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Securities Code 8871

June 4, 2025

Date electronic provisional measures become available: May 28, 2025

**To Shareholders with Voting Rights:**

Hidetoshi Yasukawa  
President & CEO  
GOLDCREST Co., Ltd.  
2-1-1 Otemachi, Chiyoda-ku, Tokyo

**NOTICE OF  
THE 34th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

Please be informed that the 34th Annual General Meeting of Shareholders of GOLDCREST Co., Ltd. (the "Company") will be held for the purposes as described below.

In convening this Annual General Meeting of Shareholders, the Company has taken measures to provide Reference Documents for the General Meeting of Shareholders and other information (matters for electronic provision) electronically as the "Notice of the 34th Annual General Meeting of Shareholders." Please access the websites below to view this information.

The Company's website

<https://www.goldcrest.co.jp/ir/english.html>

In addition to the above website, the Company has also disclosed matters for electronic provision on the below.

Tokyo Stock Exchange (TSE Listed Company Information Service)

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

Please access the above TSE website, enter and search for the issue name (GOLDCREST) or securities code (8871), and then click "Basic Information" and select "Documents for Public Inspection/PR Information."

In lieu of attending in person on the day of the General Meeting of Shareholders, you can exercise your voting rights either in writing or via the internet, following the instructions for "Exercising voting rights by mail" or "Exercising voting rights by the Internet" posted on Page 4 on the websites (in Japanese).

Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your approval or disapproval on the enclosed Voting Rights Exercise Form, and send it to us so that it is received by 6:00 p.m. on Thursday, June 19, 2025, Japan time.

**1. Date and Time:** Friday, June 20, 2025 at 10:00 a.m. Japan time  
(Reception will open at 9:30 a.m.)

**2. Place:** Large conference room at the Head Office of the Company located at 12F, Taisei Otemachi Building, 2-1-1 Otemachi, Chiyoda-ku, Tokyo, Japan  
**Please understand that souvenirs for shareholders who attend the meeting will not be provided.**

**3. Meeting Agenda:**

**Matters to be reported:**

1. The Business Report, Consolidated Financial Statements for the Company's 34th Fiscal Year (April 1, 2024 - March 31, 2025) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 34th Fiscal Year (April 1, 2024 - March 31, 2025)

**Proposals to be resolved:**

**(Company's Proposals)**

<b>Proposal 1:</b>	Election of Five Directors
<b>Proposal 2:</b>	Election of Three Audit & Supervisory Board Members
<b>Proposal 3:</b>	Election of One Substitute Audit & Supervisory Board Member

**(Shareholder Proposals)**

<b>Proposal 4:</b>	Partial Amendments to the Articles of Incorporation (Disclosure of Information concerning Independence from a Controlling Shareholder)
<b>Proposal 5:</b>	Partial Amendments to the Articles of Incorporation (Decision-making Body for Dividends of Surplus, etc.)
<b>Proposal 6:</b>	Appropriation of Surplus

**4. Other matters with regard to convocation of the meeting:**

- (1) Handling if you do not indicate your approval/disapproval on the Voting Rights Exercise Form  
If you do not indicate your approval or disapproval of each agenda item on the returned Voting Rights Exercise Form, we will assume that you have indicated your approval to the Company's proposals and disapproval to the shareholder proposals.
- (2) If you exercise your voting rights in duplicate both in writing and via the Internet, your vote exercised via the Internet will be deemed valid.
- (3) Handling in cases of exercising voting rights multiple times via the Internet  
If you exercise your voting rights multiple times via the Internet, your last vote exercised will be deemed valid.

**(Requests)**

If you attend the meeting on the date of the meeting, you are kindly requested to present the enclosed Voting Rights Exercise Form at the reception desk at the meeting venue.

**(Notes)**

In the event of any amendments to the matters subject to electronic provision, a notice will be posted on the above websites, together with the content of the matters before and after the amendments.

Any material changes in the operation of the General Meeting of Shareholders that may arise due to the situation hereafter will be posted on the Company's website.

The Company's website: <https://www.goldcrest.co.jp/ir/stock.html> (in Japanese)

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### <Company's Proposals (Proposals 1 through 3)>

Proposals 1 through 3 are proposals made by the Company.

#### Proposal 1: Election of Five Directors

The terms of office of all four Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of five Directors is proposed.

The candidates for Director are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	Hidetoshi Yasukawa (June 5, 1961)	January 1992 Established the Company President & CEO (current position) [Significant concurrent positions] President & CEO of GOLDCREST COMMUNITY Co., Ltd. President & CEO of FAMILY FINANCE Co., Ltd.		1,037,740
2	Masaki Ito (June 8, 1971)	April 1994 Joined the Company November 2003 Deputy General Manager of Planning and Development Department January 2013 General Manager of Administrative Department June 2013 Director June 2021 Managing Director (current position) [Significant concurrent positions] President & CEO of GOLDCREST REAL ESTATE SALES Co., Ltd. President & CEO of JUHAN SERVICE Co., Ltd. President & CEO of HAMAMATSUCHO HOTEL MANAGEMENT Co., Ltd.		50,000
3	*Yusuke Shinohara (August 19, 1978)	April 2001 Joined the Company April 2009 Seconded to Success Pro Co., Ltd. April 2023 General Manager of Golf Division (current position)		2,297
4	Masao Tsumura (May 17, 1954)	April 1985 Registered as an attorney at law and joined Tokyo Bar Association Joined Kyuzaburo Hino Law Office September 1994 Established Tsumura Law Office (current position) June 2012 Director of the Company (current position) [Significant concurrent positions] Director of Tsumura Law Office		100
5	Ryukichi Tanaka (March 13, 1950)	April 1974 Joined TAKENAKA CORPORATION March 2010 Managing Officer and General Manager of Design Division March 2012 Executive Managing Officer March 2015 Senior Executive Managing Officer March 2018 Adviser June 2022 Director of the Company (current position)		0

(Notes)

- \* indicates a new candidate for Director.
- There are no special interests between each of the above candidates and the Company.
- Mr. Hidetoshi Yasukawa owns all shares of Success Pro Holdings Co., Ltd., which is a parent company of the Company, and falls under the category of "Parent Company, etc." of the Company. He is concurrently serving as Representative Director of MYU ASSET Co., Ltd., which is a parent company of the Company, and has held that position since November 2014.
- The "Past experience, positions, responsibilities, and significant concurrent positions" column for Mr. Yusuke

Shinohara includes the positions and responsibilities he currently has or had in the past 10 years as an executive of Success Pro Co., Ltd., which is a parent company of the Company.

5. The Company shares owned by Mr. Yusuke Shinohara are held through the Company's Employee Stock Ownership Plan.
6. Mr. Masao Tsumura and Mr. Ryukichi Tanaka are candidates for Outside Director.
7. The reasons for nomination as candidates for Outside Director and their expected roles are as follows:  
Mr. Masao Tsumura has never been involved in corporate management other than as an Outside Director, however he has deep insight into corporate legal affairs and management practice which has been acquired in his many years of legal practice as an attorney at law, and he can be expected to supervise management from an independent and objective perspective for ensuring and improving the appropriateness of the Company's business operations.  
The term of office of Mr. Masao Tsumura as Outside Director of the Company will be thirteen years at the conclusion of this General Meeting of Shareholders.  
Mr. Ryukichi Tanaka has expertise in design and managerial experience in other company, and he can be expected to give advice on the overall management of the Company.  
The term of office of Mr. Ryukichi Tanaka as Outside Director of the Company will be three years at the conclusion of this General Meeting of Shareholders.
8. The Company has entered into agreements with Mr. Masao Tsumura and Mr. Ryukichi Tanaka to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act, under which the said liability shall be limited to the minimum amount stipulated by Article 425, Paragraph 1 of the Companies Act, provided that they performed their duties in good faith and without gross negligence. In the event that they are reelected, the Company plans to continue the said liability limitation agreements with them.
9. The Company has submitted notification forms to the Tokyo Stock Exchange to register Mr. Masao Tsumura and Mr. Ryukichi Tanaka as Independent Directors as stipulated by the Exchange.

## **Proposal 2: Election of Three Audit & Supervisory Board Members**

The terms of office of all three Audit & Supervisory Board Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of three Audit & Supervisory Board Members is proposed.

The candidates for Audit & Supervisory Board Member are as follows.

The Audit & Supervisory Board has previously given its approval to the submission of this proposal.

## ■ (Notes)

1. There are no special interests between each of the above candidates and the Company.
2. Mr. Jun Ozeki and Mr. Hiroshi Oshikiri are candidates for Outside Audit & Supervisory Board Members.

3. The reasons for nomination as candidates for Outside Audit & Supervisory Board Member are as follows.  
Mr. Jun Ozeki's professional knowledge and experience cultivated as a certified public accountant and Mr. Hiroshi Oshikiri's knowledge and experience in the field of compliance cultivated while serving at the Metropolitan Police Department will allow them to audit the Company from an objective perspective. For these reasons, although both Mr. Jun Ozeki and Mr. Hiroshi Oshikiri have never been involved in corporate management other than as an Outside Director or an Outside Audit & Supervisory Board Member, the Company judged that they will be able to appropriately perform their duties as Outside Audit & Supervisory Board Members. The terms of office of Mr. Jun Ozeki and Mr. Hiroshi Oshikiri as Outside Directors of the Company will be four years, respectively, at the conclusion of this General Meeting of Shareholders.
4. The Company has entered into agreements with Mr. Jun Ozeki and Mr. Hiroshi Oshikiri to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act, under which the said liability shall be limited to the minimum amount stipulated by Article 425, Paragraph 1 of the Companies Act, provided that they performed their duties in good faith and without gross negligence. In the event that they are reelected, the Company plans to continue the said liability limitation agreements with them.
5. The Company has submitted notification forms to the Tokyo Stock Exchange to register Mr. Jun Ozeki and Mr. Hiroshi Oshikiri as Independent Auditors as stipulated by the Exchange.

**[Skill Matrix of Directors and Audit & Supervisory Board Members]**

Appointment	Name	Position at the Company	Outside/Independent	Expertise and experience						
				Corporate management	Real estate	Design	Sales and marketing	Accounting and finance	Legal, compliance, and risk management	Personnel and labor affairs
Director	Hidetoshi Yasukawa	President & CEO		○	○	○	○	○	○	○
	Masaki Ito	Managing Director		○	○			○	○	○
	Yusuke Shinohara	Director		○				○	○	○
	Masao Tsumura	Director	Outside Independent						○	○
	Ryukichi Tanaka	Director	Outside Independent	○		○			○	
Audit & Supervisory Board Member	Hayuru Tsuda	Full-time Audit & Supervisory Board Member		○	○			○	○	○
	Jun Ozeki	Audit & Supervisory Board Member	Outside Independent					○	○	
	Hiroshi Oshikiri	Audit & Supervisory Board Member	Outside Independent						○	○

**Proposal 3:** Election of One Substitute Audit & Supervisory Board Member

In order to prepare for cases where the number of Audit & Supervisory Board Members falls below the number stipulated by laws and regulations, the prior election of one Substitute Audit & Supervisory Board Member is proposed.

The candidate for Substitute Audit & Supervisory Board Member is as follows.

The Audit & Supervisory Board has previously given its approval to the submission of this proposal.

Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of shares of the Company held
Mitsuru Takayasu (March 13, 1957)	April 1975 Joined Tokyo Regional Taxation Bureau July 2008 Deputy District Director of Kisarazu Tax Office July 2016 District Director of Mobara Tax Office September 2017 Opened the business as a certified public tax accountant (current position)	Joined Tokyo Regional Taxation Bureau Deputy District Director of Kisarazu Tax Office District Director of Mobara Tax Office Opened the business as a certified public tax accountant (current position)	0

(Notes)

1. There are no special interests between the above candidate and the Company.
2. The above candidate is a candidate for Substitute Outside Audit & Supervisory Board Member.
3. Matters regarding the candidate for Substitute Outside Audit & Supervisory Board Member are as follows.

(1) Reasons for nomination

His professional knowledge and experience cultivated as a certified public tax accountant will allow him to audit the Company from an objective perspective. Although Mr. Mitsuru Takayasu has never been involved in corporate management, for the reason mentioned, the Company has judged that he will be able to appropriately perform the duties of Outside Audit & Supervisory Board Member.

(2) Liability limitation agreement

In the event that Mr. Mitsuru Takayasu assumes office of Outside Audit & Supervisory Board Member, the Company plans to enter into an agreement with him to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act, under which the said liability shall be limited to the minimum amount stipulated by Article 425, Paragraph 1 of the Companies Act, provided that he performed his duties in good faith and without gross negligence.

4. Mr. Mitsuru Takayasu satisfies the criteria for Independent Auditors set forth by the Tokyo Stock Exchange.

## <Shareholders' Proposals (Proposals 4 through 6)>

Proposals 4 through 6 are proposals made by two shareholders (hereinafter referred to as the "Proposing Shareholders").

The following details of the proposals, the proposals, and reasons for the proposals are presented in their original form as submitted by the Proposing Shareholders, except that those have been organized and stated verbatim for each proposal and the format has been amended.

### Details of the proposals

Regarding Proposals 1 and 2 below (hereinafter referred to as the "Proposals to Amend the Articles of Incorporation"), if any adjustment to the format (including, but not limited to, correction of article numbers) is required to any chapter or article of the Articles of Incorporation due to approval or disapproval of the Proposals to Amend the Articles of Incorporation or any other proposal (including proposals made by the Company) at this Ordinary General Meeting of Shareholders, the articles pertaining to the Proposals to Amend the Articles of Incorporation shall be read as the articles after such necessary adjustment. Detailed explanation of each of the shareholder proposals below can be found at <https://stracap.jp/8871-GOLDCREST/FSP2025.pdf> or the Campaign Websites whose link can be found on the homepage of Strategic Capital, Inc. (<https://stracap.jp/>). All company figures presented in each shareholder proposal are based on consolidated financial statements unless otherwise stated (non-consolidated).

(Note by the Company)

"Proposals 1 and 2 below" refer to Proposals 4 and 5.

### **Proposal 4: Partial Amendments to the Articles of Incorporation (Disclosure of Information concerning Independence from a Controlling Shareholder)**

#### (1) Details of the proposal

It is proposed to add a chapter and an article described below to the current Articles of Incorporation.

Chapter 7 Disclosure of Proposals for Election of Directors

(Independence from controlling shareholders)

Article 41

If a person who has been an officer or employee of a company or its affiliated company (hereinafter referred to as a "Major Business Partner, etc.") that has had transactions (including transactions with a company that was a controlling company, etc. of the Company at the time the transactions were conducted, but has since ceased to be a controlling company, etc. of the Company) totaling 1 billion yen or more with the controlling shareholder (meaning a controlling shareholder as defined in Article 2, Item 42-2 of the Securities Listing Regulations (Tokyo Stock Exchange)) of the Company or its affiliated companies (meaning affiliated companies as defined in Article 8, Paragraph 8 of the Regulation on Terminology, Forms, and Preparation Methods of Financial Statements; excluding the Company and its subsidiaries; hereinafter collectively referred to as "Controlling Company, etc.") is a candidate for Outside Director or Outside Audit & Supervisory Board Member of the Company, the Company shall include in the descriptions for the election of Directors and/or Audit & Supervisory Board Members in the Reference Documents of the notice of convocation of the General Meeting of Shareholders the name of such Major Business Partner, etc., details of the transactions, and the fact that such Major Business Partner, etc. falls under the category of Major Business Partners, etc. and the reasons therefor.

#### (2) Reasons for the proposal

The Company is a listed company with a Controlling Company, etc., and Outside Officers are strongly expected to play a role in protecting the interests of minority shareholders, but it is unclear whether the Company's Outside Officers are independent of the Controlling Company, etc.

Outside Director Ryukichi Tanaka held key positions at TAKENAKA CORPORATION, but the business relationship between TAKENAKA CORPORATION and the Company is immaterial, and at first glance it appears as if Director Tanaka's independence is secured. However, TAKENAKA CORPORATION is engaged in the design and construction of a large office building with a total floor area of over 10,000 square meters, which is the flagship property of Success Pro, which is the Controlling Company, etc., and the Controlling Company is an important customer for TAKENAKA CORPORATION. In short, there are serious concerns about the independence of Director Tanaka from the Controlling Company, etc.

Nevertheless, when shareholders exercise voting rights on the election of Outside Officers, the

relationships between the candidates, including Director Tanaka, and the Controlling Company, etc. are not disclosed. Therefore, this proposal requests disclosure of such matters relating to independence from the Controlling Company, etc.

Opinion of the Board of Directors about Proposal 4

The Company's Board of Directors opposes this proposal.

(Reasons for disapproval)

This proposal is to stipulate a provision in the Articles of Incorporation about disclosure of information concerning the independence of candidates for Outside Officer based on the past business relationship between such candidates and the controlling shareholder, etc. However, in accordance with current laws and regulations and the listing rules of the Tokyo Stock Exchange, the Company appropriately discloses to its shareholders the necessary information, including the independence of the candidates, for election of Outside Directors/Outside Audit & Supervisory Board Members. The Board of Directors should make decisions on the content of disclosure on a case-by-case basis. Establishing uniform standards in the Articles of Incorporation may hinder flexible responses and inadvertently mislead shareholders.

For the above reasons, the Company's Board of Directors opposes this shareholder proposal.

**Proposal 5:** Partial Amendments to the Articles of Incorporation (Decision-making Body for Dividends of Surplus, etc.)

(1) Details of the proposal

It is proposed to amend Article 38 of the current Articles of Incorporation as follows. (Amended parts are underlined.)

Current Articles of Incorporation

(Decision-making body for dividends of surplus)

The Company shall determine the matters provided for in each item of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, by a resolution of the Board of Directors, not by a resolution of the General Meeting of Shareholders, except as otherwise provided for by laws and regulations.

Proposed amendments

(Decision-making body for dividends of surplus)

The Company may determine the matters provided for in each item of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, by a resolution of the Board of Directors (deleted). However, among the matters listed in Article 459, Paragraph 1, Item 4 of the Companies Act, matters pertaining to year-end dividends may be determined by resolution of the Board of Directors only when it is objectively and reasonably expected that it will be impossible to convene an Annual General Meeting of Shareholders within the period specified in these Articles of Incorporation.

(2) Reasons for the proposal

The Company's decision on the year-end dividend is made not by the General Meeting of Shareholders but by the Board of Directors, and therefore, shareholders' opinions are not reflected in the distribution of dividends, and as a result, an unreasonable dividend policy is continuing.

For example, the Company's equity ratio reached 63.5% as of December 31, 2024, well above the condominium development and sales industry median of 30.7%. In short, the Company is continuing to accumulate equity without paying out sufficient dividends, even though there is no further need to accumulate equity.

Furthermore, as a family company, the Company is subject to retained income taxation, and it is estimated that the Company has actually incurred more than 1.3 billion yen in retained income taxation over the past 10 years. The Company's Board of Directors continues to pay retained income tax unnecessarily, and the property of the Company's shareholders has been abused, even though the Company could avoid the retained income tax if it paid sufficient dividends.

In order to correct such unreasonable dividend policy of the Company, first of all, it is requested that, in principle, the decision-making body for the year-end dividend be the General Meeting of Shareholders.

## Opinion of the Board of Directors about Proposal 5

The Company's Board of Directors opposes this proposal.

### (Reasons for disapproval)

The Company considers the return of profits to shareholders to be one of its most important management policies. With regard to decisions regarding dividends of surplus, the Company believes it is necessary to determine an appropriate level and make said dividend decisions flexibly, carefully considering the balance between retained earnings and dividends by taking into consideration factors such as the Company's profit situation, future business development, and economic environment. As such, dividend decisions require extremely high level judgment in corporate management, and the Board of Directors, which has the most accurate grasp of the management situation of the real estate business, should assume the responsibility for this matter, as it is the most rational and effective decision-making method, not only in the short term but also from the viewpoint of the sustainable enhancement of corporate value.

Accordingly, the decision-making body for matters such as dividends of surplus is the Board of Directors.

Furthermore, although the level of the equity ratio and the existence of tax on retained earnings have been pointed out as reasons for the proposal, the condominium development and sales business, in which the Company operates, is an industry that is highly susceptible to fluctuations in the real estate market and financial conditions. The Company believes that maintaining a certain level of equity capital is essential for maintaining creditworthiness and financial stability, and at the same time, it is necessary for business growth by making flexible investments in business opportunities, including the acquisition of land for development. In addition, for the fiscal years ended March 2024 and 2025, the percentage of retained earnings after dividend payments was small, and so no tax on retained earnings was imposed.

Based on the principle of stable dividends, the Company has made appropriate returns to shareholders based on a comprehensive assessment of its business performance, financial condition, and business environment. The Company will continue to pursue a sustainable dividend policy that emphasizes a balance between enhancing corporate value and returning profits to shareholders.

For the above reasons, the Company's Board of Directors opposes this shareholder proposal.

## Proposal 6: Appropriation of Surplus

### (1) Details of the proposal

Subject to the approval of the proposal for partial amendments to the Articles of Incorporation to grant the General Meeting of Shareholders the authority to decide on dividends of surplus at this General Meeting of Shareholders, it is proposed that dividends of surplus be paid as follows.

Matters concerning year-end dividends

#### (1) Type of dividend property

Cash

#### (2) Matters related to allotment of dividend property and the total amount thereof

For dividend payment, the greater of the amounts calculated in (i) and (ii) below shall be added to the amount of dividends per share of common stock based on the proposal for appropriation of surplus resolved by the Company's Board of Directors (hereinafter referred to as "the Company's Proposal of Appropriation of Surplus") or the amount of dividends per share of common stock resolved by the Company's Board of Directors as appropriation of surplus (including planned appropriation) at the end of the fiscal year ended March 31, 2025 by the date of the 34th Annual General Meeting of Shareholders based on Article 38 of the Company's Articles of Incorporation (hereafter, these dividend amounts based on the resolutions of the Board of Directors are collectively referred to as the "Company's Dividend Amount").

(i) Basic earnings per share for the 34th fiscal year (rounded down to the nearest yen), less the Company's Dividend Amount and the interim dividend of 40 yen per share of common stock for the 34th fiscal year

(ii) Net assets per share at the end of the 34th fiscal year (the number of issued shares less the number of treasury shares; the figure calculated in accordance with the "Guidance on Accounting Standard for Earnings Per Share," ASBJ Guidance No. 4); the same applies hereinafter), multiplied by 0.08, less the Company's Dividend Amount and the interim dividend of 40 yen per share of common stock for the 34th fiscal year.

The total amount of dividends shall be the greater of the amounts calculated in (i) or (ii) multiplied by the number of shares subject to the dividend as of the record date for voting rights at the Company's 34th Annual General Meeting of Shareholders.

#### (3) Effective date of distribution of surplus

The day following the date of this General Meeting of Shareholders of the Company

In the event that the Company's Proposal of Appropriation of Surplus is proposed at the 34th Annual General Meeting of Shareholders, this proposal is additionally proposed as a proposal independent of and compatible with the said proposal.

### (2) Reasons for the proposal

The Company's capital efficiency has declined and shareholder value has been abused because of excessive accumulation of equity.

As described above, the Company's capital adequacy ratio is well above the industry median and the Company has excessively accumulated equity. The excessive accumulation of equity has caused the Company's ROE to decline. In fact, the Company's ROE has never exceeded 8% over the past 10 years. Of the 44 companies in the condominium development and sales industry, the Company is the only one whose ROE has never exceeded 8% over the past 10 years.

Sluggish ROE leads to a weak stock price, and the Company's stock price has been at a level below its liquidation value for more than 10 years. In short, the Company's shareholder value has been abused by the excessive accumulation of equity.

Therefore, in order to correct the Company's excessive accumulation of equity and to enhance the Company's shareholder value, it is proposed to pay dividends at a level equivalent to DOE of 8%.

## Opinion of the Board of Directors about Proposal 6

The Company's Board of Directors opposes this proposal.

### (Reasons for disapproval)

This shareholder proposal is for appropriation of surplus subject to the approval of "Proposal 5: Partial Amendments to the Articles of Incorporation (Decision-making Body for Dividends of Surplus, etc.)."

As stated in the reasons for opposition to Proposal 5, the Company's basic policy is to pay dividends in line with profit and other factors while securing internal reserves for future business opportunities, taking into account the characteristics of the real estate business.

The Company has been achieving a profit margin higher than those of its industry peers by carefully selecting and purchasing land from which profit is expected with a high probability and promoting timely development, with an emphasis on striking a balance between profitability and financial stability. As the Company pursues profit maximization while responding to risks, we believe that it is essential that the Company secures equity that will enable flexible decision-making on investment.

The Company strives to improve profitability through investments for the future, rather than short-term improvements in indicators, and improve ROE so as to realize medium- to long-term enhancement of corporate value.

In contrast, this proposal aims to improve ROE by raising the year-end dividends for the fiscal year ended March 31, 2025 to a level equivalent to DOE of around 8% and reducing equity.

We believe that this proposal restricts the Company's investment in growth, is biased toward shareholder returns from a short-term perspective, and will not contribute to enhancing the Company's corporate value over the medium to long term.

For the above reasons, the Company's Board of Directors opposes this shareholder proposal.