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Security code: 9744

May 28, 2025

(Start Date of Matters Related to Electronic Provision Measures: May 27, 2025)

Meitec Group Holdings Inc.  
15-1, Morinosatoaoyama, Atsugi-shi, Kanagawa, Japan  
President and CEO: Masato UEMURA

Notice of Convocation of the 52nd Annual General Meeting of Shareholders

To Our Shareholders:

Meitec Group Holdings Inc. (the Company) will hold the 52nd Annual General Meeting of Shareholders as follows.

This Notice of Convocation of the General Meeting of Shareholders is posted on the Company's website in the section, "Notice of Convocation of the 52nd Annual General Meeting of Shareholders." Please access the Company's website indicated below to confirm.

The Company's website:

[https://www.meitecgroup-holdings.com/en/ir/stock/general\\_meeting.html](https://www.meitecgroup-holdings.com/en/ir/stock/general_meeting.html)

In addition to the above-mentioned website, this Notice of Convocation of the General Meeting of Shareholders is also posted on the Tokyo Stock Exchange, Inc. (TSE) website. If it is not possible to access the Company's website, please access TSE's website (Listed Company Search) to confirm by entering "Meitec Group Holdings Inc." or "9744" in the issue name (company name) or securities code field, selecting "Basic information," "Documents for public inspection/PR information".

TSE website (Listed Company Search)

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

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the reference material for the meeting and exercise your voting rights by 6:00 p.m. on Wednesday, June 18, 2025.

1. Date and time: Thursday, June 19, 2025 at 11:00 a.m.
2. Place: Meitec Group Holdings Tokyo Office,  
ORIX UENO 1-CHOME BUILDING 7th Floor,  
1-1-10, Ueno, Taito-ku, Tokyo, Japan
3. Purpose of the meeting:

Matters to be reported:

- 1) The Business Report, Consolidated Financial Statements for the 52nd fiscal year (from April 1, 2024, to March 31, 2025) and results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee
- 2) Non-consolidated Financial Statements, for the 52nd fiscal year (from April 1, 2024, to March 31, 2025)

Matters to be resolved:

- |               |  |
|---------------|--|
| Agenda Item 1 | Dividend of the retained earnings (year-end dividend for the fiscal year ended March 31, 2025)       |
| Agenda Item 2 | Election of four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members) |
| Agenda Item 3 | Election of two (2) Directors who are an Audit and Supervisory Committee Members                     |

#### 4. About Exercising Your Voting Right

##### 1) Exercising your voting right by mail (in writing)

Please indicate whether you approve or disapprove on the resolution to the enclosed “Card for the Exercise of Voting Rights” and return it to the Company via mail, by 6:00 p.m. on June 18, 2025 (Wednesday).

##### 2) Instructions for exercising your vote on the internet

If you are to attend the meeting, voting by sending the “Card for the Exercise of Voting Rights” or voting by internet is unnecessary.

##### 3) Treatment of non-indication of vote on the “Card for the Exercise of Voting Rights”

If approval or disapproval is not indicated on the “Card for the Exercise of Voting Rights” in exercising the voting right via mail, it shall be treated as if approval were voted.

##### 4) Treatment of duplicate exercise by the internet

In case that multiple number of votes is exercised on the internet, last vote exercised on the internet will be recognized as valid. Furthermore, if you exercise your voting rights in duplicate by accessing the voting website from a personal computer and a smart phone, the last time that you exercise your voting rights shall be deemed valid.

##### 5) Treatment of duplicate exercise by writing and by the internet

In case that a voting right is exercised both by writing using the “Card for the Exercise of Voting Rights” and on the internet, only the vote registered on the internet will be recognized as valid.

##### 6) About diverse exercise of your vote

If you wish to make a diverse exercise of your voting right, please notify the Company in writing or by electromagnetic means by 3 days prior to the Annual General Meeting of Shareholders stating your intention of making the diverse exercise and the reasons.

#### 5. Internet Disclosure

Pursuant to the relevant laws and regulations and Article 15 of the Company’s articles of incorporation, among documents to be attached to this notice, the following items are posted on the Company’s website and are not attached to this notice. Consequently, the documents attached to this notice are part of the documents that were audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparing their audit reports.

i) Notes to Consolidated Financial Statements

ii) Notes to Non-consolidated Financial Statements

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In the event of any amendments to Matters Related to the reference documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements included in this Notice of Convocation of the General Meeting of Shareholders, said amendment will be notified on the aforementioned websites of the Company and TSE, showing both the original matter and the amended matter.

## **REFERENCE FOR EXERCISE OF VOTING RIGHTS**

Matters to be resolved:

Agenda Item 1: Dividend of the retained earnings (year-end dividend for the fiscal year ended March 31, 2025)

The Basic Policy Regarding Profit Distribution calls for: 1. Total payout ratio of 100% or less in principle, 2. Minimum dividend payout equal to dividend on equity ratio of 5%, and 3. Dividends form the basis of the distribution method.

Based on the above mentioned policy, the Company proposes the year-end dividend as following.

(1) Type of dividends: Cash

(2) Allotment of property for dividends and total amount thereof:

¥110 per share of the Company's common stock (ordinary dividend of ¥95 and 50th anniversary commemorative dividend of ¥15) for a total of ¥8,492,770,220.

These dividends would result in annual dividends, including the interim dividend of ¥88 per share, of ¥198 per share.

(3) Effective date of dividends of the retained earnings: June 20, 2025

Agenda Item 2: Election of four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)


The term of office of all the three (3) current Directors (excluding Directors who are Audit and Supervisory Committee Members, hereafter the same) ends at the conclusion of this Annual General Meeting of Shareholders.


Therefore, to ensure diversity, balance, and scale in the composition of the Board of Directors and to maintain and improve appropriate decision-making and management oversight functions, the Board of Directors proposes four (4) directors to be elected.


The candidates for directors are as follows.

	Name		Current position
1	Masato UEMURA	Reappointment	Group CEO Representative Director President
2	Kumi YOKOE	Reappointment Outside Independent	Director
3	Tadashi MACHIDA	Newly appointment Outside Independent	—
4	Tomoko TAGAMI	Newly appointment Outside Independent	—


Whereas the name of Ms. Tomoko TAGAMI is presented above using her former surname, which she uses professionally, her name under the family register is Tomoko YOSHIDA.

	Name (Date of birth)	Career Summary and other Current Positions
1	<p><b>Reappointment</b></p>  <p>Masato UEMURA (July 23, 1967)</p> <ul style="list-style-type: none"> <li>• Period in office 16 years</li> <li>• Attendance at meetings of the Board of Directors during the 52nd fiscal period 12/12 (100%)</li> <li>• Number of shares held in the Company 39,100 shares</li> </ul>	<p>Apr. 1990    Joined Saitama Bank, Limited. (currently Saitama Resona Bank, Limited.)</p> <p>Mar. 2003    Financial Dept, Resona Holdings, Inc. and Planning Dept, Resona Bank, Limited</p> <p>Jan. 2007    Joined the Company General Manager of the Management Information Dept.</p> <p>Mar. 2008    Executive officer of the Company</p> <p>Jun. 2009    Director of the Company</p> <p>Apr. 2019    Senior Vice President and Director of the Company</p> <p>Apr. 2024    Group CEO (current) President, Representative Director of the Company (current)</p> <p>[Current position] Group CEO President, Representative Director (In charge of IR, Group Internal Audit , CSR)</p> <p>[Important Concurrent Positions] Director of MEITEC CORPORATION Director of MEITEC FIELDERS INC. Director of MEITEC CAST INC. Director of MEITEC NEXT CORPORATION Director of MEITEC EX CORPORATION Director of MEITEC BUSINESS SERVICE CORPORATION</p> <p>[Reason for selection as candidate for Director] Mr. Masato UEMURA is Representative Director and President of the Company as well as CEO of the MEITEC Group. He possesses abundant experience and a high level of knowledge with respect to the MEITEC Group's businesses, including having been responsible for accounting, finance, IR, and other departments related to management administration. As a result, the Company judges that he will contribute to the MEITEC Group's sustainable growth and an increase in the corporate value over the medium to long term.</p>

	Name (Date of birth)	Career Summary and other Current Positions
2	<div> <div>Reappointment</div> <div>Outside Independent</div>  <p>Kumi YOKOE (April 16, 1965)</p> <ul style="list-style-type: none"> <li>• Period in office 6 years</li> <li>• Attendance at meetings of the Board of Directors during the 52nd fiscal period 11/12 (92%)</li> <li>• Number of shares held in the Company 0 shares</li> </ul> </div>	<p>May. 2001 President of VOTE Japan Inc.  Jun. 2011 The Heritage Foundation Senior Fellow  Apr. 2017 Professor, Department of Global Innovation Studies, Faculty of Global and Regional Studies, Toyo University (current)  Jun. 2019 Outside Director of the Company (current)</p> <p>[Important Concurrent Positions]  Professor, Department of Global Innovation Studies, Faculty of Global and Regional Studies, Toyo University</p>
	<p>[Reason for selection as candidate for Outside Director and expected roles]</p> <p>Ms. Kumi YOKOE has wide knowledge on international politics and others as a university professor. The Company expects that, utilizing her experiences as a senior researcher at a major think-tank and as the president of a company, by acting from an objective and neutral position in view of protecting interest of general shareholders, candidly asking questions or expressing opinions, and exercising her voting rights appropriately, she will contribute to overseeing management and strengthening the function of the board of directors of the Company as an independent outside director.</p>	

	Name (Date of birth)	Career Summary and other Current Positions
3	<div> <div>Newly appointment</div> <div>OutsideIndependent</div>  <p>Tadashi MACHIDA (January 6, 1956)</p> <p>• Number of shares held in the Company 0 shares</p> </div>	<p>Apr. 1979    Joined Japan Recruit Center, Inc. (currently Recruit Holdings Co., Ltd.)</p> <p>Jun. 1994    Director of Recruit Cosmos Co., Ltd. (currently Cosmos Initia Co., Ltd.)</p> <p>Jun. 2005    Representative Director and President of Recruit Cosmos Co., Ltd. (currently Cosmos Initia Co., Ltd.)</p> <p>Oct. 2010    Advisor of SGREALTY CO.,LTD.</p> <p>Jan. 2011    Director of SGREALTY CO.,LTD.</p> <p>Mar. 2011    Representative Director and President of SGREALTY CO.,LTD.</p> <p>Jun. 2013    Director of SG Holdings Co., Ltd.</p> <p>Mar. 2014    Representative Director of SG Holdings Co., Ltd.</p> <p>Jun. 2015    President and COO of SG Holdings Co., Ltd.</p> <p>Jul. 2019    Representative Director and President of Asset Matching, Inc. (current)</p> <p>[Important Concurrent Positions] Representative Director and President of Asset Matching, Inc.</p>
	<p>[Reason for selection as candidate for Outside Director and expected roles]</p> <p>Mr. Tadashi MACHIDA has served as the representative director of a listed company on the first section of the Tokyo Stock Exchange and possesses abundant experience and a high level of knowledge with respect to corporate management. The Company expects that by acting from an objective and neutral position in view of protecting interest of general shareholders, candidly asking questions or expressing opinions, and exercising his voting rights appropriately, he will contribute to overseeing management and strengthening the function of the Board of Directors of the Company as an independent outside director.</p>	



	Name (Date of birth)	Career Summary and other Current Positions
4	<div> <div>Newly appointment</div> <div>OutsideIndependent</div>  <p>Tomoko TAGAMI (Current family name: Yoshida) (October 6, 1972)</p> <p>• Number of shares held in the Company 0 shares</p> </div>	<p>Apr. 1995    Joined Procter &amp; Gamble Far East, Inc. (currently The P&amp;G Japan Limited)</p> <p>Aug. 2020    Joined Katana Inc.</p> <p>Jan. 2023    Joined Shiseido Company, Limited Chief Corporate Communication Officer</p> <p>Sep. 2024    Representative Director of Synasia Inc. (current)</p> <p>Jan. 2025    Outside Director of PR Consulting Dentsu Inc. (current)</p> <p>[Important Concurrent Positions] Representative Director of Synasia Inc. Outside Director of PR Consulting Dentsu Inc.</p> <p>[Reason for selection as candidate for Outside Director and expected roles] Ms. Tomoko TAGAMI has been engaged in marketing, corporate communications, and other related roles at top-tier global companies, and possesses abundant experience and a high level of knowledge with respect to public relations. The Company expects that by acting from an objective and neutral position in view of protecting interest of general shareholders, candidly asking questions or expressing opinions, and exercising her voting rights appropriately, she will contribute to overseeing management and strengthening the function of the Board of Directors of the Company as an independent outside director.</p>

Notes :

1. No special interests exist between the candidates and the Company.
2. Ms. Kumi YOKOE, Mr. Tadashi MACHIDA and Ms. Tomoko TAGAMI are candidates for Outside Director.
3. The Company judges that Ms. Kumi YOKOE, Mr. Tadashi MACHIDA and Ms. Tomoko TAGAMI meet the criteria for independence stipulated by Tokyo Stock Exchange, Inc. and the “MEITEC Group Holdings: Independence Standards for Electing Outside Directors,” and therefore have independence. Accordingly, the Company has submitted notification to the aforementioned exchange that Ms. Kumi YOKOE has been designated as an independent executive. In the event that Mr. Tadashi MACHIDA and Ms. Tomoko TAGAMI are respectively elected and appointed as Outside Directors, the Company plans to submit notification to the aforementioned exchange that both have been designated as independent executives.
4. The Company has entered into liability limitation agreements with Ms. Kumi Yokoe pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability limitation provided under such agreements would be the minimum liability limitation amount stipulated in Article 425, Paragraph 1 of the Companies Act. In the event that the candidate is elected and appointed as Outside Director, the Company plans to continue the aforementioned agreements with her. In the event that Mr. Tadashi MACHIDA and Ms. Tomoko TAGAMI are elected and appointed as Outside Directors, the Company similarly plans to enter into limited liability agreements with them.
5. The Company has entered into a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act, and a summary of the policy is provided on Page 26. In the event that the four (4) candidates for directors are elected and approved, the candidates for directors in question will become insured persons in the policy. Furthermore, the Company plans to renew the policy with the same terms in the middle of the candidates’ terms.
6. The “MEITEC Group Holdings: Standards for Nomination of Director Candidates” and the “MEITEC Group Holdings: Independence Standards for Electing Outside Directors” of the Company are as set forth on pages 15 and 16.
7. Whereas the name of Ms. Tomoko TAGAMI is presented above using her former surname, which she uses professionally, her name under the family register is Tomoko YOSHIDA.

Opinion of the Audit and Supervisory Committee regarding the election and remuneration of Directors who are not Audit and Supervisory Committee Members

Of the Directors who are Audit and Supervisory Committee Members in accordance with the Officer Appointment Advisory Committee Rules, all three Outside Directors attended the meetings of the Officer Appointment Advisory Committee as members to discuss the details of the election and remuneration of Directors who are not Audit and Supervisory Committee Members, and conducted an evaluation, including regarding the details of those discussions, at the meetings of the Audit and Supervisory Committee.

Through this process, decisions on both the election and remuneration of Directors who are not Audit and Supervisory Committee Members were conducted appropriately at the Audit and Supervisory Committee, and there were no matters of note.

Agenda Item 3: Election of two (2) Directors who are Audit and Supervisory Committee Members


The term of office of three (3) current Directors who are Audit and Supervisory Committee Members ends at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Board of Directors proposes the election of two (2) Directors who are Audit and Supervisory Committee Members (two (2) Outside Directors) to maintain and improve oversight function over business execution.

In addition, the prior consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows.

Name			Current position
1	Toru KUNIBE	<div>Reappointment</div> <div>Outside</div> <div>Independent</div>	Directors who are Audit and Supervisory Committee Members
2	Hideya NAMBA	<div>Newly appointment</div> <div>Outside</div> <div>Independent</div>	—

	Name (Date of birth)	Career Summary and other Current Positions
1	<div>Reappointment</div> <div>Outside Independent</div>  <p>Toru KUNIBE (December 9, 1960)</p> <ul style="list-style-type: none"> <li>•Period in office 2 years</li> <li>•Attendance at meetings of the Board of Directors during the 52nd fiscal period 11/12 (92%)</li> <li>•Attendance at meetings of the Audit &amp; Supervisory Committee during the 52nd fiscal period 13/14 (93%)</li> <li>•Number of shares held in the Company 0 shares</li> </ul>	<p>Mar. 1985 Graduated from the Faculty of Law, University of Tokyo</p> <p>Apr. 1990 Entered the Legal Training and Research Institute of the Supreme Court of Japan</p> <p>Apr. 1992 Registered as attorney at law (Tokyo Bar Association) Joined Arai Law Office</p> <p>Apr. 1998 Established Kunibe Law Office (current)</p> <p>Jun. 2019 Outside Audit &amp; Supervisory Board Member of the Company</p> <p>Oct. 2023 Outside directors who are Audit and Supervisory Committee members (current)</p> <p>[Important Concurrent Positions] Attorney at Law (Kunibe Law Office)</p>
	<p>[Reason for selection as candidate for outside director who is an Audit and Supervisory Committee Member and expected roles]</p> <p>Mr. Toru KUNIBE is an attorney at law, and the Company expects that, utilizing his high knowledge in law, he will contribute to the enhancement of the Company's management monitoring framework as an outside director who is an Audit and Supervisory Committee member.</p> <p>Although he had not participated in the management of the Company other than by being an outside director or an outside auditor, the Company judges that he can carry out his duty as an outside director who is an Audit and Supervisory Committee member properly because of the above reasons.</p>	

	Name	Career Summary and other Current Positions
2	<div> <div>Newly appointment</div> <div>Outside</div> <div>Independent</div>  <p>Hideya NAMBA (February 8, 1963)</p> <p>•Number of shares held in the Company 0 shares</p> </div>	<p>Apr. 1987 Joined Shoko Chukin Bank Limited (currently The Shoko Chukin Bank, Ltd.)</p> <p>Oct. 1990 Joined Ota Showa Audit Corporation (currently Ernst &amp; Young ShinNihon LLC)</p> <p>Mar. 1994 Registered as a Certified Public Accountant</p> <p>Oct. 2001 Joined The Asahi Bank, Ltd. (currently Resona Bank, Limited)</p> <p>Feb. 2005 Joined Ernst &amp; Young ShinNihon LLC</p> <p>May 2006 Appointed Partner of Ernst &amp; Young ShinNihon LLC</p> <p>May 2012 Appointed Senior Partner of Ernst &amp; Young ShinNihon LLC</p> <p>Jul. 2017 Appointed Managing Director of Ernst &amp; Young ShinNihon LLC</p> <p>Jul. 2021 Appointed Senior Executive Managing Director of Ernst &amp; Young ShinNihon LLC</p> <p>Jul. 2023 Assigned to President's Office of Ernst &amp; Young ShinNihon LLC</p> <p>Jul. 2024 Founded Hideya Namba CPA's Office (current)</p> <p>Jul. 2024 Representative Senior Managing Director of Japan Foundation for Accounting Education &amp; Learning (current)</p> <p>[Important Concurrent Positions]</p> <p>Certified Public Accountant (Hideya Namba CPA's Office)</p> <p>Representative Senior Managing Director of Japan Foundation for Accounting Education &amp; Learning</p> <p>Outside Director (Audit and Supervisory Committee member) of Business Brain Showa-Ota Inc. (scheduled to assume office on June 23, 2025)</p> <p>[Reason for selection as candidate for Outside Director who is an Audit and Supervisory Committee Member and expected roles]</p> <p>Mr. Hideya NAMBA possesses a certified public accountant license and accordingly has sufficient expertise in finance and accounting. He also has abundant experience and a high level of knowledge regarding management from his experience serving as Senior Executive Managing Director of a major audit firm. For these reasons, The Company expects that he will contribute to overseeing management of the Company as an Outside Director who is an Audit and Supervisory Committee Member.</p>

Notes :

1. No special interests exist between the candidates and the Company.
2. Mr. Toru KUNIBE and Mr. Hideya NAMBA are candidates for Outside Director.
3. The Company judges that Mr. Toru KUNIBE and Mr. Hideya NAMBA meet the criteria for independence stipulated by Tokyo Stock Exchange, Inc. and the "MEITEC Group Holdings: Independence Standards for Electing Outside Directors," and therefore have independence. Accordingly, the Company has submitted notification to the aforementioned exchange that Mr. Toru KUNIBE has been designated as an independent executive. In the event that Mr. Hideya NAMBA is elected and appointed as Outside Director, the Company plans to submit notification to the aforementioned exchange that he has been designated as an independent executive.
4. The Company has entered into liability limitation agreements with Mr. Toru KUNIBE pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability limitation provided under such agreements would be the minimum liability limitation amount stipulated in Article 425, Paragraph 1 of the Companies Act. In the event that the candidate is elected and appointed as Outside Director, the Company plans to continue the aforementioned agreements with him. In the event that Mr. Hideya NAMBA is elected and appointed as Outside Director, the Company similarly plans to enter into a limited liability agreement with him.
5. The Company has entered into a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act, and a summary of the policy is provided on Page 26. In the event that the two (2) candidates for directors are elected and approved, the candidates for directors in question will become insured persons in the policy. Furthermore, the Company plans to renew the policy with the same terms in the middle of the candidates' terms.
6. The "MEITEC Group Holdings: Standards for Nomination of Director Candidates" and the "MEITEC Group Holdings: Independence Standards for Electing Outside Directors" of the Company are as set forth on pages 15 and 16.

<Reference 1>

MEITEC Group Holdings: Basic Policy Regarding Corporate Governance

4.2. Composition of Board of Directors

4.2.2 Balance and diversity

- 1) Identifying required skills for accurate, prompt and decisive decision-making and appropriate management supervision, we will make efforts to have appropriate balance of knowledge, experience and abilities as well as diversity in terms of expertise, internationality, gender, age, and work experiences in the board.
- 2) The number of independent outside directors shall be a majority of the total number of directors.
- 3) There shall be at least two (2) internal directors.
- 4) By gender there shall be at least 20% each of men and women.
- 5) The number of directors who are not Audit and Supervisory Committee members shall be no less than the number of directors who are Audit and Supervisory Committee members.

<Reference 2>

The composition of officers will be as follows if Agenda Items 2 and 3 are approved and adopted as submitted and the election of officers takes effect.

Furthermore, this chart lists the specific experience that the Company expects to be utilized at the Board of Directors' meetings, etc. and is not a complete list of the experience of each officer.

Board of Directors' meetings, etc. and is not a complete list of the experience of each officer.																			
Name	Gender	Attributes		Position in the Company	Years in office	Experience and expertise, etc. possessed												Certifications held, etc.	
		Outside	Independent			Corporate management	Technology/design development	Sales effort to obtain new orders	Recruiting	Career Support	Human resources	ICT	Finance, accounting, taxation	Law	Management administration	Public Relations	Global		Academic background in specialized fields
Directors (excluding Directors who are Audit and Supervisory Committee members)																			
Masato UEMURA	Male			Representative Director President Group CEO	16	○		○	○	○	○	○		○					
Kumi YOKOE	Female	○	○	Chairperson of the Nomination Advisory Committee	6	○						○				○	○	○	University professor
Tadashi MACHIDA	Male	○	○		New	○													Former Representative Director of a Listed Company
Tomoko TAGAMI	Female	○	○		New											○	○		
Directors who are Audit and Supervisory Committee members																			
Terumi SHIKANO	Female			Directors who are Audit and Supervisory Committee Members	1									○	○				
Toru KUNIBE	Male	○	○		2									○					Attorney at Law
Hideya NAMBA	Male	○	○		New	○							○				○		Certified Public Accountant

<Reference 3>

MEITEC Group Holdings: Standards for Nomination of Director Candidates

[Principles 3.1 iv), etc.]

**1. All directors** [Principle 4.5]

- Person who has integrity and high ethical standards and can act with a sense of fiduciary responsibility

**2. All independent outside directors** [Principles 4.9, 4.7, 4.11]

- Person who meets “MEITEC Group Holdings: Standards for Independence in Electing Outside Directors” provided separately
- Person who can be expected to act from an objective and neutral position in view of protecting interest of general shareholders
- Strive to ensure a balance and diversity of outside directors
- Person who has experience in corporate management; person who has knowledge of finance, accounting, the law, taxation, human resources, IT, and other fields of specialty; person who has a wealth of experience and professional insights necessary to understand the MEITEC Group’s businesses

**3. Directors(excluding Directors who are Audit and Supervisory Committee Members)**

(1) <Internal> directors

- Person who can act in a fair and honest manner in the best interest of the Company
- Person who has a wealth of experience, extensive knowledge and superior expertise in roles that lead the growth of solution businesses in technical development operations, etc. and support the professional lives of engineers, as well as roles that aim for overall optimization in management and supervision

(2) <Independent> outside directors [Principles 4.9, 4.7]

- Person who has sufficient understanding on various businesses and roles.
- Person who is expected to candidly ask questions or express opinions with independence of mind, and exercise voting rights appropriately

**4. Directors who are Audit and Supervisory Committee Members** [Principle 4.11]

- 1) Person who is expected to always maintain a fair and unbiased attitude at all times while striving to maintain an independent position and act based on their own beliefs
- 2) Person who has appropriate experience and skills, and who possesses knowledge in finance, accounting and law. At least one person in principle shall have sufficient knowledge in finance and accounting

(1) Chairperson of the Audit and Supervisory Committee

- A person with appropriate experience and ability as well as the required knowledge of business management and business operations who can, in a full-time capacity, be expected to proactively perform duties such as striving to develop an effective audit system

(2) Directors who are standing Audit and Supervisory Committee Members

- Persons who can use their knowledge and experience to gather information required for audit

<Reference 4>

MEITEC Group Holdings: Independence Standards for Electing Outside Directors

In electing outside directors, MEITEC Group Holdings Inc. (the Company) will determine that persons who meet all of the standards provided below have independency from the Company:

1. Such person is not an executive (Note 1) of the Company or its MEITEC Group companies (the Our Group) presently or in the last ten years (in addition, for outside director who is an Audit and Supervisory Committee Members, such person must not be non-executive director of the Company or its subsidiary in the last ten years)  
Note 1: "Executive" refers to an executive director, executive officer, or employee.
2. Presently, such person is not a close relative (Note 2) of the Our Group's important executive (Note 3)  
Note 2: "Close relative" refers to a spouse or a relative within a second degree.  
Note 3: "Important executive" refers to a director (excluding outside director) or an executive officer.
3. Such person does not fall under any of the following:
  - (1) Executive of a party whose major client or supplier is the Our Group (Note 4)  
Note 4: "A party whose major client or supplier is the Company" refers to a counterparty which received payment of an amount exceeding 1 % of its annual consolidated net sales from the Company in the previous fiscal year.
  - (2) Executive of any of the Our Group's major client or supplier (Note 5)  
Note 5: "The Our Group's major client or supplier" refers to a counterparty which paid an amount exceeding 1 % of the Our Group's annual consolidated net sales to the Company in the previous fiscal year.
  - (3) Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property (Note 6) from the Our Group besides compensation as a director/audit & supervisory board member (in case that a person who receives the property is an organization such as legal entity or association, a person who belongs to such organization)  
Note 6: "A large amount of monetary consideration or other property" refers to the case of having received payment of over 10 million yen from the Company besides compensation as a director/audit & supervisory board member in the previous fiscal year.
  - (4) The Company's major shareholder (Note 7) (in case that the major shareholder is a legal entity, its executive)  
Note 7: "Major shareholder" refers to a person who owns shares with 10% or more of the total voting rights of the Company based on the latest shareholder's list.
  - (5) A person who falls under any of (1) through (4) above in the last five years
  - (6) A close relative of a person who falls under (i) or (ii) below (excluding non-important persons)
    - (i) A person who falls under any of (1) through (5) above
    - (ii) A person who was an executive of the Our Group in the last five years (for outside director who is an Audit and Supervisory Committee Members a person who was a non-executive director is included)



## **BUSINESS REPORT**

(from April 1, 2024 to March 31, 2025)

### **1. Business Outline**

#### **(1) Results of Operations**

During the fiscal year under review (from April 1, 2024 to March 31, 2025), while business conditions continued to gradually recover, the economic outlook remained uncertain due mainly to the continued unstable international situation and rising prices of resources and other items.

MEITEC (MT) and MEITEC Fielders (MF), which are responsible for the Engineering Solutions Business that accounts for more than 90% of the Group's consolidated net sales, saw orders remain strong as leading manufacturers that constitute the Group's major clients invested in technological development focused on the next generation of products. Furthermore, the Company continued proactive recruitment that adheres to high standards even in a challenging hiring situation, with an eye on medium- and long-term growth. As a result, the number of engineers as of March 31, 2025 was 12,147 engineers (down 106, or - 0.9% compared to March 31, 2024). As a result of promoting assignments of both new and existing employees in response to orders under such circumstances, the Company achieved both an increase in the number of engineers assigned to clients and improvement in the utilization ratio. Moreover, working hours increased slightly year on year, mainly due to an increase in overtime work.

As a result, both net sales and profits reached record highs.

Consolidated net sales for the period under review increased ¥6,092 million, or 4.8%, from a year earlier to ¥133,068 million. Consolidated cost of sales increased ¥4,394 million, or 4.7%, from a year earlier to ¥97,135 million, due mainly to an increase in labor, and consolidated selling, general and administrative expenses increased ¥528 million, or 3.2%, from a year earlier to ¥17,102 million. As a result, consolidated operating profit increased ¥1,169 million, or 6.6%, from a year earlier to ¥18,830 million, and consolidated ordinary profit increased ¥1,244 million, or 7.0%, from a year earlier to ¥18,911 million.

Meanwhile, profit attributable to owners of parent increased ¥396 million, or 3.2%, from a year earlier to ¥12,740 million despite recording impairment losses of ¥620 million given the decision to suspend use of a large training facility owned by the Company during the first half of the fiscal year ended March 31, 2025.

**Results by business segment were as follows:**

### **i. Engineering Solutions Business**

Net sales in the Engineering Solutions Business segment, especially in the temporary engineer staffing business, our core business, increased ¥6,001 million, or 4.8%, from a year earlier to ¥131,612 million on the back of the increase in number of engineers assigned to clients and improvement in the utilization ratio. Operating profit increased ¥1,177 million, or 6.9%, from a year earlier to ¥18,316 million. The overall utilization ratio increased year on year to 98.3% at MT (97.7% in the previous fiscal year) and to 97.1% at MF (95.5% in the previous fiscal year). Working hours increased year on year to 8.38 hours/day at MT (8.33 hours/day in the previous fiscal year) and to 8.24 hours/day at MF (8.21 hours/day in the previous fiscal year).

### **ii. Recruiting & Placement Business for Engineers**

MEITEC NEXT operates a job placement business for engineers. Net sales increased ¥67 million, or 4.8%, from a year earlier to ¥1,465 million due to factors including increases in the number of job placements and determined unit price. Operating profit increased ¥109 million, or 23.8%, from a year earlier to ¥568 million.

### **iii. Other**

In businesses related to the group operations of Meitec Group Holdings Inc., net sales were ¥7,679 million, and operating profit was ¥6,976 million.

Notes: Sales figures for each segment include intersegment transactions and transfers.

## **(2) Capital Investment for the MEITEC Group**

During the consolidated fiscal year under review, we have made capital investments mainly in the Company's business support systems and the relocation of business offices, and the total amounted to ¥160 million.

In addition, capital investments by segment amounted to ¥152 million for the Engineering Solution Business, ¥2 million for the Recruitment & Placement Business for Engineers, and ¥5 million for the Other business segment.

These capital investment amounts also include costs for software and other (software in progress.)

## **(3) Financing for the MEITEC Group**

The Company meets its capital requirements with its own funds. The Company did not procure capital through the issuance of new shares or bonds during the consolidated fiscal year under review.

#### (4) Issues to Be Addressed

##### I. Development of successors to upper management

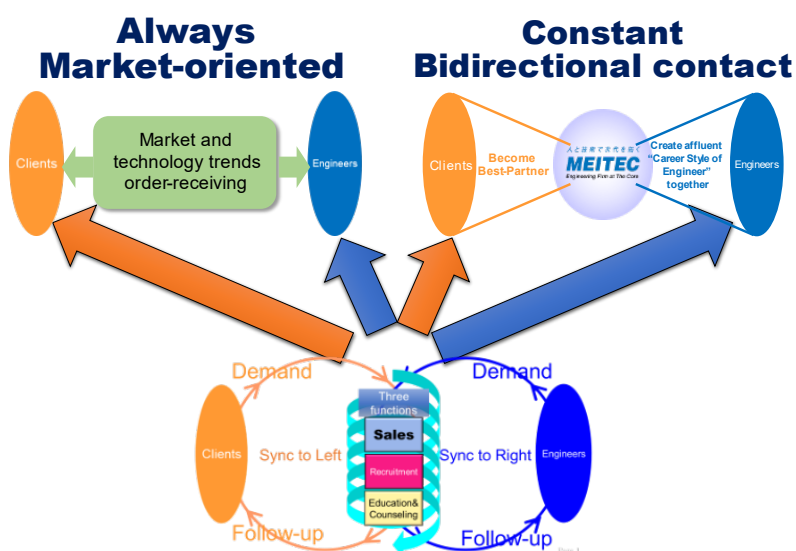
Based on its Management Concept of “Mutual Growth & Prosperity,” the MEITEC Group has been working to improve its five values (Value to Engineers, Value to Employees, Value to Clients, Value to Shareholders, Value to the Society) and to expand the contents and scale of its business for more than 50 years.

Externally, schemes to provide added value appear to be the source of the expansion of our business scale in the same businesses. However, in reality, each operating company under the umbrella has its individual risk profile, as well as a complex interconnection of interests, making things even more difficult. To realize continuous growth in the days to come, we must work together with our value chain and carry out risk management in an integrated, strategic, and agile manner.

Therefore, it is essential that upper management possess a correct understanding and broad, deep insight particularly regarding the risks and costs associated with the operations they oversee, as well as core operations that serve as sources of revenue. However, in the course of adjusting workloads by dividing and assigning tasks during our business expansion, we have recognized situations in which some members of upper management possess only a narrow scope of expertise, resulting in a lack of sufficient perspective on coordination and integration. Therefore, we have a strong sense of urgency about this issue and recognize securing successors and developing candidates for upper management as our most important issue.

##### II. Changes in the operations of our core business

The future performance of our core business depends on an increasing number of highly skilled engineers and a higher utilization ratio. As such, the most important issue for the Engineering Solutions Business is to realize sustainable growth through integrated management of sales efforts to obtain new orders, recruitment and workforce expansion, and supporting employee career advancement, and through constant reform in response to changes in the business environment.



i. Sales effort to obtain new orders

Securing order volume cannot be achieved solely by increasing the number of engineers assigned to the clients or by maintaining and improving the utilization ratio. It is also extremely important to increase the number of choices available to engineers for career enhancement, such as by expanding our work segments and continuously providing opportunities and placement. Therefore, we face the important issue of continuously reforming our marketing systems, both in order to secure stable and sufficient orders and also in order to unleash our true sales abilities when contending with drastic change in the business environment.

ii. Recruitment and increasing employee

Hiring many excellent engineers is the source of our ability to grow. Therefore, establishing a brand name in the labor market based on reliability and a sense of security as a leading company in the industry is extremely important in continuously increasing the recruitment ability. Given that the recruitment market has already undergone significant changes, it is essential to promptly adapt our hiring practices. We recognize, however, that delays in making these adjustments have resulted in a decline in the number of hires. As such, the most important challenge is to swiftly recover and accelerate integrated management, thereby placing the organization on a self-driven path of transformation.

iii. Supporting employee career advancement

In seeking to sustain and improve our quality as a “Group of Professional Engineers,” we face the key challenge of striking a balance between expanding support for engineers’ self-directed career development efforts and strengthening company-led career development support. Whereas the pace of technological evolution is accelerating dramatically and the importance of enhancing technical capabilities continues to grow, we recognize that the implementation of improvement and enhancement measures has been delayed. As such, our greatest challenge is to strengthen integrated management in a way that achieves both improved efficiency and the simultaneous enhancement of quality and quantity.

## (5) Changes in Assets and Income

### i. Changes in Assets and Income of the MEITEC Group

Item	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025 (current consolidated fiscal year)
Net Sales(million yen)	107,140	119,069	126,976	133,068
Operating Income(million yen)	12,817	16,462	17,660	18,830
Ordinary Income(million yen)	12,948	16,540	17,667	18,911
Profit Attributable to Owners of Parent(million yen)	9,240	12,252	12,343	12,740
Earnings per Share(yen)	113.85	153.87	158.01	165.01
Total Assets(million yen)	81,590	84,576	90,761	93,605
Net Assets(million yen)	45,287	46,719	47,696	48,776
Net Assets per Share(yen)	565.21	595.74	617.78	631.76

### ii. Changes in Assets and Income of the Company

Item	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025 (current fiscal year)
Sales and Operating revenue (million yen)	77,010	83,765	46,267	7,679
Operating Income(million yen)	10,546	13,212	9,064	6,976
Ordinary Income(million yen)	11,125	14,113	10,647	7,646
Profit(million yen)	8,051	10,719	8,415	7,010
Earnings per Share(yen)	99.20	134.61	107.74	90.80
Total Assets(million yen)	67,222	68,219	23,625	18,933
Net Assets(million yen)	37,376	37,056	23,399	18,210
Net Assets per Share(yen)	466.47	472.54	303.08	235.86

Notes:

1. The Company implemented a share split on July 1, 2022, splitting one common share into three. “Earnings per Share” and “Net Assets per Share” have been calculated as if the share split had been carried out at the beginning of the fiscal year ended March 31, 2022 .
2. On October 1, 2023, the Company transitioned to a pure holding company structure through an absorption-type company split. This has resulted in significant changes in the assets and income of the Company in the 51st fiscal period (fiscal year ended March 31, 2024) and beyond, compared with the 50th fiscal period (fiscal year ended March 31, 2023) and prior years. In addition, figures previously stated as “Net sales” are now presented as “Sales and Operating revenue.”

**(6) Important Status of Parent Company and Subsidiaries (as of March 31, 2025)**

**i. Status of Important Parent Company**

Not Applicable.

**ii. Status of Important Subsidiaries**

Company Name	Location	Capital	Voting rights held by the Company (%)	Main business
MEITEC CORPORATION	Kanagawa	(million yen) 800	100.0	Engineering Solutions Business (High-end Zone)
MEITEC FIELDERS INC.	Tokyo	(million yen) 120	100.0	Engineering Solutions Business (Mid-range Zone)
MEITEC CAST INC.	Tokyo	(million yen) 100	100.0	Registered temporary staffing business with manufacturing industry as the main customer
MEITEC EX CORPORATION	Aichi	(million yen) 50	100.0	Professional Staffing Business for Senior Engineers
MEITEC NEXT CORPORATION	Tokyo	(million yen) 30	100.0	Job Placement Business for engineers
MEITEC BUSINESS SERVICE CORPORATION	Chiba	(million yen) 10	100.0	General office work

**iii. Situation of Specified wholly owned subsidiaries**

Not Applicable.

**(7) Primary business of the group (as of March 31, 2025)**

Engineering Solutions Business

Recruiting & Placement Business for Engineers

Other

Note:

The Company's businesses involving the control or management of the business activities of companies in which it holds shares, as well as Group management operations, are classified under the "Other" category.

**(8) Primary Office of the Group (as of March 31, 2025)****i. The Company**

Registered Corporate Headquarters	15-1, Morinosatoayama, Atsugi-shi, Kanagawa
Corporate Headquarters	1-1-10 Ueno, Taito-ku, Tokyo
Techno-Center	Atsugi Techno-Center (Kanagawa)

Note:

On February 28, 2025, the Company suspended use of the Nagoya Techno-Center (Aichi Prefecture).

**ii. Subsidiaries and Affiliates**

Locations of the subsidiaries are listed in above, “(6) Important Status of Parent Company and Subsidiaries, ii. Status of Important Subsidiaries”.

**(9) Employees (as of March 31, 2025)****i. Number of employees of corporate groups**

Business segment	Number of employees	Compared to the end of the previous fiscal year
Engineering Solutions Business	13,262	(166)
Recruiting & Placement Business for Engineers	57	(4)

Note:

The Company has three business categories: “Engineering Solutions Business,” “Recruitment & Placement Business for Engineers,” and “Other.” There are no employees engaged in any business classified under the “Other” category.

**(10) Principal lenders and the amount of loans (as of March 31, 2025)**

Not applicable.

**(11) Other Significant Matters Relating to the Status of the Corporate Group**

Not applicable.

## 2. Status of Shares

- i. Total Number of shares authorized to be issued** 200,000,000 shares
- ii. Total Number of issued shares** 78,000,000 shares  
(Including treasury shares of 792,998 shares)
- iii. Number of shareholders** 23,727 persons  
(Increased by 16,398 persons from the end of the previous fiscal year)

### iv. Major shareholders (top ten)

Name of shareholder	Number of shares held by the shareholder (thousand shares)	Ratio of shares held (%)
The Master Trust Bank of Japan, Ltd. (trust account)	13,190	17.08
Custody Bank of Japan, Ltd. (trust account)	5,879	7.61
Meiji Yasuda Life Insurance Company	4,696	6.08
STATE STREET BANK AND TRUST COMPANY 505001	3,900	5.05
Nippon Life Insurance Company	3,341	4.32
THE BANK OF NEW YORK MELLON 140044	2,336	3.02
Meitec Group Holdings Employee Stock Ownership Plan	2,286	2.96
STATE STREET BANK AND TRUST COMPANY 505103	1,414	1.83
C E P L U X - O R B I S S I C A V	1,333	1.72
NORTHERN TRUST CO.(AVFC) RE FIDELITY FUNDS	1,324	1.71

Notes:

1. The Company hold 792,998 shares as treasury shares. But since there is no voting right to the treasury shares, it is excluded from above list and the ratio of share held is calculated excluding the treasury shares.
2. Figures for number of shares held by the shareholder and ratio of shares held are rounded off to displayed decimal.

## 3. About Stock Purchase/Subscription Warrant

None



## 4. Matters concerning Directors

### (1) Names and other details of Directors (as of March 31, 2025)

Title	Name	Position and important positions concurrently held at other companies
Representative Director and President	Masato UEMURA	Group CEO In charge of IR, Group Internal Audit, CSR Director of MEITEC CORPORATION Director of MEITEC FIELDERS INC. Director of MEITEC CAST INC. Director of MEITEC NEXT CORPORATION Director of MEITEC EX CORPORATION Director of MEITEC BUSINESS SERVICE CORPORATION
Director	Akira YAMAGUCHI	None
Director	Kumi YOKOE	Professor, Department of Global Innovation Studies, Faculty of Global and Regional Studies, Toyo University
Directors who are Audit and Supervisory Committee Members	Terumi SHIKANO	Standing Chairman of the Audit and Supervisory Committee Audit & Supervisory Board Member of MEITEC CORPORATION Audit & Supervisory Board Member of MEITEC FIELDERS INC. Audit & Supervisory Board Member of MEITEC CAST INC. Audit & Supervisory Board Member of MEITEC NEXT CORPORATION Audit & Supervisory Board Member of MEITEC EX CORPORATION Audit & Supervisory Board Member of MEITEC BUSINESS SERVICE CORPORATION
Directors who are Audit and Supervisory Committee Members	Masatoshi UEMATSU	None
Directors who are Audit and Supervisory Committee Members	Toru KUNIBE	Attorney at Law (Kunibe Law Office)
Directors who are Audit and Supervisory Committee Members	Mitsunobu YAMAGUCHI	Certified Public Accountant (Mitsunobu Yamaguchi CPA Office) External Director of the Heiwa Real Estate Co., Ltd.

Note:

1. Directors Akira YAMAGUCHI and Kumi YOKOE, and Directors who are Audit and Supervisory Committee Members Masatoshi UEMATSU, Toru KUNIBE, and Mitsunobu YAMAGUCHI are all Outside Directors. The Company has submitted notification to the aforementioned exchange that each of them has been designated as an independent executive pursuant to the regulations of Tokyo Stock Exchange, Inc.
2. The companies at which Director Kumi YOKOE as well as Directors who are Audit and Supervisory Committee Members Toru KUNIBE and Mitsunobu YAMAGUCHI concurrently serve have no particular relationships with the Company.
3. Director who is an Audit and Supervisory Committee Member Mitsunobu YAMAGUCHI holds a certified public accountant license and possesses sufficient knowledge of finance and accounting.
4. Director who is an Audit and Supervisory Committee Member Terumi SHIKANO has been selected as a full-time Audit and Supervisory Committee Member to collect internal information, to create an auditing environment within the Company, to oversee regularly the creation and operating conditions of internal control systems, and to ensure the effectiveness of auditing.
5. Changes in Directors during the subject fiscal year were as follows:
  - 1) Change in position  
Masato UEMURA was promoted to Representative Director and President from Senior Vice President and Director on April 1, 2024.
  - 2) Appointed  
At the 51st Annual General Meeting of Shareholders held on June 20, 2024, Terumi SHIKANO was

newly elected and assumed office as Director who is an Audit and Supervisory Committee Member.

3) Resigned

At the conclusion of the 51st Annual General Meeting of Shareholders held on June 20, 2024, Director Hideyo KOKUBUN retired due to the expiration of his term of office.

6. Changes in important concurrent positions held by Directors during the fiscal year under review were as follows:

1) Masato UEMURA Representative Director and President, was reassigned as Director of the Company from Senior Vice President and Director of MEITEC CORPORATION on April 1, 2024.

2) Terumi SHIKANO, Director who is an Audit and Supervisory Committee Member, was appointed as Audit & Supervisory Board Member at MEITEC CORPORATION, MEITEC FIELDERS INC., and MEITEC NEXT CORPORATION on June 20, 2024, and at MEITEC EX CORPORATION and MEITEC BUSINESS SERVICE CORPORATION on January 1, 2025.

3) Masatoshi UEMATSU, Director who is an Audit and Supervisory Committee Member, resigned as Audit & Supervisory Board Member at MEITEC CORPORATION and MEITEC FIELDERS INC. on June 20, 2024.

7. The Company has introduced an executive officer system. As of April 1, 2025, there are five Executive Officers (Kosuke SEKIGUCHI, Yuki NAKAMURA, Mitsutomo ITAKURA, Toru YAMASHITA, and Nobuyuki KUNIZAWA).

## **(2) Description of Limited Liability Agreement**

The Company enters into a liability limitation agreement with each member of the board (excluding executive director, etc.) and audit & supervisory board member pursuant to Article 423, Paragraph 1, of the Companies Act. The maximum amount of liability limitation provided under such an agreement would be the minimum liability limitation amount stipulated in Article 425, Paragraph 1, of the Companies Act.

## **(3) Summary of details of indemnity agreements**

The Company has not entered into indemnity agreements with directors and audit & supervisory board members pursuant to Article 430-2, Paragraph 1, of the Companies Act.

## **(4) Summary of details of directors and officers liability insurance policy**

The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, in which the directors, audit & supervisory members, and executive officers of the Company and the Company's subsidiaries listed in "1. Business Outline, (6) Important Status of Parent Company and Subsidiaries" are insured persons, and the full amount of the insurance premiums is borne by the Company.

To summarize the details of the liability insurance policy, the insurance company through the liability insurance policies covers damages arising from the insured persons taking responsibility for the execution of their duties and claims associated with the pursuit of those responsibilities, and the policy is renewed each year. At present, the Company plans to renew the policy with the same details at the next renewal.

## (5) Amount of remuneration for directors

### a. Matters regarding determination of amounts of remuneration for directors or calculation method thereof

The Company's "Policy on Calculation Methods and Determination on Amount of Remuneration, etc. for Directors" has been determined by the Board of Directors.

Furthermore, the Board of Directors confirms that, regarding the individual remuneration for directors in the current fiscal year, there will be no changes in individual fixed remuneration pursuant to 3 (1) of this policy, and that, regarding the distribution of performance-linked remuneration pursuant to 3 (2) of this policy, the Officer Appointment Advisory Committee composed of an outside director as the Chairperson and CEO and other outside directors as members has determined that the decision-making process is appropriate, therefore we deem the remuneration follows the determination policy.

"Policy on Calculation Methods and Determination on Amount of Remuneration, etc. for Directors" is as follows:

#### 1. Method of Determination

The total amount of remuneration of directors shall be within the total amount of remuneration adopted at the 50th Annual General Meeting of Shareholders held in June 2023, and individual amounts of remuneration will be determined in accordance with the policy amended or abolished by resolutions of the Board of Directors.

<Overview of the Resolution for the General Meeting of Shareholders: Amounts of remuneration for directors>

Indicated in yearly amount	Fixed remuneration	Performance-linked remuneration	Total remuneration
Directors (excluding Directors who are Audit and Supervisory Committee Members)	Up to 135 million yen	Up to 2.5% of consolidated profit*, and up to 250 million yen	Up to 385 million yen
Portion for outside directors of above	Up to 54 million yen	(excluded from payment)	Up to 54 million yen
Directors who are Audit and Supervisory Committee Members	Up to 60 million yen	(excluded from payment)	Up to 60 million yen
Total	Up to 195 million yen	Up to 250 million yen	Up to 445 million yen

\*"Profit attributable to owners of parent" of "Consolidated Statements of Income and Comprehensive Income"

#### 2. Policy about executive remuneration

- By maintaining the stance of clarifying and disclosing methods of calculation and the process of determinations of remuneration in the same manner as before, the Group will enhance management transparency and strengthen corporate governance, and thus further improving corporate value.
- The rate of performance-linked executive remuneration for executive directors will be increased to enhance sharing the mid and long-term interest with shareholders.
- In order to preserve the independence of outside directors and Directors who are Audit and Supervisory Committee Members, they will not be compensated with performance-linked remuneration.
- The retirement bonus system for directors and Audit and Supervisory Committee Members, which was abolished in the fiscal year ended March 31, 2002, will not be adopted.

3. Specific executive remuneration amount  
Total amount of executive remuneration = (1) Fixed remuneration +  
(2) performance-linked remuneration < (3) appropriation of the amount equivalent  
to 20%>

(1) Individual fixed remuneration

Directors (excluding Directors who are Audit and Supervisory Committee Members)			
Representative Director and President, Group CEO	yearly	28,800 thousand yen	(2,400 thousand yen monthly)
Senior Vice President and Directors	yearly	24,000 thousand yen	(2,000 thousand yen monthly)
Internal executive directors (excluding President and Vice President)	yearly	19,200 thousand yen	(1,600 thousand yen monthly)
Outside Directors	yearly	10,800 thousand yen	(900 thousand yen monthly)
Directors who are Audit and Supervisory Committee Members			
Standing Chairperson of the Audit and Supervisory Committee	yearly	24,000 thousand yen	(2,000 thousand yen monthly)
Audit and Supervisory Committee Members (excluding Chairperson)	yearly	10,800 thousand yen	(900 thousand yen monthly)

(2) Performance-linked remuneration

- The total amount shall be up to 2.5% of profit attributable to owners of parent before deductible expenses accounting of performance-linked remuneration. However the maximum total amount 250 million yen annually.
- Payment recipients shall be limited to directors excluding those who are outside directors and Audit and Supervisory Committee Members.
- In principle, individual allocation amount for individual directors will be determined at Board of Directors' meetings after the consultation at the Officer Appointment Advisory Committee. However, while this is exclusively the case for the determination of the allocation method, it is also permissible that determinations are made to entrust the Representative Director and President/Group CEO with the determination of specific allocation amounts.
- Performance-linked remuneration is paid within three months after the end of the applicable fiscal year.

(3) Appropriation of the amount equivalent to 20% of performance-linked remuneration (after deduction of tax)

- The amount equivalent to 20% of performance-linked remuneration (after deduction of tax) for each director will, with approval from each director, be contributed to the Officers Shareholding Group (the relevant amount will be divided into twelve (12) equally, and the same amount will be contributed each month for the 12 months from July each year) and utilized to acquire own shares.
- Acquired own shares are prohibited to be transferred during the period in office and until one year passes from resignation in principle, in accordance with the Officers Shareholding Group Rules of the Company and other internal rules.
- When a person subject to payment of the relevant remuneration resigns, in accordance with the Officers Shareholding Group Rules of the Company, this handling shall not be applied.

(4) Percentage of fixed remuneration and performance-linked remuneration

- The allocation of performance-linked remuneration for each director is determined based on the performance assessment following the procedures described in 3.(2) above in accordance with the “Policy about executive remuneration” described in 2 above. Therefore, the percentage of fixed compensation and performance-based compensation in Executive Remuneration for each director(excluding outside director and Directors who are Audit and Supervisory Committee Members) shall vary based on such determination.

4. Additional Rules

- For remuneration of Directors who are Audit and Supervisory Committee Members, determination upon consultation by Directors who are Audit and Supervisory Committee Members is required in accordance with the provisions of the law.
- Remuneration to directors from subsidiaries in which a director holds a concurrent post is waived in principle.
- Allowances for commutation, job transfer unattended by family, or job relocation as well as a daily allowance for business trip expenses will be paid separately.

b. Remuneration in the current fiscal year

Type of Officer	Number of persons	Fixed remuneration	Performance-linked remuneration	Total remuneration
Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) [of those, Outside Directors]	4 [2]	55 million yen [21 million yen]	70 million yen (—)	125 million yen [21 million yen]
Directors Who Are Audit and Supervisory Committee Members [of those, Outside Directors]	4 [3]	53 million yen [35 million yen]	— (—)	53 million yen [35 million yen]
Total [of those, Outside Directors]	8 [5]	109 million yen [57 million yen]	70 million yen (—)	179 million yen [57 million yen]

Notes:

1. The performance indicator for performance-linked remuneration is profit attributable to owners of parent, and those results are listed in “1. Business Outline, (5) Changes in Assets and Income.” The reason that we selected this indicator is that it enhances the incentive for directors to boost performance and strengthens medium- to long-term sharing of interests with shareholders. The Company’s performance-linked remuneration is up to 2.5% of the standard amount and up to 250 million yen.
2. The amount of Director remuneration (excluding Directors who are Audit and Supervisory Committee Members) was up to 385 million yen annually as resolved at the 50th Annual General Meeting of Shareholders held on June 22, 2023 (breakdown: fixed remuneration of up to 135 million yen annually (portion for Outside Directors of above: Up to 54 million yen annually), performance-linked remuneration of up to 2.5% of profit attributable to owners of parent of Consolidated Statements of Income, and up to 250 million yen annually (Outside Directors excluded from payment). On the day that this resolution took effect, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) was four (including two Outside Directors).
3. The amount of remuneration for Directors who are Audit and Supervisory Committee Members was up to 60 million yen annually as resolved at the 50th Annual General Meeting of Shareholders held on June 22, 2023 (breakdown: fixed remuneration of up to 60 million yen annually). On the day that this resolution took effect, the number of Directors who are Audit and Supervisory Committee Members was three (all three Outside Directors).
4. The above amount of remuneration includes the remuneration for one Director (excluding Directors who are Audit and Supervisory Committee Members) who retired at the conclusion of the 51st Annual General Meeting of Shareholders held on June 20, 2024.

**(6) Matters concerning Outside Directors**

**i. Relationship between the Company and Significant Companies Where Outside Directors and Outside Audit & Supervisory Board Members Hold Concurrent Posts**

The status and other information on significant concurrent posts are listed in “4. Matters concerning Directors ; (1) Names and other details of Directors.”

**ii. Status of Main Activities during the Subject Fiscal Year**  
**Outside Directors**

Type of Officer	Name	Attendance (total attended/total held)	Summary of Major Activities and Duties Performed Related to Expected Roles
		Directors' meetings	
Outside Directors	Akira YAMAGUCHI	12/12 (100%)	He has served as the representative director of a listed company on the First Section of the Tokyo Stock Exchange and based on his abundant experience and insight with respect to corporate management, he has been expected to contribute to strengthening the function of the Board of Directors of the Company and to management oversight, and at Board of Directors Meetings, he has provided proper advice and proposals as needed and sufficiently fulfilled his roles and duties in strengthening the function of the Board of Directors of the Company and in management oversight.
	Kumi YOKOE	11/12 (92%)	She has wide knowledge on international politics and others as a university professor and based on her abundant experience and insight as a senior researcher at a major think-tank and as the president of a company, she has been expected to contribute to strengthening the function of the Board of Directors of the Company and to management oversight, and at Board of Directors Meetings, she has provided proper advice and proposals as needed and sufficiently fulfilled her roles and duties in strengthening the function of the Board of Directors of the Company and in management oversight.

Type of Officer	Name	Attendance		Summary of Major Activities and Duties Performed Related to Expected Roles
		Directors' meetings	Audit & Supervisory Committee	
Outside Directors (Audit & Supervisory Committee Members)	Masatoshi UEMATSU	12/12 (100%)	14/14 (100%)	Mr. Masatoshi UEMATSU possesses a wide range of experience and knowledge from having been involved in management and internal audits at major banks. Utilizing this experience and knowledge, as well as taking advantage of his experience as an Audit & Supervisory Board member at financial institutions, the Company expects that as an Outside Director who is an Audit and Supervisory Committee Member, he will contribute to the enhancement of the Company's management monitoring framework. At the Board of Directors meetings, he asked appropriate questions and offered his opinions by providing advice and proposals as needed. At the Audit and Supervisory Committee meetings, he also provided opinions as needed, thereby sufficiently fulfilling his roles and duties in strengthening the function of the Board of Directors of the Company and in management oversight.
	Toru KUNIBE	11/12 (92%)	13/14 (93%)	Mr. Toru KUNIBE is an attorney at law, and the Company judges that, utilizing his high knowledge in law, he will continuously contribute to the enhancement of the Company's management monitoring framework as an independent Outside Audit and Supervisory Committee Members. Based on his abundant experience and knowledge, at the Board of Directors meetings, he offered his opinions by providing advice and proposals as needed. Also at the Audit and Supervisory Committee, he provided opinions as needed, thereby sufficiently fulfilling his roles and duties in strengthening the function of the Board of Directors of the Company and in management oversight.
	Mitsunobu YAMAGUCHI	12/12 (100%)	14/14 (100%)	Mr. Mitsunobu YAMAGUCHI holds a certified public accountant license and possesses sufficient knowledge on finance and accounting, and the Company expects that as an Outside Director who is an Audit and Supervisory Committee Members, he will contribute to the Company's management monitoring framework. Particularly from the standpoints of finance and accounting, at the Board of Directors meetings, he offered his opinions by providing advice and proposals as needed. Also at the Audit and Supervisory Committee, he provided opinions to as needed, thereby sufficiently fulfilling his roles and duties in strengthening the function of the Board of Directors of the Company and in management oversight.



## 5. Status of the Accounting Auditor

### (1) Name of Accounting Auditor

Deloitte Touche Tohmatsu LLC

### (2) Compensation to Accounting Auditor for current fiscal year

Description	Amount of compensation
1. Total compensation and amounts paid by the Company	33 million yen
2. Total amount of cash and other property profits to be paid by the Company and its subsidiaries to the independent accountant	60 million yen

Note:

In the audit agreement between the Company and the accounting auditor, the amounts of compensation for conducting auditing services in accordance with the Companies Act and auditing services in accordance with the Financial Instruments and Exchange Law are not separated, and the above amounts contain compensation and other remuneration for auditing services under the Financial Instruments and Exchange Law.

### (3) Reason why the Audit & Supervisory Committee approved the Accounting Auditor's compensation

The Audit & Supervisory Committee verified matters including the performance of auditing in the previous fiscal year, and the content of the auditing plan for the upcoming fiscal year and the basis on which the compensation for the upcoming fiscal year was estimated. Having judged all of these matters to be appropriate, the Audit & Supervisory Board approved the accounting auditor's compensation.

### (4) Description of Non-auditing Job

The Company does not commission the accounting auditor to provide service which is out side of the scope of the activities defined in the Article 2, Paragraph 1 of the Certified Public accountants Act.

### (5) Policy regarding decisions on the dismissal or non-reappointment of the Accounting Auditor

If the Audit & Supervisory Committee considers that the accounting auditor falls under any of the provisions of Article 340, Paragraph 1 of the Companies Act and judges it necessary to dismiss the accounting auditor immediately, it shall dismiss the accounting auditor, having obtained the approval of all the Audit & Supervisory Committee Members.

In addition, the Audit & Supervisory Committee shall evaluate the overall performance of accounting audit duties by the accounting auditor according to its stipulated evaluation procedures and standards. If the Audit & Supervisory Committee considers that the accounting auditor cannot perform its duties appropriately, or otherwise judges that dismissal is required, it shall determine the content of an agenda item for the dismissal or non-reappointment of the accounting auditor to be submitted to the General Meeting of Shareholders in accordance with Article 344 of the Companies Act.

## **6. Systems to Ensure Appropriate Business Operations and the Status of its Implementation**

At the Board of Directors, the Company resolved the basic policy on internal control systems based on the Companies Act, and the internal control system has been appropriately established and operated based on this resolution. Additionally, important management information for the entire MEITEC Group on the appropriateness and effectiveness of operations evaluated by the departments associated with internal control, as well as by the person in charge of internal auditing, was appropriately submitted and reported to the Company's Board of Directors.

A summary of the resolutions of the Board of Directors and operating status thereof is as follows:

In the 52nd fiscal period, the Company, which is responsible for the business management and oversight of the MEITEC Group, led the establishment and operation of each of the frameworks outlined in (1) to (12) below throughout the entire MEITEC Group, ensuring that there were no incidents or accidents that caused significant damage to the corporate group comprising the Company and its subsidiaries.

“Basic Policy on the Establishment of a System to Ensure the Appropriateness of Operations of the Corporate Group (Internal Control System)”

While aggressively pursuing opportunities for high added value, the Company and its subsidiaries (hereinafter collectively referred to as the “MEITEC Group”) aim to continue to improve both earning power and capital efficiency. To achieve this goal, the internal control system covers every aspect of the MEITEC Group, and the Company, responsible for the business management and oversight of the MEITEC Group, leads the establishment and management of this system.

### **(1) Framework to ensure compliance by directors with laws and regulations and the Company's articles of incorporation in the course of the execution of their duties**

In its interaction with the rest of society, the MEITEC Group shall comply with all laws and regulations and its articles of incorporation. The MEITEC Group shall maintain high ethical standards and management that is sound and highly transparent. Concerning directors' execution of duties, the MEITEC Group shall establish the Group's internal rules that are appropriate to the particular characteristics of the business and size of each company of the MEITEC Group to clarify the process and results of its decision-making. At the same time, the MEITEC Group shall establish a framework where directors and audit & supervisory board members (roles of directors and audit & supervisory board members of subsidiaries are limited to those of the company in which they hold office) can view such process and results as necessary.

In addition, through the establishment of the MEITEC Group Helpline System—based on a framework that provides measures to protect whistleblowers in personnel terms—and programs to inform employees about this helpline, the Company shall endeavor to quickly detect and take appropriate action against any malfeasance that may occur relating to the MEITEC Group's directors' execution of duties.

(Status of implementation)

In the Board of Director Regulations, the Rules of Administrative Authority, and the Rules Relating to Internal Requests for Approval, the MEITEC Group has clarified the authorities granted to Directors as well as decision-making procedures, and each Director performs their duties based on these sets of rules. Materials and minutes from meetings of the Board of Directors and Executive Board are continually stored on a

system that can be viewed by all Directors and Audit & Supervisory Board Members (for Directors and Audit & Supervisory Board Members of subsidiaries, this is limited to contents for the company to which they are appointed). The Company has also introduced a system to record the process and results of decision-making of individual Directors and has established a framework where all Directors and Audit & Supervisory Board Members can view such process and results as necessary (for Directors and Audit & Supervisory Board Members of subsidiaries, this is limited to contents for the company to which they are appointed).

Furthermore, the Company has established the MEITEC Group Helpline System administered by the CSR Dept., which performs internal checks and balances. Employees are informed about the system via the Company's intranet, and the Company responds to helpline inquiries appropriately. Furthermore, so that whistleblowers may use the MEITEC Group Helpline System to share information or legitimate concerns about malfeasance without concern over the risk of disadvantageous treatment, inquiries, reports, and investigations into Executive Directors at the Company or MEITEC CORPORATION are the responsibility of the Director who serves as the Chairperson of the an Audit and Supervisory Committee, and a helpdesk has been established outside of the MEITEC Group to receive inquiries and reports.

**(2) Framework for storing and managing information relating to the directors' execution of duties**

In accordance with the stipulations of all laws and regulations, the Company's articles of incorporation and internal rules, the MEITEC Group shall record, store and manage information regarding the execution of duties by directors in an appropriate and timely manner.

Moreover, the Company shall build an appropriate management system for safekeeping media to ensure there is no loss of trust as a company or fatal damage inflicted on the MEITEC Group through conduct involving leakage, alterations, loss, or unauthorized use, or conduct involving unauthorized disclosure, etc.

(Status of implementation)

In accordance with all laws and regulations, the Company's articles of incorporation and internal rules, the MEITEC Group prepares documents such as minutes from the General Meeting of Shareholders, and meetings of the Board of Directors and Executive Board, storing and managing such documents in an appropriate manner. In addition, the Company stipulates information to be managed and methods of management in its information management rules, which it implements appropriately.

### **(3) Rules and other frameworks for management of risk of loss**

Based on the risk management rules, the MEITEC Group shall work to comprehensively and systematically gather information on risk of loss faced by the Company before such risks emerge. Risks trends shall be monitored appropriately, and timely measures shall be taken in response to risks, commensurate with the severity of the risk. By responding quickly to the risks when they materialize, the Company aims to minimize the impact of such risks, develop a system to restore operations as soon as possible. The Company shall continually strive to maintain and enhance the soundness of its management.

(Status of implementation)

The MEITEC Group stipulates a framework for risk management in its risk management rules, and informs employees via its intranet. It also specifies risks by category and confirms that no risks requiring management have been omitted. In its risk management guidelines, the Company specifies in advance the risk items to be monitored and departments responsible for monitoring with the aim of picking up on any signs that risks might materialize in order to prevent them from doing so or, where risks have already materialized, in order to minimize their impact. Related details are regularly reported to the Board of Directors or the Executive Board of each Group Company, and the Company has established, and appropriately operates, a system for reporting in the event that risks becoming apparent. In addition, in the event that a risk develops into a crisis, in order to prevent the situation from growing larger and to quickly reign it in, the Group Crisis Management Regulations provide for a crisis management framework, such as the initial response when a crisis occurs as well as the establishment of crisis countermeasure command center.

### **(4) Framework to ensure the efficient execution of duties by directors**

The MEITEC Group shall make the directors appropriately divide up their duties and supervisory responsibilities and delegate authority in accordance with internal rules to speed up decision-making. In addition, the directors shall formulate a business plan stipulating clear targets and goals, and undertake appropriate management of operations and progress based on this plan. Targets and goals shall be revised as necessary.

(Status of implementation)

Each Director appropriately divides and delegates their duties and supervisory responsibilities. Depending on the scale and contents of business of each Group company, The MEITEC Group adopts an executive officer system through which authority is delegated to Executive Officers according to the Rules of Administrative Authority, facilitating prompt and appropriate decision-making. Furthermore, the directors formulate a business plan stipulating clear targets and goals, and undertake appropriate management of operations and progress based on this plan. Targets and goals are revised as necessary.

### **(5) Framework to ensure compliance by employees with laws and regulations and the Company's articles of incorporation in the course of the execution of their duties**

The MEITEC Group shall formulate the MEITEC Group Management Concept, the MEITEC Group Charter of Employee Behavior, the Employee Code of Conduct and other related documents. And with these, the MEITEC Group shall continuously strive to take initiatives to raise awareness of the MEITEC Group's employees to carry out their duties in compliance with all laws and regulations, the MEITEC Group's articles of incorporation and internal rules in a fair and reasonable manner.

In addition, through the establishment of the MEITEC Group Helpline System—based

on a framework that provides measures to protect whistleblowers in personnel terms—and programs to inform employees about this helpline, the MEITEC Group shall endeavor to quickly detect and take appropriate action against any malfeasance that may occur relating to the employees' execution of duties.

(Status of implementation)

The MEITEC Group has established our Management Concept, the MEITEC Group Charter of Employee Behavior, and the Employee Code of Conduct. These are published on the Company's intranet to create awareness, and reporting systems are in place and operated appropriately. A compliance awareness survey is also conducted for all companies within the MEITEC Group to confirm the state of compliance awareness within the Group. Details of the Meitec Group Helpline System are as set out under the status of implementation for (1) above. Internal audits are conducted to check departments' compliance with all laws and regulations, the MEITEC Group's articles of incorporation and internal rules.

**(6) Framework to ensure sound business operations within the Group comprising the Company and its subsidiaries**

The Company shall respect the right of each subsidiary to develop its business operations in an autonomous manner. The Company shall design the institution in accordance with the subsidiary's purpose, business characteristics and size, and place its directors and employees in all of its subsidiaries and manage and supervise the subsidiaries' business execution appropriately to maximize the MEITEC Group's corporate value.

In addition, the Company shall formulate rules on the administration of subsidiaries and establish the department in charge of administrating the Group companies (the "Group Company Administration Department") and develop a framework by which important matters related to the business execution of directors in subsidiaries are reported to the Company regularly.

With regard to the development of rules and other frameworks for loss risk management of subsidiaries, a framework to ensure the efficient execution of duties by directors of subsidiaries and a framework to ensure compliance by directors and employees of subsidiaries with laws and regulations and the Company's articles of incorporation in the course of the execution of their duties, the Company requests each of the subsidiaries to develop a framework that is suitable for their respective business characteristics and size by referring to the above-mentioned (3) to (5) as basic guidelines. The Company shall regularly receive reports on the development status of the framework and request improvements as necessary.

(Status of implementation)

The Company places its directors in all of its subsidiaries to manage and supervise the appropriateness of the subsidiaries' business. In addition, the Company has formulated its rules on the administration of Group companies, thereby clarifying matters that require prior approval by the Company or reporting to the Company. The relevant departments in the Company and its subsidiaries cooperated to make decisions on matters for which the rules require the Company's prior approval, while reports were duly received from subsidiaries with regard to the matters to be reported to the Company. MEITEC's Internal Audit Department conducts audits of the operations of the Group companies based on the Group Internal Auditing Rules.

**(7) Matters related to employees to be assigned to assist the Audit & Supervisory Committee and Audit & supervisory board members, matters related to such employees' independence from directors (excluding directors who are audit & supervisory Committee Members) and matters related to ensuring effectiveness of instructions given to such employees**

In order to improve the effectiveness of audits by the Company's Audit & Supervisory Committee and Audit & supervisory board members of subsidiaries, the Company shall establish the Office of Audit & Supervisory Committee which consists of employees who exclusively work in the said office and are independent from the execution of business, subsidiaries of large companies under the Companies Act establish an auditor's office with a similar structure.

In order to reflect the opinion from the Company's Audit & Supervisory Committee and Audit & supervisory members of subsidiaries as much as possible, the evaluation and re-assignment of the said exclusively working employees, who are to assist the Company's Audit & Supervisory Committee and Audit & supervisory board members of subsidiaries, are carried out with the consent of the Audit & Supervisory Committee, and instructions to such employees shall be given by the Company's Audit & Supervisory Committee (For subsidiaries, the Audit & supervisory board members of the subsidiaries).

(Status of implementation)

The Company has established an the Office of Audit and Supervisory Committee at the Company and the Office of Audit & Supervisory Board at the large MEITEC CORPORATION and staffed each with one dedicated employee who is independent form the execution of business. Furthermore, to respect the intentions of the Company's Audit and Supervisory Committee (for MEITEC CORPORATION, the Audit & Supervisory Board Members. The same hereinafter throughout the document.) to the greatest extent possible, personnel evaluations and job transfers of these dedicated employees are conducted with the consent of the Company's Audit and Supervisory Committee, which provides direct instructions and orders.

**(8) Framework for reporting to the Audit & Supervisory Committee or Audit & supervisory board members**

**i. Framework for reporting by directors and employees to the Audit& Supervisory Committee or Audit & supervisory board members**

The Meitec Group shall develop a framework for reporting to the Company's Audit & Supervisory Committee or Audit & supervisory board members of subsidiaries, to ensure that proper reports are made by directors and employees. The Company's directors who are audit & supervisory Committee Members (hereinafter referred to as the Audit & supervisory Committee Members) or Audit & supervisory board members of subsidiaries shall be given the authority to attend the Board of Directors' meetings and all other internal meetings of the company to which they belong. Furthermore, the Audit & supervisory Committee Members and Audit & supervisory board members shall have access to all important information relating to decision-making and the execution of business operations.

(Status of implementation)

We have established the "Rules on Reporting to the Audit and Supervisory Committee and Audit & Supervisory Board Members," which have been published on the Company's intranet to create awareness. The right to attend all important meetings in addition to Board of Director Meetings at the company to which they belong is granted to all Audit and Supervisory Committee Members and audit & supervisory board

members of subsidiaries, who attend meetings as they feel necessary based on their own discretion. Furthermore, important information on decision-making and the execution of business is disclosed appropriately in response to requests from Audit and Supervisory Committee Members and audit & supervisory board members of subsidiaries.

**ii. Framework for reporting by subsidiaries' directors, Audit & supervisory board members, employees or those who received reports from them to the Audit & Supervisory Committee of the Company**

The Company shall develop a framework by which any matters that took place at subsidiaries are reported to the Company's audit & supervisory board members from subsidiaries' directors and employees through the Company's Executive officer in charge of Management Administration and the Group Company Administration Department. In the case where the Company's Audit & Supervisory Committee requests that subsidiaries' directors and employees directly report, etc. concerning matters that have been deemed necessary in order to ensure appropriateness of the Group's operation, the subsidiaries' directors and employees are obliged to meet the aforesaid request.

In addition, Audit & supervisory board members of subsidiaries and via communication with the Company's Audit & supervisory Committee Members, they report the situation of subsidiaries in a timely way to the Company's Audit & Supervisory Committee.

(Status of implementation)

Any matters that took place at subsidiaries are reported to the Company's Audit & Supervisory Committee as appropriate through the Group Company Administration Department. In addition, subsidiaries' audit & supervisory board members report the situation of subsidiaries to the Company's Audit & Supervisory Committee in a timely way. To that end, they hold meetings with the Company's Audit & Supervisory Committee as appropriate after attending their subsidiary's Board of Directors meetings, or when they have received a report regarding an event or incident relating to their subsidiary.

**(9) Framework to ensure that a person who made report to the Audit & Supervisory Committee or Audit & supervisory board members does not receive disadvantageous treatment for making such report**

The MEITEC Group prohibits any disadvantageous treatment being given to directors, audit & supervisory board members and employees of the Company and subsidiaries who made a report to the Company's Audit & Supervisory Committee or Audit & supervisory board members of subsidiaries. The Company shall disseminate this policy throughout the Group.

(Status of implementation)

The Company clearly prohibits any disadvantageous treatment in its rules regarding reporting to the Audit & Supervisory Committee Members, Audit & supervisory board members or the Audit & Supervisory Board, and it has informed employees to that effect. There have been no instances of disadvantageous treatment as a result of making a report to the Company's Audit & Supervisory Committee or the Audit & supervisory board members of subsidiaries.

**(10) Matters related to the policy on the prepayment or repayment procedure of costs that accrue as a result of execution of duties by the Audit & Supervisory Committee Members or Audit & supervisory board members, or settlement of other liabilities**

The Company (For subsidiary, the company to which the Audit & Supervisory Board Member belongs) shall, in principle, be liable to pay the costs or liabilities that accrue as a result of execution of duties by the Company's Audit & Supervisory Committee Members or Audit & supervisory board members of subsidiaries. The Company shall settle such costs or liabilities as appropriate each time the Audit & Supervisory Committee Members or Audit & supervisory board members of subsidiaries submit such request to the Company, with the exception of cases where the Company (For subsidiary, the company to which the Audit & Supervisory Board Member belongs) has proven that such costs or liabilities were not necessary in the execution of duties by the Company's Audit & Supervisory Committee Members or Audit & supervisory board members of subsidiaries.

(Status of implementation)

The Company (For subsidiary, the company to which the Audit & Supervisory Board Member belongs) paid to settle costs or liabilities as appropriate each time the Audit & Supervisory Committee Members or Audit & supervisory board members submitted such request to the Company.

**(11) Framework to ensure auditing activities by the Audit & Supervisory Committee or Audit & supervisory board members are carried out effectively**

The MEITEC Group shall develop a framework to deepen the mutual cooperation among the person in charge of the group internal audits and the accounting auditor for internal audits, the Company's Audit & Supervisory Committee or Audit & supervisory board members of subsidiaries and accounting audits by exchanging their opinions regularly or as necessary.

The MEITEC Group shall also strive to improve, on an ongoing basis, the effectiveness of audit function performed by the Company's Audit & Supervisory Committee by making directors and employees cooperate with inspections or hearing request submitted by the Company's Audit & Supervisory Committee.

(Status of implementation)

The person in charge of the group internal audits and accounting auditors exchange their opinions with the Company's Audit & Supervisory Committee or Audit & supervisory board members of subsidiaries regularly, ensuring mutual cooperation in their audits.

Moreover, directors and employees are cooperating appropriately with inspections or hearing requests submitted by Audit & Supervisory Committee Members.

**(12) Basic policy toward removal of anti-social forces**

The Company shall interdict any and all relationship with anti-social forces and groups which threaten the order and safety of the civil society. And against such anti-social forces, the entire MEITEC Group, from the presidents of each company down, shall respond in uncompromising manner.

(Status of implementation)

The MEITEC Group has prescribed that employees do not have any relationship with anti-social forces in the Employee Code of Conduct and in the purchasing policy. At the same time, the Company has established the principle of the "3 No's" ("No fear," "No



payments,” “No business”) in dealing with organized violence by anti-social forces. It has also stipulated that in the event of any approach from anti-social forces, employees should not handle the matter individually, but should consult the department in charge to deal with it as an organization.

## 7. Basic Policy Regarding Profit Distribution

The MEITEC Group, which hires large numbers of engineers for an indefinite period, has established its “Basic Policy Regarding Profit Distribution” as follows, premised on the belief that protecting employment of the engineers is essential even during times of economic hardship in order to aim for maximizing the shareholders’ return in the medium to long term and to grow sustainably.

[Basic Policy Regarding Profit Distribution]

■ Conditions for implementing profit distribution

1. Enhancement of “quality and quantity” of shareholders’ equity
2. Balance of funds exceeds 3 months worth of monthly sales forecast

■ Policy

1. Total payout ratio of 100% or less in principle
2. Minimum dividend payout equal to dividend on equity ratio of 5%
3. Dividends form the basis of the distribution method
4. When PBR falls below 3, treasury shares acquisition will be considered
5. Maximum treasury shares will be 5% of total shares issued

(Supplementary explanation on holding treasury shares)

Treasury shares will be held to enable flexible financial policies to hedge risks accompanying implementation and growth of future growth strategies to achieve targets of the Management Plan

For the fiscal year ended March 31, 2025 (the current fiscal year), the Company plans to pay an annual dividend of ¥198 per share, consisting of a year-end dividend of ¥110 per share (ordinary dividend of ¥95 and commemorative dividend of ¥15) based on the policy, and an interim dividend of ¥88 per share (ordinary dividend of ¥73 and commemorative dividend of ¥15). This results in a dividend payout ratio of 120%.

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Unless otherwise noted, figures in this business report for the fiscal year ended March 31, 2025 is presented as follows.

- Monetary amounts are rounded off to the displayed unit. However, hundredths of a yen are rounded to the nearest whole number.
- Ratios are rounded to the displayed unit.

[The Notes to Consolidated Financial Statements and the Notes to Non-consolidated Financial Statements are not stated here.]

## Consolidated Balance Sheets

(Millions of yen)

As of March 31, 2025

<b>Assets</b>	
Current assets	
Cash and deposits	53,005
Notes and accounts receivable - trade	18,106
Work in process	196
Consumption taxes refund receivable	3,659
Income taxes refund receivable	778
Other	1,309
Allowance for doubtful accounts	(5)
Total current assets	77,050
Non-current assets	
Property, plant and equipment	
Buildings and structures, net	2,724
Tools, furniture and fixtures, net	152
Land	1,373
Total property, plant and equipment	4,250
Intangible assets	
Software	186
Other	125
Total intangible assets	312
Investments and other assets	
Investment securities	27
Deferred tax assets	9,686
Other	2,294
Allowance for doubtful accounts	(16)
Total investments and other assets	11,991
Total non-current assets	16,554
Total assets	93,605

(Millions of yen)

As of March 31, 2025

Liabilities	
Current liabilities	
Accrued expenses	4,344
Income taxes payable	4,539
Accrued consumption taxes	6,100
Provision for bonuses for directors (and other officers)	70
Provision for bonuses	11,384
Other	1,566
Total current liabilities	28,005
Non-current liabilities	
Retirement benefit liability	16,823
Total non-current liabilities	16,823
Total liabilities	44,828
Net assets	
Shareholders' equity	
Share capital	5,000
Capital surplus	1,259
Retained earnings	43,942
Treasury shares	(1,693)
Total shareholders' equity	48,508
Accumulated other comprehensive income	
Revaluation reserve for land	(508)
Remeasurements of defined benefit plans	776
Total accumulated other comprehensive income	267
Total net assets	48,776
Total liabilities and net assets	93,605

## Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2025
Net sales	133,068
Cost of sales	97,135
Gross profit	35,933
Selling, general and administrative expenses	17,102
Operating profit	18,830
Non-operating income	
Interest income	29
Subsidy income	47
Interest on tax refund	7
Other	9
Total non-operating income	94
Non-operating expenses	
Provision of allowance for doubtful accounts	2
Commitment fees	1
Bad debt expenses	5
Other	2
Total non-operating expenses	12
Ordinary profit	18,911
Extraordinary losses	
Impairment losses	620
Loss on retirement of non-current assets	0
Total extraordinary losses	621
Profit before income taxes	18,290
Income taxes - current	6,120
Income taxes - deferred	(570)
Total income taxes	5,550
Profit	12,740
Profit attributable to owners of parent	12,740

## Consolidated Statements of Changes in Equity

(Fiscal Ended March 31, 2025)

(Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholder's equity
Balance at beginning of period	5,000	1,259	43,554	(1,691)	48,122
Changes during period					
Dividends of surplus			(12,198)		(12,198)
Profit attributable to owners of parent			12,740		12,740
Reversal of revaluation reserve for land			(153)		(153)
Purchase of treasury shares				(1)	(1)
Net changes in items other than shareholder's equity					
Total changes during period	—	—	387	(1)	386
Balance at end of period	5,000	1,259	43,942	(1,693)	48,508

(Millions of Yen)

	Accumulated other comprehensive income			Total net assets
	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	(662)	236	(425)	47,696
Changes during period				
Dividends of surplus				(12,198)
Profit attributable to owners of parent				12,740
Reversal of revaluation reserve for land				(153)
Purchase of treasury shares				(1)
Net changes in items other than shareholder's equity	153	539	693	693
Total changes during period	153	539	693	1,079
Balance at end of period	(508)	776	267	48,776

## Non-Consolidated Balance Sheet

(Millions of yen)

As of March 31, 2025

<b>Assets</b>	
Current assets	
Cash and deposits	8,403
Prepaid expenses	8
Consumption taxes refund receivable	3,659
Income taxes refund receivable	778
Other	59
Total current assets	12,909
Non-current assets	
Property, plant and equipment	
Buildings	2,467
Structures	3
Tools, furniture and fixtures	60
Land	1,373
Total Property, plant and equipment	3,904
Intangible assets	
Other	1
Total intangible assets	1
Investments and other assets	
Shares of subsidiaries and associates	2,118
Total investments and other assets	2,118
Total non-current assets	6,024
Total assets	18,933

(Millions of yen)

As of March 31, 2025

<b>Liabilities</b>	
Current liabilities	
Accounts payable - other	65
Accrued expenses	233
Consumption tax payable	335
Income taxes payable	0
Provision for directors' bonuses	70
Other	17
Total current liabilities	<u>723</u>
Total liabilities	<u>723</u>
<b>Net assets</b>	
Shareholders' equity	
Capital stock	5,000
Capital surplus	
Legal capital surplus	<u>1,250</u>
Total capital surpluses	<u>1,250</u>
Retained earnings	
Other retained earnings	14,162
Retained earnings brought forward	<u>14,162</u>
Total retained earnings	<u>14,162</u>
Treasury shares	<u>(1,693)</u>
Total shareholders' equity	<u>18,719</u>
Valuation and translation adjustments	
Revaluation reserve for land	<u>(508)</u>
Total valuation and translation adjustments	<u>(508)</u>
Total net assets	<u>18,210</u>
Total liabilities and net assets	<u>18,933</u>



## Non-Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2025
Sales revenue	7,679
Selling, general and administrative expenses	702
Operating profit	6,976
Non-operating income	
Interest income	10
Rent income	648
Other	12
Total non-operating income	670
Non-operating expenses	
Other	0
Total non-operating expenses	0
Ordinary profit	7,646
Extraordinary losses	
Impairment losses	619
Total Extraordinary losses	619
Profit before income taxes	7,026
Income taxes - current	3
Income taxes - deferred	12
Total income taxes	16
Profit	7,010

## Non-Consolidated Statement of Changes in Equity

(Fiscal Ended March 31, 2025)

(Millions of Yen)

	Shareholders' equity			
	Capital stock	Capital surplus		
		legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of current period	5,000	1,250	—	1,250
Changes of items during period				
Dividends of surplus				
Profit				
Reversal of revaluation reserve for land				
Purchase of treasury shares				
Net changes in items other than shareholder' equity				
Total changes of items during period	—	—	—	—
Balance at end of current period	5,000	1,250	—	1,250

(Millions of Yen)

	Shareholders' equity		
	Retained earnings	Treasury shares	Total shareholders' equity
	Other retained earnings		
	Retained earnings brought forward		
Balance at beginning of current period	19,503	(1,691)	24,062
Changes of items during period			
Dividends of surplus	(12,198)		(12,198)
Profit	7,010		7,010
Reversal of revaluation reserve for land	(153)		(153)
Purchase of treasury shares		(1)	(1)
Net changes in items other than shareholder' equity			
Total changes of items during period	(5,341)	(1)	(5,343)
Balance at end of current period	14,162	(1,693)	18,719

(Millions of Yen)

	Valuation and translation adjustments		Total net assets
	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of current period	(662)	(662)	23,399
Changes of items during period			
Dividends of surplus			(12,198)
Profit			7,010
Reversal of revaluation reserve for land			(153)
Purchase of treasury shares			(1)
Net changes in items other than shareholder' equity	153	153	153
Total changes of items during period	153	153	(5,189)
Balance at end of current period	(508)	(508)	18,210

## **Audit & Supervisory Committee's Report (Certified Copy)**

The Audit and Supervisory Committee has audited Directors' execution of duties for the 52nd fiscal period from April 1, 2024 to March 31, 2025. The Committee hereby reports the method and result thereof as follows.

### **1. Audit Methods and its Details**

The Audit and Supervisory Committee received reports from Directors, employees, etc. on the resolutions of the Board of Directors concerning the matters listed in Article 399-13, Paragraph 1, Item 1-(b) and (c) of the Companies Act as well as the development and operation status of the system that has been put in place based on said resolutions (internal control system), and then requested explanation as necessary, expressed its opinion and conducted audits by the following methods.

- i. Audit and Supervisory Committee Members attended important meetings and received reports from the Directors, employees, etc., regarding the state of performance of their duties, sought explanations whenever necessity arose, inspected important decision documents, etc., and made investigation into the state of activities and property at the head office and other main business offices of the Company. in accordance with the Audit and Supervisory Committee Audit Rules established by the Audit and Supervisory Committee as well as the audit policies and the allocation of audit operations in collaboration with departments in charge of the Group's internal control, etc. With respect to subsidiaries, we communicated and exchanged information with directors, audit & supervisory board members, etc., of the subsidiaries, and received reports on business from them, as need.
- ii. Audit and Supervisory Committee Members monitored and verified whether the Accounting Auditors maintained their independence and implemented appropriate audits, and we received reports from Accounting Auditors regarding the state of performance of their duties and sought explanations whenever necessity arose. In addition, we received notice from the Accounting Auditors the "The systems for ensuring the proper performance of duties" (matters set forth in each Item of Article 131 of the Ordinance on Accounting of Companies) is organized in accordance with the "Quality Control Standards for Audits" (Business Accounting Council) and other relevant standards, and sought explanations whenever necessity arose.

Based on the above methods, we examined business reports and supporting schedules, the financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of change in equity, and foot notes) and supporting schedules related to the relevant business term, and the consolidated financial statements (consolidated balance sheets, consolidated statements of income, consolidated statements of change in equity, and foot notes).

### **2. Results of Audit**

#### **(1) Results of Audit of Business Report and Other Relevant Documents**

- i. In our opinion, the business report and supporting schedules fairly presents the state of the Company in accordance with the laws, regulations and Articles of Incorporation.
- ii. In connection with the performance by the Directors of their duties, no dishonest

act or material fact of violation of laws, regulations, or the Articles of Incorporation exists.

iii. In our opinion, the contents of the resolution of the Board of Directors regarding the internal control system are fair and reasonable. In addition, we have found nothing to be pointed out in relation to the performance of duties by the Directors regarding the internal control system.

(2) Results of Audit of non-consolidated financial statements and supporting schedules  
In our opinion, the methods and results of audit conducted by the Independent Auditors, Deloitte Touche Tohmatsu LLC are proper.

(3) Results of Audit of consolidated financial statements  
In our opinion, the methods and results of audit conducted by the Independent Auditors, Deloitte Touche Tohmatsu LLC are proper.

May 8, 2025

Meitec Group Holdings Inc.  
the Audit and Supervisory Committee

Standing Directors who are Audit and  
Supervisory Committee Members  
Terumi SHIKANO

Directors who are Audit and Supervisory  
Committee Members  
Masatoshi UEMATSU

Directors who are Audit and Supervisory  
Committee Members  
Toru KUNIBE

Directors who are Audit and Supervisory  
Committee Members  
Mitsunobu YAMAGUCHI

(Note) Directors who are Audit and Supervisory Committee Members Masatoshi UEMATSU, Toru KUNIBE, and Mitsunobu YAMAGUCHI are Outside Directors pursuant to Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.