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(Stock Exchange Code 6763)

June 9, 2025

(Commencement Date of Electronic Provision Measures)

June 5, 2025

**To Shareholders with Voting Rights:**

Masuo Hanyu  
President  
Teikoku Tsushin Kogyo Co., Ltd.  
45-1 Kariyado, Nakahara, Kawasaki

**NOTICE OF CONVOCAION OF  
THE 103RD ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We are pleased to notify you that the 103rd Annual General Meeting of Shareholders of Teikoku Tsushin Kogyo Co., Ltd. (the “Company”) will be held for the purposes as described below.

In convening this Annual General Meeting of Shareholders, we have taken measures to electronically provide information (“Matters for Electronic Provision”) and have posted the Matters for Electronic Provision on the following website on the Internet.

The Company’s website: <https://www.noble-j.co.jp/en/ir-info/>

In addition to the above, the information is also posted on the following website.

The Tokyo Stock Exchange (TSE) website:

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

Shareholders are asked to review the materials by accessing the TSE website indicated above, entering and searching the Company name and stock exchange code, and selecting “Basic information” and “Documents for public inspection/PR information.”

In the case of not attending the meeting, you may exercise your voting rights via the Internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders posted under Matters for Electronic Provision, and exercise your voting rights by 5:45 p.m. on Thursday, June 26, 2025, Japan time.

- 1. Date and Time:** Friday, June 27, 2025, at 10:00 a.m. Japan time
- 2. Place:** Conference room at the Corporate Headquarters of Teikoku Tsushin Kogyo Co., Ltd. located at  
45-1 Kariyado, Nakahara, Kawasaki  
(Please refer to the map of the venue of the General Meeting of Shareholders at the end of this document.)
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 103rd Fiscal Year (April 1, 2024 - March 31, 2025) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 103rd Fiscal Year (April 1, 2024 - March 31, 2025)
- Proposals to be resolved:**
- Proposal 1:** Distribution of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Seven (7) Directors
- Proposal 4:** Election of One (1) Corporate Auditor
- Proposal 5:** Election of One (1) Substitute Corporate Auditor

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Should any major changes occur to the convening of this meeting, they will be posted on the Company's website (<https://www.noble-j.co.jp>).

Paper-based documents delivered to shareholders who have requested the delivery of such documents do not contain the following, in accordance with laws and regulations and the provisions of Article 15 of the Company's Articles of Incorporation. Therefore, they constitute a portion of the documents audited by the Corporate Auditors and the Accounting Auditor in the preparation of their respective Audit Reports.

- Notes to the Consolidated Financial Statements
- Notes to the Non-consolidated Financial Statements
- System to Ensure Appropriateness of Business Operations and Operational Status of Such System

Should the Matters for Electronic Provision be revised, the revised versions will be posted on each of the websites.).

# Reference Documents for the General Meeting of Shareholders

## **Proposal 1:** Distribution of Surplus

The Company promotes management from all stakeholders' viewpoints and regards the market expansion through steady implementation of the medium-term management plan, the proper pursuit of profit based on plans for investment in capital, infrastructure, human resources and others, the appropriate investment and stable returns to shareholders as well as returns to employees as important issues. The Company aims for the growth of net sales and profit and makes it its policy to increase profit and dividend per share from business growth, maximize shareholder interests, and make stable and continuous dividend payments in proportion to profits, taking into consideration the investment on initiatives to enhance capital investment and increase the number of personnel.

In accordance with this policy, the Company hereby proposes its year-end dividend for the fiscal year under review as follows, in consideration of the Company's business performance during the period, future business development and other factors.

Matters concerning year-end dividend

(1) Type of dividend property

Cash

(2) Matters concerning allotment of dividend property and total amount thereof

50 yen per share of common stock of the Company

In this case, the total amount of dividend will be 479,041,200 yen.

(3) Effective date of distribution of surplus

June 30, 2025

**Proposal 2:** Partial Amendments to the Articles of Incorporation

## 1. Reasons for the proposal

In order to clarify the management responsibilities of Directors and establish a management system that can promptly respond to changes in the business environment, the Company proposes to shorten the term of office of Directors from two years to one year and thus amend Article 22 (Term of Office of Directors) of the current Articles of Incorporation.

In order to provide against a shortfall in the number of Corporate Auditors below legal and regulatory requirements, the Company also proposes to introduce provisions regarding substitute Corporate Auditors to establish an effective period of proposals for the election of substitute Corporate Auditors and clarify the term of office for substitute Corporate Auditors who assume the office.

## 2. Amendment details

The details of the amendments are as follows.

(Amendments are underlined.)

Current	Proposed amendments
<p>(Term of Office of Directors)</p> <p>Article 22 The term of office of a Director shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within <u>two (2)</u> years from his/her election to office. The term of office of a Director who is elected to fill a vacancy or after the number of Directors has been increased shall expire when the term of office of his/her predecessor or other Directors expires.</p> <p>(Election of Corporate Auditors)</p> <p>Article 32 Resolutions for the election of Corporate Auditors shall be adopted by majority vote at a meeting attended by shareholders representing at least one-third of the total voting rights.</p> <p>&lt;Newly established&gt;</p> <p>&lt;Newly established&gt;</p> <p>&lt;Newly established&gt;</p>	<p>(Term of Office of Directors)</p> <p>Article 22 The term of office of a Director shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within <u>one (1)</u> year from his/her election to office. The term of office of a Director who is elected to fill a vacancy or after the number of Directors has been increased shall expire when the term of office of his/her predecessor or other Directors expires.</p> <p>(Election of Corporate Auditors)</p> <p>Article 32 Resolutions for the election of Corporate Auditors shall be adopted by majority vote at a meeting attended by shareholders representing at least one-third of the total voting rights.</p> <p>2. <u>To provide against a situation in which the number of Corporate Auditors falls short of the number required by laws and regulations or the Articles of Incorporation, the Company may appoint substitute Corporate Auditors at a General Meeting of Shareholders, as stipulated by the provisions of Article 329, Paragraph 3 of the Companies Act.</u></p> <p>3. <u>The provisions of Paragraph 1 shall apply mutatis mutandis to the quorum for the election of substitute Corporate Auditors.</u></p> <p>4. <u>The effective period of a resolution regarding the election of a substitute Corporate Auditor in Paragraph 2 shall expire at the beginning of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within four (4) years from such resolution.</u></p>

Current	Proposed amendments
<p>(Term of Office of Corporate Auditors)</p> <p>Article 33 The term of office of a Corporate Auditor shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within four (4) years from his/her election to office. <u>The term of office of a Corporate Auditor who is elected to fill a vacancy shall expire when the term of office of his/her predecessor expires.</u></p> <p>&lt;Newly established&gt;</p>	<p>(Term of Office of Corporate Auditors)</p> <p>Article 33 The term of office of a Corporate Auditor shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within four (4) years from his/her election to office. &lt;Deleted&gt;</p> <p>2. <u>The term of office of a Corporate Auditor elected to fill a vacancy created by resignation of a Corporate Auditor prior to the expiration of his/her term of office shall expire when the remaining term of office of the resigned Corporate Auditor expires. However, if a substitute Corporate Auditor elected pursuant to Paragraph 2 of the preceding Article actually assumes office, his/her term of office may not extend beyond the conclusion of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within four (4) years from the time of his/her election as substitute Corporate Auditor.</u></p>

**Proposal 3: Election of Seven (7) Directors**

The terms of office of all seven (7) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of seven (7) Directors is proposed.

The candidates for Directors are as follows.

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company and significant concurrent positions		Number of shares of the Company held
1	Masuo Hanyu (November 19, 1958) [Male]  [Reappointment]	March 1977	Joined the Company	11,600
		January 2007	General Manager, Production Engineering Department, the Company	
		June 2012	Executive Officer In charge of Production Engineering Department and General Manager, Production Engineering Department, the Company	
		April 2016	Senior Executive Officer In charge of Production Engineering Department and General Manager, Production Engineering Department, the Company	
		June 2017	Director and Senior Executive Officer Responsible for Production Engineering and General Manager, Production Engineering Department, the Company	
		April 2018	Director and Senior Executive Officer Responsible for Operation and Production Engineering and General Manager, Production Engineering Department, the Company	
		April 2019	Director and Senior Vice President Responsible for Operation and Production Engineering, the Company	
		June 2019	President Responsible for Management, Execution, and Operation, the Company	
		June 2020	President Responsible for Management, Execution, Operation, and Quality Assurance, the Company	
		April 2023	President Responsible for Execution and Production Engineering, the Company	
		April 2024	President Responsible for Execution, the Company (to present)	
Reason for nomination as candidate for Director: Mr. Masuo Hanyu has been engaged in the production engineering divisions for many years, and has been in charge of automation and labor-saving of the Group’s manufacturing facilities, including those overseas. As President since 2019, he has been responsible for promoting overall management strategies. The Company has judged that he is competent for Director based on his excellent personality, insights, ability and a wealth of experience, as well as his fair and equal judgment skill, execution capabilities and high ethical standards which are required to fulfill his duty as Director. Therefore, the Company has nominated him as a candidate to be elected as Director.				

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company and significant concurrent positions	Number of shares of the Company held
2	Shinji Mizuno (March 25, 1959) [Male]  [Reappointment]	<p>April 1981      Joined the Company</p> <p>April 2008      Executive Officer and General Manager, Development Department, the Company</p> <p>June 2008      Executive Officer In charge of Development Department and General Manager, Development Department, the Company</p> <p>April 2013      Executive Officer Responsible for Development and In charge of Development Department and General Manager, Development Department, the Company</p> <p>March 2014      Executive Officer Responsible for Development and In charge of Development Department and Quality Assurance Department and General Manager, Quality Assurance Department, the Company</p> <p>April 2015      Executive Officer Responsible for Quality Assurance and In charge of Domestic Production Sites and General Manager, Quality Assurance Department, the Company</p> <p>June 2015      Director and Senior Executive Officer Responsible for Quality Assurance and In charge of Domestic Production Sites and General Manager, Quality Assurance Department, the Company</p> <p>January 2016      Director and Senior Executive Officer Responsible for Quality Assurance and In charge of Domestic Production Sites, the Company</p> <p>April 2017      Director and Senior Executive Officer Responsible for Quality Assurance, the Company</p> <p>April 2018      Director and Senior Executive Officer Responsible for Sales, the Company</p> <p>April 2019      Director and Senior Vice President Responsible for Sales, the Company</p> <p>June 2019      Director and Managing Vice President Responsible for Sales, the Company</p> <p>June 2021      Director and Managing Vice President Responsible for Sales and In charge of Information System Department, the Company</p> <p>April 2023      Director and Managing Vice President Responsible for Development and Sales, the Company</p> <p>June 2023      Director and Managing Vice President Responsible for Development, the Company (to present)</p>	14,600
<p>Reason for nomination as candidate for Director:</p> <p>Mr. Shinji Mizuno has been engaged in operations related to development and technology for many years, and based on these experiences, insights, and expertise, he assumed responsibilities for Sales regarding both domestic and international sales activities and is currently responsible for Development including new product development and technology development. The Company has judged that he is competent for Director based on his excellent personality, insights, ability and a wealth of experience, as well as his fair and equal judgment skill, execution capabilities and high ethical standards which are required to fulfill his duty as Director. Therefore, the Company has nominated him as a candidate to be elected as Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company and significant concurrent positions	Number of shares of the Company held
3	Rikuo Maruyama (November 3, 1960) [Male]  [Reappointment]	<p>April 1983      Joined the Company</p> <p>November 2005      Representative Director, Noble U.S.A. Inc.</p> <p>January 2011      Representative Director, Singapore Noble Electronics Pte., Ltd.</p> <p>April 2017      General Manager, Sales Department, the Company</p> <p>April 2018      Executive Officer, Deputy, Responsible for Administration, the Company</p> <p>April 2019      Executive Officer, Deputy, Responsible for Administration and In charge of Accounting Section, the Company</p> <p>June 2019      Director and Senior Executive Officer Responsible for Administration and In charge of Accounting Section, the Company</p> <p>April 2023      Director and Senior Executive Officer Responsible for Administration and In charge of Information System Department, the Company</p> <p>June 2023      Director and Senior Vice President Responsible for Administration and In charge of Information System Department, the Company</p> <p>June 2024      Director and Senior Vice President Responsible for Administration, the Company (to present)</p> <p>[Significant concurrent positions] • Representative Director, ECOLOPACK Co., Ltd.</p>	4,900
<p>Reason for nomination as candidate for Director:</p> <p>With the global business experience gained as Representative Director of the overseas sales sites while engaging in the sales department for many years, Mr. Rikuo Maruyama currently assumes responsibilities for Administration as being responsible for both domestic and overseas accounting, as well as matters related to personnel, general affairs, information systems, and legal affairs. The Company has judged that he is competent for Director based on his excellent personality, insights, ability and a wealth of experience, as well as his fair and equal judgment skill, execution capabilities and high ethical standards which are required to fulfill his duty as Director. Therefore, the Company has nominated him as a candidate to be elected as Director.</p>			



No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company and significant concurrent positions	Number of shares of the Company held
4	Akira Takaoka (September 25, 1968) [Male]  [Reappointment]	<p>April 1991      Joined the Company</p> <p>January 2011    General Manager, Product Planning Office, the Company</p> <p>April 2012      General Manager, Product Planning Office, Development Department, the Company</p> <p>April 2015      General Manager, Sales Technology Department, the Company</p> <p>July 2016       General Manager, Sales Planning Department, the Company</p> <p>January 2018    General Manager, Sales Department, the Company</p> <p>April 2021      Executive Officer In charge of Sales Department and General Manager, Sales Department, the Company</p> <p>June 2023      Director and Senior Executive Officer Responsible for Sales, the Company (to present)</p>	600
<p>Reason for nomination as candidate for Director:</p> <p>Mr. Akira Takaoka has been engaged in various operations including product planning from the standpoint of an engineer, while also assuming responsibilities for promoting sales activities in the sales divisions, leveraging his experience and insights as an engineer. He is currently responsible for sales and supervises both domestic and overseas sales activities, based on experiences that he has accumulated thus far. The Company has judged that he is competent for Director based on his excellent personality, insights, ability and a wealth of experience, as well as his fair and equal judgment skill, execution capabilities and high ethical standards which are required to fulfill his duty as Director. Therefore, the Company has nominated him as a candidate to be elected as Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company and significant concurrent positions	Number of shares of the Company held
5	<p>Nozomi Miura (current surname Sawa) (May 31, 1983) [Female]</p> <p>[Reappointment]</p> <p>[External]</p> <p>[Independent Officer]</p>	<p>December 2011      Registered as attorney-at-law with Daini Tokyo Bar Association</p> <p>April 2022          Joined Hikari Sogoh Law Offices</p> <p>June 2023          Partner, Hikari Sogoh Law Offices</p> <p>Director, the Company (to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Partner, Hikari Sogoh Law Offices</li> </ul>	0
<p>Reason for nomination as candidate for External Director and overview of expected roles:</p> <p>Ms. Nozomi Miura has had engagements with multiple companies, gaining wide-ranging experience, expertise, and a high level of insight.</p> <p>Since assuming office in 2023, she has provided appropriate advice on the management and business execution of the Company and has performed monitoring and audits of management independently from the position of business executor and is expected to give useful advice from the standpoint of diversity. Therefore, the Company has renominated her as a candidate to be elected as External Director. She will have served as External Director of the Company for two (2) years as of the conclusion of this Annual General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company and significant concurrent positions	Number of shares of the Company held
6	Hiroaki Takahashi (April 22, 1956) [Male]  [Reappointment]  [External]  [Independent Officer]	<p>April 1981      Sakura Instruments Co. Ltd.</p> <p>November 1986      Joined MICRONICS JAPAN CO., LTD.</p> <p>October 2000      Director, MICRONICS JAPAN CO., LTD.</p> <p>December 2002      Director, MICRONICS JAPAN CO., LTD. and Chairman and CEO, Taiwan Micronics Japan, a MICRONICS JAPAN CO., LTD. subsidiary</p> <p>October 2005      Director and General Manager, Oita Factory, MICRONICS JAPAN CO., LTD.</p> <p>April 2009      Director, MICRONICS JAPAN CO., LTD. and Chairman and CEO, Taiwan Micronics Japan, a MICRONICS JAPAN CO., LTD. subsidiary</p> <p>April 2010      Resigned as Director and appointed as Executive Officer, MICRONICS JAPAN CO., LTD.</p> <p>December 2014      Resigned from MICRONICS JAPAN CO., LTD.</p> <p>January 2015      Director, Holz Co., Ltd.</p> <p>January 2023      Part-time Director, Holz Co., Ltd.</p> <p>June 2024      Director, the Company (to present)</p> <p>[Significant concurrent positions] Part-time Director, Holz Co., Ltd.</p>	0
<p>Reason for nomination as candidate for External Director and overview of expected roles:</p> <p>Mr. Hiroaki Takahashi served for many years in managerial roles, including overseas positions, at MICRONICS JAPAN CO., LTD., a major manufacturer of testing equipment used in semiconductor production processes. He has a wealth of experience and insight as a corporate executive. He is expected to continue to offer proposals and comments for strengthening the decision-making and supervisory functions of the Board of Directors from a position independent of business executors. Accordingly, the Company has renominated him as a candidate to be elected as External Director. He will have served as External Director of the Company for one (1) year as of the conclusion of this Annual General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities in the Company and significant concurrent positions	Number of shares of the Company held
7	Eiko Takiguchi (April 5, 1965) [Female]  [New appointment]  [External]  [Independent Officer]	<p>April 1989      Joined The Toyo Trust and Banking Co., Ltd. (currently Mitsubishi UFJ Trust and Banking Corp.)</p> <p>April 1992      Joined Meguro International Friendship Association</p> <p>November 1995      Joined Nakamoto Accounting Office (currently Nakamoto International Tax Corporation)</p> <p>July 1997      Joined Aoyama PricewaterhouseCoopers (currently PricewaterhouseCoopers Japan LLC)</p> <p>July 2006      Senior Manager, Aoyama PricewaterhouseCoopers</p> <p>March 2019      Joined ASAHI Tax Corporation</p> <p>December 2022      Appointed as Outside Audit &amp; Supervisory Board Member, 17LIVE Inc. (to present)</p> <p>[Significant concurrent positions] Outside Audit &amp; Supervisory Board Member, 17LIVE Inc.</p>	0
<p>Reason for nomination as candidate for External Director and overview of expected roles:</p> <p>After joining an audit firm, Ms. Eiko Takiguchi worked in auditing of financial statements, auditing of internal control of major listed companies in Japan and global companies, and consulting. She has abundant experience and knowledge in areas including corporate governance, corporate group auditing, risk management, internal control, and finance and accounting. The Company has nominated her as a candidate to be elected as External Director, expecting that she will leverage these experiences and insights to provide advice and guidance on the management of the Company and appropriate supervision from an objective viewpoint.</p>			

(Notes)

1. There are no special interests between each candidate and the Company.
2. Ms. Nozomi Miura, Mr. Hiroaki Takahashi, and Ms. Eiko Takiguchi are candidates for External Director. In addition, the Company has submitted notification that Ms. Nozomi Miura, Mr. Hiroaki Takahashi, and Ms. Eiko Takiguchi are independent officers stipulated by the Tokyo Stock Exchange.
3. The Company has entered into agreements with Ms. Nozomi Miura and Mr. Hiroaki Takahashi to limit the liability for damages under Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the said Act, as well as Article 29 of the Articles of Incorporation. The limit of the liability for damages under such agreement shall be the minimum liability amount stipulated by laws and regulations. In addition, if Ms. Eiko Takiguchi is elected, the Company intends to enter into an agreement to limit the liability for damages with her similar to that of Ms. Nozomi Miura and Mr. Hiroaki Takahashi.
4. The Company has entered into a directors and officers liability insurance contract under Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance policy will cover legal damages and litigation expenses paid by the insured. All candidates will be included as the insured under the insurance policy. The Company plans to renew the insurance policy with the same details the next time it comes up for renewal.

(Reference Documents)

1. Skill matrix for candidates for Director

The Company has established “Corporate Governance Guidelines” for the purpose of pursuing the best corporate governance and further enhancing it in order for the Company and the Group to realize sustainable growth, improve corporate value over the medium to long term, and put our corporate philosophy into practice. In addition, with regard to the composition of the Board of Directors, we aim to enrich the diversity of expertise, knowledge, experience, etc. in various fields. Skills necessary for the management of the Company are identified based on the business content and management issues of the Group, and, with the balance with the appropriateness of the scale taken into consideration, are deliberated by the Nomination and Compensation Committee, in which External Directors represent the majority, through the Board of Directors, and reported to the Board of Directors. Based on the report, the Board of Directors deliberates the eligibility of the selected candidates and determines them as Director candidates.

Below is a skill matrix based on the knowledge, experience, and abilities possessed by each officer for the skills thus identified.

	Corporate management/ strategy	Finance/ accounting/ taxation	Legal affairs/ risk management	Human resources development	Sales/ marketing	Development/ manufacturing	International business	ESG/ sustainability
Masuo Hanyu	●			●		●		●
Shinji Mizuno	●				●	●		●
Rikuo Maruyama	●	●		●	●		●	●
Akira Takaoka	●				●	●		
Nozomi Miura			●					●
Hiroaki Takahashi	●	●			●	●	●	
Eiko Takiguchi		●	●					●

2. Independence criteria for independent officers

The Company has established the independence criteria for independent officers as follows, and judges that a person is independent if none of the following is found to apply based on the results of an investigation conducted to the extent reasonably possible.

- (1) A person who is or was an executive director, executive managing officer, or any other employee of the Company or any of its subsidiaries
- (2) A person for whom the Company is a major business partner\*<sup>1</sup> or an executive thereof
- (3) A major business partner of the Company\*<sup>2</sup> or an executive thereof
- (4) A consultant, an accounting specialist, or a legal specialist who have received a large amount of money or other assets\*<sup>3</sup>, in addition to executive compensation, from the Company
- (5) A major shareholder of the Company\*<sup>4</sup>
- (6) A major lender for the Company\*<sup>5</sup>
- (7) A person to whom any of the above (2) through (6) applied in the past five years
- (8) A relative within the second degree of kinship of a person to whom any of the above (1) to (6) applies and who is a significant person\*<sup>6</sup>

(Notes) \*1 “A person for whom the Company is a major business partner” refers to a person who received payment from the Company in an amount equivalent to 2% or more of the annual consolidated net sales of such business partner in the most recent fiscal year.

\*2 “A major business partner of the Company” refers to a person to whom the Company paid 2% or more of the Company’s annual consolidated net sales in the most recent fiscal year.

\*3 “A large amount of money or other assets” refers to an amount of 5 million yen or more annually in the case of an individual or an amount representing 2% or more of consolidated net sales or total revenue of an organization in the case of an organization such as a corporation or partnership.

\*4 “A major shareholder of the Company” refers to a shareholder (an executive director, an executive officer or an employee in the case of a corporation) who holds shares representing 10% or more of the total number of voting

rights at the end of a fiscal year of the Company.

- \*5 “A major lender for the Company” refers to a person from whom the outstanding loan balance taken out by the Company exceeds 2% of the Company’s consolidated total assets at the end of the Company’s most recent fiscal year.
- \*6 “Significant person” refers to a director (excluding external director), corporate auditor (excluding external corporate auditor), executive officer, executive managing officer, or an employee in a senior management position.

**Proposal 4:** Election of One (1) Corporate Auditor

The terms of office of Corporate Auditor Mitsutoshi Kakinuma will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of one (1) Corporate Auditor is proposed.

The Board of Auditors has previously given its approval to this proposal.

The candidate for Corporate Auditor is as follows.

Name (Date of birth)	Past experience and positions in the Company and significant concurrent positions	Number of shares of the Company held
<p>Saeko Yoshii (current surname Kawai) (December 3, 1984)</p> <p>[New appointment]</p> <p>[External]</p> <p>[Independent Officer]</p>	<p>December 2007      Joined KPMG AZSA &amp; Co. (currently KPMG AZSA LLC)</p> <p>April 2011          Registered as a certified public accountant</p> <p>August 2022        Established Saeko Kawai Certified Public Accountant Office</p> <p>August 2022        Outside Audit &amp; Supervisory Board Member, MeetsMore Inc.</p> <p>January 2025        Outside Audit &amp; Supervisory Board Member, 3Links Co., Ltd. (to present)</p> <p>[Significant concurrent positions]</p> <p>President, Saeko Kawai Certified Public Accountant Office</p> <p>Outside Audit &amp; Supervisory Board Member, MeetsMore Inc.</p> <p>Outside Audit &amp; Supervisory Board Member, 3Links Co., Ltd.</p>	0
<p>Reason for nomination as candidate for External Corporate Auditor and overview of expected roles:</p> <p>Ms. Saeko Yoshii has had engagements with multiple companies, gaining wide-ranging experience, as well as expertise and a high level of insight about tax affairs and accounting. She is expected to take advantage of her experience to offer proposals and comments for strengthening the decision-making and supervisory functions of the Board of Directors from a position independent of business executors. Accordingly, the Company has nominated her as a candidate to be elected as External Corporate Auditor.</p>		

(Notes)

1. There are no special interests between the candidate and the Company.
2. Ms. Saeko Yoshii is a candidate for External Corporate Auditor.
3. The Company has submitted notification that Ms. Yoshii is an independent officer stipulated by the Tokyo Stock Exchange.
4. If Ms. Saeko Yoshii is elected, the Company plans to enter into an agreement with her to limit the liability for damages under Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the said Act, as well as Article 39 of the Articles of Incorporation. The limit of the liability for damages under such agreement shall be the minimum liability amount stipulated by laws and regulations.
5. The Company has entered into a directors and officers liability insurance contract under Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance policy will cover legal damages and litigation expenses paid by the insured. The candidate will be included as the insured under the insurance policy. The Company plans to renew the insurance policy with the same details the next time it comes up for renewal.

**Proposal 5: Election of One (1) Substitute Corporate Auditor**

In order to provide against a shortfall in the number of Corporate Auditors below legal and regulatory requirements, the election of one (1) substitute Corporate Auditor is proposed. The effectiveness of the election of substitute Corporate Auditor shall expire at the beginning of the Annual General Meeting of Shareholders held with respect to the last fiscal year ending within four (4) years from the time of election, subject to the approval and passing of Proposal 2 “Partial Amendments to the Articles of Incorporation.”

The effectiveness of the election will be limited to a period before the candidate assumes office, and the Board of Directors may revoke the election by its resolution, with the consent of the Board of Auditors.

The Board of Auditors has previously given its approval to this proposal.

The candidate for substitute Corporate Auditor is as follows.

Name (Date of birth)	Past experience and positions in the Company and significant concurrent positions		Number of shares of the Company held
Takashi Morinaga (October 2, 1958)  [External]  [Independent Officer]	April 1982	Joined Nifco Inc.	0
	April 2003	President, Nifco (Thailand) Co., Ltd., a Nifco Inc. subsidiary	
	June 2008	Executive Officer, Nifco Inc., and President, Nifco (Thailand) Co., Ltd.	
	April 2010	Executive Officer and General Manager, Overseas Business Administration Department, Nifco Inc.	
	April 2013	Executive Officer, Deputy General Manager of Planning Division, and General Manager of Purchasing Division, Nifco Inc.	
	June 2018	Director, Nifco Trading Ltd., a Nifco Inc. subsidiary	
	June 2023	Retired from Nifco Inc. (to present)	
Reason for nomination as candidate for substitute Corporate Auditor and overview of expected roles: Mr. Takashi Morinaga served as the representative of an overseas operation and for many years as Executive Officer at Nifco Inc., a major independent manufacturer of plastic products, including fasteners for automobiles. He thus has a wealth of experience and insight. Accordingly, the Company has made the comprehensive judgment that he will be appropriate as a candidate for substitute Corporate Auditor, with the anticipation that his insight would be utilized in the Company’s audit system if he takes office as Corporate Auditor.			

**(Notes)**

1. There are no special interests between the candidate and the Company.
2. Mr. Takashi Morinaga is a candidate for substitute External Corporate Auditor.
3. If Mr. Takashi Morinaga takes office as External Corporate Auditor, the Company plans to submit notification that he is an independent officer stipulated by the Tokyo Stock Exchange.
4. If Mr. Takashi Morinaga takes office as External Corporate Auditor, the Company plans to enter into an agreement with him to limit the liability for damages under Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the said Act, as well as Article 39 of the Articles of Incorporation. The limit of the liability for damages under such agreement shall be the minimum liability amount stipulated by laws and regulations.
5. The Company has entered into a directors and officers liability insurance contract under Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance policy will cover legal damages and litigation expenses paid by the insured. and the Company plans to renew the insurance policy with the same details during his term of office.



(Reference Documents)

Policy and status of strategic shareholdings

1. Policy on strategic shareholdings

The Company strategically holds shares of business partners and related companies from a medium- to long-term perspective, based on business benefits, such as maintaining and strengthening business relationships with such companies. As a general rule, the Board of Directors once a year examines the rationality of holding such shares, taking into consideration the validity of holding them and capital costs. The policy is to consider selling any shares that are judged to lack sufficient reason to continue holding after the annual examination and to reduce the holdings.

In exercising voting rights, the Company makes a comprehensive assessment based on the following criteria: (i) whether the proposal would contribute to the interests of the Company; (ii) whether the proposal may have the risk of damaging the Company's corporate value; and (iii) whether the proposal would contribute to enhancing the Company's corporate value.

2. Status of strategic shareholdings

In fiscal 2024, we sold all shares of three listed companies and some shares of two listed companies out of 14 listed companies, in accordance with the above policy. On March 31, 2024, the Company held a total of 15 stocks, which totaled 5,908,231 thousand yen in value on the balance sheet.

Although we proceeded with the sale of strategic shareholdings according to plans, the fair value of some shares increased due to stock price fluctuations, making the amount of decrease on the balance sheet smaller.

Status of strategic shareholdings

Number of stocks	Fiscal 2023 (102nd fiscal year)	Fiscal 2024 (103rd fiscal year)	Year-on-year change
Listed stocks	14	11	-3
Unlisted stocks	4	4	0
Total	18	15	-3
Value on balance sheet (in millions of yen)	Fiscal 2023 (102nd fiscal year)	Fiscal 2024 (103rd fiscal year)	
Listed stocks	6,538	5,868	
Unlisted stocks	37	39	
Total	6,576	5,908	
Percentage vs. net assets	24.0%	20.8%	

(Note) Listed stocks include deemed shareholdings.

3. Strategic shareholdings reduction target

We aim to reduce the strategic shareholdings to 10% or less to net assets on a market value basis by fiscal 2027.