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Securities Code: 4936
October 7, 2025

To All Shareholders

AXXZIA Inc.
35F Shinjuku Sumitomo Building
2-6-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
President: Duan Zhuo

**Notice of Convocation of the
14th Ordinary General Meeting of Shareholders**

Dear Sir or Madam, we would like to sincerely thank you for your continued support. Notice is hereby given that the 14th Ordinary General Meeting of Shareholders of AXXZIA Inc. ("the Company") will be held as follows. For the convening of this Shareholders' Meeting, information which includes the contents of the Reference Material for the General Meeting of Shareholders (items regarding measures for electronic provisioning) are made available electronically. This information can be found on the websites listed below. We kindly request shareholders to visit any of these websites to review the details.

[Our Website]

<https://axxzia.co.jp/english/>

(Please access the above website, select "IR" and "Stock Information" from the menu, and review the information.)



[Shareholder Meeting Materials Website]

<https://d.sokai.jp/4936/teiji/>



[Tokyo Stock Exchange Website (TSE Listed Company Information Service)]

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



For the Tokyo Stock Exchange website mentioned above, please access it and search by entering "AXXZIA" in the "Stock Name (Company Name)" field or our securities code "4936" in the "Code" field. Subsequently, select "Basic Information" followed by "Document Viewing/PR Information." Please review the "Shareholder Meeting Convocation Notice/Shareholder Meeting Materials" section under "Document Viewing."

Additionally, if you cannot attend on the day of the meeting, you have the option to exercise your voting rights via the internet or by sending a written form (postal mail). We kindly ask you to review the Reference Material for the General Meeting of Shareholders and exercise your voting rights by 7:00 pm Japan Time on Thursday, October 23, 2025.

[In Case of Exercising Voting Rights via the Internet]

Please access our designated website for exercising voting rights (<https://evote.tr.mufg.jp>). Use the "Voting Rights Exercise Code" and "Password" displayed on the Voting Rights Exercise Form that will be sent to you along with this convocation notice. Follow the on-screen instructions to input your approval or disapproval for the agenda items by the aforementioned deadline. For details on exercising your voting rights via the internet, kindly refer to the section below titled "Information on How to Exercise Voting Rights via the Internet, Etc."

[In Case of Exercising Voting Rights by Written Form (Mail)]

Please indicate your approval or disapproval on the Voting Rights Exercise Form regarding the agenda items and ensure it is returned by the aforementioned deadline.

Yours sincerely.

1. Date & time:	Oct. 24, 2025 (Fri.) at 2:00 p.m. (reception starts: 1:30 p.m.)
2. Place	Hana, Keio Plaza Hotel Main Building 4F, 2-2-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
3. Purpose	
Items to be reported	<ol style="list-style-type: none">Business Report and Consolidated Financial Statements for the 14th Fiscal Year (from August 1, 2024, to July 31, 2025) and Report on the Results of Audit of Consolidated Financial Statements by Accounting Auditor and Board of Corporate AuditorsReport on the Financial Statements for the 14th Fiscal Year (August 1, 2024, to July 31, 2025)
Resolutions	
Proposal No. 1	Partial amendment to the Articles of Incorporation
Proposal No. 2	Appointment of seven (7) Directors
Proposal No. 3	Approval of amount and key terms of stock-option remuneration for directors (excluding outside directors)

4. Decisions concerning the convocation (information on exercising voting rights)

- If voting rights are exercised by mail and there's no indication of approval or disapproval for an agenda item on the Voting Rights Exercise Form, it will be treated as an approval.
- If voting rights are exercised multiple times via the internet, only the last exercise will be considered valid.
- If voting rights are exercised both via the internet and by mail, regardless of the arrival date and time, the online exercise will be treated as valid.
- If voting rights are exercised through a proxy, one (1) other shareholder with voting rights can attend the shareholder meeting on your behalf. However, please note that a written document proving proxy authorization will be required.
- Regarding the items provided electronically, the following items are not included in the documents provided to shareholders who requested written delivery, based on laws and Article 14 of our Company's Articles of Incorporation.

Corporate and accounting auditors audited documents subject to audit, including the following items.

- Business Report Status of Stock Acquisition Rights, Etc.
Systems for Ensuring the Proper Operation of the Company and the Status of Implementation of the Systems
- Consolidated Financial Statements Consolidated Statement of Changes in Shareholders' Equity, Etc.
Notes to Consolidated Financial Statements
- Financial Statements Statement of Changes in Shareholders' Equity, Etc.
Notes to Non-Consolidated Financial Statements

- If there are any changes to the items provided electronically, the respective changes, along with the details before and after the revision, will be posted on the aforementioned websites.
- If you attend the meeting, we kindly ask you to submit the Voting Rights Exercise Form sent with this convocation notice at the reception desk. Also, to save paper, we ask that you bring this Notice of Convocation with you.



Information on the Exercise of Voting Rights

The right to vote at General Meetings of Shareholders is an important right of all shareholders. Please exercise your voting rights after reviewing the Reference Document for the General Meeting of Shareholders.

There are three ways to exercise your voting rights, as described below.



If you are attending the General Meeting of Shareholders

Please submit the Voting Rights Exercise Form sent along with this Notice of Convocation at the reception desk.

Day and time

Oct. 24, 2025 (Fri.)
2:00 pm
(Reception starts: 1:30 pm)



If you are exercising your voting right in writing (by mail)

Indicate your approval or disapproval on the agenda items on the Voting Rights Exercise Form sent with this Notice of Convocation and mail it without affixing a stamp.

Exercise deadline

Receipt before 7:00 p.m.
Oct. 23, 2025 (Thu.)



If you are exercising your voting right via the Internet, etc.

Please follow the instructions on the next page to enter your approval or disapproval of each proposal.

Exercise deadline

Entry before 7:00 p.m.
Oct. 23, 2025 (Thu.)

Information on How to Fill Out the Voting Rights Exercise Form

Please enter your approval or disapproval of the proposals here.

Proposal No. 1 and No.3

- If you agree >> Put circle (○) in the Agree column.
- If you disagree >> Put circle (○) in the Disagree column.

Proposal No. 2

• If you agree with all nominations	>>	Put circle (○) in the Agree column.
• If you disagree with all nominations	>>	Put circle (○) in the Disagree column.
• If you disagree with some nominations	>>	Put circle (○) in the Agree column and fill in the number(s) affixed to the candidates who you do not agree with nominating.

*This is an image of the Voting Rights Exercise Form.

If you exercise your voting rights both by mail (postal mail) and via the Internet, the exercise of voting rights via the Internet will be treated as the valid exercise of voting right. If you exercise your voting rights more than once via the Internet, the last vote will be treated as the valid exercise of voting right.

Information on How to Exercise Voting Rights via the Internet, Etc.

How to scan a QR code

You can log in to the voting website without entering the login ID and temporary password indicated on the Voting Rights Exercise Form.

1. Please scan the QR code on the Voting Rights Exercise Form.



* "QR Code" is a registered trademark of DENSO WAVE Incorporated.

2. Please follow the instructions on the screen to enter your approval or disapproval.



How to enter your login ID and temporary password

Website for exercising your voting right: <https://evote.tr.mufg.jp/>

1. Please access the website for exercising voting rights.
2. Enter the "login ID and temporary password" indicated on the Voting Rights Exercise Form and click on the button.



3. Register a new password.



4. Please follow the instructions on the screen to enter your approval or disapproval.

*The operation screen is an image.

If you have any questions about how to exercise your voting rights via the Internet using a computer, smartphone, please call the phone number on the right.

Help Desk, Securities Agency Department,
Mitsubishi UFJ Trust and Banking Corporation
0120-173-027
(Toll free / Reception hours: 9:00 to 21:00)

Institutional investors can utilize the electronic voting platform for institutional investors operated by ICJ, Inc.

Reference Material for the General Meeting of Shareholders

Proposal No. 1 Partial amendment to the Articles of Incorporation

1. Reason for proposal

We propose to add new business purposes to Article 2 (Purpose) of the current Articles of Incorporation to accommodate the expansion and diversification of our operations going forward. The addition of new provisions will result in changes in the numbering of clauses.

2. Details of change

Details of the change are as follows.

(Underlined parts indicate changes.)

Current Articles of Incorporation	Proposed Amendment
(Purpose)	(Purpose)
Article 2: The Company shall engage in the following businesses:	Article 2: The Company shall engage in the following businesses:
1. Research and development, manufacture, wholesale, sale, and import/export of cosmetics	1. Research and development, manufacture, wholesale, sale, and import/export of cosmetics, <u>quasi-drugs, and pharmaceuticals</u>
<u>2. Planning, sale, and import/export of quasi-drugs</u>	<u>2. Planning, sale, and import/export of quasi-drugs</u> (Deleted)
3. (Omitted)	3. (Omitted)
4. Planning, manufacture, sale, and import/export of beauty equipment and health equipment	4. Planning, manufacture, sale, and import/export of beauty equipment, health equipment, <u>and medical devices</u>
5.-14. (Omitted)	4.-13. (Same as current provisions)
(Newly established)	14. <u>Development and sale of information systems incidental to the foregoing businesses, and provision of services related to information processing and communications</u>
	15. <u>Marketing and consulting services utilizing AI and other technologies, incidental to the foregoing businesses</u>
	16. <u>Installation of renewable energy-related equipment and the development and sale of storage batteries and other related devices</u>
(Newly established)	17. (Same as current provisions)

Proposal No. 2 Appointment of seven (7) Directors

The terms of office of all eight (8) of the Company's Directors will expire at the conclusion of this General Meeting of Shareholders, and accordingly, we propose the election of seven (7) Directors.

The candidates for directors are as follows. Among them, Mr. Junichi Ito, and Ms. Yuko Shitamori are candidates for outside directors.

Candidate No.	Full name (Date of birth)	Brief personal history, position and responsibilities at the Company (status of important concurrent positions)	Number of Company shares held
1	Duan Zhuo (June 18, 1966)	<p>April 1998: Joined AJIS Co., Ltd.</p> <p>February 2002: Joined MORSON JAPAN Co., Ltd.</p> <p>April 2003: Established FEERIQUE Co., Ltd.</p> <p>Appointed as Representative Director</p> <p>August 2010: Established Ingane Co., Ltd.</p> <p>Appointed as Representative Director</p> <p>September 2011: Established Online Game Japan Co., Ltd.</p> <p>Appointed as Director</p> <p>December 2011: Established AXXZIA Inc.</p> <p>Appointed as President (current position)</p> <p>June 2014: Established Eagle Finance Inc.</p> <p>Appointed as Director (current position)</p> <p>December 2017: Established Creative Technology Industrial Limited</p> <p>Appointed as Director (current position)</p> <p>April 2018: Established BEAUTIC, Inc.</p> <p>Appointed Representative Director</p> <p>April 2018: Appointed as Chairman of the Board of Xiaozi Cosmetic (Shanghai) Inc.</p> <p>May 2018: Appointed as Chairman of the Board of AXXZIA (Hong Kong) International Limited</p> <p>March 2019: Established Soui Kokusai Co., Ltd.</p> <p>Appointed as Representative Director (current position)</p> <p>February 2020: Appointed as Director of Xiaozi Cosmetic (Shanghai) Inc. (current position)</p> <p>April 2022: Appointed as President of Huit Laboratories, Inc. (current position)</p> <p>February 2024: Appointed as President of M&D Co., Ltd.</p> <p>June 2024: Established AXXZIA Cosmetic USA Ltd.</p> <p>Appointed as Chief Executive Officer (current position)</p> <p>September 2024: Established AXXZIA Technology Inc.</p> <p>Appointed as President (current position)</p> <p>August 2025: Appointed as Director of Association of Chinese Listed Companies in Japan</p> <p>(Current position and responsibilities) President</p> <p>(Important concurrent positions) President, Huit Laboratories, Inc.</p> <p>Chief Executive Officer, AXXZIA Cosmetic USA Ltd.</p> <p>President, AXXZIA Technology Inc.</p>	1,836,300 shares

Candidate No.	Full name (Date of birth)	Brief personal history, position and responsibilities at the Company (status of important concurrent positions)	Number of Company shares held
2	Shoi Dan (October 17, 1983)	<p>April 2005: Joined Vmark International Co., Ltd.</p> <p>February 2006: Joined Tenso Kogyo Co., Ltd.</p> <p>August 2009: Joined FEERIQUE Co., Ltd. Appointed as Director</p> <p>August 2010: Established Ingame Co., Ltd. Appointed as Director</p> <p>August 2010: Appointed as Director of APLA Co., Ltd.</p> <p>September 2011: Appointed as Representative Director of Online Game Japan Co., Ltd.</p> <p>December 2011: Appointed as Director of AXXZIA Inc.</p> <p>June 2014: Established Eagle Finance Inc.</p> <p>Appointed as Representative Director (current position)</p> <p>December 2017: Established Creative Technology Industrial Limited</p> <p>Appointed as Representative Director (current position)</p> <p>April 2018: Appointed as Director of Xiaozi Cosmetic (Shanghai) Inc. (current position)</p> <p>May 2018: Appointed as Director of AXXZIA (Hong Kong) International Limited</p> <p>August 2018: Appointed as Executive Vice President of AXXZIA Inc. (current position)</p> <p>March 2019: Appointed as Director of Soui Kokusai Co., Ltd. (current position)</p> <p>August 2022: Appointed as Senior Managing Director of Huit Laboratories, Inc.</p> <p>June 2023: Established AXXZIA Value Creator Inc.</p> <p>Appointed as Representative Director (current position)</p> <p>June 2024: Appointed as Director of AXXZIA Cosmetic USA Ltd. (current position)</p> <p>September 2024: Appointed as Director of AXXZIA Technology Inc. (current position)</p> <p>January 2025: Appointed as Director of M&D Co., Ltd. (current position)</p> <p>(Current position and responsibilities)</p> <p>Executive Vice President in charge of Marketing Department and Manufacturing Department</p> <p>(Important concurrent positions)</p> <p>Director, Xiaozi Cosmetic (Shanghai) Inc.</p> <p>Representative Director, AXXZIA Value Creator Inc.</p> <p>Director, AXXZIA Cosmetic USA Ltd.</p> <p>Director, AXXZIA Technology Inc.</p> <p>Director, M&D Co., Ltd.</p>	1,836,300 shares

Candidate No.	Full name (Date of birth)	Brief personal history, position and responsibilities at the Company (status of important concurrent positions)	Number of Company shares held
3	Wu Jun (September 20, 1985)	<p>February 2009: Joined FEERIQUE Co., Ltd.</p> <p>August 2010: Appointed as Auditor of Ingame Co., Ltd.</p> <p>September 2011: Appointed as Auditor of Online Game Japan Co., Ltd.</p> <p>April 2018: Appointed as Director of Xiaozi Cosmetic (Shanghai) Inc.</p> <p>May 2018: Appointed as Director of AXXZIA (Hong Kong) International Limited</p> <p>August 2018: Appointed as Director of AXXZIA Inc.</p> <p>February 2020: Appointed as Chairman of the Board of Xiaozi Cosmetic (Shanghai) Inc. (current position)</p> <p>August 2021: Appointed as Managing Director of AXXZIA Inc. (current position)</p> <p>August 2023: Appointed as Chairman of the Board of AXXZIA (HongKong) International Limited (current position)</p> <p>September 2024: Appointed as Director of AXXZIA(Shenzhen) International E-Commerce Co., Ltd. (current position)</p> <p>(Current position and responsibilities) Managing Director in charge of China Subsidiary</p>	1,080,000 shares
4	Zhang Hui (April 28, 1983)	<p>June 2012: Joined FEERIQUE Co., Ltd.</p> <p>May 2018: Joined AXXZIA Inc.</p> <p>June 2019: Appointed as Director of AXXZIA Inc.</p> <p>August 2021: Appointed as Managing Director of AXXZIA Inc. (current position)</p> <p>August 2022: Appointed as Managing Director of Huit Laboratories, Inc.</p> <p>June 2023: Appointed as Director of Xiaozi Cosmetic (Shanghai) Inc. (current position)</p> <p>June 2023: Appointed as Director of AXXZIA Value Creator Inc. (current position)</p> <p>September 2023: Established AXXZIA Cosmetic Singapore Pte. Ltd.</p> <p>Appointed as Representative Director (current position)</p> <p>June 2024: Appointed as Director of AXXZIA Cosmetic USA Ltd. (current position)</p> <p>September 2024: Established AXXZIA (Shenzhen) International E-Commerce Co., Ltd.</p> <p>Appointed as Chairman of the Board (current position)</p> <p>(Current position and responsibilities) Managing Director in charge of Sales Planning & Development</p> <p>(Important concurrent positions) Director, Xiaozi Cosmetic (Shanghai) Inc.</p> <p>Director, AXXZIA Value Creator Inc.</p> <p>Representative Director, AXXZIA Cosmetic Singapore Pte. Ltd.</p> <p>Director, AXXZIA Cosmetic USA Ltd.</p> <p>Chairman of the Board, AXXZIA (Shenzhen) International E-Commerce Co., Ltd.</p>	—

Candidate No.	Full name (Date of birth)	Brief personal history, position and responsibilities at the Company (status of important concurrent positions)	Number of Company shares held
5	Yasuhito Fukui (October 29, 1965)	<p>April 1988: Joined The Daiwa Bank, Limited (currently Resona Bank, Limited)</p> <p>July 1998: Joined The Nomura Trust & Banking Co., Ltd.</p> <p>October 2015: Joined AEON Bank, Ltd.</p> <p>September 2018: Joined AXXZIA Inc.</p> <p>June 2019: Appointed as Director of AXXZIA (current position)</p> <p>April 2022: Appointed as Auditor of Huit Laboratories, Inc.</p> <p>June 2023: Appointed as Auditor of AXXZIA Value Creator Inc. (current position)</p> <p>February 2024: Appointed as Auditor of M&D Co., Ltd. (current position)</p> <p>September 2024: Appointed as Auditor of AXXZIA Technology Inc. (current position)</p> <p>May 2025: Appointed as Director of Huit Laboratories, Inc. (current position)</p> <p>(Current position and responsibilities) Director in charge of Administration Department</p> <p>(Important concurrent positions) Director, Huit Laboratories, Inc. Auditor, AXXZIA Value Creator Inc. Auditor, M&D Co., Ltd. Auditor, AXXZIA Technology Inc.</p>	—
6	Junichi Ito (October 1, 1970)	<p>April 1993: Joined Sanwa Bank (now MUFG Bank)</p> <p>October 1998: Joined Morgan Stanley Asset Management</p> <p>October 2022: Senior Portfolio Manager at Horizon Asset Management</p> <p>March 2005: Senior Portfolio Manager at BlueSky Capital Management</p> <p>January 2015: Managing Director at Pacific Alliance Group (PAG)</p> <p>April 2018: Managing Director at Millennium Capital Management</p> <p>June 2019: Joined SMBC Nikko Securities Inc.</p> <p>June 2020: Managing Director at Dymon Capital Management</p> <p>May 2021: Appointed as Outside Director of Eltes Co., Ltd.</p> <p>July 2021: Appointed as Outside Director of Upsell-Technologies Inc. (current position)</p> <p>August 2021: Established Life Time Partner Co., Ltd. Appointed as Representative Director (current position)</p> <p>September 2021: Joined CrowdWorks, Inc.</p> <p>October 2022: Appointed as Outside Director of BABYJOB Inc.</p> <p>December 2022: Appointed as Director of CrowdWorks, Inc.</p> <p>October 2023: Appointed as Outside Director of AXXZIA Inc. (current position)</p> <p>July 2024: Appointed as Representative Director of Capital Growth Strategies Co., Ltd. (current position)</p> <p>(Important concurrent positions) Outside Director, Upsell-Technologies Inc. Representative Director, Life Time Partner Co., Ltd. Representative Director, Capital Growth Strategies Co., Ltd.</p>	—

Candidate No.	Full name (Date of birth)	Brief personal history, position and responsibilities at the Company (status of important concurrent positions)	Number of Company shares held
8	Yuko Shitamori (April 21, 1973)	<p>April 1999: Joined Lion Corporation</p> <p>July 2008: Appointed as Director of FINCH JAPAN Co., LTD.</p> <p>September 2017: Appointed as President of IoT Japan Inc.</p> <p>July 2022: Appointed as Sales Advisor of Brand Cloud Inc.</p> <p>June 2023: Appointed as Outside Director of JACCS CO., LTD. (current position)</p> <p>April 2024: Appointed as Executive Officer of LTS, Inc. (current position)</p> <p>October 2024: Appointed as Outside Director of AXXZIA Inc. (current position)</p> <p>June 2025: Appointed as Outside Director of Striders Corporation (current position)</p> <p>(Important concurrent positions)</p> <p>Outside Director, JACCS CO., LTD</p> <p>Executive Officer, LTS, Inc.</p> <p>Outside Director (Audit & Supervisory Committee Member), Striders Corporation</p>	—

(Notes)

1. There is no special interest between each candidate for Director and the Company.
2. Executive Vice President Shoi Dan is the spouse of President Duan Zhuo.
3. Mr. Junichi Ito, and Ms. Yuko Shitamori are nominees for outside directors. The Company has notified the Tokyo Stock Exchange of the director nominees as independent directors as required by the Exchange, and intends to continue to designate them as independent directors if they are appointed as directors.
4. Mr. Junichi Ito has amassed extensive experience in the financial industry over many years and currently engages in management roles at several companies, serving as an outside director. Drawing on his experience and insights gained throughout his career, we believe Mr. Ito will provide effective oversight and monitoring of the Company's management, as well as help enhance our communication capabilities. We therefore propose his reelection as outside director. Mr. Ito was appointed as the Company's Outside Director in October 2023 and has served for two (2) years.
5. Ms. Yuko Shitamori has accumulated extensive experience and insights working at a major manufacturer and then in product development consulting, as well as in business development utilizing digital technologies. Leveraging this expertise, we expect her to provide valuable advice and recommendations on corporate management and strategy. Therefore, we propose her reelection as outside director. Ms. Shitamori was appointed as the Company's Outside Director in October 2024 and has served for one (1) year.
6. Pursuant to the provision of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Junichi Ito and Ms. Yuko Shitamori to limit their liability for damages under Article 423, Paragraph 1 of the said Act. The maximum amount of liability for damages under the said agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, and the Company plans to continue the said agreement with them if their reappointment is approved.
7. As stipulated in Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a liability insurance contract for Officers, etc. with an insurance company. An outline of the contents of said insurance contract is shown on page 34 of the Business Report. If each director candidate's election is approved, each director candidate will be insured under the aforementioned insurance policy, and the aforementioned insurance policy is scheduled to be renewed with the same contents at the next renewal.

(Reference) Expected Roles of Directors and Auditors

Provided that "Proposal 2: Appointment of seven (7) Directors" is approved at this General Meeting of Shareholders, the expected roles of directors and auditors will be as follows.

Positions at our company	Name	Roles expected from directors & auditors							
		Corporate Management	Finance & Financial Strategy	Manufacturing & Research	Sales & Marketing	Legal Affairs & Risk Management	IT	HR, Labor Relations & Talent Development	Global Business
President	Duan Zhuo	●		●			●		●
Executive Vice President	Shoi Dan	●			●				●
Managing Director	Wu Jun	●			●				●
Managing Director/ Compensation Committee Member	Zhang Hui	●			●				●
Director/ Nomination Committee Member	Yasuhito Fukui		●			●	●	●	
Outside Director/ Nomination Committee Chairperson/ Compensation Committee Member (Independent Director)	Junichi Ito		●					●	
Outside Director (Independent Director)	Yuko Shitamori	●		●			●		
Full-time Outside Auditor (Independent Director)	Masahiro Miyajima		●			●			
Outside Auditor/ Nomination Committee Chairperson/ Compensation Committee Member (Independent Director)	Kenji Shimizu	●	●			●			
Outside Auditor (Independent Director)	Kuninobu Okuda	●	●						

Proposal No. 3 Approval of amount and terms of stock-option remuneration for directors (excluding outside directors)

At the Ordinary General Meeting of Shareholders held on October 23, 2015, shareholders approved an annual remuneration limit of 500 million yen for directors. Separately from this amount, the Company is seeking approval to grant stock options (in the form of share acquisition rights) to directors—excluding outside directors (hereinafter, “eligible directors”—within an annual limit of 150 million yen. The purpose of this proposal is to incentivize the sustainable enhancement of the Company’s corporate value and to promote greater value sharing with shareholders.

This proposal has been approved by the Board of Directors following deliberation by the Compensation Committee.

There are currently eight (8) directors (including three (3) outside directors). If Proposal 2 is approved and passed as proposed, there will still be seven (7) directors (including two (2) outside directors).

Details and numerical limit on share acquisition rights

(1) Total number of share acquisition rights and the type and number of underlying shares

· Total number of share acquisition rights:

The total number of share acquisition rights to be granted shall not exceed 276 per year.

· Type and number of shares underlying each right

The shares underlying the share acquisition rights shall be ordinary shares of the Company.

Each share acquisition right shall entitle the holder to acquire 1,000 ordinary shares (the “allotted share count”).

If, after the allotment date (i.e., the date on which these share acquisition rights are granted), the Company conducts a stock split (including gratis allotments of ordinary shares; the same shall apply hereinafter) or a share consolidation, the number of shares subject to these share acquisition rights shall be adjusted using the following formula:

Adjusted share count = Pre-adjustment share count × Stock split or share consolidation ratio

Such adjustments shall apply only to share acquisition rights that remain unexercised at the time of the relevant corporate action. Any fractional shares resulting in less than one one-hundredth (0.01) of a share shall be rounded down and disregarded.

The adjusted share count shall apply from the day immediately following:

(i) the record date specified in Article 183, Paragraph 2, Item (i) of the Companies Act, in the case of a stock split;

(ii) the effective date (or the record date, if one is set) in the case of a gratis allotment; or

(iii) the effective date of the share consolidation, in the case of a share consolidation.

In addition, if the Company conducts a merger, share exchange, company split, or any other comparable corporate action after the allotment date that necessitates an adjustment to the number of shares granted per share acquisition right, such number shall be adjusted appropriately.

(2) Payment for share acquisition rights

No payment shall be required in exchange for these share acquisition rights.

(3) Assets to be contributed upon exercise of share acquisition rights

The value of assets to be contributed upon exercise of these share acquisition rights shall be the amount obtained by multiplying the amount paid per share (the “exercise price”) by the number of shares to be allotted.

The exercise price shall be calculated by multiplying 1.05 by the average closing price of the Company’s ordinary shares in regular trading on the Tokyo Stock Exchange for each trading day (excluding non-trading days) in the month preceding the month that includes the allotment date. Any fraction of less than one yen shall be rounded up.

However, if the resulting amount is less than the closing price on the allotment date (or, if no trading occurs on that date, the closing price on the most recent trading day prior thereto), the exercise price shall be equal to that closing price.

If, following the allotment date, the Company conducts a stock split, share consolidation, or other comparable corporate action, the exercise price shall be adjusted in accordance with the following formula. Any fraction of less than one yen resulting from the adjustment shall be rounded up.

The effective date of the adjusted exercise price shall follow the same timing as the effective date for the adjusted number of shares, as set forth in item (1).

Adjusted exercise price = Exercise price before adjustment × 1 / Ratio of stock split or reverse stock split

If, after the allotment date of these share acquisition rights, the Company issues new ordinary shares or disposes of treasury shares at a price below market value (excluding any gratis allotment of shares; any issuance or disposal resulting from the exercise of these share acquisition rights; or any transfer of treasury shares through a share exchange), the exercise price shall be adjusted using the following formula. Any fraction of less than one yen resulting from such adjustment shall be rounded up.

For the purposes of this clause, “market price” refers to the average of the closing prices in regular trading of the Company’s ordinary shares on the Financial Instruments Exchange over the 30 trading days beginning on the 45th trading day prior to the effective date of the adjusted exercise price, excluding any days without a closing price.

This average shall be calculated to the second decimal place below one yen, with the second decimal place rounded down (truncated).

The adjusted exercise price resulting from the above adjustment shall apply from the day following the record date for the offering or allotment of shares, if such a record date has been set.

If no record date has been set, the adjusted exercise price shall apply from the day following the effective date of the issuance or disposal. However, where Article 209, Paragraph 1, Item (ii) of the Companies Act applies, the effective date shall be deemed to be the final day of the period specified therein.

Adjusted exercise price = Exercise price before adjustment × [(Number of outstanding shares + Number of newly issued shares × amount paid per share ÷ Market price before new issue) ÷ (Number of outstanding shares + Number of newly issued shares)]

In the above formula, “number of outstanding shares” refers to the total number of the Company’s issued shares, excluding the number of treasury shares of the Company’s ordinary stock.

In cases where treasury shares of the Company’s ordinary stock are disposed of, the term “number of newly issued shares” shall be read as “number of treasury shares to be disposed of.”

In addition to the foregoing, if, after the allotment date of the share acquisition rights, the Company (i) merges with another company, (ii) conducts a share exchange, (iii) carries out a company split, or (iv) otherwise engages in a corporate action analogous to any of the above that necessitates an adjustment to the exercise price, such adjustment may be made within a reasonable range by resolution of the Company’s Board of Directors.

If the Company issues or disposes of shares through a method other than a shareholder allotment or a gratis allotment of shares and resolves not to make an adjustment, then no adjustment pursuant to this section shall be applied.

(4) Exercise period for share acquisition rights

The exercise period for the share acquisition rights shall be determined by resolution of the Company's Board of Directors, within a range beginning on the date that is two years after the date of the Board resolution determining the offering terms, and ending on the date that is ten years after such resolution.

However, if the final day of the exercise period falls on a non-business day for banks, the immediately preceding bank business day shall be deemed the final day.

(5) Transfer restrictions on the share acquisition rights

The acquisition of these share acquisition rights through transfer shall be subject to approval by the Company's Board of Directors.

(6) Conditions governing the exercise of these share acquisition rights

① The number of share acquisition rights that a holder may exercise during each of the periods listed in items (i) through (iv) below shall be limited to the number specified for each respective period. However, if the resulting number includes a fraction of less than one (1), such fraction shall be rounded down.

(i) From October 25, 2030 through October 24, 2031: up to one fourth (25%) of the allocated rights

(ii) From October 25, 2031 through October 24, 2032: cumulatively (including any rights exercised in [i]), up to one half (50%) of the allocated rights

(iii) From October 25, 2032 through October 24, 2033: cumulatively (including any rights exercised in [i] and [ii]), up to three fourths (75%) of the allocated rights

(iv) On or after October 25, 2033: all allocated rights (including any rights exercised in [i], [ii], and [iii])

② As a general rule, a holder of share acquisition rights must, at the time of exercising such rights, hold a position as either a director or an employee of the Company or one of its affiliated companies.

However, the Company may permit exercise even if this condition is not met.

③ If any of the following events occurs, the holder of share acquisition rights shall not be permitted to exercise such rights.

However, the Company may permit exercise notwithstanding the occurrence of such events.

(i) The holder is sentenced to imprisonment or a more severe legal penalty

(ii) The holder competes with the Company or a company in its corporate group by directly or indirectly establishing a competing company or by assuming office as an officer or employee thereof, regardless of title; however, this restriction shall not apply where prior written approval from the Company has been obtained

(iii) The holder damages the credit or reputation of the Company or a company in its corporate group through violation of laws or other wrongful acts

(iv) The holder becomes subject to asset seizure, provisional asset seizure, provisional asset disposition, compulsory execution or auction, or suffers restraint for delinquent public imposts

(v) The holder has ceased making payments on, or becomes unable to pay, debts or obligations or a bill of exchange or check drawn or accepted by the holder is dishonored

(vi) A petition for bankruptcy, civil rehabilitation, or any similar procedure is filed with respect to the holder

(vii) The holder is found to be a member of, maintain a relationship or involvement with, or have funded "antisocial forces" (e.g., *boryokudan*, members or quasi-members thereof, *boryokudan*-affiliated companies, corporate racketeers, or any other groups or individuals pursuing economic gain by means of violence, intimidation, or fraudulent methods).

h. If the holder's conduct qualifies as a "disciplinary offense" under the work rules applicable to him or her at the Company or any company in its corporate group

④ Exercise of these share acquisition rights shall not be permitted for heirs of right holders

⑤ If, due to the exercise of these share acquisition rights, the total number of issued shares in the Company would exceed the total number authorized at that time, such exercise shall not be permitted.

⑥ The exercise of fractions of share acquisition rights shall not be permitted.

(7) Events and conditions permitting the Company to acquire these share acquisition rights

① If shareholder approval (or, where shareholder approval is not required, a resolution of the Board of Directors) is obtained for (i) a merger agreement under which the Company will be absorbed; (ii) a company split agreement or split plan under which the Company will be split; or (iii) a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary, the Company may acquire all of these share acquisition rights without compensation on a date separately determined by the Company's Board of Directors.

② If any written agreement under which more than 50% of the Company's outstanding shares are to be transferred simultaneously or effectively simultaneously to a specific third party (including any existing shareholders of the Company) is concluded, the Company may acquire share acquisition rights without compensation.

③ If the Company approves a shareholder's demand for the sale of shares, etc. (as defined in Article 179-3(1) of Japan's Companies Act), the Company may acquire share acquisition rights without compensation.

④ If, prior to their exercise, the rights of a right holder become non-exercisable pursuant to the provisions of item six ([6] Conditions governing the exercise of these share acquisition rights) above, the Company may acquire such Share Acquisition Rights without compensation.

(8) Other details

All other terms associated with the offering of these share acquisition rights shall be determined via a separate resolution of the Company's Board of Directors.

A summary of the details of the Company's policy for deciding the details of compensation for each director is provided in the Business Report (pg. 35). However, subject to the approval of this proposal, the Company has resolved to change the content of the policy at its Board of Directors' meeting on September 19, 2025. An outline of the policy that will be used to determine how much each director will be paid after the change is set forth in the Reference Material for the General Meeting of Shareholders (pg. 20). The Company believes the proposal's content is necessary and appropriate to determine the compensation for each director in accordance with the revised policy.

Subject to the approval of this proposal, the Company intends to apply the same Plan described above to its employees (in certain managerial positions).

END

(Reference) Outline of the Company's New Executive Compensation Plan

At its meeting on September 19, 2025, the Company's Board of Directors resolved to seek shareholder approval for Proposal No. 3, "Approval of amount and terms of stock-option remuneration for directors (excluding outside directors)"

The following is an outline of the details of the policy for determining the content of the new individual compensation of Directors if Proposal No. 3, "Approval of amount and terms of stock-option remuneration for directors (excluding outside directors)" is approved at this General Meeting of Shareholders.

Outline of the details of the policy for determining the content of individual director compensation

1. Basic policy

The Company's director compensation system is linked to shareholder returns to fully function as an incentive to sustainably increase corporate value. When determining individual director compensation, it is set at a level appropriate to their positions and responsibilities.

Executive directors are paid long-term incentive-type non-monetary compensation (share acquisition rights granted as stock options) in addition to base compensation, which is fixed compensation, to motivate them to achieve medium- and long-term goals. Outside directors and corporate auditors who are in charge of supervisory functions are only paid a base salary in consideration of their responsibilities.

2. Policy on determining the amount of individual basic compensation (monetary compensation)

The Company's directors are paid a fixed monthly compensation as basic compensation, which is determined by comprehensively taking into account their positions, responsibilities, and years in office, while also considering the standards of other companies, the Company's business performance, and employee salaries.

3. Policy on determining the content of non-monetary compensation and the calculation method for the number of shares

The Company provides non-monetary compensation to directors in the form of share acquisition rights granted as stock options. When deemed necessary for business-related reasons, the Company's Board of Directors—or, if required by law, participants in a general meeting of the Company's shareholders—shall approve the issuance of such share acquisition rights and determine corresponding terms, including, but not limited to, the number of share acquisition rights to be issued and the cash amount to be paid in exchange for such rights.

4. Policy for determining the amount of monetary compensation and the ratio of non-monetary compensation

The ratio of each compensation type will be determined in such a way that it is appropriate to motivate employees to contribute to the sustainable enhancement of the Company's corporate value, taking into account their positions, responsibilities, achievements, number of shares held, trends at other companies of similar business scale, and other factors.

5. Matters concerning the determination of details of individual director compensation

The Company's representative director shall, pursuant to a resolution of the Company's Board of Directors, be delegated authority for determining the specific details of compensation for each individual director. The scope of such authority shall cover specifics including, but not limited to, each director's base compensation and non-monetary compensation. The reason for the delegation is that the Company has determined that, in terms of base compensation, it is appropriate for the Representative Director to evaluate each Director's responsibilities in light of the Company's overall business performance, and that, in terms of stock-based compensation, the Representative Director will appropriately grant monetary compensation claims in accordance with the relevant stock-based compensation plan. To ensure the Representative Director exercises his authority properly, the Board of Directors shall consult with the Compensation Committee on the draft and obtain its report, and the Representative Director to whom such authority has been delegated must consider the contents of the report before making a decision.