for selecting the candidate for Director) Mr. Akitomo Tamai has abundant operational knowledge and experience on the Company's overall business with focus on the machinery and equipment business and chemical products business. Since assuming office as a Representative Director in January 2023, he has duly performed his duties as a senior executive officer of the Group. Therefore, the Company believes that he is qualified as a Director of the Company and reappoints him as a candidate for Director.</p>				
2	Akiyoshi Shinoda (August 23, 1961) Reappointment	<p>April 1985 September 1989 November 2011 April 2014 January 2015 April 2015 January 2018 January 2021 March 2021 January 2023 November 2023</p>	<p>Joined Nippon Kaiji Kentei Kyokai Joined the Company General Manager, Chemical Products Sales Dept., Osaka Branch Office General Manager, Fine Chemicals Dept., Chemical Products Div. Director Deputy General Manager, Chemical Products Div. (in charge of Advanced Materials Dept. and Electronic Materials Dept.) and General Manager, Fine Chemicals Dept. Deputy General Manager, Chemical Products Div. (in charge of Advanced Materials Dept., Electronic Materials Dept., and Fine Chemicals Dept.) Deputy General Manager, Chemical Products Div. (in charge of Fine Chemicals Dept., Electronic Materials Dept., and Plastics Dept.) President, Tomoe Butsuryu Co., Ltd. Managing Director of the Company General Manager, Chemical Products Div. President, Tomoe Trading (Shenzhen) Co., Ltd. Director & Managing Executive Officer of the Company (current position) General Manager, Machinery & Equipment Div. (current position) President, Tomoe Engineering USA, Inc. (current position)</p>	24,961
<p>(Reasons for selecting the candidate for Director) Mr. Akiyoshi Shinoda has abundant operational knowledge and experience on the Company's overall business with focus on the machinery and equipment business and the chemical products business. Since assuming office as a Director in January 2015, he has duly performed duties in general as Director. Therefore, the Company believes that he is qualified as a Director of the Company and reappoints him as a candidate for Director.</p>				

No.	Name (Date of birth)	Past experience, positions and responsibilities		Number of shares of the Company held
3	Tetsuyuki Azuma (August 16, 1960) Reappointment	April 1984 November 2009 January 2018	Joined the Company General Manager, Advanced Materials Dept., Chemical Products Div. Director Deputy General Manager, Chemical Products Div. (in charge of Advanced Materials Dept. and Industrial Materials Dept.) and General Manager, Advanced Materials Dept. Deputy General Manager, Chemical Products Div. (in charge of Advanced Materials Dept. and Industrial Materials Dept.) Deputy General Manager, Chemical Products Div. (in charge of Advanced Materials Dept., Industrial Materials Dept., and Minerals Dept.) President, Tomoe Butsuryu Co., Ltd. Director & Managing Executive Officer of the Company (current position) General Manager, Chemical Products Div. (current position)	12,947
		April 2018 November 2019 January 2021 January 2023		
(Reasons for selecting the candidate for Director) Mr. Tetsuyuki Azuma has abundant operational knowledge and experience on the Company’s overall business with focus on the chemical products business. Since assuming office as a Director in January 2018, he has duly performed duties in general as Director. Therefore, the Company believes that he is qualified as a Director of the Company and reappoints him as a candidate for Director.				
4	Osamu Fujii (December 10, 1963) Reappointment	April 1987 April 2013 January 2020	Joined the Company General Manager, General Affairs Div. Director In charge of General Affairs Div. and Business Coordination Div. and General Manager, General Affairs Div. In charge of General Affairs Div. and Business Coordination Div. In charge of General Affairs Div. and Business Coordination Div. and General Manager, General Affairs Div. Director & Executive Officer (current position) In charge of General Affairs Div. and Business Coordination Div. (current position)	12,487
		November 2020 January 2022 January 2023 November 2023		
(Reasons for selecting the candidate for Director) Mr. Osamu Fujii has abundant operational knowledge and experience on the Company’s overall business with focus on the administrative division. Since assuming office as a Director in January 2020, he has duly performed duties in general as Director. Therefore, the Company believes that he is qualified as a Director of the Company and reappoints him as a candidate for Director.				

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
5	Kazuyuki Kitta (January 5, 1964) Reappointment	<p>April 1987 Joined The Fuji Bank, Limited</p> <p>April 2015 General Manager of Sendai Branch, Mizuho Bank, Ltd.</p> <p>February 2019 Joined the Company</p> <p>November 2019 General Manager, Accounting Div.</p> <p>January 2023 Director & Executive Officer (current position) In charge of Accounting Div. and Management Planning Dept. and General Manager, Accounting Div.</p> <p>November 2023 In charge of Accounting Div. and Management Planning Dept.</p> <p>April 2024 In charge of Accounting Div. and Management Planning Div. (current position)</p>	1,097
<p>(Reasons for selecting the candidate for Director)</p> <p>Mr. Kazuyuki Kitta has abundant knowledge and experience on finance and accounting. Since assuming office as a Director in January 2023, he has duly performed duties in general as Director. Therefore, the Company believes that he is qualified as a Director of the Company and reappoints him as a candidate for Director.</p>			

(Notes)

1. There are no special interests between each candidate and the Company.
2. The number of shares of the Company held by each candidate includes those held by the Tomoe Engineering Officer Shareholding Association.
3. The Company has concluded a directors and officers liability insurance policy provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. Any damage that may arise as a result of an insured person assuming liability for the execution of his or her duties or receiving a claim related to the pursuit of such liability shall be covered by the said insurance policy, provided, however, that there are exemptions that damage arising from the insured person's acts committed with the knowledge that they are in violation of laws and regulations shall be outside the scope of coverage. The insurance premiums are fully borne by the Company for all insured persons. If this proposal is approved as originally proposed, each candidate will become an insured person under the said insurance policy. Furthermore, at the next renewal, the Company plans to renew the insurance policy with the same contents.

Proposal 3: Election of Four Directors serving as Audit & Supervisory Committee Members

The term of office of all four Directors serving as Audit & Supervisory Committee Members will expire at the conclusion of this Annual Shareholders Meeting. Accordingly, the election of four Directors serving as Audit & Supervisory Committee Members is proposed.

The Audit & Supervisory Committee has given its consent to this proposal.

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

No.	Name	Current positions and responsibilities, etc. at the Company	Attributes	Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Committee meetings
1	Toshiaki Yakura	Director (Director serving as Audit & Supervisory Committee Member)	Reappointment	100% (22/22)	100% (16/16)
2	Kenji Yahiro	Outside Director (Director serving as Audit & Supervisory Committee Member)	Reappointment Outside Director Independent Officer	100% (22/22)	100% (16/16)
3	Rei Sugihara	Outside Director (Director serving as Audit & Supervisory Committee Member)	Reappointment Outside Director Independent Officer	100% (22/22)	100% (16/16)
4	Takako Ochi	—	New appointment Outside Director Independent Officer	—	—

New appointment	Candidate for new Director
Reappointment	Candidate for reappointment as Director
Outside Director	Candidate for Outside Director
Independent Officer	Candidate for independent officer stipulated by stock exchanges, etc.

No.	Name (Date of birth)	Past experience, positions and responsibilities		Number of shares of the Company held
1	Toshiaki Yakura (May 31, 1958) Reappointment	April 1981 April 2008	Joined The Fuji Bank, Limited General Manager, Americas Business Operations Department, Mizuho Corporate Bank, Ltd.	18,151
		October 2012 April 2014 January 2015	Joined the Company General Manager assistant to Accounting Div. General Manager, Accounting Div. Director In charge of Accounting Div. and Management Planning Dept. and General Manager, Accounting Div.	
		November 2019 January 2023	In charge of Accounting Div. and Management Planning Dept. Director (Director serving as Audit & Supervisory Committee Member) (current position)	
(Reasons for selecting the candidate for Director) Mr. Toshiaki Yakura has experience as a Director in charge of Accounting Div. and Management Planning Dept. as an executive Director of the Company, and has financial, accounting and legal knowledge necessary for the execution of duties. Since assuming office as a Director serving as Audit & Supervisory Committee Member in January 2023, he has duly performed duties in general, including contributing to strengthening the Company’s corporate governance, as a Director serving as Audit & Supervisory Committee Member. Therefore, the Company believes that he is qualified and reappoints him as a candidate for Director serving as Audit & Supervisory Committee Member.				
2	Kenji Yahiro (November 24, 1959) Reappointment Outside Director Independent Officer	April 1983 April 2014	Joined Yasuda Life Insurance Company General Manager, Contract Services Div., Meiji Yasuda Life Insurance Company	3,035
		April 2017 April 2018	Director and General Manager, Underwriting Div., Meiji Yasuda General Insurance Co., Ltd. Executive Officer and General Manager, Underwriting Div., Meiji Yasuda General Insurance Co., Ltd.	
		April 2020 January 2021	Deputy Manager, Business Support Div., Meiji Yasuda Office Partners Co., Ltd. Outside Director (Director serving as Audit & Supervisory Committee Member) of the Company (current position)	
(Reasons for selecting the candidate for Outside Director and overview of expected roles) Mr. Kenji Yahiro has long been engaged in life insurance and general insurance, and has experience in corporate management. He has fulfilled a proper role in mainly supervising the appropriateness of decision making and the business execution by expressing his opinions as necessary from his professional viewpoint at Board of Directors meetings. Therefore, the Company believes that he will be able to contribute to strengthening the Company’s corporate governance and reappoints him as a candidate for Outside Director serving as Audit & Supervisory Committee Member.				

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
3	Rei Sugihara (October 25, 1958) <div>Reappointment</div> <div>Outside Director</div> <div>Independent Officer</div>	April 1986 Appointed Assistant Judge, Tokyo District Court April 1995 Registered as Attorney-at-law, Tokyo Bar Association January 1996 Joined Koga Sogo Law Office June 2006 Koga Sogo Law Office Renamed Kasumi Sogo Law Office Partner lawyer March 2015 Outside Audit & Supervisory Board Member, TACHIKAWA CORPORATION June 2020 Outside Director and Audit & Supervisory Committee Member, Ushio Inc. (current position) January 2023 Outside Director (Director serving as Audit & Supervisory Committee Member) of the Company (current position) Attorney-at-law, Kasumi Sogo Law Office (to the present)	198
		(Significant concurrent positions) Outside Director and Audit & Supervisory Committee Member, Ushio Inc.	
		(Reasons for selecting the candidate for Outside Director and overview of expected roles) Although Ms. Rei Sugihara has never been directly involved in corporate management except as an Outside Director or Outside Audit & Supervisory Board Member, she is well versed in corporate legal affairs as an attorney-at-law. She has fulfilled a proper role in mainly supervising the appropriateness of decision making and the business execution by expressing her opinions from her professional viewpoint and giving advice needed in order to promote diversity as necessary at Board of Directors meetings. Therefore, the Company believes that she will be able to contribute to strengthening the Company's corporate governance and reappoints her as a candidate for Outside Director serving as Audit & Supervisory Committee Member.	
4	Takako Ochi (July 13, 1969) <div>New appointment</div> <div>Outside Director</div> <div>Independent Officer</div>	October 1992 Joined Eiwa Audit Corporation (currently KPMG AZSA LLC) October 1996 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) April 1997 Joined Chuo Coopers & Lybrand Advisors K.K. April 2001 Joined MagClick Inc. April 2002 Established Ochi Certified Public Accountant Office (to the present) October 2012 Established Takako Ochi Certified Public Tax Accountant Office (to the present) December 2018 Joined TAIYU AUDIT LLC June 2023 Outside Audit & Supervisory Board Member, J Trust Global Securities Co Ltd. (current position) February 2024 Outside Audit & Supervisory Board Member, K.R.S. Corporation (current position)	0
		(Significant concurrent positions) Outside Audit & Supervisory Board Member, J Trust Global Securities Co Ltd. Outside Audit & Supervisory Board Member, K.R.S. Corporation	
		(Reasons for selecting the candidate for Outside Director and overview of expected roles) Although Ms. Takako Ochi has never been directly involved in corporate management except as an Outside Audit & Supervisory Board Member, she is well versed in finance, accounting, and auditing as a certified public accountant and a certified public tax accountant. The Company expects that she will play a proper role in mainly supervising the appropriateness of decision making and the business execution while promoting diversity as an Outside Director of the Company and appoints her as a candidate for Outside Director serving as Audit & Supervisory Committee Member.	

(Notes)

1. There are no special interests between each candidate and the Company.
2. The number of shares of the Company held by each candidate includes those held by the Tomoe Engineering Officer Shareholding Association.
3. Mr. Kenji Yahiro, Ms. Rei Sugihara and Takako Ochi are candidates for Outside Directors.

4. Mr. Kenji Yahiro and Ms. Rei Sugihara satisfy the criteria for independence of outside officers stipulated by the Company, in addition to the criteria for independent officers stipulated by the Tokyo Stock Exchange. Therefore, the Company believes that each candidate's independence has been fully secured. If this proposal is approved, the Company will once again notify the Tokyo Stock Exchange of each candidate as an independent officer stipulated by the Exchange. In addition, Ms. Takako Ochi also satisfies the criteria for independence of outside officers stipulated by the Company, in addition to the criteria for independent officers stipulated by the Tokyo Stock Exchange. Therefore, the Company believes that her independence has been fully secured. If this proposal is approved, the Company will notify the Tokyo Stock Exchange of her as an independent officer stipulated by the Exchange.
5. Mr. Kenji Yahiro and Ms. Rei Sugihara are currently serving as Outside Directors serving as Audit & Supervisory Committee Members. They will have served as Outside Directors serving as Audit & Supervisory Committee Members for four years and two years, respectively, at the conclusion of this Annual Shareholders Meeting.
6. There are no special interests between Ushio Inc., where Ms. Rei Sugihara serves as Outside Director, and the Company.
7. There are no special interests between J Trust Global Securities Co Ltd., where Ms. Takako Ochi serves as an Outside Audit & Supervisory Board Member, and the Company, or between K.R.S. Corporation, where she serves as an Outside Audit & Supervisory Board Member, and the Company.
8. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Messrs. Toshiaki Yakura, Kenji Yahiro, and Ms. Rei Sugihara, current Directors serving as Audit & Supervisory Committee Members, to limit their liabilities stipulated in Article 423, Paragraph 1 of the Companies Act. The limit on liability for damages under the agreement is the minimum liability amount specified in Article 425, Paragraph 1 of the Companies Act. If this proposal is approved and the three candidates are reelected as Directors serving as Audit & Supervisory Committee Members, the Company intends to enter into liability limitation agreements with each of them under the same terms and conditions. In addition, if this proposal is approved and Ms. Takako Ochi is elected as Director serving as Audit & Supervisory Committee Member, the Company intends to enter into liability limitation agreements with her under the same terms and conditions.
9. The Company has concluded a directors and officers liability insurance policy provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. Any damage that may arise as a result of an insured person assuming liability for the execution of his or her duties or receiving a claim related to the pursuit of such liability shall be covered by the said insurance policy, provided, however, that there are exemptions that damage arising from the insured person's acts committed with the knowledge that they are in violation of laws and regulations shall be outside the scope of coverage. The insurance premiums are fully borne by the Company for all insured persons. If this proposal is approved as originally proposed, each candidate will become an insured person under the said insurance policy. Furthermore, at the next renewal, the Company plans to obtain the insurance policy with the same contents.

Proposal 4: Election of One Substitute Director serving as Audit & Supervisory Committee Member

In preparation for the contingency that the number of Directors serving as Audit & Supervisory Committee Members falls below the number stipulated by laws and ordinances, the election of one Substitute Director serving as Audit & Supervisory Committee Member is proposed. The resolution of this proposal will expire at the beginning of the annual shareholders meeting held for the last business year ending within two years after the resolution.

The Audit & Supervisory Committee has given its consent to this proposal.

The candidate for Substitute Director serving as Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Past experience, positions and responsibilities		Number of shares of the Company held
<p>Takashi Sato (September 21, 1961)</p> <div> <div>Outside Director</div> <div>Independent Officer</div> </div>	April 1984	Joined the Tokyo Regional Taxation Bureau	0
	July 2009	Professor, General Education Department, National Tax College	
	July 2010	Professor, Research Department, National Tax College	
	July 2018	Director, Fourth Division, Information and Examination Division, First Taxation Department, Tokyo Regional Taxation Bureau	
	July 2020	Director, International Division (Criminal Investigation), Criminal Investigation Department, Tokyo Regional Taxation Bureau	
	July 2021	District Director, Meguro Tax Office	
	September 2022	Opened Takashi Sato Certified Public Tax Accountant Office (to the present)	
<p>(Reasons for selecting the candidate for Substitute Outside Director and overview of expected roles)</p> <p>Although Mr. Takashi Sato has never been directly involved in corporate management, he has long been engaged in corporate taxation. Based on his abundant experience and knowledge, the Company expects that he will fulfill an appropriate role in supervising the business execution as an Outside Director of the Company, and appoints him as a candidate for Substitute Outside Director serving as Audit & Supervisory Committee Member.</p>			

(Notes)

- There are no special interests between the candidate and the Company.
- Mr. Takashi Sato is a candidate for Outside Director.
- Mr. Takashi Sato satisfies the criteria for independence of outside officers stipulated by the Company, in addition to the criteria for independent officers stipulated by the Tokyo Stock Exchange. Therefore, the Company believes that his independence has been fully secured.
- In the event that Mr. Takashi Sato assumes office as a Director serving as Audit & Supervisory Committee Member, the Company will, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, enter into an agreement to limit his liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act. The limit on liability for damages under the agreement will be the minimum liability amount specified in Article 425, Paragraph 1 of the Companies Act.
- The Company has concluded a directors and officers liability insurance policy provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. Any damage that may arise as a result of an insured person assuming liability for the execution of his or her duties or receiving a claim related to the pursuit of such liability shall be covered by the said insurance policy, provided, however, that there are exemptions that damage arising from the insured person's acts committed with the knowledge that they are in violation of laws and regulations shall be outside the scope of coverage. The insurance premiums are fully borne by the Company for all insured persons. If Mr. Takashi Sato assumes office as a Director serving as Audit & Supervisory Committee Member, he will become an insured person under the said insurance policy. Furthermore, at the next renewal, the Company plans to obtain the insurance policy with the same contents.

Proposal 5: Payment of Bonuses to Officers

By considering the operating results for the fiscal year ended October 31, 2024 and other factors, payment of bonuses to five Directors (excluding Directors serving as Audit & Supervisory Committee Members; hereinafter the same shall apply in this proposal) in the total amount of 120,244,000 yen is proposed. Regarding the amount to be paid to each Director, we would like to ask our shareholders to leave the decision on the amount to the Board of Directors.

The Company has formulated a policy for determining details of individual remuneration, etc. of Directors, and an overview of the said policy is stated on pages 25 to 26 (Japanese original). The Nomination & Remuneration Advisory Committee and the Audit & Supervisory Committee have confirmed that the procedures to decide the total amount of bonuses and the specific method of calculation, etc. are in line with the said policy, and it is judged that this proposal is appropriate.

(Reference)

Composition and skills matrix of the Board of Directors if Proposal 2 and Proposal 3 are approved as originally proposed

	Corporate Management	Sales & Marketing		Overseas Businesses	Production, Technologies & Development	Finance & Accounting	Human Resources & Labor	Legal Affairs & Risk Management	Outside Officers & Independence
		Manufacturers	Trading Companies						
Akitomo Tamai	●	●	●	●	●				
Akiyoshi Shinoda	●	●	●	●	●				
Tetsuyuki Azuma	●		●	●					
Osamu Fujii	●						●	●	
Kazuyuki Kitta	●					●			
Toshiaki Yakura	●			●		●			
Kenji Yahiro	●							●	●
Rei Sugihara								●	●
Takako Ochi						●			●

(Notes)

1. The above list shows the areas where each Director can demonstrate their expertise and does not represent all the knowledge, experience, and abilities held by them.
2. Messrs. Toshiaki Yakura, Kenji Yahiro, Ms. Rei Sugihara, and Takako Ochi are Directors serving as Audit & Supervisory Committee Members.

Selection criteria for Outside Directors of the Company

Outside Directors and the candidates for Outside Director of the Company shall be the individuals satisfying the following criteria:

1. The individuals who are capable of directly supervising the matters regarding management in general, financial and legal affairs, corporate governance and other issues that are deliberated or resolved at the Board of Directors meetings.
2. The individuals who have insight, expertise and experience conducive to the sustainable growth and medium- to long-term enhancement of corporate value of the Company, and are capable of expressing useful opinions and giving advice regarding the matters related to corporate management, including business strategy, formulation of medium-term management plan, etc.

Criteria for independence of Outside Directors of the Company

Outside Directors and the candidates for Outside Director of the Company shall be the individuals that do not fall under the following criteria 1 to 5. The applicable period for the criteria 2 to 5 shall be the present and the past ten years.

1. Individual related to the Group
Director (excluding Outside Director), Audit & Supervisory Board Member (excluding Outside Audit & Supervisory Board Member), Accounting Advisor, Executive Officer, Operating Officer or employee (hereinafter, "Executive, etc.") of the Company, or subsidiaries and affiliates of the Company (hereinafter, "the Group")
2. Shareholder and individual related thereto
 - (1) A shareholder who holds 10% or more of the Company's voting rights, or Executive, etc. of such shareholder
 - (2) An Executive, etc. of the company in which the Group holds 10% or more of voting rights
3. Individual related to business partner
 - (1) Executive, etc. of a business partner that records a transaction amount with the Group equivalent to 2% or more of said entity's consolidated net sales or; Executive, etc. of a business partner with which the Group records a transaction amount equivalent to 2% or more of the Group's consolidated net sales
 - (2) Executive, etc. of a financial institution from which the Group is borrowing an amount equivalent to 2% or more of the Group's consolidated total assets
4. Attorney-at-law, certified public accountant, tax accountant, etc.
 - (1) Certified public accountant, or employee or partner of an audit corporation, which is the Accounting Auditor of the Group
 - (2) An individual who receives an annual remuneration of 10 million yen or more from the Group as attorney-at-law, certified public accountant, tax accountant or other consultant, in addition to the remuneration as an officer
5. Others
 - (1) A spouse or any family within the second degree of kinship of the individual that falls under the above criteria 1 to 4
 - (2) Executive, etc. of a company, between which and the Group directors are mutually appointed
 - (3) Executive, etc. of a company, between which and the Group mutually hold shares