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Securities code: 6262

June 5, 2025

Commencement date of measures for electronic provision: May 29, 2025

**To Shareholders with Voting Rights:**

Shigemi Mima  
Representative Director and President  
PEGASUS CO., LTD.  
5-7-2, Sagisu, Fukushima-ku, Osaka,  
Japan

**NOTICE OF  
THE 79th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 79th Annual General Meeting of Shareholders (the “Meeting”) of PEGASUS CO., LTD. (the “Company”) will be held as described below.

When convening the Meeting, the Company has taken measures for electronic provision and has posted matters subject to measures for electronic provision on the following website on the Internet.

The Company’s website (<https://www.pegasus.co.jp/en/ir/kabuinfo.html>)

In addition to the above, those matters are also posted on the following website on the Internet.

Tokyo Stock Exchange Listed Company Search

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

Please enter the Company’s name or securities code and click “Search,” and then select “Basic information” followed by “Documents for public inspection/PR information” for your reference.

If you are unable to attend the Meeting, please exercise your voting rights in advance via postal mail or the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders included in the matters subject to measures for electronic provision, and exercise your voting rights by June 23, 2025 (Monday) at 5:30 p.m. (the end of our business hours, Japan time).

**\* Please note that souvenirs will not be provided to attendees.**

- 1. Date and Time:** Tuesday, June 24, 2025 at 10:00 a.m. Japan time  
(Reception starts at 9:00 a.m.)
  - 2. Venue:** Crystal Room, 10th Floor, Hotel Hanshin Osaka, located at 5-6-16,  
Fukushima, Fukushima-ku, Osaka, Japan
  - 3. Meeting Agenda:**
    - Matters to be reported:**
      1. The Business Report and Consolidated Financial Statements for the Company's 79th Fiscal Year (April 1, 2024 – March 31, 2025) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
      2. Non-consolidated Financial Statements for the Company's 79th Fiscal Year (April 1, 2024 – March 31, 2025)
    - Proposals to be resolved:**
      - Proposal 1:** Appropriation of Surplus
      - Proposal 2:** Election of Six (6) Directors
      - Proposal 3:** Election of Two (2) Audit & Supervisory Board Members
      - Proposal 4:** Election of Two (2) Substitute Audit & Supervisory Board Members
  - 4. Matters Decided in Connection with this Convocation**
    - (1) If a shareholder submits a voting form without indicating his/her approval or disapproval with respect to each item, such vote shall be counted as an approval.
    - (2) If a shareholder intends to split his/her vote, such shareholder must inform the Company of his/her intention to split his/her vote and the reason therefor via the Internet or in writing at least three (3) days prior to the date of the Meeting.
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- Among the matters to be provided in the documents describing the matters subject to measures for electronic provision, the following matters are posted on the websites mentioned above in accordance with provisions of laws and regulations as well as Article 14 of the Company's Articles of Incorporation and therefore are not provided in the paper copy to be delivered to shareholders who have requested it.
- (1) "Notes to Consolidated Financial Statements" of the Consolidated Financial Statements
  - (2) "Notes to Non-consolidated Financial Statements" of the Non-consolidated Financial Statements
- Accordingly, the information contained in the documents describing the matters subject to measures for electronic provision is a part of the documents that were audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparation of their respective audit reports.
- Should the matters subject to measures for electronic provision require revisions, the revised versions will be posted on each website on which the matters are posted.

<Reference> Points of the Proposals

**Proposal 1:** Appropriation of Surplus

The Company proposes to pay a year-end dividend of ¥8 per share for the fiscal year ended March 31, 2025.

**Proposal 2:** Election of Six (6) Directors

Upon expiration of the terms of office of all Directors, the Company proposes the election of six (6) Directors.

No.	Name	Current positions at the Company
1	[Reappointment] Shigemi Mima	Representative Director and President
2	[Reappointment] Yoshihide Okada	Senior Managing Director
3	[New appointment] Masamichi Mima	Managing Executive Officer
4	[Reappointment] [External] Norio Kotaka [Independent]	External Director
5	[Reappointment] [External] Chika Tanaka [Independent]	External Director
6	[New appointment] [External] Kiyokazu Sugiyama [Independent]	External Audit & Supervisory Board Member

**Proposal 3:** Election of Two (2) Audit & Supervisory Board Members

Upon expiration of the terms of office of two (2) Audit & Supervisory Board Members, the Company proposes the election of two (2) Audit & Supervisory Board Members.

No.	Name	Current positions at the Company
1	[Reappointment] Taizo Yoshida	Standing Audit & Supervisory Board Member
2	[New appointment] [External] Akiko Imanaka [Independent]	

**Proposal 4:** Election of Two (2) Substitute Audit & Supervisory Board Members

To prepare for the event that the number of Audit & Supervisory Board Members falls below the number required by laws and regulations, the Company proposes the election of two (2) Substitute Audit & Supervisory Members in advance.

No.	Name
1	Fumiyasu Sato
2	[External] Takafumi Shimomoto [Independent]

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The ample distribution of profits to all shareholders is one of the Company's top management priorities. While maintaining continuous and stable dividends, the Company follows a basic policy of proper appropriation of surplus in comprehensive consideration of the management environment and financial results.

In accordance with this basic policy, the Company hereby proposes an appropriation of surplus as follows.

#### **Year-end dividend:**

1. Type of dividend property

Cash

2. Matters concerning allocation and total amount of dividend property

The Company proposes to pay ¥8 per share of the Company's common stock.

In this case, the total amount of the dividends is ¥198,484,992.

3. Effective date of dividend from surplus

June 25, 2025

**Proposal 2: Election of Six (6) Directors**

The terms of office of all the five (5) Directors will expire at the conclusion of the Meeting. Accordingly, the Company propose the election of six (6) Directors, increasing the number of Directors by one (1) in order to further strengthen the management structure. If this proposal is approved as originally proposed, three (3) out of the six (6) Directors of the Company will be External Directors. The candidates for Directors are as described below.

**[Policies and procedures for nominating Director candidates]**

In nominating Director candidates, the Company conducts comprehensive deliberation from the perspectives of precise and prompt decision-making and placement of most appropriate human resources to most appropriate positions. The Company believes that it is necessary to nominate candidates with a focus on human resources who understand and put into practice our corporate philosophy and will contribute to its future sustainable growth.

The “Nomination and Remuneration Committee” submits election of Directors to the Board of Directors for its approval.

No.	Name (Date of birth)	Career summary, positions, and responsibilities	Number of shares of the Company held
1	Shigemi Mima (May 4, 1968)  [Reappointment]	<p>March 1996      Joined the Company</p> <p>April 2001      President of PEGASUS SEWING MACHINES (HONG KONG) LTD.</p> <p>October 2003    General Manager of Sales Department of the Company</p> <p>June 2005      Director of the Company</p> <p>June 2008      Senior Executive Officer of the Company</p> <p>September 2010 Representative Director and President of MIMA SEIKI CO., LTD.</p> <p>June 2012      Director and Executive Officer of the Company</p> <p>August 2012    Vice Chief of Manufacturing Headquarters of the Company</p> <p>April 2015      Representative Director and President of the Company</p> <p>June 2016      Representative Director, President and Executive Officer of the Company (current position)</p> <p>July 2017      Chairman of PEGASUS VIETNAM SEWING MACHINE CO., LTD. (current position)</p> <p>October 2019    Chairman of PEGASUS (TIANJIN) SEWING MACHINE CO., LTD.</p> <p>June 2021      Chairman of NANTONG PEGASUS AUTO PARTS MFG. CO., LTD. (current position)</p> <p>September 2021 Representative Director and President of MIMA SEIKI CO., LTD.</p> <p>April 2024      Representative Director and Chairman of MIMA SEIKI CO., LTD.</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Chairman of PEGASUS VIETNAM SEWING MACHINE CO., LTD.</li> <li>• Chairman of NANTONG PEGASUS AUTO PARTS MFG. CO., LTD.</li> </ul>	643,300
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Shigemi Mima has successively held positions as General Manager of the Sales Department, Officer in charge of manufacture, President of a sales subsidiary, and President of manufacturing subsidiary. He has been involved in the management of the Company since assuming office as Director in 2012. He has a high level of expertise in both sales and manufacturing in the apparel machinery business, the core business of the Group, and has demonstrated outstanding leadership in areas such as strengthening the production system in the automotive business. The Company nominates him as a candidate for Director in light of the aforementioned background, and in comprehensive consideration of such factors as his personality and insight.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities	Number of shares of the Company held
2	Yoshihide Okada (August 26, 1963)  [Reappointment]	<p>April 1986      Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>February 2004      General Manager of Financial Department of the Company</p> <p>July 2014      Vice Chief of Administrative Headquarters and General Manager of General Affairs Department of the Company</p> <p>September 2014      Executive Officer of the Company</p> <p>July 2017      Senior Executive Officer of the Company</p> <p>July 2018      President of PEGASUS (TIANJIN) SEWING MACHINE CO., LTD.</p> <p>June 2019      Director and Executive Officer of the Company</p> <p>June 2021      Managing Director and Executive Officer of the Company</p> <p>June 2022      Chief of Manufacturing Headquarters of the Company</p> <p>June 2023      Managing Executive Officer of the Company</p> <p>June 2024      Senior Managing Director and Executive Officer and Chief of Apparel Machinery Headquarters of the Company (current position)</p> <p>August 2024      Chairman of PEGASUS (TIANJIN) SEWING MACHINE CO., LTD. (current position)</p> <p>April 2025      Senior Managing Executive Officer of Administrative Headquarters of the Company (current position)</p> <p>[Significant concurrent positions] • Chairman of PEGASUS (TIANJIN) SEWING MACHINE CO., LTD.</p>	14,700
<p>[Reason for nomination as candidate for Director] Mr. Yoshihide Okada has successively held positions as General Manager of the Financial Department and General Manager of the General Affairs Department of the Company. He was involved in the Company's management as Director for four years beginning in June 2019, and has resumed this role since June 2024. He has a high level of insight to supervise sales, manufacture, and general administration in his role as President of a manufacturing and sales subsidiary in China and has abundant experience suitable for executing global management. The Company nominates him as a candidate for Director in light of the aforementioned background, and in comprehensive consideration of such factors as his personality and insight.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities	Number of shares of the Company held
3	Masamichi Mima (January 7, 1970)  [New appointment]	<p>April 2000      Joined the Company</p> <p>December 2007      General Manager of Corporate Planning Department of the Company</p> <p>February 2009      General Manager of Production Administrating Department of Manufacturing Headquarters of the Company</p> <p>April 2010      President of PEGASUS VIETNAM SEWING MACHINE CO., LTD.</p> <p>April 2013      President of PEGASUS-SHIMAMOTO AUTO PARTS (VIETNAM) CO., LTD.</p> <p>September 2015      Executive Officer and Vice Chief of Die Cast Business Headquarters of the Company</p> <p>April 2016      President of PEGASUS AUTO PARTS MONTERREY S.A. DE C.V.</p> <p>April 2020      Senior Executive Officer of the Company</p> <p>June 2021      Director and Executive Officer of the Company</p> <p>June 2023      Managing Executive Officer of the Company (current position)</p> <p>June 2024      Chief of Automotive Headquarters of the Company (current position)</p> <p>July 2024      Chairman of PEGASUS-SHIMAMOTO AUTO PARTS (VIETNAM) CO., LTD. (current position) Director (Chairman) of PEGASUS AUTO PARTS MONTERREY S.A. DE C.V. (current position)</p> <p>March 2025      President of PEGASUS-SHIMAMOTO AUTO PARTS (VIETNAM) CO., LTD. (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Chairman and President of PEGASUS-SHIMAMOTO AUTO PARTS (VIETNAM) CO., LTD.</li> <li>• Director (Chairman) of PEGASUS AUTO PARTS MONTERREY S.A. DE C.V.</li> </ul>	477,300
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Masamichi Mima has successively held positions as General Manager of the Corporate Planning Department and General Manager of the Production Administrating Department of the Company. For two years from June 2021 to June 2023, he was involved in the Company's management as Director, and has been engaged from establishment as President of automotive manufacturing subsidiaries in Vietnam and Mexico. He has a high level of insight and abundant experience suitable for executing global management. The Company nominates him as a candidate for Director in light of the aforementioned background, and in comprehensive consideration of such factors as his personality and insight.</p>			



No.	Name (Date of birth)	Career summary, positions, and responsibilities	Number of shares of the Company held
4	Norio Kotaka (June 17, 1962)  [Reappointment] [External] [Independent]	<p>April 1986      Joined MITSUI &amp; CO., LTD.</p> <p>January 1995    Representative Director and President of Full-Steri Corp.</p> <p>March 1997      Representative Director and President of Dainichi Jitsugyo Co., Ltd.</p> <p>August 1997     President of DAINICHI KASEI KOUGYOU Co., Ltd.</p> <p>June 2006       CEO of atect Corp.</p> <p>May 2007       Representative Director of atect Korea Corp.</p> <p>January 2010    CEO of atect Progressive and Innovative Manufacturing Corp. (currently atect Engineering Corp.)</p> <p>August 2010     Chairman of atect Shanghai Corp.</p> <p>November 2010   Chairman of ATECT TAIWAN CORPORATION</p> <p>February 2021   CEO of atect Corp.</p> <p>June 2021       External Director of the Company (current position)</p>	—
<p>[Reason for nomination as candidate for External Director and expected role]</p> <p>Mr. Norio Kotaka has abundant experience and profound insight in management of manufacturing business in Japan and overseas, and has been providing effective counsel and suggestions from an objective standpoint in meetings of the Board of Directors of the Company since assuming office as Director in 2021. In light of the aforementioned background, and in comprehensive consideration of such factors as his personality and insight, the Company has deemed that he will properly execute duties as External Director, and therefore, nominates him as a candidate for External Director.</p> <p>The Company expects that Mr. Norio Kotaka will leverage his experience and profound insight in management of manufacturing business in Japan and overseas and provide advice and opinions from a broad managerial perspective and contribute to strengthening supervisory functions for business execution.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities	Number of shares of the Company held
5	Chika Tanaka (February 27, 1971)  [Reappointment] [External] [Independent]	<p>October 1999      Joined WORK COMPANY LIMITED</p> <p>November 2012    Director of WORK COMPANY LIMITED</p> <p>February 2015    Representative Director and Vice President of WORK COMPANY LIMITED</p> <p>August 2015      President/C.E.O. of WORK COMPANY LIMITED (current position)</p> <p>June 2021        External Director of the Company (current position)</p> <p>March 2023      Representative Director of Patec Co., Ltd. (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• President/C.E.O. of WORK COMPANY LIMITED</li> <li>• Representative Director of Patec Co., Ltd.</li> </ul>	—
<p>[Reason for nomination as candidate for External Director and expected role]</p> <p>Ms. Chika Tanaka has abundant experience and profound insight in the management of manufacturing business domestically and overseas, and has been providing effective counsel and suggestions from an objective standpoint in meetings of the Board of Directors of the Company since assuming office as Director in 2021. In light of the aforementioned background, and in comprehensive consideration of such factors as her personality and insight, the Company has deemed that she will properly execute duties as External Director, and therefore, nominates her as a candidate for External Director.</p> <p>The Company expects that Ms. Chika Tanaka will leverage her experience and profound insight in management of manufacturing business in Japan and overseas and provide advice and opinions from a broad managerial perspective and contribute to strengthening supervisory functions for business execution.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities	Number of shares of the Company held
6	Kiyokazu Sugiyama (January 9, 1962)  [New appointment] [External] [Independent]	<p>April 1986      Joined Hayashi Tatsuzo Tax Accountant Office</p> <p>April 1988      Registered as a tax accountant</p> <p>November 1990      Opened Sugiyama Kiyokazu Tax Accountant Office</p> <p>June 2004      Sugiyama Kiyokazu Tax Accountant Office transformed into Kobe Godo Accounting Office, where he serves as Representative Partner (current position)</p> <p>June 2017      External Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Representative Partner of Kobe Godo Accounting Office</li> <li>• Representative Director of Munesugi Kosan Co., Ltd.</li> <li>• Director of Kobe Business Administration Center Co., Ltd.</li> </ul>	—
<p>[Reason for nomination as candidate for External Director and expected role]</p> <p>Mr. Kiyokazu Sugiyama has abundant experience and profound insight as a tax accountant. Since assuming office as an Audit &amp; Supervisory Board Member in 2017, he has provided appropriate counsel and suggestions for auditing the Company's business execution and establishing and maintaining its compliance structure for eight years. In light of the aforementioned background, and in comprehensive consideration of such factors as his personality and insight, the Company has deemed that he will properly execute duties as External Director, and therefore, nominates him as a candidate for External Director.</p> <p>The Company expects that Mr. Kiyokazu Sugiyama will continue to provide advice and opinions on management in general and contribute to enhancing the governance structure and supervisory functions for business execution from an objective perspective.</p>			

- Notes:
1. There are no special interests between each candidate for Director and the Company.
  2. The number of shares of the Company held by each candidate for Director shown above is as of March 31, 2025.
  3. The Company has entered into an agreement with Mr. Norio Kotaka and Ms. Chika Tanaka which limits the liability for damage under Article 423, Paragraph 1 of the Companies Act. The maximum amount of the liability for damage under the agreement is the minimum liability amount as stipulated by Article 425, Paragraph 1 of the same Act. If their reelection is approved as originally proposed, the Company plans to continue the above limited liability agreement with them. In addition, the Company has entered into a similar agreement with Mr. Kiyokazu Sugiyama as External Audit & Supervisory Board Member. If his election is approved as originally proposed, the Company plans to enter into a similar limited liability agreement with him as External Director.
  4. The Company has concluded a directors and officers liability insurance policy under Article 430-3, Paragraph 1 of the Companies Act with an insurance company, which includes Directors as the insured. The said insurance policy covers damage arising from litigation against officers which would be borne by the insured. Each candidate for Director, if elected, will be included in the insured under the policy.
  5. Mr. Norio Kotaka, Ms. Chika Tanaka, and Mr. Kiyokazu Sugiyama are External Director candidates.  
The Company has registered Mr. Norio Kotaka, Ms. Chika Tanaka, and Mr. Kiyokazu Sugiyama as Independent Directors with the Tokyo Stock Exchange, Inc. pursuant to the

- relevant provisions of the Exchange, and plans to maintain their registration as Independent Directors if their election is approved as originally proposed at the Meeting.
6. At the conclusion of this Meeting, Mr. Norio Kotaka and Ms. Chika Tanaka each will have been in office as External Director of the Company for four (4) years.
  7. At the conclusion of this Meeting, Mr. Kiyokazu Sugiyama will have been in office as External Audit & Supervisory Board Member of the Company for eight (8) years.

**Proposal 3: Election of Two (2) Audit & Supervisory Board Members**

The terms of office of Audit & Supervisory Board Members Mr. Taizo Yoshida and Mr. Kiyokazu Sugiyama will expire at the conclusion of the Meeting. Accordingly, the Company proposes the election of two (2) Audit & Supervisory Board Members.

The Company has obtained approval for this proposal from the Audit & Supervisory Board.

The Audit & Supervisory Board Member candidates are as follows.

No.	Name (Date of birth)	Career summary, positions, and responsibilities	Number of shares of the Company held
1	Taizo Yoshida (October 7, 1959)  [Reappointment]	<p>April 1983      Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>October 2009    Branch Manager of Fujiwaradai Branch of Sumitomo Mitsui Banking Corporation</p> <p>January 2012    General Manager of Management Planning Department of the Company</p> <p>January 2013    Executive Officer of the Company</p> <p>April 2015      Chief of Administrative Headquarters of the Company</p> <p>June 2015      Director and Executive Officer of the Company</p> <p>April 2019      Managing Director and Executive Officer of the Company</p> <p>June 2021      Standing Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>                    Audit &amp; Supervisory Board Member of MIMA SEIKI CO., LTD. (current position)</p> <p>                    Auditor of PEGASUS (TIANJIN) SEWING MACHINE CO., LTD. (current position)</p> <p>                    Auditor of TIANJIN PEGASUS-SHIMAMOTO AUTO PARTS CO., LTD. (current position)</p> <p>                    Audit &amp; Supervisory Board Member of PEGASUS AUTO PARTS MONTERREY S.A. DE C.V. (current position)</p> <p>                    Auditor of NANTONG PEGASUS AUTO PARTS MFG. CO., LTD. (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Audit &amp; Supervisory Board Member of MIMA SEIKI CO., LTD.</li> <li>• Auditor of PEGASUS (TIANJIN) SEWING MACHINE CO., LTD.</li> <li>• Auditor of TIANJIN PEGASUS-SHIMAMOTO AUTO PARTS CO., LTD.</li> <li>• Audit &amp; Supervisory Board Member of PEGASUS AUTO PARTS MONTERREY S.A. DE C.V.</li> <li>• Auditor of NANTONG PEGASUS AUTO PARTS MFG. CO., LTD.</li> </ul>	16,200
<p>[Reason for nomination as candidate for Audit &amp; Supervisory Board Member]</p> <p>Mr. Taizo Yoshida has been involved in the Company's management for six years since becoming Director in 2015 and has abundant experience in business. Since assuming office as Audit &amp; Supervisory Board Member in 2021, he has spent four years auditing the Company's business execution and providing appropriate counsel and suggestions on the overall business. The Company nominates him as a candidate for Audit &amp; Supervisory Board Member in light of the aforementioned background, and in comprehensive consideration of such factors as his personality and insight.</p>			

No.	Name (Date of birth)	Career summary, positions, and responsibilities	Number of shares of the Company held
2	<p>Akiko Imanaka (May 6, 1967)</p> <p>[New appointment] [External] [Independent]</p>	<p>September 2002 Registered as a labor and social security attorney</p> <p>December 2004 Registered as a tax accountant</p> <p>Director of Imanaka Keiei Romu Service Office (current position)</p> <p>July 2024 Representative Partner of Labor and Social Security Attorney Office ai Labor Support Service (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Director of Imanaka Keiei Romu Service Office</li> <li>• Representative Partner of Labor and Social Security Attorney Office ai Labor Support Service</li> </ul>	—
<p>[Reason for nomination as candidate for External Audit &amp; Supervisory Board Member]</p> <p>Ms. Akiko Imanaka has abundant experience and profound insight as a tax accountant and a labor and social security attorney, and the Company believes that she will provide appropriate counsel and suggestions for auditing the Company's business execution and establishing and maintaining its compliance structure. In light of the aforementioned background, and in comprehensive consideration of such factors as her personality and insight, the Company has deemed that she will properly execute duties as External Audit &amp; Supervisory Board Member, and therefore, nominates her as a candidate for External Audit &amp; Supervisory Board Member.</p>			

- Notes: 1. There are no special interests between each candidate for Audit & Supervisory Board Member and the Company.
2. The number of shares of the Company held by the abovementioned candidates for Audit & Supervisory Board Member is as of March 31, 2025.
3. Ms. Akiko Imanaka is a candidate for External Audit & Supervisory Board Member. If her election is approved as originally proposed, she will be registered as an Independent Officer as stipulated by the Tokyo Stock Exchange, Inc.
4. Ms. Akiko Imanaka has never been involved in the management of a company, but for the reasons described above in "[Reason for nomination as candidate for External Audit & Supervisory Board Member]," the Company has deemed that she will properly execute duties as External Audit & Supervisory Board Member.
5. The Company has entered into an agreement with Mr. Taizo Yoshida which limits the liability for damage under Article 423, Paragraph 1 of the Companies Act. The maximum amount of the liability for damage under the agreement is the minimum liability amount as stipulated by Article 425, Paragraph 1 of the same Act. If his reelection is approved as originally proposed, the Company plans to continue the above limited liability agreement with him. In addition, if the election of Ms. Akiko Imanaka is approved as originally proposed, the Company plans to enter into a similar limited liability agreement with her.
6. The Company has concluded a directors and officers liability insurance policy under Article 430-3, Paragraph 1 of the Companies Act with an insurance company, which includes Audit & Supervisory Board Members as the insured. The said insurance policy covers damage arising from litigation against officers which would be borne by the insured. If their election is approved, each candidate for Audit & Supervisory Board Member will be included in the insured under the policy.

**Proposal 4:** Election of Two (2) Substitute Audit & Supervisory Board Members

To prepare for the event that the number of Audit & Supervisory Board Members falls below the number required by laws and regulations, the Company proposes the election of two (2) Substitute Audit & Supervisory Board Members in advance.

The Company has obtained approval for this proposal from the Audit & Supervisory Board.

The Substitute Audit & Supervisory Board Member candidates are as follows.

No.	Name (Date of birth)	Career summary, positions, and responsibilities		Number of shares of the Company held
1	Fumiyasu Sato (August 14, 1965)	April 1988	Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)	9,400
		May 2017	General Manager of Management Planning Department of the Company	
		May 2018	Executive Officer of the Company	
		July 2018	Vice Chief of Administrative Headquarters and General Manager of Management Planning Department of the Company	
		July 2019	Vice Chief of Administrative Headquarters and General Manager of General Affairs Department of the Company	
		September 2021	General Manager of Financial Department of the Company	
		June 2023	Company Executive of the Company (current position)	
<p>[Reason for nomination as candidate for Substitute Audit &amp; Supervisory Board Member]</p> <p>Mr. Fumiyasu Sato has successively held positions such as General Manager of the Management Planning Department, General Manager of the General Affairs Department, and General Manager of the Financial Department. He has abundant experience and is well versed in the overall business of the Company. Therefore, the Company has deemed that he will properly fulfill the role as Audit &amp; Supervisory Board Member to audit Directors' execution of duties. The Company nominates him as a candidate for Substitute Audit &amp; Supervisory Board Member in light of the aforementioned background, and in comprehensive consideration of such factors as his personality and insight.</p>				

No.	Name (Date of birth)	Career summary, positions, and responsibilities	Number of shares of the Company held
2	Takafumi Shimomoto (May 31, 1974)  [External] [Independent]	<p>October 2001      Registered as an attorney and joined the Osaka Bar Association                          Joined the Kamakura-Higaki Law Office</p> <p>April 2008      Established the Tanaka-Shimomoto Law Office</p> <p>June 2015      External Audit of Institute for Fermentation, Osaka                          (current position)</p> <p>April 2017      Representative Partner of the Legal Professional                          Corporation New Stage (current position)</p> <p>[Significant concurrent positions]  <ul style="list-style-type: none"> <li>• Representative Partner of the Legal Professional Corporation New Stage</li> <li>• External Auditor of Institute for Fermentation, Osaka</li> </ul> </p>	—
<p>[Reason for nomination as candidate for Substitute External Audit &amp; Supervisory Board Member]  Mr. Takafumi Shimomoto has abundant experience and profound insight as an attorney, and the Company believes that he will provide appropriate counsel and suggestions for auditing and ensuring the legality of the Company's business execution as an Audit &amp; Supervisory Board Member. In light of the aforementioned background, and in comprehensive consideration of such factors as his personality and insight, the Company nominates him as a candidate for Substitute External Audit &amp; Supervisory Board Member.</p>			

- Notes:
1. There are no special interests between each candidate for Substitute Audit & Supervisory Board Member and the Company.
  2. The number of shares of the Company held by the abovementioned candidates for Substitute Audit & Supervisory Board Member is as of March 31, 2025.
  3. Of the candidates for Substitute Audit & Supervisory Board Member, Mr. Fumiyasu Sato is a candidate for Audit & Supervisory Board Member who is not a Substitute External Audit & Supervisory Board Member, and Mr. Takafumi Shimomoto is a Substitute External Audit & Supervisory Board Member candidate.
  4. Mr. Takafumi Shimomoto has never been involved in the management of a company, but for the reasons described above in "[Reason for nomination as candidate for Substitute External Audit & Supervisory Board Member]," the Company has deemed that he will properly execute duties as External Audit & Supervisory Board Member.  
The Company plans to register him as an Independent Officer as stipulated by the Tokyo Stock Exchange, Inc. if he assumes his office as External Audit & Supervisory Board Member.
  5. As provided by the Company's Articles of Incorporation, the Company plans to enter into an agreement with Mr. Fumiyasu Sato and Mr. Takafumi Shimomoto which limits the liability for damage under Article 423, Paragraph 1 of the Companies Act, if their election as Audit & Supervisory Board Member and External Audit & Supervisory Board Member, respectively, is approved as originally proposed. The maximum amount of the liability for damage under the agreement is the minimum liability amount as stipulated by Article 425, Paragraph 1 of the same Act.
  6. The Company has concluded a directors and officers liability insurance policy under Article 430-3, Paragraph 1 of the Companies Act with an insurance company, including Audit & Supervisory Board Members as the insured. The said insurance policy covers damage arising from litigation against officers which would be borne by the insured. Mr. Fumiyasu Sato and Mr. Takafumi Shimomoto will be included in the insured under the policy if they assume



office as Audit & Supervisory Board Member and External Audit & Supervisory Board Member, respectively.

<Reference> The Company's Independence Criteria for External Officers

In addition to the Independence Criteria specified by the Tokyo Stock Exchange, Inc., the Company considers external officers to be independent so far as none of the following conditions apply to them:

1. An external officer who currently falls under any of the following items (1) through (8)
  - (1) A major shareholder of the Company (a shareholder who owns more than 10% of the voting rights) or a person who executes business thereof
  - (2) A business partner of the Company whose transactions with the Company in the most recent fiscal year exceed 2% of the Company's annual consolidated gross sales, or an executive thereof
  - (3) A party who is a business partner of the Company whose transactions with the Company in the most recent fiscal year exceed 2% of its annual consolidated gross sales, or an executive thereof
  - (4) A financial institution or another large creditor on which the Company relies to the extent that it is an indispensable funding source that cannot be replaced, or an executive thereof
  - (5) A certified public accountant, or a member, partner, or employee (excluding support staff) of an auditing firm who is the accounting auditor of the Company
  - (6) A person who executes the business of an organization that receives a donation or grant exceeding the larger of either 10 million yen or 30% of its average annual expenses from the Company in the most recent fiscal year
  - (7) An attorney, certified public accountant, tax accountant, or another consultant who received payment or other properties exceeding 10 million yen from the Company, excluding remuneration for officers, on average during the past three fiscal years
  - (8) A person (excluding support staff) belonging to a law office, auditing firm, tax accountant corporation, consulting firm, or another professional advisor firm that received more than 2% of its annual consolidated gross sales from the Company during the past three fiscal years
2. A person who fell under any of the items (1) through (6) above during any of the past three years

<Reference> Management Structure After Proposals No. 2 and No. 3 are Approved (Tentative)

Name	Position	External	Overseas Business (◎: Manager ○: Staff)	Manufacturing R&D	Sales/ Marketing	Legal/Human Resources/ Financial Affairs/ Accounting	IT	Expertise
Shigemi Mima	Representative Director and President		◎	○	○		○	—
Yoshihide Okada	Senior Managing Director		◎	○	○	○		—
Masamichi Mima	Managing Director		◎	○	○			—
Norio Kotaka	External Director	○	○	○	○		○	—
Chika Tanaka	External Director	○	○	○	○			—
Kiyokazu Sugiyama	External Director	○			○	○		Financial affairs/ accounting
Taizo Yoshida	Standing Audit & Supervisory Board Member		○		○	○		—
Masao Mizobuchi	External Audit & Supervisory Board Member	○			○	○		Law
Akiko Imanaka	External Audit & Supervisory Board Member	○			○	○		Labor/ taxation

- Notes:
1. All of the above officers have knowledge of corporate management and ESG (environment, society, governance).
  2. The Standing Audit & Supervisory Board Member will be determined at a meeting of the Audit & Supervisory Board after this Meeting, and executive directors will be determined subsequently at a meeting of the Board of Directors.
  3. The above list describes not all of the knowledge possessed, but areas where officers can demonstrate greater expertise given their individual experience.