Note: 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.

Securities Code: 6485
June 4, 2026
(Start date of measures for electronic provision: May 30, 2026)

To our shareholders:

Hiroshi Sugimoto, President and Representative Director
MAEZAWA KYUSO INDUSTRIES CO., LTD.
2-14-4 Takaban, Meguro-ku, Tokyo

Notice of the 70th Ordinary General Meeting of Shareholders

We would like to inform you that the 70th Ordinary General Meeting of Shareholders of MAEZAWA KYUSO INDUSTRIES CO., LTD. (the "Company") will be held as described below.
In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on each of the following websites. Please access either of the websites to view the information.

The Company's website:
https://www.qso.co.jp/ir/soukai.html (in Japanese)

Tokyo Stock Exchange website:
https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show (in Japanese)

(Access the TSE website by using the internet address shown above, enter "MAEZAWA KYUSO INDUSTRIES" in "Issue name (company name)" or the Company's securities code "6485" 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].")

If you are unable to attend the meeting, you can exercise your voting rights either via the Internet or by mail. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than 5:30 p.m. on Wednesday, June 24, 2026 using the method described in Information About Exercising Your Voting Rights (in Japanese only).

1. **Date and Time:** Thursday, June 25, 2026 at 10:00 a.m. (JST)
2. **Venue:** Yebisu Garden Place Tower, 4th Floor, "SPACE6" conference room
   4-20-3 Ebisu, Shibuya-ku, Tokyo
3. **Purpose of the Meeting**
   Matters to be reported:
   The Business Report and the Non-consolidated Financial Statements for the 70th fiscal year (April 1, 2025 to March 31, 2026)
   Matters to be resolved:
   Proposal No. 1 Appropriation of Surplus
   Proposal No. 2 Election of Six Directors
   Proposal No. 3 Continuation of the defense plan against Large-Scale Purchase Actions of the shares of the Company (response policy for takeovers)
4. **Decisions regarding the convocation**
   (1) If voting rights are exercised in writing (by mail) and no indication has been given either to approve or disapprove any of the proposals on the voting right exercise form, each will be considered as an indication of approval.

(2) If you have exercised your voting rights both via the Internet and in writing, only the vote cast via the Internet will be deemed effective.

(3) If you have exercised your voting rights more than once via the Internet, only the final exercise of the voting rights shall be deemed effective.

- If attending this meeting in person, please present the voting form sent out with this notice at the reception desk.
- Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. The Audit & Supervisory Board Members and the Corporate Auditor have audited the documents subject to audit, including the following matters.
  (i) "System to ensure appropriate business operations and summary of the operating status of the relevant system" and "Basic policy on Company control" in the Business Report section
  (ii) "Statement of changes in net assets" and "Notes to non-consolidated financial statements" in the Non-consolidated Financial Statements section
- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the websites mentioned above.
- The reception desk is scheduled to open at 9:00 a.m. on the day of the meeting. Please note that we will not be preparing any gifts for shareholders who attend the meeting.
- We plan to record the meeting on video and post this on the Company's website mentioned above as soon as possible after the meeting.
- Other information for shareholders will be announced on the Company's website mentioned above. Please check for all the latest information.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company strives to both provide returns to shareholders and contribute to various stakeholders through business growth and improved performance. More specifically, the Company's basic policy is to provide returns by taking into consideration the financial situation each fiscal year and future business development; investments to promote business growth and protect the global environment; and the balance with retained earnings.
In line with the aforementioned policy, to express its gratitude for the support of its shareholders, and taking into consideration performance for the current fiscal year and future business development, the Company proposes to add a 70th-anniversary commemorative dividend to the ordinary dividend and proceed with the payment of a year-end dividend for the fiscal year ended March 31, 2026, as follows:

(1) Type of dividend property
To be paid in cash.

(2) Allotment of dividend property and their aggregate amount
¥33 per common share of the Company (ordinary dividend of ¥31.50, commemorative dividend of ¥1.50)
¥671,811,657
Accordingly, including the interim dividend of ¥30 per share (ordinary dividend of ¥28.50, commemorative dividend of ¥1.50), the annual dividend will be ¥63 per share (ordinary dividend of ¥60, commemorative dividend of ¥3).

(3) Effective date of dividends of surplus
June 26, 2026

Proposal No. 2 Election of Six Directors

The terms of office of all five Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of six Directors.

The candidates for Director are as follows:

Candidate No.	Name	Gender	Current position and responsibilities in the Company	Candidate Attributes	Attendance at Board of Directors meetings
1	Hiroshi Sugimoto	Male	President and Representative Director	Reelection	14/14 (100% attendance)
2	Yoichiro Taniguchi	Male	Managing Director, Chief of Administration Headquarters	Reelection	14/14 (100% attendance)
3	Eiichi Aoki	Male	Director, Chief of Production Headquarters	Reelection	14/14 (100% attendance)
4	Taisuke Sanmon	Male	Executive Officer, Chief of Sales Headquarters and in charge of West Japan	New election	–
5	Yasuo Iijima	Male	Outside Director	Reelection Outside Independent	14/14 (100% attendance)
6	Misugi Kumazaki	Female	Outside Director	Reelection Outside Independent	14/14 (100% attendance)

Reelection: Candidate for reappointed Director
New election: Candidate for newly appointed Director
Outside: Candidate for outside Director
Independent: An independent officer pursuant to stock exchange regulations, etc.

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)
Reference information</th><th colspan="2">Career summary, position and responsibilities in the Company</th><th>Number of Company shares owned</th></tr>
<tr><td rowspan="2">1</td><td>[Reelection]
Hiroshi Sugimoto
(June 15, 1964)
Gender: Male
Term in office: 7 years
Attendance at Board of Directors meetings:
14/14
(100% attendance)</td><td>Apr. 1989
Apr. 2003
Oct. 2010

Jul. 2014

Oct. 2015

Apr. 2017

Jun. 2019

Oct. 2021
Jun. 2023

Apr. 2025</td><td>Joined the Company
General Manager of Hiroshima Sales Office
Executive Officer, General Manager of Chugoku and Shikoku Block, Sales Headquarters
Executive Officer, General Manager of Kansai/Chugoku and Shikoku Branch, West Japan Sales Department
General Manager of Business Administration Department, Business Administration Division
General Manager of Business Planning Department
Director in charge of Sales Division and General Manager of Housing Equipment Business Department
Director, Chief of Sales Headquarters
Managing Director, Chief of Sales Headquarters
President and Representative Director (current position)</td><td>28,845 shares</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for Director]
After serving as a manager at some of the Company’s key operations bases, Hiroshi Sugimoto held important positions in the Sales Division, including General Manager of the Business Administration Department starting in 2015, Director in charge of Sales Division and General Manager of Housing Equipment Business Department starting in 2019, and Managing Director and Chief of Sales Headquarters starting in 2023. Since assuming the office of President and Representative Director in April 2025, he has assumed the great responsibility of leading the Company’s management. The Board of Directors believes that his wealth of experience and track record positions him as key personnel needed for the Company to achieve sustained growth and improve corporate value. He has therefore been nominated as a candidate for Director.</td></tr>
<tr><td rowspan="2">2</td><td>[Reelection]
Yoichiro Taniguchi
(August 5, 1962)
Gender: Male
Term in office: 7 years
Attendance at Board of Directors meetings:
14/14
(100% attendance)</td><td>Apr. 1986

Apr. 2013

Apr. 2016

Sep. 2016
Dec. 2016
Jun. 2019

Jun. 2020

Oct. 2021
Apr. 2025</td><td>Joined The Kyowa Bank, Ltd. (currently Resona Bank, Limited)
General Manager (Branch Manager) of Kudan Branch, Resona Bank, Limited
Joined Asunaro Aoki Construction Co., Ltd. General Manager of 2nd Sales Department, Tokyo Architectural Branch
Joined the Company
General Manager of Accounting Department
Director in charge of Management Division, General Manager of Management Department, and General Manager of Accounting Department
Director in charge of Management Division, General Manager of Management Department
Director, Chief of Administration Headquarters
Managing Director, Chief of Administration Headquarters (current position)</td><td>25,645 shares</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for Director]
Yoichiro Taniguchi uses the knowledge and management experience gained by working at financial institutions and elsewhere to manage the accounting and financial operations of the Company as the General Manager of the Accounting Department. He has led the Administrative Division as Director in charge of the Management Division and the General Manager of the Management Department starting in 2019, as Director and Chief of Administration Headquarters starting in 2021, and as Managing Director and Chief of Administration Headquarters starting in April 2025. The Board of Directors believes that his wealth of experience and track record positions him as key personnel needed for the Company to achieve sustained growth and improve corporate value. He has therefore been nominated as a candidate for Director.</td></tr>
</table>

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)
Reference information</th><th colspan="2">Career summary, position and responsibilities in the Company</th><th>Number of Company shares owned</th></tr>
<tr><td rowspan="2">3</td><td>[Reelection]
Eiichi Aoki
(September 12, 1966)
Gender: Male
Term in office: 3 years
Attendance at Board of Directors meetings:
14/14
(100% attendance)</td><td>Feb. 1990
Oct. 2010
Feb. 2019
Dec. 2019

Oct. 2021

Jun. 2023
Apr. 2025

Jan. 2026</td><td>Joined the Company
General Manager of Osaka Sales Office
General Manager of the Kansai/Chubu Area
General Manager of Production Planning Department
Executive Officer, General Manager of the Fukushima Plant
Director, Chief of Production Headquarters
Director, Chief of Production Headquarters and General Manager of the Fukushima Plant
Director, Chief of Production Headquarters (current position)</td><td>23,008 shares</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for Director]
Eiichi Aoki has held important positions in the Sales and Production Divisions, including serving as a manager at some of the Company’s key operations bases. He has been the Executive Officer, General Manager of the Fukushima Plant since 2021, has been Director and Chief of Production Headquarters since 2023, has been the Director and Chief of Production Headquarters and General Manager of the Fukushima Plant since 2025, and has led the Company’s Production Division as Director and Chief of Production Headquarters since January 2026. The Board of Directors believes that his wealth of experience and track record positions him as a person who can be expected to contribute to achieving sustained growth and improved corporate value for the Company. He has therefore been nominated as a candidate for Director.</td></tr>
<tr><td rowspan="2">4</td><td>[New election]
Taisuke Sanmon
(April 5, 1973)
Gender: Male</td><td>Apr. 1997
Oct. 2015
Oct. 2021
Apr. 2025

Jan. 2026</td><td>Joined the Company
General Manager of Shikoku Sales Office
General Manager of Sendai Branch
Executive Officer in charge of East Japan and Equipment Sales Department
Executive Officer, Chief of Sales Headquarters and in charge of West Japan (current position)</td><td>2,347 shares</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for Director]
After serving as a manager at some of the Company’s key operations bases, Taisuke Sanmon has been Executive Officer in charge of East Japan and the Equipment Sales Department since 2025, and has led the Sales Department as Executive Officer and Chief of Sales Headquarters while being in charge of West Japan since January 2026. The Board of Directors believes that his wealth of experience and track record positions him as a person who can be expected to contribute to achieving sustained growth and improved corporate value for the Company. He has therefore been nominated as a candidate for Director.</td></tr>
</table>

Candidate No.	Name (Date of birth) Reference information	Career summary, position and responsibilities in the Company	Number of Company shares owned
5	[Reelection] [Outside] [Independent] Yasuo Iijima (June 11, 1968) Gender: Male Term in office: 6 years Attendance at Board of Directors meetings: 14/14 (100% attendance)	Apr. 2000 Registered as an attorney at law Apr. 2000 Lawyer at Kioicho Law Office (current position) Apr. 2015 Vice Chair of Daini Tokyo Bar Association Jun. 2015 Outside auditor (part-time) of Palsystem Consumers' Co-operative Union Jun. 2020 Outside Director of the Company (current position) Jun. 2023 Outside auditor (part-time) of Palsystem Insurance Consumers' Co-operative Federation (current position) (Significant concurrent positions outside the Company) Lawyer at Kioicho Law Office Outside auditor (part-time) of Palsystem Insurance Consumers' Co-operative Federation	– shares
	[Reasons for nomination as candidate for outside Director and outline of expected duties] Yasuo Iijima has experience of serving as an outside auditor of a Consumers' Co-operative Union and the like, in addition to his knowledge of legal affairs as a lawyer. The Board of Directors expects that he will draw on this experience and track record to provide professional and objective advice to continue to improve the corporate value of the Company over the medium to long term and strengthen the supervisory function of the Board of Directors. He has therefore been selected as a candidate for outside Director. If he is appointed, as a member of the Remuneration Advisory Committee and the Nominating Committee, he is expected to provide advice from an objective and neutral standpoint to the Board of Directors. He has never in the past been directly involved in the management of a company. However, the Company judges that he will appropriately fulfill his duties as an outside Director based on the above reasons.		

Candidate No.	Name (Date of birth) Reference information	Career summary, position and responsibilities in the Company	Number of Company shares owned
6	[Reelection] [Outside] [Independent] Misugi Kumazaki (July 27, 1959) Gender: Female Term in office: 4 years Attendance at Board of Directors meetings: 14/14 (100% attendance)	Apr. 1978 Joined the Kanto-Shinetsu Regional Taxation Bureau Jul. 2016 District Director of Honjo Tax Office Jul. 2019 District Director of Kawagoe Tax Office (retired in July 2020) Aug. 2020 Registered as a certified public tax accountant Aug. 2020 Certified public tax accountant of Misugi Kumazaki Tax Accountant Office (current position) Apr. 2021 Deputy Chief of Office of Rulings and Legal Affairs, Kanto-Shinetsu Certified Public Tax Accountants' Association (current position) Jun. 2021 Auditor of Social Welfare Corporation SHOTOKUKAI (current position) Jun. 2022 Outside Director of the Company (current position) Aug. 2022 Outside Audit & Supervisory Board Member of SIGMAKOKI CO.,LTD. (current position) (Significant concurrent positions outside the Company) Certified public tax accountant of Misugi Kumazaki Tax Accountant Office Deputy Chief of Office of Rulings and Legal Affairs, Kanto-Shinetsu Certified Public Tax Accountants' Association Auditor of Social Welfare Corporation SHOTOKUKAI Outside Audit & Supervisory Board Member of SIGMAKOKI CO.,LTD.	700 shares
	[Reasons for nomination as candidate for outside Director and outline of expected duties] Misugi Kumazaki has held important positions with the National Tax Agency—namely, tax office district director—and has expertise in management capacity and tax affairs cultivated in those positions. Since retiring from the agency, she has gained experience serving as a certified public tax accountant, an auditor of a social welfare corporation, and the like. The Board of Directors expects that she will draw on this track record and experience to provide professional and objective advice to continue to improve the corporate value of the Company over the medium to long term and strengthen the supervisory function of the Board of Directors. She has therefore been selected as a candidate for outside Director. If she is appointed, as a member of the Remuneration Advisory Committee and the Nominating Committee, she is expected to provide advice from an objective and neutral standpoint to the Board of Directors. She has never in the past been directly involved in the management of a company. However, the Company judges that she will appropriately fulfill her duties as an outside Director based on the above reasons.		

Notes:
1. There is no special interest between any of the candidates and the Company.
2. The term of office for each candidate for reelection is the period from when the Director took office through to the conclusion of the General Meeting of Shareholders. Attendance at Board of Directors meetings is the number of meetings the Director attended while in office during the current fiscal year.
3. The Palsystem Consumers' Co-operative Union ("the Union"), where Yasuo Iijima served as an external auditor until June 2023, received a recommendation from the Japan Fair Trade Commission based on the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (the "Subcontract Act") in September 2024. The recommendation deemed that the Union's payment, reduced for a portion of the price, to five companies deemed subcontractors under the Subcontract Act from April 2023 to June 2024 was a violation of the Subcontract Act. Mr. Iijima resigned as an external auditor of the Union in June 2023 and was unaware of this violation until it was revealed, but during his term, he fulfilled his responsibilities by making indications and recommendations in the interest of ensuring thorough compliance with laws and regulations.
4. The Company has entered into an agreement with Yasuo Iijima and Misugi Kumazaki to limit liability for damages under Article 423, paragraph (1) of the Companies Act, based on the provisions in Article 427, paragraph (1) of said Act and the Articles of Incorporation. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations. The Company plans to renew this agreement if their reelections are approved.
5. The Company has submitted notification to the Tokyo Stock Exchange, Inc. that Yasuo Iijima and Misugi Kumazaki have been designated as independent officers as provided for by the aforementioned exchange. If the reelections of Yasuo Iijima and Misugi Kumazaki are approved, the Company plans for their designations as independent officers to continue.

6. The Company has entered into a directors and officers liability insurance agreement with an insurance company, which will cover the cost of damages such as compensation payments and dispute costs incurred by the insured parties. If the election of the candidates is approved, they will be included in the insured persons of the insurance agreement. The Company also plans to update the insurance agreement with the same details next time it is renewed.

(Reference)
In the event Proposal No. 2 is approved and adopted in its original form, the key skills and planned committee appointments of each Director and Audit & Supervisory Board Member after conclusion of this meeting are as follows.

Name	Key skills and planned committee appointments of each Director and Audit & Supervisory Board Member							
	Management and business strategy	Sales and marketing	Develop-ment and production	Finance and accounting	Human resources development	Legal affairs and compliance	Remuneration Advisory Committee	Nominating Committee
Director Hiroshi Sugimoto	○	○	○		○	○		○
Director Yoichiro Taniguchi	○			○	○	○	○	
Director Eiichi Aoki	○	○	○		○	○		
Director Taisuke Sanmon	○	○			○	○		
Outside Director Yasuo Iijima					○	○	○	○
Outside Director Misugi Kumazaki				○	○	○	○	○
Audit & Supervisory Board Member Kuniaki Tomita	○	○			○	○		
Outside Audit & Supervisory Board Member Hiroki Ito						○		
Outside Audit & Supervisory Board Member Hidenori Sakurai	○			○		○		

Proposal No. 3 Continuation of the response plan against Large-Scale Purchase Actions of the shares of the Company (takeover response plan)

At a meeting held on May 19, 2023, the Board of Directors resolved to partially amend the plan against Large-Scale Purchase Actions on the shares of the Company (hereinafter, the pre-amendment plan is referred to as the "Old Plan" and the post-amendment plan to the Old Plan is referred to as the "Current Plan") and continue to uphold it, and at the 67th Ordinary General Meeting of Shareholders of the Company held on June 28 of the same year, the shareholders approved the continuation of the Current Plan. However, the Current plan will expire as of the conclusion of this meeting.

Even after the continuation of the Current Plan is approved, the Company has been carefully reviewing whether we should extend the plan or how the plan should be, as an effort to secure and enhance the Company's corporate value and, by extension, the common interest of the Company's shareholders. At a meeting held on May 20, 2026, the Board of Directors decided to partially amend the Current Plan as follows and continue to uphold the response plan against Large-Scale Purchase Actions of the Company shares (takeover response plan) (hereinafter, the new plan to be continued is referred to as the "Plan"), subject to the shareholders' approval at this meeting:

The main points amended from the Current Plan upon continuation of the Plan are as follows

(i) At a general meeting of shareholders to seek approval of the implementation of countermeasures (as defined in II.1.(3)(vii) below; hereinafter referred to as "General Meeting to Confirm Shareholders' Intention"), it was clarified that the voting rights of the Large-Scale Purchaser and any person whom the Independent Committee deems as having a special interest with the Large-Scale Purchaser in connection with such proposal may be excluded from calculations with respect to requirements for resolving approval of such proposal.

(ii) Besides them, some words and phrases are also revised or rearranged.

At the meeting of the Board of Directors mentioned above, all of three corporate auditors of the Company including two outside corporate auditors were present and every corporate auditor offered a positive opinion for the contents of the Plan subject to proper implementation of the Plan.

In addition, as of today, there is no fact that the Company has received a proposal from a specific third party concerning a large-scale purchase of the shares of the Company.

The major shareholders of the Company as of March 31, 2026 are shown in Exhibit 5.

In that regard, we request for your approval of the Plan.

I. Basic policy, etc. concerning the persons in control of the Company's decision making on its financial and business policies

1. Details of the basic policy

The Company takes the view that the person who exercises control over the Company's decision on its financial and business policies is required to have sufficient understanding of the financial status and business activities of the Company and the sources of the Company's corporate value and must be cable of continuously and sustainably securing and enhancing the Company's corporate value and, by extension, the common interest of the Company's shareholders.

The shares of the Company, being a listed company, are allowed to be traded by shareholders and investors without restraint. The Company takes the view that, even in a case of Large-Scale Purchase Actions or some similar actions against the shares of the Company, the judgment as to whether to accept the proposal for such purchase involving a transfer of the control over the Company should ultimately be left to the decision of the shareholders of the Company. Therefore, if Large-Scale Purchase Actions are taken against the shares of the Company, we will not blanketly deny such actions as long as they contribute to the Company's corporate value and, by extension, the common interest of the Company's shareholders.

However, it cannot be denied that, among Large-Scale Purchase Actions, there are inappropriate ones such as those which are apparent from their purpose, etc. to significantly diminish the Company's corporate value and, by

extension, the common interest of the company's shareholders, those which may coerce the shareholders into selling their shares, and those which do not give sufficient time and information for the board of directors of the target company or its shareholders to review the purchase conditions, etc. or for the board of directors of the target company to make an alternative proposal. The Company considers any person who engages in such inappropriate Large-Scale Purchase Actions or other similar actions as unsuitable to exercise control over the Company's decisions on its financial and business policies.

The Company makes efforts to ensure timely and appropriate Information Disclosure so that the shareholders and investors can understand the appropriate value of the shares of the Company. However, in the event that Large-Scale Purchase Actions are abruptly taken, we consider it essential for the shareholders, who will be required to make an appropriate judgment in a short period of time as to whether the consideration for the acquisition of the shares of the Company proposed by the person who intends to take Large-Scale Purchase Actions (hereinafter referred to as the "Large-Scale Purchaser") is reasonable, that appropriate and sufficient information is provided by both the Large-Scale Purchaser and the Board of Directors. Furthermore, we take the view that, even for the shareholders to consider continued holding of the shares of the Company, among the important materials for their decision-making will be such information as the impact of the purchase actions on the Company's corporate value and, by extension, the common interest of the Company's shareholders, the Large-Scale Purchaser's views on the management policy, business plans, and relationships with stakeholders following their participation in the management of the Company, and the opinions, etc. of the Board of Directors regarding such purchase actions.

For the reasons above, the Company takes the view that it is an essential obligation of the Board of Directors, to whom the shareholders have entrusted the management of the Company, to take necessary and appropriate measures in certain circumstances to protect the Company's corporate value and, by extension, the common interest of the Company's shareholders, in order to ensure the shareholders are given appropriate opportunities to make their decision whether to accept the Large-Scale Purchase Actions for the shares of the Company, to secure time and information required for the Board of Directors to make an alternative proposal to the shareholders, and to deter such Large-Scale Purchase Actions as may be against the Company's corporate value and, by extension, the common interest of the Company's shareholders.

2. Sources of the Company's corporate value

Since its establishment in January 1957, the Company, whose main business is to manufacture and sell water supply equipment that connects precious water to people's life, has played a role in the development of water service businesses for more than half a century under its corporate mission of delivering "clean water," "safe water," and "good-tasting water."

We see the source of the Company's corporate value is the harmony between its employees as a whole, who serve as key players of the operation, and the following four items:

(i) Numerous pieces of unique know-how in "manufacturing"

At the Company's production sites, the Company maintains complete quality control by establishing an integrated production system where the Company directly manages casting, processing, assembly, inspection, and shipment, as well as even the molds used in the production lines. The Company's unique know-how in "manufacturing," which is derived from experience gained and data accumulated in each of these processes for years, underpins the competitiveness of the products that the Company supplies.

(ii) Original production management system

The functions required for the water supply equipment vary depending on the environment and conditions in which the equipment is used. Our products are used by almost all water service entities nationwide, and the number of such products is as many as tens of thousands.

The Company has established its original production management system which combines its sales capability, that enables demand forecast with high accuracy, with a flexible factory operation system, that enables small-lot production of a wide variety of products and thereby adopted a structure where a stable supply of each product is ensured.

(iii) Brand power based on the relationships of trust with water service entities, pipe material trading companies, and water works companies nationwide

To date, the Company has been developing the water supply equipment with the aim of improving safety, convenience, and workability and, by continuously and stably supplying products on demand, has earned a high level of trust over a long period of time from a variety of people involved in the water service business. The Company's brand power based on such strong relationships of trust is an important foundation of our business.

(iv) Ability to respond to customers' needs through integration of manufacturing and sales

The Company has established 26 sales bases nationwide to accurately identify customers' needs while adopting a structure where we can promptly respond to them from product development to manufacturing and supply.

3. Efforts to enhance the corporate value

In response to major changes in the situation surrounding water service, namely the decline in Japan's total population and the experience of the Great East Japan Earthquake, the "New Water Service Vision" released by the Ministry of Health, Labour and Welfare in March 2013 presents the ideal image of water service towards the future in 50 years and 100 years from today with an aim to allow people to continuously enjoy the benefits of water service, which have been the basis for their lives and economic activities.

The Company shares the basic philosophy of this "New Water Service Vision" and will accordingly promote efforts to enhance corporate value by appropriately responding to changes of the times and the environment in seeking to play a part in making the ideal image of water service a reality.

With the fiscal year ended March 31, 2025 constituting the final fiscal year of the previous medium-term management plan, the "Medium-Term Management Plan 2024" (hereinafter referred to as the "Previous Plan"), the Company accordingly reflected on the Previous Plan. On August 7, 2025, meanwhile, the Company formulated and announced its new "Medium-Term Management Plan 2029" with the aim of enhancing corporate value and achieving sustainable growth based on its recognition of the environment in which it operates. The summary is as follows.

Under the new medium-term management plan, the Company will continue placing emphasis on "sustainability management" with the aim of sustainable growth underpinned by its policy of "back to basics – taking on the future." This will involve taking action based on five "priority measures" bearing in mind the kind of enterprise the Company aspires to become, also taking into account issues recognized under the Previous Plan.

(i) Strengthen existing businesses

We will strengthen the stable earnings base we have built over 70 years, improve the profitability of businesses that are compelled to operate at a loss or with low profitability, and further stabilize and strengthen its earnings base.

(ii) Promote digital transformation (DX)

We will move forward with "smartification" (automation and labor savings) of our operations by incorporating evolving technologies, improving productivity through work automation and labor savings, reviewing business processes, and eliminating inefficiencies.

(iii) Create next-generation growth drivers

We will work to create new growth drivers and strengthen our research and development capabilities in order to rapidly and flexibly provide the products and services customers seek and enhance value for customers.

(iv) Strengthen the management base

Continuing from the Previous Plan, we will work to improve effectiveness in line with Japan's Corporate Governance Code, enhance management transparency, and ensure thorough compliance, thereby striving for continuous sound management and the development of human resources.

(v) Promote sustainability

Continuing from the Previous Plan, we will promote energy-saving measures in our offices and factories through initiatives that include the introduction of renewable energy.

4. Corporate governance

The Company takes the view that broadly establishing the trust of society as a corporation by enhancing management transparency and ensuring thorough compliance is indispensable for the sustained enhancement of the corporate value. Among those, we recognize the enhancement of corporate governance as the most important issue.

Based on such recognition, the Company has set the term of office for directors at one year with the aim of clarifying the responsibilities of directors and offering the shareholders more opportunities to express confidence in directors.

In addition, in order to strengthen the supervisory function of the Board of Directors, the Company has appointed two highly independent outside directors and established the "Nominating Committee" and the "Remuneration Committee," where the majority of the members are independent outside directors, as voluntary advisory bodies to the Board of Directors. The Company strives to further strengthen its corporate governance system by securing independence and objectivity in the procedures for nominating and dismissing directors and determining the amount of remuneration through obtaining appropriate involvement of independent outside directors and advice from them.

With respect to corporate auditors, three corporate auditors, including two highly independent outside corporate auditors, attend meetings of the Board of Directors and other important meetings and regularly meet or exchange information with directors, the financial auditors, and the internal audit department to check the status of audit of the execution of duties by directors and of development and operation of internal controls.

The Company will continue to strive to improve and strengthen the environment, safety, and quality, the strict compliance with laws and regulations and other rules, and the fulfilment and enhancement of its social contribution activities, etc. in order to further facilitate the trust of our stakeholders, including shareholders, customers, business partners, employees, and the local communities.

II. Measures to prevent the situation where decisions on our financial and business policies are controlled by inappropriate persons in light of the basic policy

1. Details of the Plan

(1) Outline of the Plan

The Plan requires the Large-Scale Purchaser to follow the prescribed procedures when they take Large-Scale Purchase Actions. According to the Plan, if they take Large-Scale Purchase Actions without following such procedures or if, although they follow such procedures, such Large-Scale Purchase Actions are judged to clearly diminish the Company's corporate value and, by extension, the common interest of the Company's shareholders, in principle, the Company will allot share options without contribution to the shareholders as of a certain date specified by the Board of Directors in accordance with the method of the allotment of share options without contribution (as set forth in the Companies Act, Article 277 et seq.) as a countermeasure against such Large-Scale Purchase Actions. Please refer to Exhibit 1 for an overview of the Plan as a whole.

Upon making a decision whether to implement allotment of share options without contribution, in order to eliminate arbitrary decisions by the Board of Directors, the Company will consult the Independent Committee, which is independent from the Board of Directors and whose recommendations will be respected to the utmost extent while making timely Information Disclosure to the shareholders, etc. to secure transparency. In cases where the Large-Scale Purchaser complies with the procedures set forth in the Plan but the Board of Directors finds that such Large-Scale Purchase Actions fall under the actions that can significantly diminish the Company's corporate value and, by extension, the common interest of the Company's shareholders, the Board of Directors will always convene a General Meeting to Confirm Shareholders' Intention to confirm the shareholders' intention as to whether or not to take countermeasures under the Plan. If it is determined appropriate to implement any other countermeasures permitted under the Companies Act or other laws and the Articles of Incorporation, such other countermeasures may be taken.

The share options to be allotted pursuant to the Plan (hereinafter referred to as the "Share Options") are expected to be subject to such terms as (A) conditions for exercise which prohibit the Large-Scale Purchaser and its related persons from exercising the option, and (B) call options which entitle the Company to acquire the Share Options in exchange for allotment of the shares of the Company to the shareholders other than the Large-Scale Purchaser and its related persons.

(2) Procedures for the continuation of the Plan - approval at an ordinary general meeting of shareholders

In order to appropriately reflect the shareholders' intention, the continuation of the Plan will be subject to the approval of a majority of the voting rights of the shareholders present at this meeting (including shareholders who exercise their voting rights using the voting form, via the Internet, or via the electronic voting platform for institutional investors operated by ICJ, Inc.; the same applies hereinafter).

(3) Procedures for implementing the countermeasures under the Plan

(i) Applicable large-scale purchase actions

The Company will consider implementing the countermeasures under the Plan if any action that falls under any of (A) through (C) below or any action similar thereto (excluding actions that have been approved in advance by the Board of Directors) has been taken or is being taken:

A) Purchase of share certificates, etc.[*1] issued by the Company, where a holder's[*2] ownership ratio of share certificates, etc.[*3] will be 20% or more;

B) A tender offer for share certificates, etc.[*4] issued by the Company, where the sum of the ownership ratio of share certificates, etc. in terms of the share certificates, etc.[*6] pertaining to the tender offer[*5] and those held by the specially related party[*7] will be 20% or more;

C) Regardless of whether each of the actions set forth in (A) or (B) above has been taken, any action (i) conducted between a certain shareholder of the Company and other shareholder(s) of the Company and which amounts to an agreement or likes leading as a result thereof either to a situation where such other shareholder(s) becomes a joint holder with the said certain shareholder, or to a relationship[*8] between them where one substantially controls the other or they act jointly or collaboratively,[*9] and (ii) as a result of which the sum of their ownership ratio of share certificates, etc. issued by the Company will be 20% or more.

*1: Share certificates, etc. (including those that are deemed as securities) as defined in Article 27-23, paragraph 1 of the Financial Instruments and Exchange Act. The same applies hereinafter unless otherwise provided.

*2: A holder as defined in Article 27-23, paragraph 1 of the Financial Instruments and Exchange Act (including person(s) who falls under a holder under paragraph 3 of that Article and person(s) whom the Board of Directors acknowledges as that holder; the same applies hereinafter unless otherwise provided) and the joint holder(s) of such person(s) (as defined in paragraph 5 of that Article and including person(s) who falls under a joint holder under paragraph 6 of that Article and person(s) whom the Board of Directors acknowledges as that joint holder; the same applies hereinafter unless otherwise provided). The same applies hereinafter unless otherwise provided.

*3: Ownership ratio of share certificates, etc. as defined in Article 27-23, paragraph 4 of the Financial Instruments and Exchange Act. In this case, the number of the share certificates, etc. held by joint holders of a holder (meaning the number of share certificates, etc. as set forth in that paragraph; the same applies hereinafter unless otherwise provided) will also be taken into account in the calculation. The same applies hereinafter unless otherwise provided.

*4: Share certificates, etc. as defined in Article 27-2, paragraph 1 of the Financial Instruments and Exchange Act. The same applies in (B).

*5: A tender offer as defined in Article 27-2, paragraph 6 of the Financial Instruments and Exchange Act. The same applies hereinafter unless otherwise provided.

*6: Ownership ratio of share certificates, etc. as defined in Article 27-2, paragraph 8 of the Financial Instruments and Exchange Act. The same applies hereinafter unless otherwise provided.

*7: Specially related party as defined in Article 27-2, paragraph 7 of the Financial Instruments and Exchange Act (including person(s) whom the Board of Directors acknowledges as the specially related party); provided, however, that with

respect to the persons specified in item 1 of that paragraph, person(s) set forth in Article 3, paragraph 2 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers is excluded. The same applies hereinafter unless otherwise provided.

*8: Determination whether "relationship between [a certain shareholder of the Company and other shareholder(s) of the Company] where one substantially controls the other or they act jointly or collaboratively" will be made on the basis of formation of such new relationship as pertaining to shareholding, business alliance, transaction/contract, concurrently serving officers, funding, credit facility, or a substantial interest in the Company's share certificates, etc. through derivatives trading or stock loan, etc. as well as direct and indirect influences, etc. to the Company exercised by such certain shareholder and such other shareholders.

*9: Determination whether any action prescribed in this (C) has taken place will be made by the Board of Directors in a reasonable manner with the utmost respect for the Independent Committee's recommendations. The Board of Directors may request shareholders of the Company to provide necessary information to the extent required to determine whether an action falls under the conditions prescribed in this (C).

In calculating each of the ratios, the total number of voting rights (as provided for in Article 27-2, paragraph 8 of the Financial Instruments and Exchange Act) and the total number of (the latest) issued shares in the Company (as provided for in Article 27-23, paragraph 4 of that Act) may be determined by referring to the Annual Securities Report, the semi-annual securities report, or the Reports on Repurchase, whichever is most recently filed.

(ii) Submission of a declaration of intention

Prior to conducting Large-Scale Purchase Actions, the Large-Scale Purchaser is required to submit to the Board of Directors a declaration of intention (which shall contain a pledge to comply with the procedures set forth in the Plan) written in Japanese, describing the following items about the Large-Scale Purchaser. The declaration of intention must be accompanied by a certified copy of commercial registration, a copy of the Articles of Incorporation, and/or other documents certifying the status of the Large-Scale Purchaser (if in a foreign language, a Japanese translation must be accompanied).

a) Name

b) Address or the location of its headquarters and offices, etc.

c) Governing law of establishment

d) Title and name of the legal representative

e) Contact details inside Japan

f) Its direct or indirect major shareholders/investors (the top 10 shareholders or investors in terms of shareholding or investment ratio) and overview of beneficial shareholders/investors

g) Overview of the proposed Large-Scale Purchase Actions (including the class and number of the share certificates, etc. of the Company that the Large-Scale Purchaser intends to acquire through the Large-Scale Purchase Actions and the purpose of the Large-Scale Purchase Actions [such as acquisition of control over the Company or participation in the management, pure investment or strategic investment, transfer of the share certificates, etc. of the Company to a third party following the Large-Scale Purchase Actions, or any material proposal[*10]; if any other purpose, please specify so with the details thereof; if there are multiple purposes, all of them must be described]).

*10: A material proposal stipulated in Article 27-26, paragraph 1 of the Financial Instruments and Exchange Act, Article 14-8-2, paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act, and Article 16 of the Cabinet Office Order on Disclosure of the Status of Large-Volume Holdings in Share Certificates.

In the event that the Board of Directors is aware of the emergence of the Large-Scale Purchaser or receives a declaration of intention from the Large-Scale Purchaser, a timely and appropriate disclosure (hereinafter referred to as "Information Disclosure") of such facts will be made to the shareholders, etc. of the Company in accordance with applicable laws and regulations and various rules set forth by Tokyo Stock Exchange, Inc. (hereinafter referred to as the "Tokyo Stock Exchange").

(iii) Request for information to the Large-Scale Purchaser

The Board of Directors will, within 10 days from the day following the date of the receipt of the above-mentioned declaration of intention, deliver to the Large-Scale Purchaser a document (hereinafter referred to as the "Necessary Information List") listing the heads of information necessary for the Board of Directors to examine the details of such Large-Scale Purchase Actions as set forth in the following items (hereinafter referred to as the "Necessary Information"). The Large-Scale Purchaser must provide the Necessary Information in writing in Japanese to the Board of Directors in accordance with the Necessary Information List (provided, however, that the Board of Directors will not request the Large-Scale Purchaser to provide the Necessary Information beyond such extent as necessary for the shareholders to appropriately decide whether or not to continue holding the shares of the Company in light of the attributes of the Large-Scale Purchaser, the contents of the proposed Large-Scale Purchase Actions, and the content and nature of the Necessary Information, etc.).

Immediately upon receiving the Necessary Information, the Board of Directors will provide it to the Independent Committee stipulated under (v).

a) Details of the Large-Scale Purchaser and its group (including joint holders, specially related parties, and partners and other members (in the case of funds), including information concerning specific name, address, governing law of its establishment, name of the legal representative, contact details inside Japan, capital structure, business activities, financial status, and experience in the same type of business as the Company's;

b) Number of shares of the Company that the Large-Scale Purchaser and its group currently hold and the trading status of the Large-Scale Purchaser with respect to the shares of the Company during 60 days before the date of submission (inclusive) of the declaration of intention;

c) Purpose(s) of Large-Scale Purchase Actions (further elaborating the description provided in the declaration of intention) and the methods and details thereof (including the amount and type of considerations, schedule, mechanism of related transactions, lawfulness, and feasibility);

d) Overview of the basis of calculation of the consideration amount for Large-Scale Purchase Actions (including facts and assumptions underlying the calculation, calculation methods, numeric figures used in the calculation, and the details of the synergy effect that is expected to be produced through a series of transactions related to the Large-Scale Purchase Actions [including the details of synergy that is expected to be shared with other shareholders] and the basis of calculation thereof, etc.);

e) Sources of funding for Large-Scale Purchase Actions (including the specific names of funding contributors [including beneficial contributors], method of fund-raising, and details of related transactions, etc.);

f) Management policy of the Company group following the Large-Scale Purchase Actions as well as management candidates (including information concerning experience, etc. in the same type of business as the Company group), business plans, financial plans, capital policies, dividend policies, and asset utilization measures (provided, however, that in the case of the Large-Scale Purchaser proposing a buy out of the entire shares of the Company for cash with no minority shareholder to remain, a summary of information stipulated in this item will suffice);

g) Policy on the treatment of employees, trade partners, customers, and other stakeholders of the Company group following the Large-Scale Purchase Actions;

h) Specific measures to avoid conflicts of interest with other shareholders of the Company;

i) Whether any relationship (direct or indirect) with any antisocial organization or terrorism-related organization exist and, if so, specific description of such relationship; and

j) Policy on recovering the capital invested in Large-Scale Purchase Actions

If the Board of Directors reasonably determines that the Necessary Information provided by the Large-Scale Purchaser is insufficient for the judgment by the shareholders of the Company and the evaluation and examination by the Board of Directors in light of the details and form of the concerned Large-Scale

Purchase Actions, the Board of Directors will request the Large-Scale Purchaser to provide it with such additional information as separately requested by it (hereinafter referred to as the "Additional Information") (provided, however, that the Board of Directors will not request the Large-Scale Purchaser to provide the Necessary Information beyond such extent as necessary for the shareholders to appropriately decide whether or not to continue holding the shares of the Company in light of the attributes of the Large-Scale Purchaser, the details of the proposed Large-Scale Purchase Actions, and the content and nature of the Necessary Information, etc.). Such request for provision of the Additional Information will be made within 60 days from the day following the date on which the Board of Directors delivers the Necessary Information List to the Large-Scale Purchaser. In such case, the Board of Directors will consult the Independent Committee and respect its recommendations to the utmost extent.

The Board of Directors, upon receiving the Necessary Information or the Additional Information, will make the Information Disclosure to the shareholders, etc. about the fact of receipt. Information Disclosure to the shareholders, etc. of the substance of the information provided by the Large-Scale Purchaser to the Board of Directors will be made, either in whole or in part, when the Board of Directors deems it is necessary for the shareholders' judgment. In addition, in case of the Large-Scale Purchase Actions by way of a tender offer for share certificates, etc. of the Company, the Company may, besides requesting them to provide the Necessary Information and the Additional Information, also ask questions concerning such a tender offer with the use of the "target company's position statement" under Article 27-10 of the Financial Instruments and Exchange Act.

(iv) Procedures for review by the Board of Directors

If the Board of Directors determines that the Necessary Information and the Additional Information provided by the Large-Scale Purchaser meet such standards as necessary for the shareholders of the Company to appropriately decide whether or not to continue holding the shares of the Company, it will immediately notify the Large-Scale Purchaser and the Independent Committee of such fact as well as the starting and ending dates of the Board of Directors' Evaluation Period described below and make the Information Disclosure to the shareholders, etc.

If the Large-Scale Purchaser provides a reasonable explanation about the difficulty to provide some pieces of such information in response to the Board of Directors' request for the Necessary Information and the Additional Information, the Board of Directors may, even if the Necessary Information and the Additional Information so requested are yet to be received in its entirety, discontinue the negotiations, etc. concerning provision of information with the Large-Scale Purchaser and commence evaluation and examination.

The Board of Directors will designate the period of days set forth in either (i) or (ii) below starting from the day following the date of dispatching the above-mentioned notice to the Large-Scale Purchaser as a period for evaluation, examination, negotiation, formation of an opinion, and formation of alternative plans (hereinafter referred to as the "Board of Directors' Evaluation Period"):

(i) within 60 days, in case of a buy out of the entire share certificates, etc. of the Company for cash (the Japanese Yen) consideration only by way of a tender offer; or

(ii) within 90 days, in case of any other Large-Scale Purchase Actions.

Notwithstanding the foregoing, in cases of both (i) and (ii) above, where the Board of Directors reasonably considers it necessary to do so, the Board of Directors' Evaluation Period may be extended following consultation with the Independent Committee and respecting its recommendations to the utmost extent. In such cases, the specific extension period and the reasons why such extension is necessary will be notified to the Large-Scale Purchaser and the Information Disclosure to the shareholders, etc. will be made. The extension shall be limited to once only and its period shall not exceed 30 days.

The Board of Directors will, within the Board of Directors' Evaluation Period and respecting the Independent Committee's recommendations to the utmost extent, carefully form its opinion on the Large-Scale Purchase Actions, by fully evaluating and examining the Necessary Information and the Additional Information provided while, if necessary, seeking advice from investment banks, securities companies, financial advisors, lawyers, certified public accountants, and other third parties who are independent from the Company. It will be notified to the Large-Scale Purchaser and the Information Disclosure to the

shareholders, etc. will be made. The Board of Directors may, where necessary, negotiate with the Large-Scale Purchaser about the terms and methods of Large-Scale Purchase Actions and offer alternative proposals to the shareholders. The Large-Scale Purchaser may commence its Large-Scale Purchase Actions only after the lapse of the Board of Directors' Evaluation Period. However, if the Notice of Decision Not to Implement Countermeasures set forth in (viii) below is received, the Large-Scale Purchase Actions may be commenced from the business day following the date of receipt of such notice. If the procedures for convening a General Meeting to Confirm Shareholders' Intention are implemented in accordance with (viii) below, the Large-Scale Purchaser may not commence the Large-Scale Purchase Actions up until (a) where a proposal to take countermeasures is resolved at the General Meeting to Confirm Shareholders' Intention, the end of a meeting of the Board of Directors held for the purpose of adopting a resolution necessary to take countermeasures following conclusion of such General Meeting to Confirm Shareholders' Intention, and (b) where a proposal to take countermeasures is rejected at the General Meeting to Confirm Shareholders' Intention, conclusion of the General Meeting to Confirm Shareholders' Intention.

(v) Establishment of the Independent Committee

The Board of Directors makes final determination whether a series of procedures have been followed in accordance with the rules set forth in the Plan and, if so, whether to implement certain countermeasures that are considered necessary and proportionate to secure or improve the Company's corporate value and, by extension, the common interest of the Company's shareholders. In order to ensure the reasonableness and fairness of such determination, the Company hereby establishes the Independent Committee pursuant to the Rules for the Independent Committee (please refer to Exhibit 4 for an overview) as a body independent from the Board of Directors.

The Independent Committee shall consist of three or more members, who are appointed by the Board of Directors from outside directors and outside corporate auditors of the Company as well as external experts (lawyers, certified public accountants, academic experts, etc.).

With respect to the members of the Independent Committee after the continuation of the Plan, Mr. Yasuo Iijima, an outside director who is an incumbent member of the Independent Committee, will continue to serve as a member subject to the approval of the proposal for the appointment of directors at this meeting. In addition, Mr. Hiroki Ito and Mr. Hidenori Sakurai, who are incumbent members of the Independent Committee will continue to serve as outside corporate auditors (please refer to Exhibit 3 for their career summaries). The Independent Committee may obtain advice from any independent third party (including investment banks, securities firms, financial advisers, lawyers, certified public accountants and other professionals) at the expense of the Company.

(vi) Procedures for implementing Countermeasures

When the Board of Directors decides whether to implement countermeasures, the following procedures shall be taken to ensure reasonableness and fairness of the determination.

Prior to implementation of countermeasures, the Board of Directors shall consult the Independent Committee on whether to implement countermeasures, and the Independent Committee shall, in response to the consultation request, carefully evaluate and examine Large-Scale Purchase Actions from the viewpoint of protecting and enhancing the Company's corporate value and, by extension, the common interest of the Company's shareholders and, after obtaining advice as necessary from such third parties independent from the Company as investment banks, securities companies, financial advisors, lawyers and certified public accountants (the costs shall be borne by the Company), shall make recommendations to the Board of Directors on whether countermeasures should be implemented. The Board of Directors shall respect the Independent Committee's recommendations to the utmost extent in deciding whether to implement the countermeasures.

Upon making such determination, the Board of Directors shall make the Information Disclosure to its shareholders, etc. regarding an outline of the determination and such other matters as may be deemed appropriate by the Board of Directors.

In addition to the above-mentioned consultation with the Independent Committee, the Board of Directors shall, based on the Necessary Information and the Additional Information provided by the Large-Scale Purchaser as well as advice from external experts, etc. as necessary, evaluate and examine such Large-Scale Purchaser, the substance of the relevant Large-Scale Purchase Actions, and their impact on the Company's corporate value and, by extension, the common interest of the Company's shareholders, followed by making determination whether to implement the countermeasures by the end of the Board of Directors' Evaluation Period.

(vii) Conditions for implementing countermeasures

A) If the Large-Scale Purchaser conducts Large-Scale Purchase Actions without following the procedures specified in the Plan

If the Large-Scale Purchaser conducts Large-Scale Purchase Actions without following the procedures specified in the Plan, the Board of Directors, regardless of the specific terms or methods of the Large-Scale Purchase Actions, shall deem that such Large-Scale Purchase Actions are significantly detrimental to the corporate value of the Company and, by extension, the common interest of the Company's shareholders and shall take necessary and proportionate countermeasures to protect or enhance the corporate value of the Company and, by extension, the common interest of the Company's shareholders with the utmost respect for the Independent Committee's recommendations.

Upon implementing countermeasures following a reservation made by the Independent Committee in its recommendations to the effect that the intention of shareholders should be confirmed in advance or otherwise the Board of Directors determines that it is appropriate to confirm the intention of shareholders in light of the director's duty of care of a good manager, the Board of Directors shall convene a General Meeting to Confirm Shareholders' Intention[*11] and promptly implement the convening procedures by seeking approval of the implementation of the countermeasures.

B) If the Large-Scale Purchaser conducts or intends to conduct Large-Scale Purchase Actions in accordance with the procedures specified in the Plan

If the Large-Scale Purchaser conducts or intends to conduct Large-Scale Purchase Actions in accordance with the procedures specified in the Plan, no countermeasures will be taken against such Large-Scale Purchase Actions in principle, even if the Board of Directors is against such Large-Scale Purchase Actions and expresses its dissenting opinion, presents alternative proposals or provides explanations to shareholders. Whether to accept the proposal by the Large-Scale Purchaser is to be determined by shareholders after considering the Necessary Information and the Additional Information regarding such Large-Scale Purchase Actions and the opinions and alternative proposals by the Board of Directors regarding such Large-Scale Purchase Actions.

However, even if the Large-Scale Purchaser conducts or intends to conduct Large-Scale Purchase Actions in accordance with the procedures specified in the Plan, if the Board of Directors finds, as a result of examining the contents of Large-Scale Purchase Actions by the Large-Scale Purchaser and having discussions and negotiations, etc. with the Large-Scale Purchaser, that Large-Scale Purchase Actions based on the purchase proposal by the Large-Scale Purchaser will be significantly detrimental to the Company's corporate value and, by extension, the common interest of the Company's shareholders, the Board of Directors shall, regardless of the commencement or termination of the Board of Directors' Evaluation Period, convene a General Meeting to Confirm Shareholders' Intention to ask the shareholders whether to implement necessary and proportionate countermeasures to protect or enhance the Company's corporate value and, by extension, the common interest of the Company's shareholders with the utmost respect for the Independent Committee's recommendations. More specifically, if any Large-Scale Purchase Action based on such purchase proposal is found to fall under any of the categories listed below, it is considered that such action, in principle, amounts to one that is significantly detrimental to the Company's corporate value and, by extension, the common interest of the Company's shareholders.

(a) Purchase, etc. with an aim of selling them at higher prices;

(b) Purchase, etc. with an aim of making profits for the Large-Scale Purchaser at the sacrifice of the Company, such as acquiring advanced assets and technical information at a low price;

(c) Purchase, etc. by using the Company's assets as collateral for debt or as a source of funds for repayment, thereby leading to apparent detriment to the Company's corporate value and, by extension, the common interest of the Company's shareholders;

(d) Purchase, etc. with an aim to have the Company dispose of its major assets and declare a high dividend for a short-period out of the proceeds of such disposal, or an aim to sell shares at a high price amid a sharp rise of the stock price following a short-term high dividend, thereby leading to apparent detriment to the Company's corporate value and, by extension, the common interest of the Company's shareholders;

(e) Purchase, etc. that is likely to substantially force shareholders to sell their shares by such ways as offering the first-round proposal of purchase for a limited number of shares while offering the second-round proposal of purchase which incorporates less favorable conditions or without clarifying such conditions.

If the Board of Directors finds that Large-Scale Purchase Actions would be significantly detrimental to the Company's corporate value and, by extension, the common interest of the Company's shareholders and resolves that a General Meeting to Confirm Shareholders' Intention be convened to ask the shareholders whether to implement the countermeasures, the Board of Directors shall promptly implement the procedures for convening a General Meeting to Confirm Shareholders' Intention to seek approval of the implementation of countermeasures under the Plan.

*11 At a General Meeting to Confirm Shareholders' Intention, the Company, in principle, is to confirm the intention of shareholders by means of an ordinary resolution. However, the voting rights of the Large-Scale Purchaser and any person whom the Independent Committee deems as having a special interest with the Large-Scale Purchaser in connection with such proposal may be excluded from calculations with respect to requirements for resolving approval of such proposal, upon comprehensively taking into account the purpose, method, and details of a purchase, etc., as well as various circumstances including possible conflicts of interest between the Large-Scale Purchaser and general shareholders. The same shall apply hereinafter.

(viii) The Board of Directors' decision whether to implement countermeasures

In both cases of (vii)(A) and (vii)(B) above, the Board of Directors will make a decision whether to implement countermeasures with the utmost respect for the Independent Committee's recommendations.

In addition, if the Board of Directors implements the procedures to convene a General Meeting to Confirm Shareholders' Intention pursuant to (vii)(A) or (vii)(B) above, the Board of Directors will make a decision whether to implement countermeasures in accordance with a resolution of a General Meeting to Confirm Shareholders' Intention held pursuant to such convening procedures.

Upon making a decision whether to implement the countermeasures, the Board of Directors shall immediately notify the Large-Scale Purchaser of the outline of such decision and other matters deemed appropriate by the Board of Directors (hereinafter the notice of decision not to implement countermeasures is referred to as the "Notice of Decision Not to Implement Countermeasures") and shall make the Information Disclosure to its shareholders. The Large-Scale Purchaser may conduct Large-Scale Purchase Actions after the lapse of the Board of Directors' Evaluation Period or on or after the business day following the day when the Large-Scale Purchaser receives the Notice of Decision Not to Implement Countermeasures from the Board of Directors. However, if the Board of Directors implements the procedures to convene a General Meeting to Confirm Shareholders' Intention as mentioned above, the Large-Scale Purchaser may not conduct Large-Scale Purchase Actions (a) if a proposal to implement countermeasures is approved at the General Meeting to Confirm Shareholders' Intention, until the conclusion of a meeting of the Board of Directors held to make necessary resolutions to implement countermeasures following the conclusion of the General Meeting to Confirm Shareholders' Intention, or

(b) if a proposal to implement countermeasures is rejected at the General Meeting to Confirm Shareholders' Intention, until the conclusion of the General Meeting to Confirm Shareholders' Intention.

In convening a General Meeting to Confirm Shareholders' Intention, the Board of Directors shall, in accordance with applicable laws and regulations, promptly and in a timely and appropriate manner disclose an outline of the Necessary Information and the Additional Information, the opinion of the Board of Directors concerning a declaration of intention, the content of the recommendations of the Independent Committee and any other matters that the Board of Directors deems appropriate.

As a precondition for holding a General Meeting to Confirm Shareholders' Intention, the Board of Directors shall, promptly after receiving sufficient information from the Large-Scale Purchaser, set a record date to determine the shareholders who are entitled to exercise their voting rights at the General Meeting to Confirm Shareholders' Intention and give a public notice thereof no later than two weeks prior to the said record date. Shareholders who are entitled to exercise their voting rights at the General Meeting to Confirm Shareholders' Intention shall be those listed or recorded on the final register of members as of the record date.

Resolutions of the General Meeting to Confirm Shareholders' Intention shall be approved by a majority of the voting rights of the shareholders who are present. The results of the General Meeting to Confirm Shareholders' Intention shall be disclosed promptly after the resolution.

Even if the convening procedures for the General Meeting to Confirm Shareholders' Intention are implemented, the Company may cancel the convening procedures of such General Meeting to Confirm Shareholders' Intention if the Board of Directors subsequently makes a decision not to implement countermeasures. If such resolution is adopted, the Company will disclose opinions of the Board of Directors, reasons for such opinions and any other information deemed appropriate in a timely and appropriate manner in accordance with applicable laws and regulations.

(ix) Review by the Board of Directors

Even after the decision is made whether to implement countermeasures, if there arises any change in the facts on which such decision is made, including the Large-Scale Purchaser changing the conditions of Large-Scale Purchase Actions or suspending Large-Scale Purchase Actions, the Board of Directors shall make examination again while consulting the Independent Committee and may make a decision on implementation or suspension of countermeasures with the utmost respect for the Independent Committee's recommendations.

Upon making such decision, the Board of Directors shall immediately notify the Large-Scale Purchaser of an outline of such decision and such other matters as may be deemed appropriate by the Board of Directors and shall make the Information Disclosure to the shareholders, etc.

(4) Outline of allotment of the Share Options without contribution

As a countermeasure under the Plan, the Board of Directors will, in principle, allot the Share Options without contribution in accordance with Exhibit 2 "Terms and Conditions of Share Options: Maezawa Kyuso Industries Co., Ltd." The Share Options shall be allotted to the shareholders recorded on the final register of members (excluding the Company) as of a certain date determined by the Board of Directors at the meeting resolving the allotment of the Share Options without contribution (hereinafter referred to as the "Allotment Date") at a ratio of one or more share options, as determined by the Board of Directors, for each share in the Company held by the shareholders.

The value (exercise price) of the property (which shall be cash) to be contributed upon exercise of one unit of the Share Options will be JPY1 and, upon exercise of one unit of the Share Options, one common share of the Company will be issued to the holder of share options pertaining to the Share Options (hereinafter referred to as the "Share Options Holder").

However, the Large-Scale Purchaser and its related persons may not be able to exercise the Share Options.

In addition to forfeiture of the Share Options upon exercise thereof, the Company may, in accordance with the call option clause attaching to the Share Options and under certain conditions, forfeit one unit of the Share Options in exchange for one common share of the Company from the Share Options Holder other than the

Large-Scale Purchaser and its related persons. The Company will also be entitled to forfeit all of the Share Options at no cost under certain conditions.

Acquisition of the Share Options by way of transfer is subject to the approval of the Board of Directors.

In addition to the allotment of the Share Options without contribution, if it is determined appropriate to implement any other countermeasures permitted under the Companies Act and other laws and the Company's articles of incorporation, such other countermeasures may be used.

When the Board of Directors implements countermeasures under the Plan, it shall make the Information Disclosure to its shareholders, etc. regarding such matters as deemed appropriate by the Board of Directors.

(5) Effective period, abolishment and change of the Plan

The Plan shall be effective until the conclusion of the ordinary general meeting of shareholders for the last fiscal year ending within three years from June 25, 2026. However, even before the expiration of the effective period, if a resolution to abolish the Plan is adopted at a general meeting of shareholders of the Company or by the Board of Directors, the Plan will be abolished automatically. That is, the Plan may be revised or abolished by the decision of the shareholders at least once every three years at an ordinary general meeting of shareholders or an extraordinary general meeting of shareholders. Furthermore, as the term of office of the Company's directors is one year, the directors appointed at an ordinary general meeting of shareholders every year may decide to abolish the Plan at a meeting of the Board of Directors. Accordingly, the Plan may be abolished by the decision of the shareholders indirectly through the annual procedures of appointing directors. In addition, even during the effective period of the Plan, the Board of Directors may, after obtaining the opinion of the Independent Committee as necessary, make technical modification or revision to the Plan within the scope of delegation by resolution of an ordinary general meeting of shareholders.

The Plan is based on the provisions of the laws and regulations that are currently in effect as of May 20, 2026. Therefore, if it becomes necessary to modify the provisions of the Plan due to establishment, amendment or abolition of laws and regulations on or after the above date, the provisions of the Plan shall be construed in accordance with the purport of such laws and regulations and to the extent not contrary to the basic idea of the Plan.

If the Plan is abolished, modified or revised, the Information Disclosure to its shareholders, etc. will be made regarding the fact of such abolishment, modification or revision and any other matters deemed appropriate by the Board of Directors.

With respect to the contents of the Plan following expiration of the effective period specified above, we plan to consult the intention of the shareholders concerning continuation of the Plan with necessary amendments or introduction of a new plan, etc.

2. Reasonableness of the Plan

(1) Full satisfaction of the requirements of the guidance on a takeover response plan

The Plan fully satisfies the three principles ("Principle of protecting and enhancing corporate value and shareholders' common interests," "Principle of prior disclosure and shareholders' will," and "Principle of ensuring the necessity and reasonableness") prescribed in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005. Furthermore, the Plan conforms to the purport of various rules regarding the introduction of a takeover response plan set forth by the Tokyo Stock Exchange. The Plan also takes into account a report issued by the Corporate Value Study Group of the Ministry of Economy, Trade and Industry on June 30, 2008 titled "Takeover defense plan in light of the recent environmental changes," "Guidelines for Corporate Takeovers —Enhancing Corporate Value and Securing Shareholders' Interests—" issued by the Ministry of Economy, Trade and Industry on August 31, 2023, and "Principle 1-5: Takeover defense plan" contained in the "Corporate Governance Code" applied by the Tokyo Stock Exchange since June 1, 2015 (last revised on June 11, 2021).

(2) Contribution to the protection or enhancement of the corporate value and, by extension, the common interests of shareholders

As described in I. above, the Plan is to be introduced for the purpose of protecting or enhancing the Company's corporate value and, by extension, the common interest of the Company's shareholders by, upon Large-Scale Purchase Actions of the Company's shares are conducted, ensuring time and information necessary for shareholders to properly determine whether or not to continue holding the Company's shares and for the Board of Directors to present an alternative proposal to the shareholders, and making it possible to negotiate with the Large-Scale Purchaser on behalf of the shareholders.

(3) Emphasis of the intention of shareholders

The Plan is subject to the approval of the shareholders at this meeting, and shareholders' intentions will be reflected by questioning their views regarding the Plan at this meeting. Even before the expiration of the effective period of the Plan, if a resolution to abolish the Plan is adopted at a general meeting of shareholders, the Plan will be abolished immediately. By such way, the shareholders' intention is reflected not only for the continuation but also for the abolishment of the Plan.

As described in 1.(3)(vii) and (viii) above, where the Large-Scale Purchaser complies with the procedures under the Plan but the Board of Directors finds that the Large-Scale Purchase Actions are significantly detrimental to the Company's corporate value and, by extension, the common interest of the Company's shareholders, the Board of Directors will always convene a General Meeting to Confirm Shareholders' Intention to confirm their intention concerning whether to implement countermeasures under the Plan.

Even in other cases, the Plan specifically sets the conditions for implementing countermeasures under the Plan for each of various cases and presents the same to shareholders as a basis for the shareholders to entrust the decision whether to implement countermeasures to the Board of Directors. Accordingly, the implementation of countermeasures in accordance with such conditions will reflect the shareholders' intention.

(4) Emphasis on judgment of highly independent external persons and Information Disclosure

As described in 1.(3)(v) above, the Company shall establish the Independent Committee as a body independent from the Board of Directors in order to ensure the reasonableness and fairness of the decisions of the Board of Directors. The Independent Committee consists of the Company's outside directors, outside corporate auditors and external experts.

As described in 1.(3)(vi) above, upon implementing countermeasures under the Plan, the Board of Directors shall consult with the Independent Committee and make decisions with the utmost respect for their recommendations.

The Board of Directors makes decision with the utmost respect for the Independent Committee's recommendations in order to prevent the Board of Directors from implementing any countermeasures under the Plan in an arbitrary manner. In addition, the Board of Directors shall make the Information Disclosure to the shareholders regarding a summary of the Independent Committee's decision. In this way, a structure has been established for the transparent operation of the Plan to contribute to the realization of the Company's corporate value and, by extension, the common interest of the Company's shareholders.

(5) Establishment of reasonable objective requirements

The Plan has been established so that it may not be implemented unless predetermined reasonable objective requirements are satisfied. Thus, a structure for preventing arbitrary implementation by the Board of Directors has been established.

(6) Acquisition of third party experts' opinion

Under the Plan, when the Large-Scale Purchaser appears, the Board of Directors and the Independent Committee may obtain advice of independent third parties at the expense of the Company. This provides a mechanism to ensure greater fairness and objectivity in the decision making by the Board of Directors and the Independent Committee.

(7) The Policy is neither a dead-hand or slow-hand takeover response plan

It is provided that the Plan may be abolished at any time by the Board of Directors, consisting of directors who are elected at a general meeting of shareholders of the Company. Therefore, the Plan is not a so-called dead-hand takeover response plan, implementation of which cannot be prevented even upon replacement of the majority of the members of the Board of Directors. Further, because the Company does not adopt a staggered board system and the directors' term of office is one year, the Plan is not a so-called slow-hand takeover response plan, that takes time to prevent its implementation.

3. Impact on shareholders, etc.

(1) Impact on shareholders and investors due to continuation of the Plan

As no countermeasures are taken at the time the Plan is continued, there will be no direct and specific impact on the legal rights or economic interests of shareholders and investors. As described in I. above, the purpose of introducing the Plan is to protect or enhance the Company's corporate value and, by extension, the common interest of the Company's shareholders by, upon Large-Scale Purchase Actions of the Company's shares, ensuring time and information necessary for shareholders to properly make a decision whether or not to continue to hold the Company's shares and for the Board of Directors to present an alternative proposal to the shareholders, as well as by enabling to negotiate with the Large-Scale Purchaser on behalf of the shareholders. We believe that this will enable the shareholders to make a proper decision about whether the consideration for the acquisition of the Company's shares proposed by the Large-Scale Purchaser is appropriate and whether to accept the Large-Scale Purchase Actions, and that this will result in the protection of the Company's corporate value and, by extension, the common interest of the Company's shareholders. Accordingly, we believe that the Plan will provide a ground for the shareholders to make appropriate decisions and thus will contribute to their interest.

As described in 1.(3)(vii) above, the Company's response with the Large-Scale Purchase Actions will differ depending on whether the Large-Scale Purchaser complies with the procedures under the Plan. As such, the shareholders are reminded to pay attention to the conducts of the Large-Scale Purchaser.

(2) Impact on the shareholders and investors imposed by allotment of the Share Options without contribution

The Share Options shall be allotted without contribution to the shareholders as of the Allotment Date separately determined by the Board of Directors in its resolution on the allotment of the Share Options without contribution, at a ratio of one or more share options per share as determined by the Board of Directors and, therefore, on the assumption that the Share Options are exercised, there will be no dilution of the value of the entire shares held by the shareholders. Notwithstanding the foregoing, if any of the shareholders fails to exercise the Share Options during the exercise period of the Share Options, the value of the shares held by the shareholder will be diluted as a result of the exercise of the Share Options by other shareholders. However, upon a decision made by the Board of Directors, the Company may acquire the Share Options from the shareholders who are not prohibited from exercising the Share Options pursuant to the Terms and Conditions of Share Options and deliver common shares of the Company to the shareholders in exchange therefor. If the Company takes such procedure for acquiring the Share Options, the shareholders who are not prohibited from exercising the Share Options pursuant to the Terms and Conditions of Share Options will receive the Company's shares without exercising the Share Options and making payment of an amount equivalent to the Exercise Price, and as a consequence thereof, although there will be a dilution of the value per share, no dilution of the value of the entire share held by each of such shareholders.

In addition, after the determination of the shareholders who shall receive allotment of the Share Options without contribution, if the Company cancels allotment of the Share Options without contribution or acquires without contribution the Share Options that was allotted without contribution, there will be no dilution of the value of each share. Accordingly, shareholders and investors who traded on the assumption that there would be dilution of the value of each share may suffer proportionate loss due to fluctuations in the stock price.

(3) Impact on the shareholders and investors upon exercise or acquisition of the Share Options after the implementation of allotment of the Share Options without contribution

Exercise or acquisition of the Share Options is scheduled to be subject to discriminatory provisions, which would dilute the legal rights or economic interests of the Large-Scale Purchaser and its related persons upon such exercise or acquisition. However, even in this case, a direct and specific impact is not expected with respect to the legal rights and economic interests of the shareholders and investors other than the Large-Scale Purchaser and its related persons in relation to the Company's shares. However, as the transfer of the share options itself will be restricted, it should be reminded that, where the Company's shares will be allotted to the shareholders on or after the Allotment Date as a result of the exercise or acquisition of the Share Options, recovery by the shareholders of their invested capital by way of transfer may be restricted to the extent that the value of their shareholding as to be represented by the newly allotted shares will be subject to such restriction until their recording under each of the shareholder's names be completed.

(4) Procedures for the shareholders in connection with allotment of the Share Options without contribution

(i) Procedures for exercising the Share Options

The Company shall, in principle, send a request form for exercising the Share Options (which shall be in the form designated by the Company, covering, among other things, the description and the number of the Share Options to be exercised, the date on which the Share Options are exercised, account and other information necessary to record the Company's shares, a representation and warranty clause providing that the shareholder himself/herself satisfies the conditions for the exercise of the Share Options, an indemnification clause, and other covenants clauses) and other documents necessary to exercise the Share Options to the shareholders recorded on the final register of members as of the Allotment Date.

During the exercise period after allotment of the Share Options without contribution, if a shareholder submits these necessary documents and pays in principle JPY1 per Share Option to a payment-handling place, one common share of the Company shall be allotted for each Share Option. Please be reminded that, pursuant to the provisions of the Act on Book Entry of Corporate Bonds and Shares, as the common shares to be allotted as a result of exercise of the Share Options cannot be recorded in a special account, shareholders are required to open a securities account when exercising the Share Options.

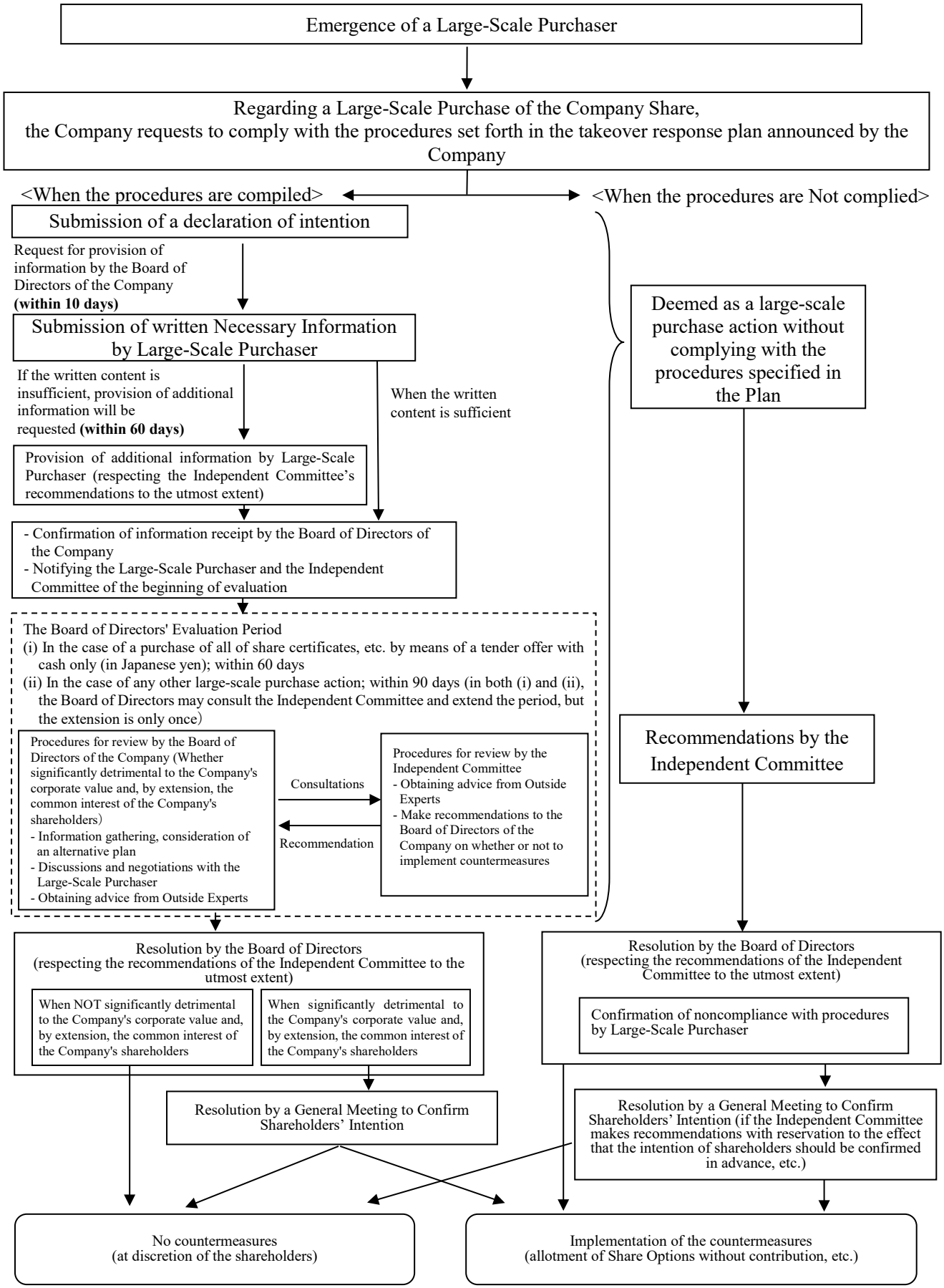
(ii) Procedures for the Company's acquisition of the Share Options

When the Board of Directors decides to acquire the Share Options, the Company shall acquire the Share Options after giving public notice to the Holders of Share Options in accordance with the procedures prescribed by law. If it is decided that the common shares of the Company will be allotted to the shareholders in exchange for acquisition of the Share Options, it will be done so promptly. In the foregoing case, each of the shareholders concerned may be requested to submit separately a document in the form prescribed by the Company which includes a representation and warranty clause providing that he/she does not fall under the Large-Scale Purchaser or its related persons who are prohibited from exercising the Share Options pursuant to the Terms and Conditions, an indemnification clause and other covenants clauses.

In addition to the above, after it is decided to implement allotment of the Share Options without contribution, descriptions of the method of allotment, how to exercise them and how the Company may acquire the Share Options will be announced or notified to the shareholders, so please refer to them for details.

End

(Exhibit 1)
Outline Flowchart of the Plan



(Note) This flowchart outlines the procedures of the Plan. For details, please refer to the main text.

(Exhibit 2)

Terms and Conditions of Share Options: Maezawa Kyuso Industries Co., Ltd.

I. Determination of Matters Concerning Allotment of Share Options Without Contribution

1. Description and Number of Share Options

   The share options including the matters set forth in II below (hereinafter individually or collectively referred to as the "Share Options") shall be allotted in such number as determined by the Board of Directors that is equal to or more than the total number of the latest issued shares in the Company (however, the number of the Company shares held by the Company at that time shall be deducted) as of a certain date (hereinafter referred to as the "Allotment Date") determined by the Board of Directors in the resolution on the allotment of such Share Options without contribution (hereinafter referred to as the "Resolution on Allotment of Share Options without Contribution").

2. Shareholders Subject to Allotment

   The Share Options shall be allotted to the shareholders recorded on the latest register of members of the Company as of the Allotment Date at the ratio of one or more Share Options for each share (provided, however, that this shall exclude the Company shares held by the Company at that time) as determined by the Board of Directors.

3. Effective Date of Allotment of Share Options without contribution

   To be determined by the Board of Directors in the Resolution on Allotment of Share Options without Contribution.

II. Details of Share Options

1. Type and Number of Shares to be Issued upon Exercise of Share Options

   Shares to be issued upon exercise of the Share Options shall be a common share of the Company and the number (hereinafter, the "Number of Subject Shares") shall be one share.

2. Details and Value of Assets to be Contributed upon Exercise of Share Options

   (1) The subject of contribution to be made upon exercise of the Share Options shall be cash, and the amount thereof shall be the amount obtained by multiplying the exercise price (as defined in (2) below) by the Number of Subject Shares.

   (2) The price per share to be contributed upon exercise of the Share Options (hereinafter referred to as "Exercise Price") shall be JPY1.

3. Exercise Period of Share Options

   The commencement day and the period shall be designated by the Board of Directors in the Resolution on Allotment of Share Options without Contribution; provided, however, that if the Company acquires the Share Options in accordance with the provision of 7-(2) below, the Share Options may not be exercised during the period from the day on which a public notice of such acquisition is given to the date of acquisition. If the final day of the exercise period falls on a non-business day of the place for the payment of the money to be paid upon exercise, the previous business day shall be the final day.

4. Conditions for Exercise of Share Options

   (1) (i) Specified Large-scale Holders, (ii) Joint Holders of the Specified Large-scale Holders, (iii) Specified Large-scale Purchasers, (iv) Specially Related Parties of the Specified Large-scale Purchasers, or (v) any of the persons to whom the Share Options are transferred from any of the persons listed in (i) through (iv)

above without obtaining the approval of the Board of Directors, or (vi) any Related Parties of any of the persons listed in (i) through (v) above may not exercise the Share Options.

The terms used above shall be defined as follows:

a. "Specified Large-scale Holders" means holders (including those included in the definition of holder pursuant to the Article 27-23, paragraph 3 of the Financial Instruments and Exchange Act) of share certificates, etc. (as defined in Article 27-23, paragraph 1 of the same Act; the same shall apply hereinafter unless otherwise provided) issued by the Company whose ownership ratio of share certificates, etc. (as defined in Article 27-23, paragraph 4 of the same Act) is 20% or more (including any person deemed as such by the Board of Directors).

b. "Joint Holders" means Joint Holders as defined in Article 27-23, paragraph 5 of the Financial Instruments and Exchange Act, including those deemed to be Joint Holders under Paragraph 6 of the same Article (including any person deemed as such by the Board of Directors).

c. "Specified Large-scale Purchasers" mean persons who have given public notice to purchase, etc. (as defined in Article 27-2, paragraph 1 of the Financial Instruments and Exchange Act; the same shall apply hereinafter) of share certificates, etc. (as defined in Article 27-2, paragraph 1 of the same Act; hereinafter the same shall apply in this Item c) issued by the Company through a tender offer (as defined in Article 27-2, paragraph 6 of the same Act) and whose ownership ratio of share certificates, etc. (as defined in Article 27-2, paragraph 8 of the same Act; the same shall apply hereinafter) in relation to the share certificates, etc. to be held (including cases prescribed in Article 7, paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act as being equivalent thereto) by them following such purchase, etc., will be 20% or more after adding the ownership ratio of share certificates, etc. of Specially Related Parties of such persons.

d. "Specially Related Parties" means any person defined in Article 27-2, paragraph 7 of the Financial Instruments and Exchange Act (including any person deemed as such by the Board of Directors); provided, however, that with respect to the persons specified in item 1 of the same paragraph, those persons provided in Article 3, paragraph 2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer are excluded.

e. "Related Parties" of any person means any person deemed by the Board of Directors as substantially controlling, controlled by or under joint control with those persons and any person deemed by the Board of Directors as acting in concert with those persons. To "control" means to "control determinations on financial and business policies" (as defined in Article 3 of the Regulation for Enforcement of the Companies Act) of another company, etc.

(2) Notwithstanding (1) above, any of the persons who fall under any of items (i) through (iv) below shall not fall under the category of the Specified Large-scale Holders or the Specified Large-scale Purchasers.

(i) The Company, subsidiaries of the Company (as defined in Article 8, paragraph 3 of the Regulation on Terminology, Forms, and Preparation Methods of Financial Statements) or affiliated companies of the Company (as defined in paragraph 5 of the same Article.)

(ii) Persons deemed by the Board of Directors to have come to fall under the category of the Specified Large-scale Holders set forth in (1)-a. above without the intention to control the Company and who ceases to fall under the category of the Specified Large-scale Holders set forth in (1)-a. above by disposing of the Company shares, etc. within 10 days after it came to fall under the category (provided, however, that such period may be extended by the Board of Directors)

(iii) Persons who are deemed by the Board of Directors to have fallen involuntarily under the category of the Specified Large-scale Holders set forth in (1)-a. above due to acquisition of treasury shares by the Company or other reasons (provided, however, that this shall not apply to the cases where they newly acquire any share certificates, etc. of the Company deliberately thereafter)

(iv) Persons who are determined by the Board of Directors that their acquisition and holding of the Company shares is not detrimental to the Company's corporate value and, by extension, the common interest of the Company's shareholders (The Board of Directors may determine as such even if a person has been

deemed by it to fall under the category of (1)-a. through d. above. If the Board of Directors determines as such subject to certain conditions, this shall apply to the extent such conditions are satisfied)

(3) The Share Options may be exercised only if the Company received submission of documents containing a representation and warranty clause providing that he/she does not fall, and does not intend to exercise them for any person who falls, under any of (1)-a. through d. above and that any conditions for exercise of the Share Options are satisfied, an indemnification clause and other covenants clauses concerning matters prescribed by the Company as well as a statement providing description and number of the Share Options to be exercised, date on which the Share Options are exercised, transfer account (excluding special accounts) to record the Company shares and other documents required by the laws and regulations, etc.

(4) Even if a holder of the Share Options is not entitled to exercise the Share Options pursuant to (1) above, in no event shall the Company owe liability to such holder for damages or otherwise.

5. Amount of Capital and Capital Reserve to be Increased by the Issuance of Shares upon Exercise of Share Options

The amount of capital to be increased by issuance of shares of the Company by exercise of the Share Options shall be the full amount of the value of assets to be contributed upon exercise of the Share Options and the amount of capital reserve shall not be increased.

6. Restriction on Transfer of Share Options

Any transfer of the Share Options shall be subject to approval of the Board of Directors.

7. Acquisition of Share Options by the Company

(1) At any time until the day immediately preceding the commencement date of the exercise period of the Share Options as set forth in paragraph 3 above, if the Board of Directors deems it appropriate for the Company to acquire the Share Options, the Company may acquire all of the Share Options without contribution as of the date determined by the Board of Directors.

(2) The Company may acquire, on the date determined by the Board of Directors, all the Share Options which remain unexercised as of the date immediately preceding such determined date save for those held by persons who are not entitled to exercise the Share Options pursuant to the provisions of 4-(1) above and, in exchange for each of the Share Options, allot such number of shares of the Company as equivalent to the Number of Subject Shares.

8. Allotment of Share Options and Conditions in Case of Merger, Company Split, Share Exchange or Share Transfer

It shall be determined by the Board of Directors in the Resolution on Allotment of Share Options without Contribution.

9. Issuance of Share Options Certificates

Share option certificates shall not be issued for the Share Options.

10. Revision due to amendment, etc. of laws and regulations

The provisions of the laws and regulations cited above are based on the provisions that are in force as of May 20, 2026. If it becomes necessary to revise the terms and conditions or the meanings of wording set forth in each of the above paragraphs due to establishment, amendment or abolition of laws or regulations after such date, the Board of Directors may give alternative meaning to them within a reasonable extent by taking into account the purpose of such establishment, amendment or abolition.

End

(Exhibit 3)

The Independent Committee

Names and Career Summary of Independent Committee Members

Yasuo Iijima

[Career Summary]

Born in June 1968

Apr. 2000	Registered as an attorney at law
Apr. 2000	Lawyer at Kioicho Law Office (current position)
Apr. 2015	Vice Chair of Daini Tokyo Bar Association
Jun. 2015	Outside auditor (part-time) of Palsystem Consumers' Co-operative Union
Jun. 2020	Outside Director of the Company (current position)
Jun. 2023	Outside auditor (part-time) of Palsystem Insurance Consumers' Co-operative Federation (current position)

Hiroki Ito

[Career Summary]

Born in September 1981

Dec. 2007	Registered as an attorney at law
Dec. 2007	Joined Nishimura & Asahi as an attorney-at-law
Sep. 2013	Joined Iwata Godo as an attorney-at-law
Jan. 2016	Partner attorney at Iwata Godo (current position)
Mar. 2021	Outside Audit & Supervisory Board Member of Recovery International Co., Ltd. (current position)
Jun. 2023	Outside Director of the Company (current position)

Hidenori Sakurai

[Career Summary]

Born in June 1979

Oct. 2002	Joined Shin Nihon & Co. (currently Ernst & Young ShinNihon LLC)
Mar. 2006	Registered as a certified public accountant
Aug. 2006	Joined AKJ Partners
Apr. 2013	Joined Frontier Management Inc.
Jul. 2014	Representative Director of Ishin Capital Partners (current position)
Jan. 2020	Outside Audit & Supervisory Board Member of Bansei Securities Co., Ltd. (current position)
Jun. 2023	Outside Director of the Company (current position)

Mr. Yasuo Iijima will be appointed as member of the Independent Committee subject to approval of the proposal for the appointment of directors at this meeting.

There is no special interest between any of the above three persons and the Company.

Furthermore, all of the above three persons have been designated as independent directors as stipulated in Rule 436-2 of the Tokyo Stock Exchange Securities Listing Regulations, and the Company has submitted notification to the aforementioned exchange.

End

(Exhibit 4)

Outline of the Independent Committee Rules

Article 1 The Company shall establish the Independent Committee upon introduction of the response plan against Large-Scale Purchase Actions on the Company shares (takeover response plan) (hereinafter referred to as the "Plan"). The purpose of the Independent Committee shall be to provide recommendations concerning implementation or non-implementation of countermeasures under the Plan upon consultation request from the Board of Directors and to contribute to ensuring the fairness and neutrality of the Board of Directors' judgment.

Article 2

1. The Independent Committee shall have three or more Members who shall be elected from the Company's outside directors, outside corporate auditors and persons satisfying the following conditions (hereinafter referred to as "Outside Experts"); provided, however, that at least one each of outside director, outside corporate auditor and Outside Expert must always be in office. Upon appointment, Members shall in principle enter into a contract with the Company which shall include a provision for duty of care of prudent manager owed to the Company.
   (i) A person who is not currently serving or has not served in the past as a director (outside directors are excluded; the same shall apply hereinafter in this Article.) or a corporate auditor (outside corporate auditors are excluded; the same shall apply hereinafter in this Article.) of the Company, the Company's subsidiaries or affiliates (hereinafter collectively referred to as "the Company and Other Related Companies").
   (ii) A person who is not a family member within a certain degree of any current or former directors or corporate auditors of the Company and Other Related Companies.
   (iii) A person who is not a trading partner of the Company and Other Related Companies nor have any special interest with the Company and Other Related Companies.
   (iv) A person with a certain level of experience in corporate management, professionals, experts, etc. (corporate managers with a proven performance, persons familiar with the investment banking business, lawyers, certified public accountants, researchers whose main subject is the Companies Act, etc. or a person equivalent thereto).
2. Election and dismissal of Members shall be made by resolution of the Board of Directors; provided, however, to resolve to dismiss a Member shall require approval by the two-thirds majority of the directors present.

Article 3 The Independent Committee shall in principle decide the matters set forth in each of the following items after deliberation and recommend the content of the resolution to the Board of Directors along with its reasons. The Board of Directors shall respect the Independent Committee's recommendations to the utmost extent in making resolutions as a body under the Companies Act. In such resolution, each Member and each director of the Company shall act only from the viewpoint whether it will contribute to the Company's value and, by extension, the common interest of the Company's shareholders, and shall not purport to pursue self-interest or personal interest of the management members of the Company.

(i) Whether the large-scale purchaser complies with the procedures set forth in the Plan
(ii) Whether the purchase proposal significantly impairs the corporate value of the Company, and by extension, its shareholders' common interest, as well as whether to implement countermeasures or not
(iii) Cancellation of countermeasures
(iv) In addition to (i) through (iii), matters for which the Independent Committee is authorized
(v) Matters regarding the Plan for which the Board of Directors requested the Independent Committee for consultation

(vi) Matters that the Board of Directors separately determines that the Independent Committee may conduct

Article 4 The resolution of the Independent Committee shall, in principle, be adopted by a majority of the Members present at a meeting with at least two-thirds of the Members are present; provided, however, that if there is any unavoidable reason, such adoption may be made by a majority of the Members present at a meeting where a majority of the Members is present.

Article 5 The Independent Committee may obtain advice from third parties of independent standing (including investment banks, securities firms, financial advisers, lawyers, certified public accountants and other professionals) at the Company's expense.

Article 6 The term of office of each Member shall be equivalent to the effective term of the Plan unless otherwise determined by a resolution of the Board of Directors.

Article 7 The Board of Directors may, by its resolution, convene a meeting of the Independent Committee.

Article 8 If the Board of Directors deems it necessary for the deliberations of the Independent Committee, it may request that the Independent Committee allow one director to attend the meeting of the Independent Committee and provide an opportunity to explain any necessary matters.

Article 9 At the request of the Board of Directors, the Independent Committee shall explain the reasons and grounds for making its recommendations.

End

(Exhibit 5)
Major Shareholders, etc. (As of March 31, 2026)

1. Major Shareholders

Name	Status of Investment in Our Company	
	Shares (thousands)	Equity Stake (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,641	8.06
Maezawa Industries, Inc.	1,248	6.13
MAEZAWA KASEI INDUSTRIES CO., LTD.	1,248	6.13
THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED - HONG KONG PRIVATE BANKING DIVISION CLIENT A/C 8028-394841	1,060	5.21
Nippon Life Insurance Company	732	3.60
Maezawa Kyuso Industries Employees' Shareholding Association	568	2.79
STATE STREET BANK AND TRUST COMPANY 505103	474	2.33
Dai-ichi Life Insurance Company, Limited	451	2.22
ABE SEISAKUSHO CO., LTD.	380	1.87
FUJITA SEISAKUSHO CO., LTD.	365	1.79
Total	8,168	40.12

(Note 1) In addition to the above, the Company holds 1,142,071 treasury shares.

(Note 2) Equity stake is calculated based on 20,357,929 shares, being the total number of outstanding shares (21,500,000 shares) minus the number of treasury shares.

2. Status by Shareholder

	Status of Shares (100 shares per unit)								Status of Shares Less than One Unit
	Government and Local Government	Financial Institutions	Financial Instruments Traders	Other Corporations	Foreign Corporations, etc.		Individuals and Others	Total	
					Non-individual	Individual			
Number of Shareholders (Person)	–	13	18	116	62	13	11,470	11,692	–
Number of Shares Held (Unit)	–	41,069	1,732	54,674	33,772	42	83,492	214,781	21,900
Percentage of Shares Held (%)	–	19.12	0.81	25.46	15.72	0.02	38.87	100.00	–

(Note) Of 1,142,071 treasury shares, 11,420 units are included under "Individuals and others" and the remaining 71 shares are included in "Status of shares less than one unit."

End