

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Securities code: 7949

May 29, 2026

To Shareholders with Voting Rights:

Shinya Kano
Representative Director, President & CEO
KOMATSU WALL INDUSTRY CO., LTD.
1-72, Kogyodanchi, Komatsu-shi, Ishikawa,
Japan

**NOTICE OF
THE 59th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 59th Annual General Meeting of Shareholders of Komatsu Wall Industry Co., Ltd. (the “Company”) will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken electronic provision measures, which provide information contained in the Reference Documents, etc., for the General Meeting of Shareholders (the “matters subject to the electronic provision measures”) in electronic format, and has posted this information on the following websites on the Internet. Please access any of the websites to review the information.

- The Company website

<https://www.komatsuwall.co.jp/ir/stock/meeting/index.html> (available in Japanese only)

- The TSE website (Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

Please access the TSE website above, enter “KOMATSU WALL INDUSTRY” in the “Issue name (company name)” field or our securities code “7949” in the “Code” field, and click on “Search” to find search results. Then, click on “Basic information” and “Documents for public inspection/PR information” in this order to find information.

- The website where the materials for the General Meeting of Shareholders are posted

<https://s.srdb.jp/7949/> (available in Japanese only)

If you cannot attend in person on the day, you may exercise your voting rights via the Internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders included in the matters subject to the electronic provision measures and exercise your voting rights no later than 5:20 p.m., Wednesday, June 17, 2026 (JST).

Date and Time	Thursday, June 18, 2026 at 10:00 a.m. Japan Standard Time (Reception opens at 9:00 a.m.)
Place	Conference Room, 2F, KOMATSU WALL INDUSTRY CO., LTD. Head Office 1-72, Kogyodanchi, Komatsu-shi, Ishikawa
Meeting Agenda	<p>Matters to be reported: The Business Report and Non-consolidated Financial Statements for the Company's 59th Fiscal Year (April 1, 2025 - March 31, 2026)</p> <p>Proposals to be resolved: Proposal 1: Appropriation of Surplus Proposal 2: Election of Five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members) Proposal 3: Election of Two (2) Directors who are Audit and Supervisory Committee Members Proposal 4: Revision to Compensation for Directors who are Audit and Supervisory Committee Members Proposal 5: Revision to Stock Compensation Plan for Directors</p>
Matters determined by the Company in convening the Meeting	<ul style="list-style-type: none"> • If a shareholder exercises the voting rights in duplicate in writing and the Internet, the vote via the Internet shall be deemed to be valid. • If a shareholder exercises the voting rights more than once via the Internet, the last vote shall be deemed to be valid. • If no indication of approval or disapproval is made on the Voting Rights Exercise Form for a proposal, it shall be treated as an indication of approval.

1. If you attend in person, please submit the enclosed Voting Rights Exercise Form at the reception of the venue.
2. Among the matters subject to the electronic provision measures, the following matters will not be provided in the paper copy to shareholders who made a request for delivery of documents in accordance with the provisions of laws and regulations and Article 16, Paragraph 2 of the Articles of Incorporation of the Company. Accordingly, the paper copy to be delivered to shareholders who made a request for delivery of documents constitutes only part of the documents audited by the Audit and Supervisory Committee and Accounting Auditor in preparation of audit reports.
 - Business Report: "System and Policy of the Company" and "Audit Report by the Audit and Supervisory Committee Regarding Business Report"
 - Non-consolidated Financial Statements: "Non-consolidated Statements of Changes in Equity," "Notes to Non-consolidated Financial Statements," and "Audit Reports by the Audit and Supervisory Committee and the Accounting Auditor Regarding Non-consolidated Financial Statements"
3. To help shareholders gain a deeper understanding of the Company, we will hold a product briefing after this General Meeting of Shareholders. Please feel free to attend and give us your comments and opinions. The Company will not provide gifts to shareholders who attend this General Meeting of Shareholders. Your kind understanding will be most appreciated.
4. If any revisions to the matters subject to the electronic provision measures arise, a notice to that effect and the matters before and after the revision will be posted on the respective websites as mentioned above.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Based on its medium-term management plan, “NEXT VISION 2028,” the Company considers it most important to provide a stable and continuous return of profits to its shareholders. The Company’s basic policy is to pay dividends with a target Dividend-on-Equity (DOE) ratio of 6% while recognizing the importance of capital efficiency and maintaining a sound financial position. In addition, the Company aims for steady improvement in dividend levels through the realization of sustainable growth and other efforts. Based on this basic policy, and considering comprehensively its full-year business performance and other factors, the Company proposes paying a year-end dividend for the fiscal year under review, as detailed below.

If this proposal is approved, the annual dividend, including the interim dividend, would amount to ¥130 per share.

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property to shareholders and the total amount
¥65 per common share of the Company
Total amount: ¥1,166,884,160
- (3) Effective date of dividends of surplus
June 19, 2026

Proposal 2: Election of Five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members)

The term of office of all five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members).

The candidates for Directors are determined by the Board of Directors following deliberation by a voluntary Nomination and Compensation Committee chaired by an Independent Outside Director, which comprises a majority of Independent Outside Directors. The Audit and Supervisory Committee has expressed the opinion that there is nothing to point out about this proposal.

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

Candidate No.	Name, Gender (age)			Current positions of the Company	Attendance at the Board of Directors meetings during the fiscal year ended March 31, 2026	Term of office as a director
1	Shinya Kano	Male (42)	Reappointment	Representative Director, President President & CEO	12 out of 12 meetings	Nine (9) years
2	Shinichi Yamada	Male (60)	Reappointment	Director Managing Executive Officer, General Manager of Business Headquarters	12 out of 12 meetings	Ten (10) years
3	Yukio Aya	Male (63)	Reappointment	Director Managing Executive Officer, General Manager of Administration Headquarters	12 out of 12 meetings	Six (6) years
4	Toshio Hachiya	Male (70)	Reappointment Outside Independent	Outside Director	12 out of 12 meetings	Six (6) years
5	Mayumi Furuya	Female (48)	Reappointment Outside Independent	Outside Director	12 out of 12 meetings	Four (4) years

Note: The age of each candidate for director is as of the date of this Annual General Meeting of Shareholders.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Shinya Kano (September 12, 1983)</p> <p><u>Reappointment</u></p> <p>Years served as Director (at the conclusion of this General Meeting of Shareholders): 9 years</p> <p>Attendance at the Board of Directors meetings: 12 out of 12 meetings (100%)</p>	<p>April 2011 Joined the Company</p> <p>April 2014 General Manager of Business Department of Tokyo Branch</p> <p>April 2016 Executive Officer, Deputy General Manager of Business Headquarters</p> <p>June 2017 Director</p> <p>April 2018 Executive Officer, Deputy General Manager of Business Headquarters, General Manager of Sales Planning Department</p> <p>April 2019 Executive Officer, General Manager of Marketing Headquarters, General Manager of Sales Planning Department</p> <p>June 2020 Managing Executive Officer, General Manager of Marketing Headquarters, General Manager of Sales Planning Department</p> <p>June 2021 Managing Executive Officer, General Manager of Engineering & Development Division</p> <p>April 2022 Managing Executive Officer, General Manager of Engineering & Development Division, IR & Corporate Planning Supervisor</p> <p>June 2022 Senior Managing Executive Officer, General Manager of Engineering & Development Division, IR & Corporate Planning Supervisor</p> <p>April 2023 Senior Managing Executive Officer, IR & Corporate Planning Supervisor</p> <p>June 2023 Representative Director, President (to date)</p> <p>June 2023 President & CEO (to date)</p> <p>[Reason for nomination as candidate for Director] Mr. Shinya Kano has abundant experience and knowledge gained through the involvement mainly in the sales, product planning, and corporate planning departments, and is well-versed in the entire business. Having commissioned him as a chief executive officer, we propose his reappointment as Director as we can expect him to enhance the Board effectiveness in terms of its decision-making and supervisory functions by leveraging his experience and knowledge at the Board of Directors of the Company.</p>	3,476,418

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Shinichi Yamada (October 18, 1965)</p> <p><u>Reappointment</u></p> <p>Years served as Director (at the conclusion of this General Meeting of Shareholders): 10 years</p> <p>Attendance at the Board of Directors meetings: 12 out of 12 meetings (100%)</p>	<p>June 1991 Joined the Company</p> <p>April 2014 General Sales Manager of Kansai and Chukyo Zone</p> <p>April 2016 Executive Officer, Deputy General Manager of Business Headquarters</p> <p>June 2016 Executive Officer, General Manager of Business Headquarters</p> <p>June 2016 Director (to date)</p> <p>June 2020 Managing Executive Officer, General Manager of Business Headquarters (to date)</p> <p>[Reason for nomination as candidate for Director] Mr. Shinichi Yamada has abundant experience and knowledge gained through the involvement mainly in the sales departments, and is well-versed in the entire business. We propose his reappointment as Director as we can expect him to enhance the Board effectiveness in terms of its decision-making and supervisory functions by leveraging his many years of experience leading the sales division at the Board of Directors of the Company..</p>	14,000
3	<p>Yukio Aya (August 31, 1962)</p> <p><u>Reappointment</u></p> <p>Years served as Director (at the conclusion of this General Meeting of Shareholders): 6 years</p> <p>Attendance at the Board of Directors meetings: 12 out of 12 meetings (100%)</p>	<p>March 1985 Joined the Company</p> <p>November 2016 General Manager of Sales Promotion Department</p> <p>April 2019 Executive Officer, General Manager of Sales Promotion Department</p> <p>June 2020 Director (to date)</p> <p>June 2020 Executive Officer, General Manager of Engineering Division</p> <p>June 2021 Executive Officer, General Manager of Administration Headquarters</p> <p>June 2023 Managing Executive Officer, General Manager of Administration Headquarters (to date)</p> <p>[Reason for nomination as candidate for Director] Mr. Yukio Aya has abundant experience and knowledge gained through the involvement mainly in the sales and engineering departments, and is well-versed in the entire business. Having commissioned him as General Manager of Administration Headquarters, we propose his reappointment as Director as we can expect him to enhance the Board effectiveness in terms of its decision-making and supervisory functions by leveraging his experience and knowledge at the Board of Directors of the Company.</p>	11,000

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p>Toshio Hachiya (May 3, 1956)</p> <p><u>Reappointment</u></p> <p><u>Candidate for Outside Director</u></p> <p><u>Candidate for Independent Officer</u></p> <p>Years served as Director (at the conclusion of this General Meeting of Shareholders): 6 years</p> <p>Attendance at the Board of Directors meetings: 12 out of 12 meetings (100%)</p>	<p>April 1981 Joined Okada and Associates</p> <p>April 1983 Joined Maki and Associates</p> <p>April 1992 Lecturer, Department of Architecture, Faculty of Engineering, Toyo University</p> <p>October 2003 Professor, College of Architecture, Kanazawa Institute of Technology (to date)</p> <p>April 2007 Executive Advisor, KANAZAWA PLANNING RESEARCH (to date)</p> <p>June 2020 Director of the Company (to date)</p> <p>(Significant concurrent positions) Professor, College of Architecture, Kanazawa Institute of Technology Executive Advisor, KANAZAWA PLANNING RESEARCH</p> <p>[Reason for nomination as candidate for Outside Director and expected roles] Mr. Toshio Hachiya is doing research in architecture and other fields as a Professor at Kanazawa Institute of Technology. With the many years of experience and insight that he has gained as a specialist in architectural design, he is serving the position of Outside Director to supervise the business execution, independent from the Company. We propose his reappointment as Outside Director as we expect him to leverage his abundant expert knowledge to provide advice concerning the Company's management in general and continue to appropriately assess and supervise the business execution.</p>	0

Director of the Company during the coverage period. If elected, each candidate will be insured under the insurance contract. The Company also plans to renew this insurance policy with the same content in the next renewal round.

Proposal 3: Election of Two (2) Directors who are Audit and Supervisory Committee Members

The term of office of Mr. Masato Higa and Ms. Junko Matsuyama as Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of two (2) Directors who are Audit and Supervisory Committee Members.

The candidates for Directors are determined by the Board of Directors following deliberation by a voluntary Nomination and Compensation Committee chaired by an independent Outside Director, which comprises a majority of independent Outside Directors. We have obtained the consent of the Audit & Supervisory Committee for this proposal.

The candidate for Director who is Audit and Supervisory Committee Member is as follows:

Candidate No.	Name, Gender (age)			Current positions of the Company	Attendance at the Board of Directors meetings during the fiscal year ended March 31, 2026	Term of office as a director
1	Masato Higa	Male (63)	Reappointment	Director (Audit and Supervisory Committee Member <full-time>)	12 out of 12 meetings	Two (2) years
2	Junko Matsuyama	Female (53)	Reappointment Outside Independent	Director (Audit and Supervisory Committee Member)	12 out of 12 meetings	Two (2) years and two (2) months

Note: The age of each candidate for director is as of the date of this Annual General Meeting of Shareholders.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Masato Higa (March 17, 1963)</p> <p><u>Reappointment</u></p> <p>Years served as Director (at the conclusion of this General Meeting of Shareholders): 2 years</p> <p>Attendance at the Board of Directors meetings: 12 out of 12 meetings (100%)</p> <p>Attendance at the Audit and Supervisory Committee meetings: 10 out of 10 meetings (100%)</p>	<p>April 1988 Joined the Company</p> <p>April 2005 General Manager of Fukuoka Branch</p> <p>April 2012 General Manager of Osaka Branch</p> <p>April 2023 Executive Officer, General Manager of Manufacturing Management Department</p> <p>April 2024 Executive Officer, Deputy General Manager of Administration Headquarters</p> <p>June 2024 Director, Audit and Supervisory Committee Member (full-time) of the Company (to date)</p> <hr/> <p>[Reason for nomination as candidate for Director] Mr. Masato Higa has abundant experience gained through the involvement mainly in the Sales and Manufacturing Management departments of the Company. We expect him to leverage his knowledge and experience thus gained to supervise the Company's business execution. We propose his reappointment as Director who is an Audit and Supervisory Committee Member, as we believe that he qualifies for the position.</p>	10,200

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Junko Matsuyama (October 15, 1972)</p> <p><u>Reappointment</u></p> <p><u>Candidate for Outside Director</u></p> <p><u>Candidate for Independent Officer</u></p> <p>Years served as Director (at the conclusion of this General Meeting of Shareholders): 2 years and 2 months</p> <p>Attendance at the Board of Directors meetings: 12 out of 12 meetings (100%)</p> <p>Attendance at the Audit and Supervisory Committee meetings: 10 out of 10 meetings (100%)</p>	<p>April 1996 Joined Fuji Xerox Co., Ltd. (currently, FUJIFILM Business Innovation Japan Corp.)</p> <p>April 2008 Entered KYOTO UNIVERSITY LAW SCHOOL</p> <p>March 2011 Graduated from KYOTO UNIVERSITY LAW SCHOOL</p> <p>July 2013 Registered as attorney-at-law Joined HOENZAKA LAW OFFICE</p> <p>April 2021 Director, Korinbou Law Office (to date)</p> <p>April 2024 Temporary Director of the Company (Audit and Supervisory Committee Member)</p> <p>June 2024 Director, Audit and Supervisory Committee Member of the Company (to date)</p> <p>(Significant concurrent position) Director, Korinbou Law Office</p> <p>[Reason for nomination as candidate for Outside Director and expected roles] Ms. Junko Matsuyama has abundant experience in sales positions in the corporate world, as well as years of achievements and considerable knowledge of legal affairs as an attorney-at-law. We propose her reappointment as Outside Director as we expect her to leverage her abundant expertise to provide advice concerning the Company's management in general and continue to appropriately assess and supervise the business execution.</p>	0

- Notes:
1. There are no special interests between the candidates and the Company.
 2. Ms. Junko Matsuyama is a candidate for the position of Outside Director.
 3. The Company has notified the TSE about the appointment of Ms. Junko Matsuyama as an Independent Officer as prescribed in the TSE regulations who is not likely to have any conflict of interest with general shareholders. The Company has also determined that she sufficiently meets the Independence Criteria for Outside Directors established by the Company. If her reappointment is approved, the Company intends to continue to notify TSE of her appointment as an Independent Officer. Please refer to the "Independence Criteria for Outside Directors" stated later in this document.
 4. Ms. Junko Matsuyama will have served as a Director of the Company who is an Audit and Supervisory Committee Member for two (2) years and two (2) months at the conclusion of this General Meeting of Shareholders.
 5. The Company has, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation, concluded a contract with Ms. Junko Matsuyama that limits her liabilities as provided in Article 423, Paragraph 1 of the Companies Act to the minimum liability amount prescribed by Article 425, Paragraph 1 of the Companies Act. The Company plans to continue this contract if she is elected.
 6. The Company has concluded an auditors and officers liability insurance contract that insures all of its Directors as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance

company. The insurance policy covers legal damages and litigation damages to be borne by the insured persons in the event of claims made against them for the execution of their duties as a Director of the Company during the coverage period. If elected, each candidate will be insured under the insurance contract. The Company also plans to renew this insurance policy with the same content in the next renewal round.

[Reference] Skill Matrix

If Proposals 2 and 3 of this Annual General Meeting of Shareholders are approved as originally proposed, the skill matrix for each Director, including incumbent Directors, will be as follows.

Please note that the table below does not represent all of the knowledge and experience of the Directors.

Name	Positions	Attributes, etc.	Expertise and experience the Company expects from its Directors					
			Corporate management	Production engineering / development and design	Sales	Industry knowledge	Finance and accounting	Legal affairs / Risk management
Shinya Kano	Representative Director, President & CEO		●	●	●	●	●	●
Shinichi Yamada	Director				●	●	●	●
Yukio Aya	Director				●	●	●	●
Toshio Hachiya	Director	Outside Independent		●		●		●
Mayumi Furuya	Director	Outside Independent					●	●
Masato Higa	Director (Audit and Supervisory Committee Member <full-time>)				●	●	●	●
Koichi Nakada	Director (Audit and Supervisory Committee Member)	Outside Independent	●				●	●
Junko Matsuyama	Director (Audit and Supervisory Committee Member)	Outside Independent			●		●	●

[Reference] Independence Criteria for Outside Directors

The Company has established the “Independence Criteria for Outside Directors” as set forth below.

In addition to the independence criteria for independent officers prescribed by the Companies Act and financial instrument exchanges, the Company deems an Outside Director or Outside Director candidate to have sufficient independence if such person does not currently fall, and has not fallen during the most recent three fiscal years, under any of the following items.

1. An executing person of a company for which the Company is a client, or of its parent company, or of its material subsidiary, where the transaction amount exceeds 2% of the consolidated net sales of such company
2. An executing person of a company that is a client of the Company, or of its parent company, or of its material subsidiary, where the transaction amount exceeds 2% of the Company’s net sales
3. An executing person of a lender to the Company, or of its parent company, or of its material subsidiary, where the outstanding borrowings exceed 5% of the Company’s total assets
4. A consultant, accounting professional, or legal professional who receives money or other properties from the Company in an amount of ¥10 million or more per year, other than as compensation for being a director (if the recipient is a corporation, partnership, or any other organization, this item applies to any person belonging to said organization)
5. An executing person of a major shareholder of the Company, or of its parent company, or of its material subsidiary, where such shareholder holds 10% or more of the total voting rights of the Company
6. A certified public accountant belonging to the audit firm currently engaged to conduct the statutory audit of the Company; or a person who belonged to such audit firm and was actually in charge of audit operations during the most recent three fiscal years
7. An executing person or corporate auditor of a company that has accepted a director from the Company, or of its parent company, or of its material subsidiary
8. A person receiving donations of ¥10 million or more per year from the Company (if the recipient is a corporation, partnership, or any other organization, this item applies to officers of such organization and persons directly involved in research, education, or other activities related to such donations)
9. A spouse or a relative within the second degree of kinship of an executing person or other person falling under items 1 through 8 above

(Note) “Executing person” refers to executive directors, executive officers, and key employees.

Proposal 4: Revision to Compensation for Directors who are Audit and Supervisory Committee Members

At the 49th Annual General Meeting of Shareholders held on June 24, 2016, it was resolved that the total amount of compensation for Directors who are Audit and Supervisory Committee Members shall be within ¥30 million per year, and this has remained unchanged to date. The number of Directors who are Audit and Supervisory Committee Members at the conclusion of that General Meeting of Shareholders was four (4).

In light of the increased roles and responsibilities of Directors who are Audit and Supervisory Committee Members and other circumstances, including changes in the economic environment, the Company proposes to revise the total amount of compensation for Directors who are Audit and Supervisory Committee Members to within ¥50 million per year.

The Company has determined that this proposal is appropriate, as it was decided by the Board of Directors following deliberation by a voluntary Nomination and Compensation Committee chaired by an independent Outside Director, which comprises a majority of independent Outside Directors, while taking into comprehensive consideration the compensation structure for officers, compensation levels, the current number of officers, and future outlook.

If Proposal 3 is approved as proposed, the number of Directors who are Audit and Supervisory Committee Members eligible to receive compensation under this proposal will be three (3).

Proposal 5: Revision to Stock Compensation Plan for Directors

1. Reasons for the revision and grounds for its appropriateness

At the 49th Annual General Meeting of Shareholders held on June 24, 2016, it was approved to introduce the stock compensation plan “Board Benefit Trust (BBT)” (the “Current BBT Plan”) for Directors (including Directors who are Audit and Supervisory Committee Members, but excluding Outside Directors) and Executive Officers, and the plan has been in place since then. (The resolution at the above General Meeting of Shareholders is hereinafter referred to as the “Original Resolution.”)

The Company hereby seeks approval to revise the Current BBT Plan to “Board Benefit Trust-Restricted Stock (BBT-RS)” (the “Plan”), which allows Directors (excluding non-executive Directors; the same applies hereinafter in this proposal unless otherwise stated) and Executive Officers (collectively with Directors, the “Directors, etc.”) to benefit from the advantages of both the BBT plan and the restricted stock compensation plan, so that Directors, etc. have greater incentives to work toward enhancing corporate value.

This proposal aims, in addition to the original objectives of the Current BBT Plan, to encourage Directors, etc. to share value with shareholders from a closer perspective and engage in management with greater awareness, and to raise their awareness of contributing to medium- to long-term improvement in business performance and enhancement of corporate value, by delivering restricted shares to Directors, etc. even during their term of office and thereby enabling them to hold the same rights as shareholders, such as voting rights and dividend rights. The Nomination and Compensation Committee has reported that the revision to the Plan is appropriate, based on the objectives of the Plan and the effectiveness of incentives for medium- to long-term improvement in business performance. In addition, this proposal is consistent with the policy for determining the details of individual compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members) resolved by the Board of Directors (as set forth later in this document), subject to approval of this proposal as proposed. For these reasons, the Company considers the content of this proposal to be reasonable.

This proposal seeks approval of the specific method for calculating the amount of compensation and the specific details thereof, so that the Company may provide compensation to its Directors under the Plan as a separate framework from the compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members) approved at the 49th Annual General Meeting of Shareholders held on June 24, 2016 (within ¥400 million per year; excluding salaries paid as employees). The Company respectfully asks shareholders to entrust the details of the Plan to the Board of Directors within the framework set forth in 2. below.

Non-executive Directors are not eligible for the Plan in light of their roles. However, Directors who are Audit and Supervisory Committee Members covered under the Current BBT Plan and continuing to serve after the conclusion of this Annual General Meeting of Shareholders, and other Directors covered under the Current BBT Plan who retire at the conclusion of this Annual General Meeting of Shareholders and assume the position of non-executive Directors on the same date (collectively, the “Persons Eligible for the Transitional Measures”) shall be eligible for the Plan solely for the purpose of transitioning and delivering points already granted under the Current BBT Plan (totaling 32,123 points, comprising 5,323 points for Directors who are Audit and Supervisory Committee Members and 26,800 points for other Directors) through the transitional measures (as defined in 2. (1) below; the same applies hereinafter). No new points shall be granted to the Persons Eligible for the Transitional Measures under the Plan.

If Proposals 2 and 3 are approved as proposed, the number of Directors eligible for the Plan will be two (2). The number of non-executive Directors eligible for the Transitional Measures will be two (2), comprising one (1) Director who is an Audit and Supervisory Committee Member and one (1) other Director.

The Audit and Supervisory Committee has also expressed the opinion that the revision to the Plan is appropriate, based on both the objectives of the Plan and the decision-making process for this proposal which includes the report from the Nomination and Compensation Committee.

2. Specific method for calculating the amount of compensation and specific details thereof under the Plan

The Current BBT Plan shall be partially revised as set forth below. The main revisions are underlined below.

(1) Overview of the Plan

The Plan is a stock compensation plan under which the Company's shares are acquired through a trust (the trust established under the Plan is hereinafter referred to as the "Trust") using funds contributed by the Company, and the Company's shares and cash equivalent to the market value of the Company's shares (hereinafter referred to as the "Company's Shares, etc.") are delivered to Directors, etc. through the Trust in accordance with the Regulations on Stock Grant for Officers established by the Company. The timing of delivery of the Company's shares to Directors, etc. shall, in principle, be a certain time each year, and the timing of delivery of cash equivalent to the market value of the Company's shares to Directors, etc. shall, in principle, be at the time of their retirement. In cases where Directors, etc. receive delivery of the Company's shares during their term of office, Directors, etc. shall, prior to such delivery, enter into a transfer restriction agreement with the Company as set forth in 3. below. As a result, the Company's shares delivered to Directors, etc. during their term of office shall be subject to restrictions on transfer and other dispositions until the retirement of the relevant Directors, etc.

In addition, in conjunction with the revision to the Plan, points already granted under the Current BBT Plan to Directors, etc. serving at the time of the conclusion of this Annual General Meeting of Shareholders and the Persons Eligible for the Transitional Measures shall, subject to approval of this proposal, be transitioned to points under the Plan, and such Directors, etc. and the Persons Eligible for the Transitional Measures shall receive delivery of the Company's Shares, etc. based on the transitioned points. The timing of delivery of the Company's shares to such Directors, etc. and the Persons Eligible for the Transitional Measures based on the transitioned points shall be a time designated by the Company after the conclusion of this Annual General Meeting of Shareholders, and the timing of delivery of cash equivalent to the market value of the Company's shares shall, in principle, be at the time of retirement of such Directors, etc. and the Persons Eligible for the Transitional Measures (these measures are hereinafter referred to as the "Transitional Measures" in this proposal). The Company's shares delivered to such Directors, etc. and the Persons Eligible for the Transitional Measures through the Transitional Measures shall also be subject to restrictions on transfer and other dispositions pursuant to the transfer restriction agreement described above.

(2) Eligible persons for the Plan

Directors (excluding non-executive Directors) and Executive Officers

Note: Solely for the purpose of the Transitional Measures, Directors who are Audit and Supervisory Committee Members covered under the Current BBT Plan and continuing to serve after the conclusion of this Annual General Meeting of Shareholders, and other Directors covered under the Current BBT Plan who retire at the conclusion of this Annual General Meeting of Shareholders and assume the position of non-executive Directors on the same date, shall also be eligible for the Plan. No new points shall be granted to such persons under the Plan.

(3) Amount of trust funds

The Company has established the Trust by contributing funds necessary for the Trust to acquire a certain number of shares in advance for a certain period, as reasonably expected to be necessary for stock grants under the Current BBT Plan. Within the scope approved by the Original Resolution, the Company has contributed ¥402 million at the commencement of the trust period (August 2016) and ¥232 million in November 2024, respectively, as the source of funds for the acquisition of the Company's shares by the Trust. The Trust shall continue as a trust based on the Plan as revised by the resolution of this proposal.

Subject to approval of this proposal, the Company shall revise the Current BBT Plan to the Plan, covering the five fiscal years from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2031 (the period of such five fiscal years is hereinafter referred to as the "Initial BBT-RS Target Period," and the Initial BBT-RS Target Period and each subsequent period of five fiscal years commencing after the expiration of the Initial BBT-RS Target Period are hereinafter individually referred to as a "Target Period") and each subsequent Target Period thereafter. The Company's shares and cash remaining in the trust assets, which were acquired by the Trust using funds contributed by the Company under the Current BBT Plan, shall, following the revision of the Current BBT Plan to the Plan upon the approval of this

proposal, be applied as the source of funds for grants under the Plan.

In addition, after the expiration of the Initial BBT-RS Target Period and until the termination of the Plan, the Company shall in principle, for each Target Period, make additional contributions of funds deemed necessary to the Trust for the Trust to acquire in advance the number of shares reasonably estimated to be necessary for grants to Directors, etc. under the Plan. Provided, however, that if there are any remaining shares of the Company and cash held in the trust assets (excluding shares of the Company equivalent to the number of points granted to Directors, etc. in respect of each Target Period up to the immediately preceding one, for which grants to Directors, etc. have not yet been made) (hereinafter referred to as the "Remaining Shares, etc.") at the time of such additional contribution, the Remaining Shares, etc. shall be applied as the source of funds for grants under the Plan in subsequent Target Periods, and the amount of the additional contribution shall be calculated taking into account the Remaining Shares, etc. The Company shall make timely and appropriate disclosure when it decides to make an additional contribution.

Note: The amount of money actually contributed by the Company to the Trust shall be the sum of the funds for share acquisition described above and the estimated amount of necessary expenses such as trustee fees.

(4) Method of acquisition and number of the Company's shares to be acquired by the Trust

The Trust shall acquire the Company's shares using the funds contributed pursuant to (3) above as the source of funds, through the exchange market or by receiving an allotment of treasury shares disposed of by the Company.

As the number of points to be granted to Directors, etc. is limited to 42,000 points per fiscal year (of which 24,000 points are for Directors), as set forth in (5) below, the number of the Company's shares to be acquired by the Trust for each Target Period shall not exceed 210,000 shares. The details of the acquisition of the Company's shares by the Trust shall be disclosed in a timely and appropriate manner.

(5) Maximum number of the Company's shares, etc. to be delivered to Directors, etc.

Directors, etc. shall be granted points for each fiscal year in accordance with the Regulations on Stock Grant for Officers, the number of which shall be determined by taking into account their position, performance achievement level, and other factors. The total number of points to be granted to Directors, etc. per fiscal year shall be limited to 42,000 points (of which 24,000 points are for Directors). This has been determined through comprehensive consideration of current officer compensation, trends in the number of Directors, etc. and future outlook, and other factors, and has been judged to be appropriate.

Points granted to Directors, etc. shall be converted at a ratio of one share of the Company's common stock per point at the time of delivery of the Company's shares, etc. pursuant to (6) below (provided, however, that if a stock split, the allotment of shares without consideration, share consolidation, or other similar event occurs with respect to the Company's shares after approval of this proposal, reasonable adjustments shall be made to the maximum number of points, the number of points already granted, or the conversion ratio, in accordance with the ratio or rate of such stock split, allotment of shares without consideration, share consolidation, or other similar event).

The ratio of 240 voting rights, which corresponds to shares equivalent to the maximum number of points to be granted to Directors per fiscal year, to 178,579 voting rights associated with the total number of issued shares (as of March 31, 2026) is approximately 0.13%.

The number of points of Directors, etc. that serves as the basis for the delivery of the Company's shares, etc. pursuant to (6) below shall, in principle, be the number of points granted to the relevant Directors, etc. by the time the beneficial interest is vested as set forth in (6) below (the points calculated in this manner are hereinafter referred to as the "Vested Points").

(6) Delivery of the Company's shares, etc. and specific method for calculating the amount of compensation

Directors, etc. who satisfy the beneficiary requirements shall in principle receive delivery from the Trust of the number of the Company's shares corresponding to the "Vested Points" determined as described in (5) above, at a certain time each year, by completing the prescribed beneficiary confirmation procedures. Provided, however, that if the requirements set forth in the Regulations on Stock Grant for Officers are satisfied, Directors, etc. shall receive, in respect of a certain proportion of their points, a cash payment equivalent to the market value of the Company's shares at the time of their retirement, in principle, in lieu of the delivery of the Company's shares. The Trust may sell the Company's shares in order to make such cash payment.

In cases where Directors, etc. receive delivery of the Company's shares during their term of office, Directors, etc. shall, prior to such delivery, enter into a transfer restriction agreement with the Company as set forth in 3. below. As a result, the Company's shares delivered to Directors, etc. during their term of office shall be subject to restrictions on transfer and other dispositions until the retirement of the relevant Directors, etc.

In addition, even if Directors, etc. have been granted points, they shall not be entitled to receive delivery of the Company's shares in the event that a resolution for their dismissal is passed at a general meeting of shareholders or a meeting of the Board of Directors, that they retire due to certain misconduct during their term of office, or that there is any improper act during their term of office that causes damage to the Company.

The amount of compensation to be received by Directors shall be based on the amount calculated, at the time of granting of points, by multiplying the total number of points granted to Directors by the book value per share of the Company's shares held by the Trust (provided, however, that if a stock split, the allotment of shares without consideration, share consolidation, or other similar event occurs with respect to the Company's shares, reasonable adjustments shall be made in accordance with the ratio or rate of such event). Where cash is exceptionally delivered in accordance with the Regulations on Stock Grant for Officers and such delivery is deemed appropriate, the amount of such cash shall be added.

(7) Treatment of dividends

Dividends related to the Company's shares held in the Trust account shall be received by the Trust and applied toward the acquisition cost of the Company's shares and trustee fees and other expenses related to the Trust. In the event that the Trust is terminated, any dividends and other amounts remaining in the Trust shall be distributed to Directors, etc. in office at that time in proportion to the number of points held by each of them, in accordance with the Regulations on Stock Grant for Officers.

3. Overview of the transfer restriction agreement concerning the Company's shares to be delivered to Directors, etc.

In cases where Directors, etc. receive delivery of the Company's shares during their term of office, Directors, etc. shall, prior to such delivery, enter into a transfer restriction agreement with the Company (hereinafter referred to as the "Transfer Restriction Agreement") that includes, in outline, the following provisions (Directors, etc. shall receive delivery of the Company's shares on the condition that they enter into the Transfer Restriction Agreement). Provided, however, that in cases where Directors, etc. have already retired at the time of delivery of shares, the Company's shares may be delivered without entering into the Transfer Restriction Agreement.

(1) Details of transfer restriction

Directors, etc. shall not transfer, create a security interest over, or otherwise dispose of the Company's shares delivered to them during the period from the date of delivery of the Company's shares to the date on which they retire from all prescribed officer and employee positions at the Company.

(2) Acquisition of shares without consideration by the Company

In the event of certain misconduct or other similar acts, or in the event that the requirements for lifting the transfer restriction set forth in (3) below are not satisfied, the Company shall acquire such shares without consideration.

(3) Lifting of transfer restriction

In the event that Directors, etc. retire from all prescribed officer and employee positions at the Company for legitimate reasons or due to death, the transfer restriction shall be lifted at that time.

(4) Treatment in the event of organizational restructuring and other similar events

In the event that a merger agreement under which the Company becomes a dissolved company during the transfer restriction period or other matters relating to organizational restructuring or other similar events are approved at a general meeting of shareholders of the Company or other relevant meeting, the transfer restriction shall be lifted immediately prior to the business day preceding the effective date of such organizational restructuring or other similar events, by a resolution of the Board of Directors of the Company.

The Company's shares subject to the transfer restriction under the Transfer Restriction Agreement are expected to be managed in a dedicated account opened by the relevant Directors, etc. at a securities company designated by the Company during the transfer restriction period, so as to prevent transfer, creation of any security interest, or other disposition during such period.

In addition to the above, the Transfer Restriction Agreement shall also include provisions concerning the method of expression of intent and notification under the Transfer Restriction Agreement, the method of amendment of the Transfer Restriction Agreement, and other matters determined by the Board of Directors.

[Reference] Policy for Determining the Details of Individual Compensation for Directors (Excluding Directors who are Audit and Supervisory Committee Members)

1. Basic policy

The compensation for Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members) shall be designed based on the following policy.

- (1) The compensation structure should function as an incentive to achieve sustainable enhancement of corporate value.
- (2) The compensation structure should be highly linked to the Company's business performance, and should be transparent and objective.
- (3) The compensation level should be appropriate, reflecting the position and responsibilities of each Director.
- (4) The compensation level should be competitive, contributing to the securing and retention of talented management personnel.

Based on this policy, the compensation for executive Directors of the Company shall consist of base compensation as fixed compensation, and performance-linked cash compensation and performance-linked stock compensation as performance-linked compensation. However, the compensation for non-executive Directors shall consist of base compensation only, in light of their duties.

In addition, the process for determining individual compensation for each Director shall ensure transparency and fairness to stakeholders.

2. Policy for determining individual base compensation

Base compensation shall be determined on an annual basis through comprehensive consideration of the Company's business performance, position, market levels, and past payment records, and shall be paid monthly in an amount equal to one-twelfth of the annual amount.

3. Policy for determining the details and method for calculating the amount of performance-linked cash compensation

Performance-linked cash compensation shall adopt Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) as a key performance indicator (KPI), with the intention of linking compensation to the achievement of business performance targets for each fiscal year and to the medium-term management plan. The amount of compensation shall be determined on an annual basis in accordance with the degree of achievement against the target for each fiscal year, and shall be paid monthly in an amount equal to one-twelfth of the annual amount.

For retiring Directors, the compensation shall be paid in a lump sum at the time of retirement, with the aim of maximizing the incentive function.

4. Policy for determining the details and method for calculating the amount of performance-linked stock compensation

Performance-linked stock compensation shall be provided through the Board Benefit Trust-Restricted Stock (BBT-RS). Return on Equity (ROE) shall be adopted as a key performance indicator (KPI) in order to clearly link compensation to the enhancement of the Company's corporate value. A benchmark ROE shall be set based on the Company's cost of equity and the ROE targets under the medium-term management plan, and a performance evaluation coefficient shall be calculated in accordance with the degree of achievement of ROE against such benchmark. The number of shares to be delivered shall be calculated based on the points determined by multiplying the benchmark points corresponding to each position by the performance evaluation coefficient, and restricted shares shall be delivered at a certain time each year, with the transfer restriction to be lifted at the time of retirement. Provided, however, that a portion of the points shall be delivered as cash equivalent to the market value of the Company's shares, with such delivery to be made at the time of retirement.

5. Policy for determining the proportion of each type of compensation

The indicative compensation ratio for executive Directors, in the case of achieving standard business performance, shall be set at 45-50% for base compensation, 30% for performance-linked cash compensation, and 20-25% for performance-linked stock compensation, with the proportion of performance-linked compensation increasing for higher positions.

The compensation mix shall be determined by the Board of Directors with respect for the deliberations and report of the Nomination and Compensation Committee chaired by an independent Outside Director, which comprises a majority of independent Outside Directors.

6. Matters relating to the determination of the details of individual compensation

The individual compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members) shall be determined by the Board of Directors, based on the deliberations and report of the Nomination and Compensation Committee chaired by an independent Outside Director, which comprises a majority of independent Outside Directors, as well as the opinions of the Audit and Supervisory Committee, in order to ensure transparency and fairness.

The compensation for Directors who are Audit and Supervisory Committee Members shall be determined by the Audit and Supervisory Committee following deliberation among the Audit and Supervisory Committee Members.

In addition, in the event that a Director eligible for performance-linked stock compensation engages in certain misconduct or any improper act, the Company shall, by a resolution of the Board of Directors, forfeit all points already granted and acquire without consideration all restricted shares already delivered.