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Securities Code: 4345

Date of sending by postal mail: June 3, 2025

Start date of measures for electronic provision: May 29, 2025

To our shareholders:

Taizo Yokoshima
Representative Director and President
CTS Co., Ltd.
115, Kosato, Ueda-shi, Nagano

Notice of the 35th Annual General Meeting of Shareholders

You are cordially invited to attend the 35th Annual General Meeting of Shareholders of CTS Co., Ltd. (the “Company”), which will be held as indicated below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on each of the following websites. Please access either of the websites to view the information.

The Company’s website:

https://www.cts-h.co.jp/ir/stock_information/ (in Japanese)

Website for posted informational materials for the general meeting of shareholders:

<https://d.sokai.jp/4345/teiji/> (in Japanese)

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the TSE website by using the internet address shown above, enter “CTS” in “Issue name (company name)” field or the Company’s securities code “4345” in the “Code” field and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

Instead of attending the meeting in person, you may exercise your voting rights by either of the following methods. Please review the Reference Documents for General Meeting of Shareholders and exercise your voting rights.

[Exercising your voting rights in writing (via postal mail)]

Please indicate your approval or disapproval of the proposals on the voting form enclosed with this notice and return it to us so that it will arrive no later than 6:00 p.m. on Thursday, June 19, 2025 (JST).

[Exercising your voting rights via the internet, etc.]

Please access the voting website designated by the Company (<https://evote.tr.mufg.jp/>) (in Japanese), follow the guidance on the screen, and enter your approval or disapproval of the proposals no later than 6:00 p.m. on Thursday, June 19, 2025 (JST).

- 1. Date and Time:** Friday, June 20, 2025, at 10:00 a.m. (JST)
2. Place: UEDA TOKYU REI HOTEL, 3F “Shinano”
4-24-1, Tenjin, Ueda-shi, Nagano

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 35th fiscal year (from April 1, 2024 to March 31, 2025), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 35th fiscal year (from April 1, 2024 to March 31, 2025)

Matters to be resolved:

- | | |
|-----------------------|--|
| Proposal No. 1 | Amendment to the Articles of Incorporation |
| Proposal No. 2 | Election of One Director (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 3 | Election of Five Directors Who Are Audit and Supervisory Committee Members |
| Proposal No. 4 | Election of One Substitute Director (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 5 | Determination of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 6 | Determination of Remuneration Amount for Directors Who Are Audit and Supervisory Committee Members |

- If attending the meeting in person, please present the voting form at the reception desk.
- If you exercise your voting rights in duplicate in writing (via postal mail) and via the internet, etc., only the vote via the internet, etc. will be counted as valid.
- If you exercise your voting rights via the internet, etc. multiple times, only the last vote will be counted as valid.
- Any voting right exercised in writing (via postal mail) without indicating approval or disapproval of a particular proposal on the voting form will be counted as a vote for approval of the proposal.
- If a proxy is attending the meeting in your stead, the proxy must be another shareholder with voting rights in accordance with Article 16 of the Company's Articles of Incorporation. Please note that in such a case, a document certifying the authority of representation must be submitted.
- Please refrain from taking pictures or recording in the venue with cameras, smartphones, cell phones, etc.
- Paper-based documents stating items subject to measures for electronic provision are sent to shareholders who have requested the delivery of paper-based documents, however those documents do not include the following matters in accordance with the provisions of laws and regulations and Article 14 of the Company's Articles of Incorporation.

(1) Consolidated Statement of Changes in Shareholders' Equity and Notes to Consolidated Financial Statements

(2) Non-consolidated Statement of Changes in Shareholders' Equity and Notes to Non-consolidated Financial Statements

These items are included in the Consolidated Financial Statements and Non-consolidated Financial Statements, which have been audited by Audit & Supervisory Board Members to prepare the audit report and by Financial Auditor to prepare the accounting audit report.

- If revisions are to be made to the items for which measures for providing information in electronic format to be taken, a notice of the revisions and the details of the items before and after the revisions will be posted on the aforementioned websites.

Reference Documents for General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Amendment to the Articles of Incorporation

1. Reasons for the Proposal

The Company proposes to transition to a company with an Audit and Supervisory Committee in order to further improve transparency of management and speed up decision-making by strengthening the supervisory function of the Board of Directors and strengthening corporate governance. Accordingly, necessary changes will be made to the Company's Articles of Incorporation, including the establishment of new provisions regarding the Audit and Supervisory Committee and Audit and Supervisory Committee Members, and the deletion of provisions regarding the Audit & Supervisory Board and Audit & Supervisory Board Members, as well as the deletion of provisions that overlap in content.

2. Details of the Amendment

The details of the amendment are as follows.

This proposal shall take effect at the conclusion of this meeting.

(Underlined parts indicate the amendment.)	
Current Articles of Incorporation	Proposed Amendment
<p style="text-align: center;">Chapter I</p> <p style="text-align: center;">General Provisions</p> <p>Article 1 to Article 3 (Omitted)</p> <p>(Organs)</p> <p>Article 4</p> <p>The Company shall have the following organs:</p> <p>(1) General meeting of shareholders;</p> <p>(2) Directors and Board of Directors;</p> <p>(3) <u>Audit & Supervisory Board Members and Audit & Supervisory Board;</u></p> <p>(4) Financial Auditor</p> <p>Article 5 (Omitted)</p> <p style="text-align: center;">Chapter II</p> <p style="text-align: center;">Shares</p> <p>Article 6 to Article 7 (Omitted)</p> <p><u>(Acquisition of Own Shares)</u></p> <p>Article 8</p> <p><u>The Company may, pursuant to the provisions of Article 165, paragraph (2) of the Companies Act, acquire its own shares through market transactions, etc. by resolution of the Board of Directors.</u></p> <p>Article 9 to Article 10 (Omitted)</p> <p style="text-align: center;">Chapter III</p> <p style="text-align: center;">General Meeting of Shareholders</p> <p>Article 11 to Article 16 (Omitted)</p> <p style="text-align: center;">Chapter IV</p> <p style="text-align: center;">Directors and Board of Directors</p> <p>(Number of Directors)</p> <p>Article 17</p> <p>The number of Directors of the Company shall be <u>ten</u> members or less.</p> <p style="text-align: center;"><Newly established></p> <p>(Election of Directors)</p>	<p style="text-align: center;">Chapter I</p> <p style="text-align: center;">General Provisions</p> <p>Article 1 to Article 3 (Same as the current provision)</p> <p>(Organs)</p> <p>Article 4</p> <p>The Company shall have the following organs:</p> <p>(1) General meeting of shareholders;</p> <p>(2) Directors and Board of Directors;</p> <p>(3) <u>Audit and Supervisory Committee;</u></p> <p>(4) Financial Auditor</p> <p>Article 5 (Same as the current provision)</p> <p style="text-align: center;">Chapter II</p> <p style="text-align: center;">Shares</p> <p>Article 6 to Article 7 (Same as the current provision)</p> <p style="text-align: center;"><Deleted></p> <p>Article 8 to Article 9 (Same as the current provision)</p> <p style="text-align: center;">Chapter III</p> <p style="text-align: center;">General Meeting of Shareholders</p> <p>Article 10 to Article 15 (Same as the current provision)</p> <p style="text-align: center;">Chapter IV</p> <p style="text-align: center;">Directors and Board of Directors</p> <p>(Number of Directors)</p> <p>Article 16</p> <p>1 The number of Directors of the Company shall be <u>eight</u> members or less.</p> <p>2 <u>Of the Directors set forth in the preceding paragraph, the number of Directors who are Audit and Supervisory Committee Members (hereinafter referred to as "Audit and Supervisory Committee Members") shall be five or less.</u></p> <p>(Election of Directors)</p>

Current Articles of Incorporation	Proposed Amendment
<p>Article <u>18</u> Directors shall be elected at the general meeting of shareholders.</p> <p>2 to 3 (Omitted) (Term of Office of Directors)</p> <p>Article <u>19</u> 1 Directors' terms of office shall continue until the conclusion of the annual general meeting of shareholders for the last business year which ends within one year from the time of their election. <p style="text-align: center;"><Newly established></p> <p><u>2</u> The term of office of a Director elected to increase the number of Directors or as a substitute, shall expire at the end of the term of office of other incumbent Directors. <p style="text-align: center;"><Newly established></p> <p>Article <u>20</u> (Omitted) (Notice of Meeting of the Board of Directors)</p> <p>Article <u>21</u> 1 When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director <u>and each Audit & Supervisory Board Member</u> at least three days before the day of the meeting. However, this period may be reduced in case of urgent needs. 2 With the consent of all Directors <u>and Audit & Supervisory Board Members</u>, a meeting of the Board of Directors may be held without following the convening procedures. (Representative Director and Directors with Special Titles)</p> <p>Article <u>22</u> 1 The Board of Directors shall appoint the Representative Director by its resolution. 2 (Omitted) 3 The Board of Directors shall, by its resolution, appoint one Director and President, and may, when necessary, appoint one Director and Chair, as well as a limited number of Director and Vice President(s), Senior Managing Director(s), and Managing Director(s).</p> <p>Article <u>23</u> (Omitted) <p style="text-align: center;"><Newly established></p> <p>Article 24 (Omitted) (Remuneration, Etc. of Directors)</p> </p></p></p>	<p>Article <u>17</u> Directors shall be elected at the general meeting of shareholders <u>with a distinction between Audit and Supervisory Committee Members and other Directors</u>. 2 to 3 (Same as the current provision) (Term of Office of Directors)</p> <p>Article <u>18</u> 1 Directors' terms of office shall continue until the conclusion of the annual general meeting of shareholders for the last business year which ends within one year from the time of their election. <u>2 Notwithstanding the provisions of the preceding paragraph, the term of office of an Audit and Supervisory Committee Member shall continue until the conclusion of the annual general meeting of shareholders for the last business year which ends within two years from the time of their election.</u> <u>3 The term of office of a Director who is not an Audit and Supervisory Committee Member elected either to increase the number of Directors or as a substitute, shall expire at the end of the term of office of other incumbent Directors who are not Audit and Supervisory Committee Members.</u> <u>4 The term of office of a substitute Audit and Supervisory Committee Member shall expire at the end of the term of office of the retired Audit and Supervisory Committee Member.</u> <p>Article <u>19</u> (Same as the current provision) (Notice of Meeting of the Board of Directors)</p> <p>Article <u>20</u> 1 When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director at least three days before the day of the meeting. However, this period may be reduced in case of urgent needs. 2 With the consent of all Directors, a meeting of the Board of Directors may be held without following the convening procedures. (Representative Director and Directors with Special Titles)</p> <p>Article <u>21</u> 1 The Board of Directors shall, by its resolution, appoint the Representative Director <u>from among Directors who are not Audit and Supervisory Committee Members</u>. 2 (Same as the current provision) 3 By resolution, the Board of Directors may, from among the Directors <u>who are not Audit and Supervisory Committee Members</u>, appoint one Director and President and, if necessary, one Director and Chair and a limited number of Director and Vice President(s), Senior Managing Director(s), and Managing Director(s).</p> <p>Article <u>22</u> (Same as the current provision) <u>(Delegation to Directors of Decisions on Business Execution)</u></p> <p>Article <u>23</u> <u>The Company, in accordance with the provisions of Article 399-13, paragraph (6) of the Companies Act, may delegate in whole or in part the decision-making authority on important business execution (excluding matters outlined in each item of paragraph (5) of the same article) to Directors by a resolution of the Board of Directors.</u></p> <p>Article 24 (Same as the current provision) (Remuneration, Etc. of Directors)</p> </p>

Current Articles of Incorporation	Proposed Amendment
<p>Article 25 Remuneration, bonuses, and other economic benefits given by the Company in consideration for the execution of duties (hereinafter referred to as the “Remuneration, etc.”) to Directors shall be determined by resolution of the general meeting of shareholders.</p> <p>Article 26 (Omitted)</p> <p style="text-align: center;">Chapter V <u>Audit & Supervisory Board Members and Audit & Supervisory Board</u> (Number of Audit & Supervisory Board Members)</p> <p>Article 27 <u>The number of Audit & Supervisory Board Members of the Company shall be four members or less.</u> (Election of Audit & Supervisory Board Members)</p> <p>Article 28 1 <u>Audit & Supervisory Board Members shall be elected at the general meeting of shareholders.</u> 2 <u>The resolution to elect Audit & Supervisory Board Members shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes are present.</u> (Term of Office of Audit & Supervisory Board Members)</p> <p>Article 29 1 <u>The term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after his/her election.</u> 2 <u>The term of office of an Audit & Supervisory Board Member elected as a substitute for an Audit & Supervisory Board Member who retired from office before the expiration of the term of office shall expire at the end of the term of office of the retired Audit & Supervisory Board Member.</u> (Full-time Audit & Supervisory Board Members)</p> <p>Article 30 <u>Audit & Supervisory Board shall appoint full-time Audit & Supervisory Board Members by its resolution.</u> (Notice of Meeting of the <u>Audit & Supervisory Board</u>)</p> <p>Article 31 1 When convening a meeting of the Company’s <u>Audit & Supervisory Board</u>, a notice shall be dispatched to each <u>Audit & Supervisory Board Member</u> at least three days before the day of the meeting. However, this period may be reduced in case of urgent needs. 2 With the consent of all <u>Audit & Supervisory Board Members</u>, a meeting of <u>Audit & Supervisory Board</u> may be held without following the convening procedures. (<u>Audit & Supervisory Board</u> Regulations)</p> <p>Article 32 Matters concerning the <u>Audit & Supervisory Board</u> shall be governed by the <u>Audit & Supervisory Board</u> Regulations established by the <u>Audit & Supervisory Board</u>, in addition to applicable laws and regulations or these Articles of Incorporation. (<u>Remuneration, Etc. of Audit & Supervisory Board Members</u>)</p>	<p>Article 25 Remuneration, bonuses, and other economic benefits given by the Company in consideration for the execution of duties (hereinafter referred to as the “Remuneration, etc.”) to Directors shall be determined <u>with a distinction between Audit and Supervisory Committee Members and other Directors</u> by resolution of the general meeting of shareholders.</p> <p>Article 26 (Same as the current provision)</p> <p style="text-align: center;">Chapter V <u>Audit and Supervisory Committee</u></p> <p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p> <p>(Notice of Meeting of the <u>Audit and Supervisory Committee</u>)</p> <p>Article 27 1 When convening a meeting of the Company’s <u>Audit and Supervisory Committee</u>, a notice shall be dispatched to each <u>Audit and Supervisory Committee Member</u> at least three days before the day of the meeting. However, this period may be reduced in case of urgent needs. 2 With the consent of all <u>Audit and Supervisory Committee Members</u>, a meeting of <u>Audit and Supervisory Committee</u> may be held without following the convening procedures. (<u>Audit and Supervisory Committee</u> Regulations)</p> <p>Article 28 Matters concerning the <u>Audit and Supervisory Committee</u> shall be governed by the <u>Audit and Supervisory Committee</u> Regulations established by the <u>Audit and Supervisory Committee</u>, in addition to applicable laws and regulations or these Articles of Incorporation.</p>

Current Articles of Incorporation	Proposed Amendment
<p><u>Article 33</u> <u>Remuneration, etc. of Audit & Supervisory Board Members shall be determined by resolution of the general meeting of shareholders.</u> (Limited Liability Agreements for Outside Audit & Supervisory Board Members)</p>	<Deleted>
<p><u>Article 34</u> <u>The Company may, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, enter into an agreement with an outside Audit & Supervisory Board Member to limit his/her liability for damages under Article 423, paragraph (1) of the same Act. However, the maximum amount of liability for damages under such agreement shall be the minimum liability amount provided for under laws and regulations.</u></p>	<Deleted>
<p>Chapter VI Financial Auditor</p>	<p>Chapter VI Financial Auditor</p>
<p>Article <u>35</u> to Article <u>36</u> (Omitted) (Remuneration, Etc. of Financial Auditors)</p>	<p>Article <u>29</u> to Article <u>30</u> (Same as the current provision) (Remuneration, Etc. of Financial Auditors)</p>
<p><u>Article 37</u> Remuneration, etc. to Financial Auditors shall be determined by the Representative Director with the consent of the <u>Audit & Supervisory Board</u>.</p>	<p><u>Article 31</u> Remuneration, etc. to Financial Auditors shall be determined by the Representative Director with the consent of the <u>Audit and Supervisory Committee</u>.</p>
<p>Chapter VII Calculations</p>	<p>Chapter VII Calculations</p>
<p>Article 38 to Article 41 (Omitted)</p>	<p>Article 32 to Article 35 (Same as the current provision)</p>

Proposal No. 2 Election of One Director (Excluding Directors Who Are Audit and Supervisory Committee Members)

The Company will transition to a company with an Audit and Supervisory Committee on the condition that Proposal No. 1 “Amendment to the Articles of Incorporation” is approved. Accordingly, the terms of office of all eight Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of one Director (excluding Directors who are Audit and Supervisory Committee Members).

This proposal shall take effect when Proposal No. 1 “Amendment to the Articles of Incorporation” takes effect.

The candidate for Director (excluding Directors who are Audit and Supervisory Committee Members) is as follows:

Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's common shares owned
Taizo Yokoshima (June 9, 1960)	<p>Sept. 1980 Joined the Company</p> <p>July 1990 Director</p> <p>July 1995 Senior Managing Director</p> <p>June 2001 Representative Director and Vice President</p> <p>Apr. 2003 Representative Director and President (current position)</p> <p>Jan. 2017 Representative Director and President of Rentarise Corporation</p> <p>Representative Director of CTS Linetech Corporation (current position)</p> <p>June 2022 Representative Director of Rentarise Corporation (current position)</p>	100,000

[Reasons for nomination as a candidate for Director (excluding Directors who are Audit and Supervisory Committee Members)]
Taizo Yokoshima has been serving as Representative Director and President since 2003. He established the management policy which the Company is to pursue, demonstrated strong leadership and decisiveness to realize it, and expanded business operations. The Company has determined that utilizing his experience, achievements, and insight in management will enable the Company to achieve sustainable growth and improve its corporate value in the medium to long term. Accordingly, the Company nominated him as a candidate for Director (excluding Directors who are Audit and Supervisory Committee Members). Attendance at Board of Directors meetings during the fiscal year under review was 12 out of 12 meetings (100%).

- (Notes)
1. There is no special interest between Taizo Yokoshima and the Company.
 2. The Company has entered into a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act. In the event that this proposal is approved and adopted and Taizo Yokoshima is elected as a Director (excluding Directors who are Audit and Supervisory Committee Members), he will become an insured under this insurance policy. The insurance policy is scheduled to be renewed with the same terms and conditions at the next renewal.

Proposal No. 3 Election of Five Directors Who Are Audit and Supervisory Committee Members

The Company will transition to a company with an Audit and Supervisory Committee on the condition that Proposal No. 1 “Amendment to the Articles of Incorporation” is approved. Accordingly, the Company proposes the election of five Directors who are Audit and Supervisory Committee Members.

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

This proposal shall take effect when Proposal No. 1 “Amendment to the Articles of Incorporation” takes effect.

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

Candidate No.	Name	Gender	Current position and responsibilities in the Company	Years in office	Attendance at Board of Directors meetings and Audit & Supervisory Board meetings in the fiscal year under review
1	New election Hiromichi Sasaki Outside Independent	Male	Outside Audit & Supervisory Board Member	17 years	[Board of Directors meetings] 11/12 (92%) [Audit & Supervisory Board meetings] 12/13 (92%)
2	New election Seiichi Hirano Outside Independent	Male	Outside Director	3 years	[Board of Directors meetings] 12/12 (100%)
3	New election Junichi Takemura Outside Independent	Male	Outside Audit & Supervisory Board Member	3 years	[Board of Directors meetings] 12/12 (100%) [Audit & Supervisory Board meetings] 13/13 (100%)
4	New election Takashi Yokoyama Outside Independent	Male	Outside Audit & Supervisory Board Member	2 years	[Board of Directors meetings] 12/12 (100%) [Audit & Supervisory Board meetings] 13/13 (100%)
5	New election Chiaki Hasegawa Outside Independent	Female	—	—	—

* The number of years in office shown is as of the conclusion of this meeting.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's common shares owned
1	Hiromichi Sasaki (November 13, 1960)	Apr. 1995	Registered as an attorney at law	—
		Apr. 1998	Established Hiromichi Sasaki Law Office (currently SASAKI LAW OFFICE), Senior Partner (current position)	
		June 2008	Outside Audit & Supervisory Board Member of the Company (current position)	
		Apr. 2018	Chairman of Gunma Bar Association	
	[Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee Member and expected roles] Hiromichi Sasaki has extensive experience and professional knowledge in general legal affairs through his long-standing career as a lawyer, and, to date, in his capacity as an outside Audit & Supervisory Board Member, he has been engaged in auditing the performance of duties of the Company's Directors from an objective and fair standpoint. The Company has determined that he will continue to be able to further strengthen the functions of the Board of Directors of the Company from a fair standpoint. Accordingly, the Company nominated him as a candidate for Director who is an Audit and Supervisory Committee Member. He is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure will have been 17 years.			
2	Seiichi Hirano (December 11, 1954)	Apr. 1977	Joined Shinshu Seiki Co., Ltd. (currently Seiko Epson Corporation)	4,312
		June 2002	Director of Seiko Epson Corporation	
		June 2007	Managing Director Representative Director and President of Epson Sales Japan Corporation	
		June 2014	Full-time Audit & Supervisory Board Member of Seiko Epson Corporation	
		Oct. 2017	President of HIROSE & CO., LTD.	
		June 2022	Outside Director of the Company (current position)	
		Apr. 2024	Special Advisor of HIROSE HOLDINGS & CO., LTD. (current position)	
	[Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee Member and expected roles] Seiichi Hirano served as President of HIROSE & CO., LTD., and held important posts such as Director of the sales department during his time at Seiko Epson Corporation. He has been supervising management as an outside Director through his objective opinions and decision making, based on his insight into corporate management, at the Board of Directors meetings of the Company. The Company has determined that he will continue to be able to further strengthen the functions of the Board of Directors of the Company from a fair standpoint. Accordingly, the Company nominated him as a candidate for Director who is an Audit and Supervisory Committee Member. He is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure will have been three years.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's common shares owned
3	Junichi Takemura (April 25, 1986)	Feb. 2010	Joined PricewaterhouseCoopers Aarata (currently PricewaterhouseCoopers Japan LLC)	861
		Sept. 2013 Dec. 2014	Registered as a certified public accountant Established Junichi Takemura CPA Office, Representative of the CPA office (current position) Joined Ueno Maruyama Accounting Tax Corporation	
		Oct. 2016 July 2020	Registered as a tax accountant Representative Partner of UM Partners Accounting Tax Corporation (current position)	
		June 2022	Outside Audit & Supervisory Board Member of the Company (current position)	
[Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee Member and expected roles] Junichi Takemura has extensive management guidance experience as a certified public accountant and certified public tax accountant, as well as specialized knowledge on corporate and tax accounting. He has been engaged in auditing the execution of duties by the Company's Directors as an outside Audit & Supervisory Board Member based on this experience. The Company has determined that he will continue to be able to further strengthen the functions of the Board of Directors of the Company from a fair standpoint. Accordingly, the Company nominated him as a candidate for Director who is an Audit and Supervisory Committee Member. He is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure will have been three years.				
4	Takashi Yokoyama (November 23, 1957)	Apr. 1981	Joined The Hachijuni Bank, Ltd.	271
		Feb. 1995 July 2006 July 2009 June 2015 June 2021 June 2023	Seconded to Hachijuni Capital Co., Ltd. Seconded to Watahan & Co., Ltd. Transferred to Watahan & Co., Ltd. Full-time Audit & Supervisory Board Member Director and Full-time Audit & Supervisory Committee Member Outside Audit & Supervisory Board Member of the Company (current position)	
[Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee Member and expected roles] Takashi Yokoyama has served as a Full-time Audit & Supervisory Board Member and Director and Full-time Audit & Supervisory Committee Member at Watahan & Co., Ltd. He also has sufficient knowledge in finance and accounting due to his many years of financing experience at The Hachijuni Bank, Ltd. and experience in corporate management support, venture investment, and consulting services for IPO, business succession, and M&A at Hachijuni Capital Co., Ltd. Based on these experiences, he has been engaged in auditing the execution of duties by the Company's Directors as an outside Audit & Supervisory Board Member. The Company has determined that he will continue to be able to further strengthen the functions of the Board of Directors of the Company from a fair standpoint. Accordingly, the Company nominated him as a candidate for Director who is an Audit and Supervisory Committee Member. He is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure will have been two years.				
5	Chiaki Hasegawa (September 15, 1975)	Dec. 2008	Registered as an attorney at law, Joined SASAKI LAW OFFICE	—
		July 2016	Established HARUNA LAW OFFICE, Managing Partner (current position)	
[Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee Member and expected roles] Chiaki Hasegawa has professional knowledge as a lawyer in general legal affairs and has been extensively involved in corporate legal affairs for listed companies. The Company has determined that her experiences will be able to further strengthen the functions of the Board of Directors of the Company, and therefore nominated her as a candidate for Director who is an Audit and Supervisory Committee Member.				

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. Each candidate is a candidate for outside Director who is an Audit and Supervisory Committee Member.

3. The Company has entered into a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act. In the event that this proposal is approved and adopted and each candidate is elected as a Director who is an Audit and Supervisory Committee Member, each will become an insured under this insurance policy. The insurance policy is scheduled to be renewed with the same terms and conditions at the next renewal.
4. The Company has entered into an agreement with Hiromichi Sasaki, Seiichi Hirano, Junichi Takemura, and Takashi Yokoyama to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations. In the event that this proposal is approved and adopted and each candidate is elected as an outside Director who is an Audit and Supervisory Committee Member, the Company plans to enter into a new agreement containing the same terms. In the event that this proposal is approved and the election of Chiaki Hasegawa is approved, the Company plans to enter into an agreement with her to limit her liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations.
5. The Company has submitted notification to the Tokyo Stock Exchange that Hiromichi Sasaki, Seiichi Hirano, Junichi Takemura, and Takashi Yokoyama have been designated as independent officers as provided for by the aforementioned exchange. If this proposal is approved and adopted, and each candidate is elected as Director who is an Audit and Supervisory Committee Member, the Company plans for their appointment as independent officers to continue. In addition, Chiaki Hasegawa satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange, and in the event that this proposal is approved and adopted, and she is elected as a Director who is an Audit and Supervisory Committee Member, the Company plans to submit notification to the aforementioned exchange concerning her appointment as an independent officer.
6. Although Hiromichi Sasaki, Junichi Takemura, and Chiaki Hasegawa have not been involved in corporate management in the past other than in their capacity as outside Officers, the Company has determined, based on the above reasons, that they will be able to appropriately perform their duties as outside Directors who are Audit and Supervisory Committee Members. In addition, Hiromichi Sasaki manages SASAKI LAW OFFICE as its Senior Partner, and Junichi Takemura manages UM Partners Accounting Tax Corporation as its Representative Partner.
7. The number of the Company's common shares owned includes the candidate's holdings through CTS Officers' Shareholding Association.

Proposal No. 4 Election of One Substitute Director (Excluding Directors Who Are Audit and Supervisory Committee Members)

The Company will transition to a company with an Audit and Supervisory Committee on the condition that Proposal No. 1 “Amendment to the Articles of Incorporation” is approved. Accordingly, in case the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) falls short of the number required by laws and regulations, the Company proposes the election in advance of one substitute Director (excluding Directors who are Audit and Supervisory Committee Members).

The validity of this election can be nullified by resolution of the Board of Directors of the Company; provided, however, that it is only in a time before assuming office.

This proposal shall take effect when Proposal No. 1 “Amendment to the Articles of Incorporation” takes effect.

The candidate for substitute Director (excluding Directors who are Audit and Supervisory Committee Members) is as follows:

Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's common shares owned
Ren Yokoshima (June 6, 1987)	<p>Jan. 2014 Joined the Company</p> <p>June 2017 Director of Rentarise Corporation (current position)</p> <p>Jan. 2018 General Manager of Corporate Planning Department of the Company</p> <p>Apr. 2018 Director of CTS Linetech Corporation (current position)</p> <p>July 2018 General Manager of House Fittings Department of the Company (currently General Manager of Smart House Business Promotion Department)</p> <p>Apr. 2019 Executive Officer (current position)</p> <p>June 2020 Director (current position)</p> <p>June 2022 Representative Director and President of Rentarise Corporation</p> <p>Aug. 2022 Supervising the corporate planning department of the Company</p> <p>Sept. 2023 General Manager of Corporate Strategy Division (current position)</p>	7,292
<p>[Reasons for nomination as a candidate for substitute Director (excluding Directors who are Audit and Supervisory Committee Members)]</p> <p>Ren Yokoshima has worked in the corporate planning department since joining the Company in 2014, and has contributed to strengthening the corporate management base in his current role as Director in charge of Corporate Strategy Division. The Company has determined that he will be able to achieve sustainable corporate growth and increase corporate value in the medium to long term, as his experience, achievements, and insight can be applied to the management. Accordingly, the Company nominated him as a candidate for substitute Director (excluding Directors who are Audit and Supervisory Committee Members). Attendance at Board of Directors meetings during the fiscal year under review was 12 out of 12 meetings (100%).</p>		

- (Notes)
1. There is no special interest between Ren Yokoshima and the Company.
 2. The Company has entered into a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act. If Ren Yokoshima assumes the office of Director (excluding Directors who are Audit and Supervisory Committee Members), he will become an insured under this insurance policy. The insurance policy is scheduled to be renewed with the same terms and conditions at the next renewal.
 3. The number of the Company's common shares owned includes the candidate's holdings through CTS Officers' Shareholding Association.

Proposal No. 5 Determination of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The remuneration amount for the Company's Directors was approved at the 21st Annual General Meeting of Shareholders held on June 17, 2011, to be within 150 million yen per year, and this remains in effect today.

The Company will now transition to a company with an Audit and Supervisory Committee on the condition that Proposal No. 1 "Amendment to the Articles of Incorporation" is approved.

Accordingly, in conjunction with the transition to a company with an Audit and Supervisory Committee, in order to set a new remuneration amount for Directors (excluding Directors who are Audit and Supervisory Committee Members), the Company proposes to abolish the current provision on the remuneration amount for Directors and, in consideration of various circumstances including the economic climate, to determine the remuneration amount for Directors (excluding Directors who are Audit and Supervisory Committee Members) to be no more than 150 million yen per year.

On the condition that Proposal No. 1 "Amendment to the Articles of Incorporation" and this proposal are approved and adopted as proposed, the Company plans to revise the policy for determining the individual remuneration, etc. of Directors (excluding Directors who are Audit and Supervisory Committee Members) at a Board of Directors meeting to be held after the conclusion of the General Meeting of Shareholders. The details of the revision are as described on page 16.

This proposal is deemed necessary and appropriate as it takes into account the responsibilities of Directors (excluding Directors who are Audit and Supervisory Committee Members) and various circumstances such as economic conditions.

The remuneration amount for Directors (excluding Directors who are Audit and Supervisory Committee Members) shall not include the amount of employee salary for Directors who concurrently serve as employees. If Proposal No. 1 "Amendment to the Articles of Incorporation" and Proposal No. 2 "Election of One Director (Excluding Directors Who Are Audit and Supervisory Committee Members)" are approved and adopted as proposed, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) will be one.

This proposal shall take effect when Proposal No. 1 "Amendment to the Articles of Incorporation" takes effect.

Proposal No. 6 Determination of Remuneration Amount for Directors Who Are Audit and Supervisory Committee Members

The Company will transition to a company with an Audit and Supervisory Committee on the condition that Proposal No. 1 “Amendment to the Articles of Incorporation” is approved.

Accordingly, in conjunction with the transition to a company with an Audit and Supervisory Committee, in consideration of the duties and responsibilities of Directors who are Audit and Supervisory Committee Members, the Company proposes to determine the remuneration amount for Directors who are Audit and Supervisory Committee Members to be no more than 30 million yen per year.

This proposal is deemed necessary and appropriate as it determines the remuneration framework for Directors who are Audit and Supervisory Committee Members within a reasonable range, taking into account the responsibilities of Directors who are Audit and Supervisory Committee Members and the levels of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members).

If Proposal No. 1 “Amendment to the Articles of Incorporation” is approved and Proposal No. 3 “Election of Five Directors Who Are Audit and Supervisory Committee Members” are approved and adopted as proposed, the number of Directors who are Audit and Supervisory Committee Members will be five.

This proposal shall take effect when Proposal No. 1 “Amendment to the Articles of Incorporation” takes effect.

<Reference> Director Skill Matrix

The following skill matrix is prepared on the condition that Proposals No. 2 and No. 3 are approved and adopted as proposed. Additionally, the skill items have been reviewed in line with the transition to a company with an Audit and Supervisory Committee.

Name	Position and responsibilities in the Company	Attribute		Areas with particular expectations (experience, skills, etc.)				
		Outside	Independent	Corporate management	Sales/marketing	Business-related expertise	Financial accounting/finance	Legal affairs/risk management
Taizo Yokoshima	Representative Director and President			●	●	●		
Hiromichi Sasaki	Director (Audit and Supervisory Committee Member)	○	○	●				●
Seiichi Hirano	Director (Audit and Supervisory Committee Member)	○	○	●	●	●		
Junichi Takemura	Director (Audit and Supervisory Committee Member)	○	○	●			●	
Takashi Yokoyama	Director (Audit and Supervisory Committee Member)	○	○				●	●
Chiaki Hasegawa	Director (Audit and Supervisory Committee Member)	○	○					●

* The above skill matrix lists the primary areas of expertise and experience for each Director. It does not represent all of the knowledge possessed by the Directors.

[Criteria for skill items]

Corporate management	A person who has experience in corporate management, possesses the necessary knowledge for formulating management strategies, and can provide appropriate advice
Sales/marketing	A person who has knowledge and experience in sales and marketing
Business-related expertise	A person who is well-versed in information regarding the construction industry and can provide appropriate advice
Financial accounting/finance	A person who has knowledge and experience in financial accounting, or has business experience at a financial institution, or has a certified public accountant/tax accountant qualification
Legal affairs/risk management	A person who has knowledge and experience of legal affairs and risks, or who is qualified as a lawyer.

<Reference> Policy for Determining the Individual Remuneration, Etc. of Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

On the condition that Proposal No. 1 and No. 5 are approved and adopted as proposed, the Company plans to revise the policy for determining the individual remuneration, etc. of Directors (excluding Directors who are Audit and Supervisory Committee Members) as follows, at a Board of Directors meeting to be held after the conclusion of the General Meeting of Shareholders.

Basic policy for officer remuneration	The remuneration for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) is determined within the limits approved by the General Meeting of Shareholders, taking into account their responsibilities, contribution to enhancing corporate value, company performance, and other relevant factors.
Type and composition of remuneration	<ul style="list-style-type: none"> • For the present, the remuneration paid to inside Directors responsible for business execution will consist solely of basic fixed remuneration. However, the introduction of performance-linked remuneration (short-term incentives) such as executive bonuses, and non-monetary remuneration (medium- to long-term incentives) such as stock-based remuneration will be considered in the future as necessary. • The remuneration paid to outside Directors responsible for supervision will consist solely of basic fixed remuneration, considering their responsibilities. • The ratio of different types of remuneration will be considered at the time of introducing other incentives such as performance-linked remuneration. • Employee bonuses (period bonuses) will be paid to Directors who also serve as Executive Officers (excluding Directors who are Audit and Supervisory Committee Members) based on their contribution to business execution.
Time and conditions for payment of remuneration	Basic remuneration (fixed remuneration): Paid in cash on a monthly basis.
Method of determination for individual remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members)	The individual remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members) is determined by the Board of Directors, which consists of a majority of outside Directors, based on the basic policy for officer remuneration and the content of the types and composition ratios of remuneration.