

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

Securities Code: 6455  
June 6, 2022

**To Shareholders with Voting Rights:**

Masahiro Nakajima  
Chairman & CEO  
MORITA HOLDINGS CORPORATION  
3-6-1 Dosho-machi, Chuo-ku, Osaka-shi,  
Osaka, Japan

**NOTICE OF  
THE 89th 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 89th Annual General Meeting of Shareholders of MORITA HOLDINGS CORPORATION (the “Company”) will be held as described below. In order to prevent the spread of COVID-19, the Company encourages all shareholders, if at all possible, to exercise their voting rights by mailing the enclosed Voting Rights Exercise Form or via electromagnetic methods (the Internet, etc.) in advance instead of attending the Meeting in person. In that case, please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your vote by no later than 5:40 p.m. Japan time on Monday June 27, 2022.

- 1. Date and Time:** Tuesday, June 28, 2022 at 10:00 a.m. Japan time
- 2. Place:** TKP Garden City PREMIUM Osaka Ekimae  
ax building 4F, 2-3-21, Sonezakishinchi, Kita-ku, Osaka-shi, Osaka, Japan
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report and Consolidated Financial Statements for the Company’s 89th Fiscal Year (April 1, 2021 - March 31, 2022) 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 89th Fiscal Year (April 1, 2021 - March 31, 2022)
  - Proposals to be resolved:**
    - Proposal 1:** Partial Amendments to the Articles of Incorporation
    - Proposal 2:** Election of Nine (9) Directors
    - Proposal 3:** Election of Two (2) Audit & Supervisory Board Members

**4. Matters to Be Decided at the Time of Convocation:**  
If you exercise your voting rights by proxy, you may attend the meeting with one other shareholder who has voting rights as your proxy. However, please note that you will be required to submit a document certifying the proxy right.

- .....
- When you attend the meeting, please submit the enclosed Voting Rights Exercise Form to the reception.
- Should revisions arise to the Reference Documents for the General Meeting of Shareholders and the attachments, they will be posted on the Company’s website.

■ The following items are posted on the Company’s website in accordance with provisions of laws and regulations and Article 13 of the Company’s Articles of Incorporation and are therefore not provided in this Notice.

(1) “Consolidated Statements of Changes in Net Assets” and “Notes to Consolidated Financial Statements” of the Consolidated Financial Statements

(2) “Non-consolidated Statements of Changes in Net Assets” and “Notes to Non-consolidated Financial Statements” of the Non-Consolidated Financial Statements

The business report audited by the Audit & Supervisory Board Members and the consolidated financial statements and non-consolidated financial statements audited by the Audit & Supervisory Board Members and the Accounting Auditor include each of the documents listed in the attachments to this Notice of Convocation and the above items posted on the Company’s website.

Company’s website: <https://www.morita119.com>

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- (1) The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended.
- (2) The current Articles of Incorporation stipulate that the term of office of Executive Officers shall be in accordance with the term of office of Directors; however, in order to further clarify the distinction between management and execution, the Company proposes to change the term of office to the fiscal year.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u>  <u>Article 13 The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the Internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p> <p style="text-align: center;">&lt;Newly established&gt;</p>	<p style="text-align: center;">&lt;Deleted&gt;</p> <p><u>(Measures for Electronic Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u>  <u>Article 13 The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</u>            2. <u>Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p>

<p>(Term of Office of Executive Officers)  Article 34 The term of office of Executive Officers shall <u>be one year, and shall be the same as that of Directors.</u></p> <p>2. The Board of Directors may dismiss an Executive Officer even in the middle of his/her term of office.  &lt;Newly established&gt;</p>	<p>(Term of Office of Executive Officers)  Article 34 The term of office of Executive Officers shall <u>expire at the end of the fiscal year ending within one year after their assumption of office.</u></p> <p>2. The Board of Directors may dismiss an Executive Officer even in the middle of his/her term of office.  <u>Supplementary Provisions</u>  Article 1 <u>The deletion of Article 13 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation and the proposed Article 13 (Measures for Electronic Provision, Etc.) shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the "Effective Date").</u></p> <p>2. <u>Notwithstanding the provisions of the preceding paragraph, Article 13 of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u></p> <p>3. <u>This Article shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**Proposal 2: Election of Nine (9) Directors**

The terms of office of seven (7) Directors, Masahiro Nakajima, Kazumi Ogata, Kunio Morimoto, Shinichi Kanaoka, Mitsuo Isoda, Takao Kawanishi, and Masaki Hojo, will expire at the closing of this General Meeting of Shareholders. Consequently, in order to further strengthen the management structure, the Company proposes the election of nine (9) Directors.

The candidates for Directors are as follows.

## Candidates for Directors

No.	Name	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings
1	Masahiro Nakajima [Reappointment]	Chairman & CEO	13/13 (100%)
2	Kunio Morimoto [Reappointment]	Director and Managing Executive Officer	13/13 (100%)
3	Shinichi Kanaoka [Reappointment]	Director and Managing Executive Officer	13/13 (100%)
4	Mitsuo Isoda [Reappointment] [Outside]	Director	13/13 (100%)
5	Takao Kawanishi [Reappointment] [Outside]	Director	13/13 (100%)
6	Masaki Hojo [Reappointment] [Outside]	Director	13/13 (100%)
7	Shinya Murai [New appointment]	Managing Executive Officer	—
8	Masayoshi Kato [New appointment]	—	—
9	Hiroyuki Fukunishi [New appointment]	—	—

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Masahiro Nakajima (February 3, 1950)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 13/13 (100%)</p>	<p>March 1972      Joined the Company</p> <p>April 2003      Executive Officer, the Company</p> <p>June 2004      Director, the Company</p> <p>June 2006      President, the Company</p> <p>October 2008    President, MORITA CORPORATION</p> <p>June 2015      Chairman, MORITA ECONOS CORPORATION</p> <p>June 2015      Chairman, MORITA TECHNOS CORPORATION</p> <p>June 2015      Chairman, MORITA CORPORATION (current position)</p> <p>June 2015      Chairman, the Company</p> <p>February 2016   Chairman of the Board, BRONTO SKYLIFT OY AB (current position)</p> <p>June 2016      Chairman and CEO, the Company (current position)</p> <p>April 2017      Chairman, MORITA ENVIRONMENTAL TECH CORPORATION</p> <p>June 2017      Outside Corporate Auditor, Hino Motors, Ltd.</p> <p>June 2019      Director, MORITA ENVIRONMENTAL TECH CORPORATION (current position)</p> <p>June 2021      Outside Director, Hino Motors, Ltd. (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Chairman, MORITA CORPORATION</li> <li>• Chairman of the Board, BRONTO SKYLIFT OY AB</li> <li>• Outside Director, Hino Motors, Ltd.</li> </ul>	173,829 shares
<p>[Reason for nomination as candidate for Director] Mr. Nakajima has held key positions in the fire fighting vehicles business and the recycling machines business, and after assuming office as Director in 2004, he served as President from 2006 to 2015, Chairman from 2015, and as Chairman and CEO from 2016, playing a central role in management for many years at the Company, and domestic and overseas group companies, and possesses abundant experience and broad insight as a manager. Therefore, the Company determines that he can play a sufficient role in the overall management supervision and decision-making functions by utilizing his abundant experience and track record, and proposes his continued appointment as Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
2	Kunio Morimoto (March 3, 1958)  [Reappointment]  [Attendance at the Board of Directors meetings] 13/13 (100%)	April 1980	Joined the Company	32,594 shares
		April 2002	General Manager, Procurement Dept., Business Management Division, the Company	
		October 2008	Executive Officer, Deputy General Manager, Production Division, and General Manager, Engineering Dept., MORITA CORPORATION	
		June 2011	Director, Deputy General Manager, Production Division, General Manager, Planning and Production Dept., and General Manager, Overseas Business Promotion Dept., MORITA CORPORATION	
		June 2015	Managing Director, MORITA CORPORATION	
		June 2015	General Manager, Production Division, and General Manager, Product Development Division, MORITA CORPORATION	
		January 2016	Executive Director, BRONTO SKYLIFT OY AB	
		April 2019	Managing Executive Officer, the Company (current position)	
		April 2019	Head of Division of Corporate Strategy, the Company Head of Division of ATI Center, the Company (current position)	
		June 2019	Director, the Company (current position)	
[Reason for nomination as candidate for Director] Mr. Morimoto has held key positions in the production, engineering, and development departments of the fire fighting vehicles business for many years, and has also been involved in the management of overseas group subsidiaries since 2016. Therefore, the Company determined that he has the experience and broad insight necessary for corporate management, and requests his continued appointment as Director.				
3	Shinichi Kanaoka (August 21, 1959)  [Reappointment]  [Attendance at the Board of Directors meetings] 13/13 (100%)	April 1982	Joined the Company	21,806 shares
		April 2007	General Manager, Accounting Dept., Business Management Division, the Company	
		June 2010	Executive Officer, the Company	
		October 2011	General Manager, Business Management Division, the Company	
		April 2017	Managing Executive Officer, the Company	
		June 2018	Director and Executive Officer, the Company	
		April 2019	Head of Division of Finance and Information systems, the Company (current position)	
		June 2020	Director and Managing Executive Officer, the Company (current position)	
[Reason for nomination as candidate for Director] Mr. Kanaoka has been engaged in the accounting operations for many years, and after assuming the position of Executive Officer in 2010, he assumed a key position of overseeing the Business Management Division, which includes the Corporate Planning, Legal, Accounting, and Information Management departments, etc. Therefore, the Company requests his continued appointment as Director because of his abundant business administration experience in the Company and domestic and overseas group companies and wide-ranging insight necessary for corporate management.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p>Mitsuo Isoda (January 7, 1970)</p> <p>[Reappointment] [Outside]</p> <p>[Attendance at the Board of Directors meetings] 13/13 (100%)</p>	<p>April 1995 Registered as an Attorney (Osaka Bar Association)</p> <p>April 1995 Joined The Miyake Joint Partnership Law Office (currently MIYAKE &amp; PARTNERS)</p> <p>June 2001 Completed the Harvard Law School's LL.M. program.</p> <p>August 2001 Trained at Pillsbury Winthrop Shaw Pittman LLP, New York Office</p> <p>February 2002 Admitted to the New York State Bar (at that time)</p> <p>July 2002 Partner, MIYAKE &amp; PARTNERS</p> <p>June 2014 Outside Corporate Auditor, HASEKO Corporation (current position)</p> <p>June 2016 Director, the Company (current position)</p> <p>May 2019 President, MIYAKE &amp; PARTNERS (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• President, MIYAKE &amp; PARTNERS</li> <li>• Outside Corporate Auditor, HASEKO Corporation</li> </ul>	2,500 shares
<p>[Reason for nomination as candidate for Outside Director and outline of expected roles]</p> <p>Although Mr. Isoda has no direct experience in corporate management, he has been a lawyer for many years and has a high degree of expertise in laws and regulations. He has been an Outside Director of the Company since June 2016 and has provided useful and valuable advice on compliance and governance from an independent standpoint in the deliberations of the Board of Directors and the Nomination and Compensation Advisory Committee, which he chairs, and is expected that he will continue to exercise his independent and highly transparent monitoring and supervisory functions in the management of the Company. Therefore, the Company requests his continued appointment as Director. His term of office as an Outside Director will be six (6) years at the conclusion of this General Meeting of Shareholders.</p>			
5	<p>Takao Kawanishi (November 23, 1948)</p> <p>[Reappointment] [Outside]</p> <p>[Attendance at the Board of Directors meetings] 13/13 (100%)</p>	<p>April 1972 Joined The Sanwa Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 1999 Executive Officer, The Sanwa Bank, Ltd.</p> <p>January 2002 Managing Executive Officer, UFJ Bank Limited (currently MUFG Bank, Ltd.)</p> <p>May 2004 Representative Director and Senior Managing Executive Officer, UFJ Bank Limited</p> <p>January 2006 Managing Director, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>April 2008 Vice President, The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>June 2010 President and CEO, JCB Co., Ltd.</p> <p>June 2014 Chairman, JCB Co., Ltd.</p> <p>February 2015 Outside Director, UNIRITA Inc.</p> <p>June 2017 Director, the Company (current position)</p> <p>June 2017 Chairman of the Board of Directors, JCB Co., Ltd.</p>	2,400 shares
<p>[Reason for nomination as candidate for Outside Director and outline of expected roles]</p> <p>Mr. Kawanishi possesses expert knowledge cultivated over many years at financial institutions and a wealth of experience and broad insight as a corporate manager. He has been an Outside Director of the Company since June 2017 and has provided useful and valuable advice based on his broad experience and deep knowledge of corporate management, from an independent standpoint in the deliberations of the Board of Directors and the Nomination and Compensation Advisory Committee, and is expected that he will continue to exercise his independent and highly transparent monitoring and supervisory functions in the management of the Company. Therefore, the Company requests his continued appointment as Director. His term of office as an Outside Director will be five (5) years at the conclusion of this General Meeting of Shareholders.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
6	Masaki Hojo (October 2, 1948)  [Reappointment] [Outside]  [Attendance at the Board of Directors meetings] 13/13 (100%)	April 1971	Joined Daifuku Machinery Works Co., Ltd. (currently Daifuku Co., Ltd.)	3,200 shares
		June 1998	Director, Daifuku Machinery Works Co., Ltd.	
		April 2000	President, Daifuku America Corporation	
		April 2004	Representative Director and Senior Managing Director, Daifuku Co., Ltd. President, Daifuku Canada Inc.	
		April 2006	Executive Vice President, Daifuku Co., Ltd.	
		December 2007	Chairman, Jervis B. Webb Company	
		April 2008	President and CEO, Daifuku Co., Ltd.	
		January 2011	Chairman, Daifuku Webb Holding Company (currently Daifuku North America Holding Company)	
		April 2018	Advisor, Daifuku Co., Ltd.	
		June 2020	Director, the Company (current position)	
[Reason for nomination as candidate for Outside Director and outline of expected roles] Mr. Hojo has extensive experience and broad insight as a corporate manager, having served as President and CEO and head of overseas subsidiaries at Daifuku Co., Ltd. He has been an Outside Director of the Company since June 2020 and has provided useful and valuable advice based on his broad experience and deep knowledge of corporate management, from an independent standpoint in the deliberations of the Board of Directors and the Nomination and Compensation Advisory Committee, and is expected that he will continue to exercise his independent and highly transparent monitoring and supervisory functions in the management of the Company. Therefore, the Company requests his continued appointment as Director. His term of office as an Outside Director will be two (2) years at the conclusion of this General Meeting of Shareholders.				
7	Shinya Murai (January 23, 1960)  [New appointment]  [Attendance at the Board of Directors meetings] —	April 1982	Joined the Company	19,601 shares
		April 2007	General Manager, General Affairs Dept., Business Management Division, the Company	
		April 2011	Executive Officer, the Company	
		February 2012	Deputy General Manager, Business Management Division, General Manager, General Affairs Dept., and General Manager, Human Resources Dept., the Company	
		April 2017	Managing Executive Officer, the Company (current position)	
		July 2018	General Manager, Corporate Communications Dept., the Company	
		April 2019	Head of Division of Human Resources Development and General Affairs, the Company (current position)	
[Reason for nomination as candidate for Director] Mr. Murai has been engaged in general affairs and personnel affairs for many years, and after assuming the position of Executive Officer in 2011 he assumed a key position in charge of the Business Management Division, overseeing the Company and its domestic group companies. The Company requests his appointment as Director, because of his abundant business experience in the Company and broad insight necessary for corporate management.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
8	Masayoshi Kato (February 18, 1970)  [New appointment]  [Attendance at the Board of Directors meetings] —	April 1992	Joined the Company	9,695 shares
		April 2015	General Manager, General Fire Fighting Vehicle Production Dept., Sanda Factory, MORITA CORPORATION	
		April 2017	Executive Officer, Head of Production Division, and Factory Head, Sanda Factory, MORITA CORPORATION	
		June 2017	Director, Head of Production Division, and Factory Head, Sanda Factory, MORITA CORPORATION	
		April 2018	Director, Executive Officer, Head of Production Division, General Manager, Engineering Dept., MORITA CORPORATION	
		April 2022	Representative Director, President, and Head of Production Division, MORITA CORPORATION (current position)	
[Reason for nomination as candidate for Director] Mr. Kato has held key positions in the production and engineering departments for many years in the fire fighting vehicles business, and was involved in management as a Director of MORITA CORPORATION in 2017. He has also served as Representative Director of MORITA CORPORATION since April 2022. The Company expects that he will play a role in the supervisory and decision-making functions of the Board of the Directors of the Company, taking advantage of his abundant experience and broad insight, and therefore requests his appointment as Director.				
9	Hiroyuki Fukunishi (January 1, 1970)  [New appointment]  [Attendance at the Board of Directors meetings] —	April 1994	Joined the Company	14,395 shares
		April 2016	General Manager, Sales Dept.(West Japan), MORITA ENVIRONMENTAL TECH CORPORATION	
		April 2017	Director, Head of Sales Division and General Manager, Sales Dept.(East Japan), MORITA ENVIRONMENTAL TECH CORPORATION	
		June 2019	Director, Executive Officer, and Head of Sales Division, MORITA ENVIRONMENTAL TECH CORPORATION	
		April 2022	Representative Director, President, and Head of Sales Division, MORITA ENVIRONMENTAL TECH CORPORATION (current position)	
[Reason for nomination as candidate for Director] Mr. Fukunishi has held key positions in the sales department for many years in the recycling machines business, and was involved in the management of MORITA ENVIRONMENTAL TECH CORPORATION as a Director in 2017. He has also served as Representative Director of MORITA ENVIRONMENTAL TECH CORPORATION since April 2022. The Company expects that he will play a role in the supervisory and decision-making functions of the Board of the Directors of the Company, taking advantage of his abundant experience and broad insight, and therefore requests his appointment as Director.				

- Notes:
1. None of the candidates for Directors have any special interests with the Company.
  2. Mr. Mitsuo Isoda, Mr. Takao Kawanishi, and Mr. Masaki Hojo, are the candidates for Outside Directors, and also candidates for Independent Officers who have no potential conflicts of interests with general shareholders, as defined by the Tokyo Stock Exchange, Inc.
  3. The Company has concluded an agreement with Mr. Mitsuo Isoda, Mr. Takao Kawanishi and Mr. Masaki Hojo, in accordance with Article 427, Paragraph 1 of the Companies Act, which limits Outside Directors' indemnity liability for damage outlined under Article 423, Paragraph 1 of the Act. The maximum amount of liability under such contracts is the minimum liability amount stipulated by laws and regulations. If their reappointment is approved, then the Company will continue the above agreement with them.

4. The Company has entered into a directors and officers (D&O) liability insurance contract with an insurance company to cover legal damages and litigation expenses to be borne by the insured in the event that a claim for damage is made against the insured due to an act committed by the insured in his/her capacity as such (including omission). If the appointment of the candidates as Directors is approved in this proposal, each of them will be insured under the insurance contract, which is to be renewed during their terms of office.

(Reference)

The structure of the Board of Directors and the knowledge and experience each Director has if Proposal 2 is approved as proposed at this Ordinary General Meeting of Shareholders are as follows

Name	Position at the Company after approval	The knowledge and experience which each Director has							
		Corporate management	International experience	Legal and Governance	Finance and Accounting	Sales and Marketing	Technology and R&D	Production	HR and HRD
Masahiro Nakajima	Chairman & CEO	○	○	○		○			○
Shinichi Kanaoka	Representative Director and President Executive Officer	○		○	○				
Kunio Morimoto	Director and Managing Executive Officer	○	○				○	○	
Shinya Murai	Director and Managing Executive Officer			○					○
Mitsuo Isoda	Director*1, *2		○	○					
Takao Kawanishi	Director*1	○	○		○	○			○
Masaki Hojo	Director*1	○	○		○	○		○	○
Masayoshi Kato	Director	○					○	○	
Hiroyuki Fukunishi	Director	○				○			

\*1 Outside Director and Independent Officer

\*2 Mr. Mitsuo Isoda chairs the Nomination Advisory Committee and the Compensation Advisory Committee.

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

The terms of office of two (2) Audit & Supervisory Board Members, Atsushi Miyazaki and Shozo Nishimura, will expire at the closing of this General Meeting of Shareholders. Consequently, the Company proposes the election of two (2) Audit & Supervisory Board Members.

The agreement of the Audit & Supervisory Board has been obtained for the submission of this proposal. The candidates for Audit & Supervisory Board Members are as follows.

Candidates for Audit & Supervisory Board Members

No.	Name (Date of birth)	Career summary, positions and significant concurrent positions	Number of shares of the Company held
1	Shozo Nishimura (March 3, 1945)  [Reappointment] [Outside]  [Attendance at the Board of Directors meetings] 13/13 (100%)	April 1970 Registered as an Attorney (Osaka Bar Association)	4,800 shares
		April 1970 Joined The Miyake Joint Partnership Law Office (currently MIYAKE & PARTNERS)	
		April 1979 Established Nishimura Law & Accounting Firm Chief, Nishimura Law & Accounting Firm (current position)	
		June 2008 Outside Corporate Auditor, Uehara Sei Shoji Co., Ltd.	
		June 2018 Audit & Supervisory Board Member, the Company (current position)	
		June 2019 Director, Kyoto Seisakusho Co., Ltd. (current position)	
		[Significant concurrent positions] Chief, Nishimura Law & Accounting Firm	
[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] Although Mr. Nishimura has no direct experience in corporate management, he is well versed in corporate legal affairs as an attorney and has sufficient insight to govern corporate management. The Company determined that he will be able to fully perform his auditing functions, and therefore requests his continued appointment as Outside Audit & Supervisory Board Member. His term of office as an Outside Audit & Supervisory Board Member will be four (4) years at the conclusion of this General Meeting of Shareholders.			
2	Mari Kaneko (August 23, 1962)  [New appointment] [Outside]  [Attendance at the Board of Directors meetings] —	April 1986 Joined IBM Japan, Ltd.	0 shares
		August 2006 Registered as a USCPA	
		September 2006 In charge of accounting at Fujita Rashi (USA) Corp.	
		June 2008 Established Beni LLC, appointed as President	
		February 2014 Full-time Corporate Auditor, Phil Company, Inc.	
		February 2022 Director, Full-time Audit and Supervisory Committee Member, Phil Company, Inc. (current position)	
		[Significant concurrent positions] Director, Full-time Audit and Supervisory Committee Member, Phil Company, Inc.	
[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] Ms. Kaneko has extensive knowledge of finance and accounting, and the Company has determined that she can provide appropriate suggestions and advice in auditing and supervising the Company's important decision-making and business execution, based on her extensive experience and high-level insight, Therefore, the Company requests her appointment as Outside Audit & Supervisory Board Member.			

- Notes:
1. None of the candidates for Audit & Supervisory Board Members have any special interests with the Company.
  2. Mr. Shozo Nishimura and Ms. Mari Kaneko are the candidates for Outside Audit & Supervisory Board Members, and also candidates for Independent Officers who have no potential conflicts of interests with general shareholders, as defined by the Tokyo Stock Exchange, Inc.

3. The Company has concluded an agreement with Mr. Nishimura, in accordance with Article 427, Paragraph 1 of the Companies Act, which limits Outside Directors' indemnity liability for damage outlined under Article 423, Paragraph 1 of the Act. The maximum amount of liability under such contracts is the minimum liability amount stipulated by laws and regulations. If his reappointment is approved, then the Company will continue the above agreement with him. In addition, if the election of Ms. Kaneko is approved at this Ordinary General Meeting of Shareholders, then the Company will enter into a similar liability limitation agreement with her.
4. The Company has entered into a directors and officers (D&O) liability insurance contract with an insurance company to cover legal damages and litigation expenses to be borne by the insured in the event that a claim for damage is made against the insured due to an act committed by the insured in his/her capacity as such (including omission). If the appointment of the candidates as Audit & Supervisory Board Members is approved in this proposal, each of them will be insured under the insurance contract, which is to be renewed during their terms of office.

(Reference)

Criteria for Determining Whether Outside Officers are Sufficiently Independent

The Company has established the following criteria for determining the independence of Outside Directors and Outside Audit & Supervisory Board Members (hereinafter referred to as "Outside Officers"), and if, as a result of an investigation to the extent reasonably possible by the Company, it is determined that an Outside Officer does not fall under any of the following items, then such Outside Officer is deemed to be independent from the Company and not likely to cause any conflict of interest with general shareholders.

- (1) Persons who are business executors of the Company or its affiliates (hereinafter referred to as the "Group") or persons who were business executors of the Group in the past 10 years (or, if the persons were non-executive Directors, Audit & Supervisory Board Members, or Accounting Advisors of the Group at any time within the past 10 years, then the 10 years prior to assuming such positions)
- (2) Persons for whom the Group is a major business partner, or persons who are business executors of their parent companies or important subsidiaries.
- (3) Persons who are business executors of the Group's major business partners, or persons who are business executors of their parent companies or important subsidiaries
- (4) Consultants, accounting experts, or legal experts who receive more than a certain amount of money or other assets from the Group (if the persons receiving such assets are corporations, partnerships, or other organizations, then the persons who are business executors of such organizations)
- (5) Persons who have received donations or grants exceeding a certain amount from the Group (if the donation or grant recipients are corporations, partnerships, or other organizations, then the persons who are business executors of such organizations)
- (6) Persons who are business executors of the Group's lead managing brokerage firms, or a certified public accountant, employee, or partner of the audit firm that is the Group's accounting auditor
- (7) Persons who are business executors of the principal financial institutions from which the Group borrows, or their parent companies or subsidiaries
- (8) A major shareholder of the Company (meaning a shareholder, that directly or indirectly holds 10% or more of the voting rights) or, if such a major shareholder is a corporation, the persons who are business executors of such a major shareholder or its parent company or important subsidiary
- (9) Persons who are business executors of a company in which the Group is a major shareholder (meaning a company in which the Group directly or indirectly holds 10% or more of the voting rights) or its parent company or important subsidiary
- (10) Directors, Audit & Supervisory Board Members, Accounting Advisors, Executive Officers, of any company or its parent company or subsidiary that accepts Directors (whether full-time or part-time) from the Group
- (11) Persons who have fallen under (2) through (10) above, in the three years prior to assuming office
- (12) Close relatives, etc. of persons falling under (1) through (11) above