Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.

Code No: 7906
June 5, 2026
(Start date of measures for electronic provision: May 29, 2026)

3-23-13 Yushima, Bunkyo-ku, Tokyo, Japan
YONEX CO., LTD.
President and Representative Director
Alyssa Yoneyama

Notice of the 69th Ordinary General Meeting of Shareholders

Dear Shareholders:

We hereby announce the 69th Ordinary General Meeting of Shareholders of YONEX CO., LTD. (the "Company") will be held as described below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as "Notice of the 69th Ordinary General Meeting of Shareholders" on each of the websites. Please access the website by using either of the internet addresses shown below to review the information.

The Company's website:
https://www.yonex.co.jp/company/ir/ (in Japanese)
https://www.yonex.co.jp/en/ir/ (in English)

Website for posted informational materials for the general meeting of shareholders:
https://d.sokai.jp/7906/teiji/ (in Japanese)

In addition to the websites above, the Company also posts this information on the website of the Tokyo Stock Exchange (TSE).

TSE website (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

* Please access the TSE website by using the Internet address shown above, enter "YONEX" in "Issue name (company name)" or the Company's securities code "7906" in "Code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting]."

Note that this convocation notice will be delivered to all shareholders regardless of whether they have made a request for its delivery in accordance with the provisions of laws and regulations and the Company's Articles of Incorporation (in Japanese only).

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet, etc. or in writing. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by Tuesday, June 23, 2026 at 5:30 p.m. (JST).

1. **Date and Time:** Wednesday, June 24, 2026 at 10:00 a.m.
   (Reception desk is scheduled to open at 9:00 a.m.)
2. **Location:** 1-4-1 Ikenohata, Taito-ku, Tokyo
   TOH-TEN-KOH, 3rd Floor
3. **Agenda of the Meeting:**
   Items to be reported:
   1. Business Report, Consolidated Financial Statements, and the audit reports on Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board Members for the 69th fiscal year (from April 1, 2025 to March 31, 2026)
   2. Non-consolidated Financial Statements for the 69th fiscal year (from April 1, 2025 to March 31, 2026)

   Items to be resolved:

   Proposal 1. Appropriation of Surplus
   Proposal 2. Election of one (1) Director
   Proposal 3. Revision of Remuneration Amount for Directors
   Proposal 4. Revision of Restricted Share-Based Remuneration Plan for Directors
   Proposal 5. Introduction of Performance-Linked Restricted Share-Based Remuneration Plan for Directors (Excluding External Directors)
4. **Decisions Made for This Convocation**
   (1) Among the matters subject to measures for electronic provision, the following items will not be included in the paper-based documents delivered to shareholders in accordance with laws and regulations and the Articles of Incorporation (in Japanese only). The Audit & Supervisory Board Members and the Accounting Auditor have audited the documents subject to audit, including the following items.
   - System for Ensuring Appropriate Business Operations and Implementation Status of the System in the Business Report
   - Consolidated Statements of Changes in Equity and Notes to Consolidated Financial Statements
   - Non-consolidated Statements of Changes in Equity and Notes to Non-consolidated Financial Statements

   (2) If the voting right is exercised both in writing and via the Internet, etc., the exercise of the voting right via the Internet, etc. will be deemed effective. If the voting right is exercised multiple times via the Internet, etc., the last exercise of the voting right will be deemed effective.
   (3) For each proposal on the returned voting form, if there is no indication of approval or disapproval, this will be treated as an indication of approval.

If attending the meeting in person, please present the voting form at the reception desk.

For shareholders requiring wheelchair access or sign-language interpreting: Please notify the attendant at the reception desk on the day.

Dress code for the General Meeting of Shareholders will be Business Casual.

If any revision is made with regard to the matters subject to measures for electronic provision, a notification to that effect, and the corrected and pre-corrected versions of these matters will be made available on the websites indicated above.

The Company will also post other information for shareholders on the Company’s website. Please check the Company’s website from time to time for the latest information.

The Company’s website: https://www.yonex.co.jp/en/ir/

Reference Documents
for the General Meeting of Shareholders

Proposal 1. Appropriation of Surplus

We propose that the appropriation of surplus be made as follows.

Matters regarding the year-end dividend

The Company views profit distribution to shareholders as its key management priorities and its basic policy is to maintain a stable and appropriate level of dividends for shareholders. It is proposed that the year-end dividend for the 69th fiscal year be paid as follows in consideration of the fiscal year's operating results and future business environment.

(1) Type of dividend property
Cash

(2) Matters regarding allocation of dividend property and total amount thereof
It is proposed that the dividend be 13 yen per common share of the Company.
Accordingly, the total amount of dividends would be 1,115,039,614 yen.

(3) Effective date of the dividends from surplus
It is proposed to set the effective date to be June 25, 2026.

Proposal 2. Election of one (1) Director

The Board of Directors of the Company strives to realize the Purpose and Mission, as well as forming the foundation for increasing corporate value over the medium to long term and achieving sustainable growth. The Company therefore seeks to compose the board with human resources giving consideration not only to the required knowledge, insight, experience, capability, and achievements, but also to diversity. Furthermore, the Company's External Directors are expected to provide advice on the Company's management strategies from an independent standpoint, enhance the objectivity of decision making, and utilize their abundant experience and broad insight in the management of the Company.
To further strengthen the management structure, the Company proposes the election of one (1) additional External Director. The candidate for Director is as follows. The Board of Directors decided the candidates for Directors after deliberation by the Nomination and Compensation Advisory Committee.
The term of office of the Director whose election is proposed shall expire at the same time as the terms of office of the other incumbent Directors as stipulated in the Company's Articles of Incorporation.

Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of Company shares held
Sarah L. Casanova (April 6, 1965)	January 1991 Joined McDonald's Canada January 1997 Senior Director of Marketing, McDonald's Russia/Ukraine July 2001 Senior Director of Marketing, McDonald's Canada October 2004 Vice President of Marketing, McDonald's Company (Japan), Ltd. April 2007 Senior Vice President of Business Development, McDonald's Company (Japan), Ltd. July 2009 Managing Director of McDonald's Malaysia May 2012 Managing Director of McDonald's Malaysia Regional Manager of McDonald's Singapore and Malaysia August 2013 Representative Director, President and CEO of McDonald's Company (Japan), Ltd. March 2014 Representative Director, President and CEO of McDonald's Holdings Company (Japan), Ltd. March 2019 Representative Director, Chairperson of McDonald's Company (Japan), Ltd. March 2021 Representative Director, Chairperson of McDonald's Holdings Company (Japan), Ltd. June 2023 External Director of Mitsui & Co., Ltd. (to present) March 2025 Outside Director of Kao Corporation (to present) Outside Director of Yamaha Motor Co., Ltd. (to present) (Significant concurrent positions outside the Company) External Director of Mitsui & Co., Ltd. Outside Director of Kao Corporation Outside Director of Yamaha Motor Co., Ltd.	– shares

(Reasons for nomination and outline of expected roles)
Ms. Sarah L. Casanova was involved in the consumer business at McDonald's Corporation in North America, Southeast Asia and elsewhere over many years and demonstrated excellent management skills in improving business performance and implementing the growth strategy of McDonald's Company (Japan), Ltd. while serving as its Representative Director, President and CEO, and later as Representative Director, Chairperson from 2013 to 2024. In particular, she possesses a high level of insight and a proven track record as a manager as well as a country and regional leader in areas such as global management, overseas business management, marketing, human resource strategy, and risk management. It is expected that she will provide practical and beneficial advice regarding the direct-to-consumer (DTC) strategy currently being promoted by the Company. Furthermore, given her experience as an External Director at multiple listed companies, the Company judges that she will be capable of helping to improve the effectiveness of the Company's Board of Directors by drawing on her insight in areas such as nomination and compensation, internal control, and governance.
Accordingly, she has been newly nominated as a candidate for External Director as it is considered appropriate to ask her to oversee the Company's management as an Independent External Director.

Notes: 1. There are no special interests between the Company and Ms. Sarah L. Casanova.
2. Ms. Sarah L. Casanova is nominated as a candidate for External Director.

3. Ms. Sarah L. Casanova satisfies the requirements for independent officer stipulated by the Tokyo Stock Exchange as well as the Independence Standards for External Directors and External Audit & Supervisory Board Members stipulated by the Company. If her election is approved and adopted under this proposal, the Company accordingly plans to submit notification to the Tokyo Stock Exchange that she has been designated as an independent officer as defined by the Tokyo Stock Exchange.
4. If election of Ms. Sarah L. Casanova is approved and adopted, pursuant to Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with her to limit her liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under these agreements is the minimum liability amount provided for under laws and regulations.
5. Summary of the directors and officers liability insurance policy

   The Company has entered into a directors and officers liability insurance policy whose content is summarized below, with Directors and Audit & Supervisory Board Members as insureds, and will renew the policy in July 2026. If the election of Ms. Sarah L. Casanova is approved and adopted under this proposal, she will be insured under the insurance policy.

   (1) Summary of insurance incidents covered
   The policy covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties as an officer or a person at a certain position, or receipt of claims pertaining to the pursuit of such liability.

   (2) Insurance premiums
   The insurance premiums are fully borne by the Company.

   (3) Measures to ensure the proper performance of duties is not impaired
   The exclusion clause has been established in the policy, whereby losses within the scope of exclusion are not covered by the policy.

[Reference] Independence Standards for External Directors and External Audit & Supervisory Board Members of the Company

In order to ensure objectivity and transparency in governance, YONEX ("the Company") defines its standard for independence of External Directors and External Audit & Supervisory Board Members as follows.
They are deemed to maintain independence from the Company if none of the following conditions is found to apply from a survey conducted by the Company to a reasonably possible extent.

1. Persons engaged in business execution*1) of the Company or the Company's subsidiary (collectively, "the Group"), or persons who have been engaged in business execution of the Group at any time during the past 10 years.
2. Major shareholders (a shareholder holding 10% or more of voting rights including direct and indirect holdings) of the Group or persons engaged in business execution of such shareholders.
3. Persons engaged in an incorporated entity or other organization of which the Group holds 10% or more of voting rights (including direct and indirect holdings).
4. Major business partners of the Group or persons engaged in business execution of such business partners to which the Group provides products or services for which the transaction value in the most recent fiscal year exceeds 2% of the Group's annual consolidated net sales.
5. Parties for whom the Group is a major business partner or persons engaged in business execution of such parties that provide the Group with products or services for which the transaction value in the most recent fiscal year exceeds 2% of such business partner group's annual consolidated sales.
6. Persons engaged in business execution of a major incorporated entity from which the Group has borrowings *2).
7. Persons belonging to an auditing firm performing statutory audits of the Group, and have been in charge of the audit of the Group (except for subservient role).
8. Consultants, or legal or accounting professionals compensated with large amounts of money or deriving other financial benefits *3), other than as remuneration of Director or Audit & Supervisory Board Member, from the Group (if these financial benefits are received by incorporated entity such as consulting firm, law firm or accounting firm, or other organization such as union, this item refers to a person engaged in business execution of such organization).
9. Persons receiving donations or grants above a certain threshold *4) from the Group (If the donations or grants are received by an incorporated entity, partnership or other organization, this item refers to a person engaged in business execution of such organization).
10. Persons engaged in business execution of an incorporated entity or other organization accepting directors from the Group.
11. Persons to whom any of items 2 through 10 apply during the most recent 3 years.
12. Spouse or relatives within the second degree of kinship to a person to whom any of items 1 through 11 apply (Limited to a person in an important position).*5)

*1) "Persons engaged in business execution" refers to executive directors, executive officers, persons in roles equivalent to these and employees engaged in an incorporated entity or other organization. If it is necessary to judge independence of external audit & supervisory board members, it includes non-executive directors.

*2) "Major incorporated entity from which the Group has borrowings" refers to financial institutions or major creditors upon which the Group is dependent, and is essential for the Company's financing.

*3) "Large amounts of money or other financial benefits" refers to amounts in excess of the higher of 10 million yen per person, or 2% of total income of such organization for the most recent fiscal year.

*4) "Donations or grants above a certain threshold" refers to donations or grants in excess of the higher of 10 million yen or 30% of total expense of such organization for the most recent fiscal year.

*5) "Persons in an important position" refers to executive directors, executive officers, corporate executives; employees in a management position at the level of department head or higher.

(Reference) Skills Matrix of Directors After General Meeting of Shareholders

Name	Duties (Responsibilities)	Nomination・Compensation Advisory Committee Note: ◎ indicates the chair	Expertise							
			Corporate management	International and global experience	Brand strategy and marketing	Development, technology, and manufacturing	Finance and accounting	Risk Management	Human Capital Strategy	Environment and Society
Alyssa Yoneyama	President and Representative Director	○	○	○	○					
Shuichi Yoneyama	Executive Managing Director (Executive General Manager, General Affairs Division, President of YONEX JAPAN)	○	○	○		○	○	○		
Miyuki Iwano	Director (Executive General Manager, Production and Technology Division)					○				○
Casey Yoneyama	Director (Executive General Manager, Marketing Division, General Manager, Global Marketing Office)			○	○					
Michael N. Morizumi	Director *External	◎	○	○			○			
Fukiko Otsubo	Director *External	○	○	○			○			
Duncan Ryuken Williams	Director *External			○	○					○
Sarah L. Casanova	Director *External		○	○	○			○	○	○

Proposal 3. Revision of Remuneration Amount for Directors

With regard to the remuneration amounts for Directors of the Company, the amounts approved at the 66th Ordinary General Meeting of Shareholders held on June 23, 2023 were 250 million yen or less per year (of which 40 million yen or less shall be for External Directors) for basic remuneration and 150 million yen or less per year for performance-linked bonuses. In addition, the Company has introduced a restricted share-based remuneration plan for the Company's Directors (excluding External Directors) at the 62nd Ordinary General Meeting of Shareholders held on June 25, 2019, separate from the basic remuneration and performance-linked bonuses for Directors, and the total amount of monetary remuneration claims to be paid based on this plan for granting restricted shares was approved to be not more than 100 million yen per year, and the total number of common shares to be issued or disposed of by the Company based on this plan shall be not more than 100,000 shares per year.

In order to strengthen governance in order to implement the Company's global strategy aimed at further improving corporate value, the Company asks for shareholder approval to revise the basic remuneration for Directors to not more than 250 million yen per year (of which not more than 50 million yen shall be for External Directors). There will be no change to the performance-linked bonuses Remuneration for Directors shall, as before, not include the employee salaries of Directors who concurrently serve as employees.

This proposal was decided by the Board of Directors after deliberation by the Nomination and Compensation Advisory Committee, while comprehensively taking into account the scale of the Company's business, the remuneration system for Directors and Audit & Supervisory Board Members and its payment level, the number of officers, future trends, and other factors, and was judged to be appropriate. In addition, the policy for determining the details of individual remuneration, etc. for each of the Company's Directors is as described in "4. Matters Concerning Company Officers (4) Remuneration, etc. for Directors and Audit & Supervisory Board Members (v) Policy, etc. for Determining Content of Executive Remuneration, etc." (page 36; in Japanese only), however, if this proposal through Proposal 5 are approved and adopted as originally proposed, we plan to change the policy for determining content of executive remuneration, etc. to align with the details as approved. As set forth in Proposal 4, the Company seeks shareholder approval to revise the restricted share-based remuneration plan. As set forth in Proposal 5, the Company additionally seeks shareholder approval to introduce a new performance-linked restricted share-based remuneration plan separate from the basic remuneration, performance-linked bonuses, and restricted share-based remuneration described above.

Currently, the Company has seven (7) Directors (of which, three (3) are External Directors), and if Proposal 2 is approved and adopted as originally proposed, there will be eight (8) Directors (of which, four (4) are External Directors).

Proposal 4. Revision of Restricted Share-Based Remuneration Plan for Directors

With regard to the remuneration, etc. amounts for Directors of the Company, the amounts approved at the 66th Ordinary General Meeting of Shareholders held on June 23, 2023 were 250 million yen or less per year (of which 40 million yen or less shall be for External Directors) for basic remuneration and 150 million yen or less per year for performance-linked bonuses (External Directors are not eligible). In addition, the Company has introduced a restricted share-based remuneration plan for the Company's Directors (excluding External Directors) at the 62nd Ordinary General Meeting of Shareholders held on June 25, 2019, separate from the basic remuneration and performance-linked bonuses for Directors, and the total amount of monetary remuneration claims to be paid based on this plan for granting restricted shares was approved to be not more than 100 million yen per year, and the total number of common shares to be issued or disposed of by the Company based on this plan shall be not more than 100,000 shares per year.
The Company hereby proposes to revise the restricted share-based remuneration plan (the "Plan") in order to provide External Directors an incentive to sustainably increase the Company's corporate value and to further promote shared value between shareholders and them, as part of the revision to its remuneration package for Directors.
Specifically, (i) External Directors shall be added as eligible recipients under the Plan. Furthermore, (ii) with respect to the method of granting restricted shares under the Plan, a new method shall be added whereby Directors including External Directors of the Company (the "RS Eligible Directors") receive the issuance or disposal of the Company's common shares without requiring monetary remuneration claims to be paid in as property contributed in kind (the "Gratis Allotment Method"), which is in addition to the existing method whereby the RS Eligible Directors pay in all of their monetary remuneration claims as property contributed in kind to receive the issuance or disposal of the Company's common shares (the "In-kind Contribution Method"), with the Company changing to a remuneration plan under which either method may be used to receive the issuance or disposal of the Company's common shares.
In addition, the total amount of the Company's common shares to be issued or disposed of with respect to the RS Eligible Directors under the RS Plan (the total amount of monetary remuneration claims to be provided as property contributed in kind in the case of the In-kind Contribution Method), shall be 40 million yen or less per year (of which 10 million yen or less shall be for External Directors) with regard to the In-kind Contribution Method and the Gratis Allotment Method combined. In addition, the total number of the Company's common shares to be issued or disposed of with respect to the RS Eligible Directors under the RS Plan shall be not more than 20,000 shares per year (of which not more than 5,000 shares shall be for External Directors) with regard to the In-kind Contribution Method and the Gratis Allotment Method combined. If a stock split (including gratis allotment of the Company's common shares), or stock consolidation of the Company's common shares is conducted, or if any other event occurs requiring adjustment of the total number of the Company's common shares subject to issuance or disposal, such number of shares shall be adjusted within a reasonable range. These remunerations shall, as before, not include the employee salaries of Directors who concurrently serve as employees.
The specific timing and allocation for each RS Eligible Director under the RS Plan will be determined by the Board of Directors, taking into account the recommendations of the Nomination and Compensation Advisory Committee. In connection with the issuance or disposal of the Company's common shares under the RS Plan, the Company shall enter into a restricted share allotment agreement (the "Allotment Agreement") with each RS Eligible Director, which shall include the content set forth at the end of this proposal. In the case of the In-kind Contribution Method, the amount to be paid in per share of the Company's common shares shall be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the respective resolution of the Board of Directors pertaining to the issuance or disposal of the Company's common shares (in the event that no transactions occurred on that day, the closing price on the last trading day prior to such date; the same shall apply hereinafter), within a range that does not result in a price that is particularly advantageous to RS Eligible Directors who subscribe the Company's common shares. In the case of the Gratis Allotment Method, the amount per share of the Company's common shares shall be calculated based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the respective resolution of the Board of Directors pertaining to the issuance or disposal of the Company's common shares.
This revision will apply only to restricted shares granted under the RS Plan going forward and will not affect any restricted shares already granted.

In this proposal, the maximum remuneration amount, the total number of the Company's common shares subject to issuance or disposal, and other conditions for granting restricted shares to the RS Eligible

Directors under this proposal have been decided by the Board of Directors after deliberation by the Nomination and Compensation Advisory Committee, taking into consideration the above objectives, the Company's performance, and various other circumstances. Moreover, the dilution rate is negligible given that the maximum number of shares to be issued or disposed of in one year under this proposal represents approximately 0.02% of the total number of issued shares (as of March 31, 2026). Therefore, we deem the content of this proposal as appropriate. In addition, the policy for determining the details of individual remuneration, etc. for each of the Company's Directors is as described in "4. Matters Concerning Company Officers (4) Remuneration, etc. for Directors and Audit & Supervisory Board Members (v) Policy, etc. for Determining Content of Executive Remuneration, etc." (page 36; in Japanese only), however, if Proposal 3 through Proposal 5 are approved and adopted, we plan to change the policy for determining the details of individual remuneration, etc. for each of the Company's Directors to align with the details as approved. As set forth in Proposal 3, the Company seeks shareholder approval to revise the basic remuneration for its Directors. As set forth in Proposal 5, the Company additionally seeks shareholder approval to introduce a new performance-linked restricted share-based remuneration plan separate from the basic remuneration, performance-linked bonuses, and restricted share-based remuneration described above.
Currently, the Company has seven (7) Directors (of which, three (3) are External Directors), and there are four (4) Directors who are eligible under the Plan as it currently exists. However, if Proposal 2 is approved and adopted as originally proposed, there will be eight (8) RS Eligible Directors (of which, four (4) are External Directors).

(Overview of the Allotment Agreement)

(1) Transfer restriction period
The RS Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of the Company's common shares allotted under the Allotment Agreement (the "Allotted Shares") for a period predetermined by the Board of Directors of the Company, ranging from 30 years to 50 years from the date of allotment under the Allotment Agreement (the "Restriction Period"). The restrictions described in the preceding sentence will hereinafter be collectively referred to as the "transfer restrictions."

(2) Treatment upon resignation or retirement
If an RS Eligible Director resigns or retires from all the positions of officer or employee of the Company or its subsidiaries as predetermined by the Board of Directors of the Company before the Restriction Period expires, the Company shall automatically acquire without consideration the Allotted Shares, unless such resignation or retirement is due to expiration of his or her term of office, death, or other justifiable reason.

(3) Lifting of transfer restrictions
Notwithstanding the provisions of (1) above, the Company shall lift the transfer restrictions on all of the Allotted Shares upon the expiration of the Restriction Period, provided that the RS Eligible Director has remained in the position of officer or employee of the Company or its subsidiaries as predetermined by the Board of Directors of the Company throughout the Restriction Period. However, if the RS Eligible Director resigns or retires from the position of officer or employee of the Company or its subsidiaries as predetermined by the Board of Directors prior to expiration of the Restriction Period due to expiration of his or her term of office, death, or other justifiable reason as set forth in (2) above, the Company shall reasonably adjust the number of the Allotted Shares for which the transfer restrictions are to be lifted and the timing for lifting the transfer restrictions as necessary. In accordance with the above provisions, the Company shall automatically acquire without consideration the Allotted Shares on which the transfer restrictions have not been lifted as of the time immediately after the transfer restrictions were lifted.

(4) Treatment during reorganization, etc.
Notwithstanding the provisions of (1) above, if, during the Restriction Period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.), the Company shall lift the transfer restrictions on the Allotted Shares with the number of shares that is reasonably determined considering the period from the start date of the Restriction Period to the date of approval of the reorganization, etc. prior to the date on which the reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company. In cases specified above, the Company shall automatically acquire

without consideration the Allotted Shares on which the transfer restrictions have not been lifted as of the time immediately after the transfer restrictions were lifted.

(5) Other matters

Other matters relating to the Allotment Agreement shall be determined by the Board of Directors of the Company.

(Reference) Introduction of Restricted Share-Based Remuneration Plan for Executive Officers

If this proposal is approved and adopted as originally proposed, the Company plans to introduce, by resolution of its Board of Directors, a plan for executive officers who do not concurrently serve as Directors of the Company that is the same as the plan for the RS Eligible Directors, in addition to the RS Eligible Directors.

Proposal 5. Introduction of Performance-Linked Restricted Share-Based Remuneration Plan for Directors (Excluding External Directors)

With regard to the remuneration, etc. amounts for Directors of the Company, the amounts approved at the 66th Ordinary General Meeting of Shareholders held on June 23, 2023 were 250 million yen or less per year (of which 40 million yen or less per year shall be for External Directors) for basic remuneration and 150 million yen or less per year for performance-linked bonuses (External Directors are not eligible). In addition, the Company has introduced a restricted share-based remuneration plan for the Company's Directors (excluding External Directors) at the 62nd Ordinary General Meeting of Shareholders held on June 25, 2019, separate from the basic remuneration and performance-linked bonuses for Directors, and the total amount of monetary remuneration claims to be paid based on this plan for granting restricted shares was approved to be not more than 100 million yen per year, and the total number of common shares to be issued or disposed of by the Company based on this plan shall be not more than 100,000 shares per year. The amount of remuneration above shall not include the employee salaries of Directors who concurrently serve as employees.

The Company proposes the revision of its officer remuneration plans and introduction of a new performance-linked restricted share-based remuneration plan (the overview of which is set forth at the end of this proposal; the "PSU Plan") for the purpose of more clearly linking the remuneration of Directors with the corporate performance and the Company's share value, providing incentives to sustainably increase corporate value through the improvement of the Company's medium- to long-term business performance, and further promoting value sharing with shareholders. Under the PSU Plan, the Board of Directors shall, in principle, determine, at a meeting held in advance, the period subject to performance evaluation (the "Performance Evaluation Period") and performance targets for the Performance Evaluation Period, and the Company's common shares shall be delivered after the end of the Performance Evaluation Period in accordance with the extent to which such performance targets have been achieved.

The PSU Plan is separate from the basic remuneration, performance-linked bonuses, and the restricted share-based remuneration set forth in Proposal 4. Under the PSU Plan, Directors of the Company (excluding External Directors; the "PSU Eligible Directors") shall receive remuneration either by (i) paying in all of the monetary remuneration claims provided as remuneration from the Company as property contributed in kind to receive the issuance or disposal of the Company's common shares (the "In-kind Contribution Method"), or by (ii) receiving the issuance or disposal of the Company's common shares without requiring monetary remuneration claims to be paid in as property contributed in kind (the "Gratis Allotment Method").

The total amount of the Company's common shares to be issued or disposed of with respect to the PSU Eligible Directors under the PSU Plan (the total amount of monetary remuneration claims to be provided as property contributed in kind in the case of the In-kind Contribution Method), shall be 60 million yen or less per year with regard to the In-kind Contribution Method and the Gratis Allotment Method combined. In addition, the total number of the Company's common shares to be issued or disposed of with respect to the PSU Eligible Directors under the PSU Plan shall be not more than 30,000 shares per year with regard to the In-kind Contribution Method and the Gratis Allotment Method combined. If a stock split (including gratis allotment of the Company's common shares), or stock consolidation of the Company's common shares is conducted, or if any other event occurs requiring adjustment of the total number of the Company's common shares subject to issuance or disposal, such number of shares shall be adjusted within a reasonable range. These remunerations shall not include the employee salaries of Directors who concurrently serve as employees.

The specific timing and allocation for each PSU Eligible Director under the PSU Plan will be determined by the Board of Directors, taking into account the recommendations of the Nomination and Compensation Advisory Committee. However, these payment details assume a case in which the portion corresponding to consideration for the execution of duties over multiple fiscal years corresponding to the Performance Evaluation Period, shall be paid in a lump sum after the end of the Performance Evaluation Period.

In the case of the In-kind Contribution Method, the amount to be paid in per share of the Company's common shares shall be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the respective resolution of the Board of Directors pertaining to the issuance or disposal of the Company's common shares (in the event that no transactions occurred on that day, the closing price on the last trading day prior to such date; the same shall apply hereinafter), within a range that does not result in a price that is particularly advantageous to PSU Eligible Directors who subscribe the Company's common shares. In the case of the Gratis Allotment Method, the amount per share of the Company's common shares shall be calculated based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the

business day immediately preceding the date of the respective resolution of the Board of Directors pertaining to the issuance or disposal of the Company's common shares.
In this proposal, the maximum remuneration amount, the total number of the Company's common shares subject to issuance or disposal, and other conditions for granting the Company's common shares to the PSU Eligible Directors under this proposal have been decided by the Board of Directors after deliberation by the Nomination and Compensation Advisory Committee, taking into consideration the above objectives, the Company's performance, and various other circumstances. Moreover, the dilution rate is negligible given that the maximum number of shares to be issued or disposed of in one year under this proposal represents approximately 0.03% of the total number of issued shares (as of March 31, 2026). Therefore, we deem the content of this proposal as appropriate. In addition, the policy for determining the details of individual remuneration, etc. for each of the Company's Directors is as described in "4. Matters Concerning Company Officers (4) Remuneration, etc. for Directors and Audit & Supervisory Board Members (v) Policy, etc. for Determining Content of Executive Remuneration, etc." (page 36; in Japanese only). However, if Proposal 3 through this proposal are approved and adopted as originally proposed, we plan to change the policy for determining the details of individual remuneration, etc. for each of the Company's Directors to align with the details as approved. The Company seeks shareholder approval to revise the basic remuneration for its Directors as set forth in Proposal 3, and additionally seeks shareholder approval to revise the restricted share-based remuneration plan as set forth in Proposal 4.
Currently, the Company has seven (7) Directors (of which, three (3) are External Directors), and if Proposal 2 is approved and adopted as originally proposed, there will be eight (8) Directors (of which, four (4) are External Directors) and four (4) of them will be PSU Eligible Directors.

(Overview of the PSU Plan)

The PSU Plan is a plan under which the Company's common shares shall be issued or disposed of with respect to the PSU Eligible Directors after the end of the Performance Evaluation Period, depending on the business performance results during the Performance Evaluation Period. The specific Performance Evaluation Period shall be three (3) fiscal years, and from one to multiple performance evaluation indicators (the "Performance Evaluation Indicators") shall be predetermined by the Board of Directors of the Company.

(1) Remuneration calculation method

In the case of the In-kind Contribution Method, the Company shall calculate the amount of monetary remuneration claims to be provided to each PSU Eligible Director based on formula (i) below. In the case of the Gratis Allotment Method, the Company shall calculate the number of the Company's common shares to be delivered to each PSU Eligible Director based on formula (ii) below.

(i) Amount of monetary remuneration claims to be provided to each PSU Eligible Director (when using the In-kind Contribution Method only)
Number of the Company's common shares to be issued or disposed of with respect to each PSU Eligible Director*1 × Share price at the time of delivery*2

(ii) Number of the Company's common shares to be issued or disposed of with respect to each PSU Eligible Director
Base number of shares*3 × Provision ratio*4 × Proportion of time served*5

*1. If the calculation results in a fractional number of less than one trading unit, such fraction shall be rounded down. However, if seeking to provide monetary remuneration claims to each PSU Eligible Director based on the results calculated by the formulas (i) and (ii) above, and if there is a possibility that the upper limit on the amount of monetary remuneration claims to be granted under the PSU Plan may be exceeded, the number of shares to be issued or disposed of with respect to each PSU Eligible Director shall be reduced, within a range not exceeding such upper limit, using a pro-rata basis or other such reasonable method.
*2. The share price at the time of delivery shall be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Board of Directors pertaining to the issuance or disposal of the Company's common shares to be conducted after the end of the Performance Evaluation Period, within a range that does not result in a price that is particularly advantageous to PSU Eligible Directors who subscribe the Company's common shares.
*3. The base number of shares shall be predetermined by the Board of Directors of the Company.
*4. The provision ratio shall be predetermined by the Board of Directors of the Company within a range of 0% to 200% based on the extent to which the Performance Evaluation Indicators have been achieved during the Performance Evaluation Period.
*5. The number of shares to be issued or disposed of with respect to a PSU Eligible Director shall be adjusted on a pro-rata basis according to his or her period of service, based on a formula predetermined by the Board of Directors of the Company.

(2) Conditions for provision to the PSU Eligible Directors

In principle, if a PSU Eligible Director satisfies the following requirements, the Company shall issue or dispose of the number of the Company's common shares with respect to the PSU Eligible Director, calculated pursuant to (1) above after the end of the Performance Evaluation Period.

(i) The PSU Eligible Director has remained in the position of Director of the Company or other position designated by the Board of Directors throughout the Performance Evaluation Period;

(ii) The PSU Eligible Director has not committed any specified acts of misconduct as determined by the Board of Directors; and

(iii) The PSU Eligible Director satisfies any other requirements that the Board of Directors deems necessary to achieve the purpose of the PSU Plan.

The Company may provide cash to a PSU Eligible Director in lieu of the issuance or disposal of the Company's common shares if the PSU Eligible Director dies or resigns or retires from the position of Director of the Company or other position designated by the Board of Directors on other justifiable grounds (excluding cases where the Director remains in the position of employee of the Company or other position designated by the Board of Directors after such resignation or retirement) throughout the Performance Evaluation Period or after the end of the Performance Evaluation Period but prior to the issuance or disposal of the Company's common shares under the PSU Plan. The amount of cash to be provided to such Director shall be, within the range of the total amount set forth above, an amount calculated by multiplying (i) a number obtained by reasonably adjusting the base number of shares in accordance with the extent to which the performance targets have been achieved and the Director's period of service, by (ii) the closing price of the Company's common shares on the Tokyo Stock Exchange on the date of such resignation or retirement from such position (if such date falls on or after the date of the resolution of the Board of Directors pertaining to the issuance of new shares or disposal of treasury shares under the PSU Plan (the "Allotment Resolution Date"), the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the Allotment Resolution Date).

The issuance or disposal of the Company's common shares under the PSU Plan shall be subject to the condition that the Company enters into a restricted share allotment agreement (the "Allotment Agreement") with the PSU Eligible Director, which shall include the content set forth in (3) below.

(3) Overview of the Allotment Agreement

(i) Transfer restriction period

The PSU Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of the Allotted Shares for a period predetermined by the Board of Directors of the Company, ranging from 30 years to 50 years from the date of payment or date of allotment with respect to the Company's common shares allotted under the Allotment Agreement (the "Allotted Shares"). The restrictions described in the preceding sentence will hereinafter be collectively referred to as the "transfer restrictions."

(ii) Lifting of transfer restrictions, etc.

If a PSU Eligible Director resigns or retires from all of his or her positions as an officer or employee of the Company or its subsidiaries prior to the expiration of the Transfer Restriction Period, the Company shall automatically acquire the Allotted Shares without consideration, unless there is a justifiable reason for such resignation or retirement such as the expiration of his or her term of office or death. Furthermore, if a PSU Eligible Director resigns or retires from a position set forth above due to expiration of his or her term of office, death, or other justifiable reason, the Company shall lift the transfer restrictions on all of the Allotted Shares as of the time of such resignation or retirement.

(iii) Treatment during reorganization, etc.

Notwithstanding the provisions of (i) above, if, during the Restriction Period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.), the Company shall lift the transfer restrictions on all the Allotted Shares prior to the date on which the reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company.

(iv) Other matters
Other matters relating to the Allotment Agreement shall be determined by the Board of Directors of the Company.

(4) Treatment during reorganization, etc.
If, during the Performance Evaluation Period or after the end of the Performance Evaluation Period but prior to the share delivery date, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.; provided, however, that such approval is limited to cases where the effective date of such reorganization, etc. is to occur prior to the date of issuance or disposal of the Company's common shares under the PSU Plan), the Company shall provide a cash amount in lieu of the Company's common shares calculated by multiplying (i) a base number of shares reasonably adjusted based on the period from the start date of the Performance Evaluation Period extending to the date of approval of such reorganization, etc., by (ii) the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the effective date of such reorganization, etc.

(Reference) Introduction of Performance-Linked and Restricted Share-Based Remuneration Plan for Executive Officers

If this proposal is approved and adopted as originally proposed, the Company plans to introduce, by resolution of its Board of Directors, a plan for executive officers who do not concurrently serve as Directors of the Company that is the same as the plan for the PSU Eligible Directors, in addition to the PSU Eligible Directors.