

November 10, 2022

To Our Shareholders:

3-31-1 Myoon-tori, Mizuho-ku, Nagoya

**AVANTIA** Co., Ltd.

Yasunari Sawada,

Representative Director and President

## Notice of the 33rd Annual Meeting of Shareholders

**The Company would hereby like to request shareholders to attend its 33rd Annual Meeting of Shareholders as described below.**

**You may also exercise your voting rights in writing or by electromagnetic means (via the Internet, etc.). We kindly request you to read the following Reference Documents for the Annual Meeting of Shareholders and exercise your voting rights by no later than 6:00 p.m. on November 28, 2022 (Monday).**

Sincerely yours,

### Requests to Our Shareholders

In order to ensure the health and safety of our shareholders, we would like to inform you of our efforts to prevent the spread of new coronavirus infections and our requests to our shareholders as follows. We would appreciate your understanding and cooperation.

- ① We kindly request you to exercise your voting rights in advance via writing or by electromagnetic means (via the Internet, etc.) as much as possible and refrain from coming to the venue of the meeting.
- ② As we will be making more space between seats to prevent the spread of infection, the number of seats available will be limited. Please note in advance that depending on the number of those attending, seats may run short and we may have to limit the number of shareholders who will be able to enter.
- ③ Shareholders coming to the venue are requested to wear masks.
- ④ On the day of the meeting, we will conduct a temperature check near the entrance to the venue, and will refuse admission to those who are deemed to have a fever or who are thought to be in poor health.
- ⑤ During the General Meeting of Shareholders, the management staff may ask shareholders who are thought to be in poor health to leave the venue.
- ⑥ Please note in advance that we will not provide souvenirs.

1. **Date:** 10:00 a.m. on November 29 (Tuesday),  
2022 (Reception starts at 9:00 a.m.)
2. **Venue:** 2F, Zuiun East, Hotel Mielparque NAGOYA,  
3-16-16 Aoi, Higashi-ku, Nagoya

3. **Purposes:**

**Items to be reported:**

1. The business report, the consolidated financial statements, and the results of consolidated financial statement audits by the Accounting Auditor and the Audit & Supervisory Board for the 33rd business period (September 1, 2021 to August 31, 2022)
2. The non-consolidated financial statements for the 33rd business period (September 1, 2021 to August 31, 2022)

**Items to be resolved:**

- Agenda Item 1:** Partial Amendment to the Articles of Incorporation
- Agenda Item 2:** Election of Eight (8) Directors
- Agenda Item 3:** Election of One (1) Audit & Supervisory Board Member

- \* When you attend the meeting, we kindly request that you submit the enclosed voting form to the receptionist at the venue.
- \* If there are any revisions to the Reference Document for the Annual Meeting of Shareholders, and/or the business report, the consolidated and the non-consolidated financial statements, such revisions will be listed on the Company's website.
- \* Among the documents that should accompany this notice, those mentioned below are not included in this notice since they have been made available on the Company's website as required by law as well as Article 18 of the Company's Articles of Incorporation. Therefore, the documents provided with this notice constitute only a portion of the documents that the members of the Audit & Supervisory Board and Accounting Auditors audited in the course of preparing their audit reports.
  1. Notes to Consolidated Financial Statements
  2. Notes to Non-Consolidated Financial Statements
- \* The contents of this notice were posted on the Company's website before it was sent to all recipients from the perspective of providing information as quickly as possible.

Company's website (<https://avantia-g.co.jp/corp/>)

## **Agenda Item 1: Partial Amendment to the Articles of Incorporation**

### 1. Reason for the Proposal

The revised provisions provided for in the proviso to Article 1 of the supplementary provision of the Act Partially Amending the Companies Act (Act No. 70 of 2019) have been enforced on September 1, 2022. In conjunction with the introduction of a system for providing annual shareholder meeting materials in electronic format, the Company proposes to make the following changes to its Articles of Incorporation.

- (1) Article 18, paragraph 1 of the proposed amendment is newly established to stipulate that measures of electronic provision be taken for information that constitutes the contents of the Reference Documents for the Annual Meeting of Shareholders, etc.
- (2) Article 18, paragraph 2 of the proposed amendment is newly established to stipulate the limitation of the scope of items to be included in the documents delivered to shareholders who have requested them in writing to the extent prescribed by the Ministry of Justice Order.
- (3) Article 18 of the current Articles of Incorporation (Internet disclosure and deemed provision of Reference Documents for the Annual Meeting of Shareholders, etc.) is deleted as it will no longer be necessary.
- (4) With the above establishment and deletion, a supplementary provision concerning transitional measures, etc. is newly established.

### 2. Contents of the Amendments

The contents of the amendments are as follows.

(Underlined parts show amendments)

Current Articles of Incorporation	Proposed amendment
Article 1 - 17 (Omitted) Chapter 3. Annual Meeting of Shareholders	Article 1 - 17 (Unchanged) Chapter 3. Annual Meeting of Shareholders
<u>(Internet disclosure and deemed provision of Reference Documents for the Annual Meeting of Shareholders, Etc.)</u>	(Deleted)
<u>Article 18 Upon convening an annual meeting of shareholders, the Company may deem that the information on items required to be stated or presented in the Reference Documents for the Annual Meeting of Shareholders, business reports, non-consolidated financial statements and consolidated financial statements shall have been provided to the shareholders when such information is disclosed by means of using the Internet pursuant to the Ministry of Justice Order.</u>	

Current Articles of Incorporation	Proposed amendment
(Newly established)	<p data-bbox="768 178 1120 202"><u>(Electronic provision measures, etc.)</u></p> <p data-bbox="768 220 1336 417"><u>Article 18 Upon convening an annual meeting of shareholders, the Company shall take electronic provision measures for information that constitutes the contents of the Reference Documents for the Annual Meeting of Shareholders, etc.</u></p> <p data-bbox="840 435 1351 632"><u>(2) Among items for which the electronic provision measures are taken, the Company may not state all or part of the items stipulated in the Ministry of Justice Order in the documents delivered to shareholders who have requested them in writing by the record date of voting rights.</u></p>
Article 19 - 44 (Omitted)	Article 19 - 44 (Unchanged)
(Newly established)	(Supplementary provision)
(Newly established)	<p data-bbox="768 802 1309 858"><u>(Transitional measures concerning electronic provision measures, etc.)</u></p> <p data-bbox="768 870 1351 1067"><u>Article 1 Article 18 (Internet disclosure and deemed provision of Reference Documents for the Annual Meeting of Shareholders, etc.) of the current Articles of Incorporation shall remain effective for any annual meeting of shareholders held on a date prior to February 28, 2023.</u></p> <p data-bbox="840 1078 1351 1242"><u>(2) The supplementary provision shall be deleted on March 1, 2023 or when three (3) months have elapsed from the date of the annual meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

## Agenda Item 2: Election of Eight (8) Directors

The terms of office of all six (6) Directors shall expire at the conclusion of this Annual Meeting of Shareholders. Accordingly, the Company proposes to elect eight (8) Directors (including three (3) Outside Directors), increasing the number by two (2) Directors, to further enhance the corporate governance.

The candidates for Directors are as follows.

### List of Candidates

Candidate No.		Name	Position and responsibility at the Company	Number of Board of Directors' Meetings attended (33rd business period)
1	Reappointment	Yasunari Sawada	Representative Director and President	13/13 (100%)
2	Reappointment	Hidenobu Hisada	Director, Department Manager of Sales	13/13 (100%)
3	Reappointment	Ryo Okamoto	Director, Department Manager of Development	13/13 (100%)
4	Reappointment	Shoji Higuchi	Director, Department Manager of Administration	10/10 (100%)
5	New appointment	Toshinori Kamiyana	Executive Officer	—
6	Reappointment/ Outside/ Independent	Etsuko Yuhara	Outside Director	10/10 (100%)
7	New appointment/ Outside/ Independent	Minoru Matsushima	—	—
8	New appointment/ Outside/ Independent	Tetsuro Kato	—	—

## [For Reference]Skill Matrix of Candidates for Directors

The Company sets insight and experience necessary for Directors as follows.


Presently, the Avantia Group has been promoting Medium-Term Management Plan 2022 that sets out to “develop a growth engine” toward the realization of its long-term vision of “becoming a corporate group that solves every real estate need by coexisting with customers, communities, and society.” Succeeding the achievements and challenges under the Medium-Term Management Plan, the Company has formulated and will be promoting Medium-Term Management Plan 2025 with the fiscal year ending August 31, 2025 as its final year.

Meanwhile, we recognize that uncertainty surrounding the recent business environment is increasing all the more. While the impact of the new coronavirus is beginning to settle, corporate performance and consumer spending affected mainly by geopolitical risks such as the Ukraine issue and rapid inflation due to the rise in the costs of raw materials and energy are of concern. In such business environment, the Company considers it necessary to have its management steadily implement various measures based on the Medium-Term Management Plan, which was developed to realize the Company’s long-term vision, thereby enhancing the medium- to long-term corporate value. Active initiatives toward environmental and social issues while enhancing resilience against unpredictable events are also thought necessary.


The skill matrix of the new management structure will be as follows if Agenda 2 is approved at this Annual Meeting of Shareholders.


	Name	Corporate management Management Strategy	Construction Real Estate Industry	Finance	Corporate Governance Risk Management	General Real Estate Services New Business Development M&A	New Market (regional) development Marketing	Sustainability
1	Yasunari Sawada	○	○			○		○
2	Hidenobu Hisada	○	○				○	
3	Ryo Okamoto		○			○	○	
4	Shoji Higuchi			○	○			○
5	Toshinori Kamiyana		○			○	○	
6	Etsuko Yuhara				○			○
7	Minoru Matsushima	○			○			○
8	Tetsuro Kato	○		○		○		


Note: The above chart does not present all the expertise and knowledge possessed by each candidate.


Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company	Number of the Company's shares owned
1	 <p>Yasunari Sawada</p> <p>Reappointment (Date of birth) (May 4, 1971)</p> <p>Term of office as Company's Director: 16 years (at the conclusion of this Annual Meeting of Shareholders)</p> <p>Attendance at Board of Directors Meetings 13/13 (100%)</p>	<p>February 1990      Joined the Company</p> <p>October 2003      Executive Officer, General Manager of Sales Department</p> <p>November 2006    Director, Executive Officer and Department Manager of Sales</p> <p>November 2011    Managing Director and Department Manager of Sales</p> <p>November 2017    Representative Director and Vice President, Department Manager of Sales</p> <p>September 2018   Representative Director and President (current position)</p> <p>Significant concurrent positions</p> <p>Representative Director and President, Sanyo Real Estate Co., Ltd.</p>	171,000
<p>[Reason for the nomination as a Director candidate]</p> <p>Mr. Yasunari Sawada has made efforts with his strong leadership and decision-making toward the expansion of the scope and progress of the business of the Company, mainly in the Sales Department, since joining the Company at its establishment. The Company has nominated him as a Director candidate again in the expectation that he will make further contributions as he has since assuming the post of Representative Director and President by working to resolve internal issues and achieving steady results.</p>			



Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company	Number of the Company's shares owned
2	 <p>Hidenobu Hisada</p> <p>Reappointment (Date of birth) (August 1, 1972)</p> <p>Term of office as Company's Director: 3 years (at the conclusion of this Annual Meeting of Shareholders)</p> <p>Attendance at Board of Directors Meetings 13/13 (100%)</p>	<p>April 1997      Joined Hyozengumi Co., Ltd.</p> <p>March 2001      Joined the Company</p> <p>September 2011      General Manager of Sales Department</p> <p>September 2018      Executive Officer, in charge of Sales Department 1, Sales Department 2, Kansai Business Department</p> <p>November 2019      Director, Executive Officer, in charge of Chubu Business Department, Mie Business Department</p> <p>November 2021      Director, Department Manager of Sales (current position)</p>	7,400
<p>[Reason for the nomination as a Director candidate]</p> <p>Mr. Hidenobu Hisada has further boosted sales performance and developed sales tactics as the head of the Sales Department since joining the Company. The Company has nominated him as a Director candidate again in the expectation that he will make contributions to strengthen the sales capabilities in the Company and business development.</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company	Number of the Company's shares owned
3	 <p>Ryo Okamoto</p> <p>Reappointment (Date of birth) (April 30, 1973)</p> <p>Term of office as Company's Director: 3 years (at the conclusion of this Annual Meeting of Shareholders)</p> <p>Attendance at Board of Directors Meetings 13/13 (100%)</p>	<p>April 1998      Joined the Company</p> <p>September 2010      General Manager of Planning &amp; Development Department</p> <p>September 2018      Executive Officer, General Manager of Planning &amp; Development Department</p> <p>November 2019      Director, Executive Officer, in charge of Land Procurement Department, Design Department, General Manager of Planning &amp; Development Department</p> <p>November 2021      Director, Department Manager of Development (current position)</p>	17,500
	<p>[Reason for the nomination as a Director candidate]</p> <p>Mr. Ryo Okamoto has been involved in product development and promotion, accumulated advanced know-how, and planned the creation of corporate branding, since joining the Company. The Company has nominated him as a Director candidate again in the expectation that he will make contributions to new business development and new product development.</p>		

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company	Number of the Company's shares owned
4	 <p>Shoji Higuchi</p> <p>Reappointment</p> <p>(Date of birth) (September 10, 1965)</p> <p>Term of office as Company's Director: 1 year (at the conclusion of this Annual Meeting of Shareholders)</p> <p>Attendance at Board of Directors Meetings 10/10 (100%)</p>	<p>April 1988      Joined the Juroku Bank, Ltd.</p> <p>January 2019    Manager of Tajimi Branch, the Juroku Bank, Ltd.</p> <p>April 2020      Seconded to the Company, Deputy General Manager of Planning &amp; Development Department</p> <p>November 2020   General Manager of General Affairs Department</p> <p>April 2021      Joined the Company</p> <p>November 2021   Director, Department Manager of Administration (current position)</p>	2,300
<p>[Reason for the nomination as a Director candidate]</p> <p>Mr. Shoji Higuchi has a wealth of experience, good performance record, and insight in business management cultivated in a financial institution, and based on such experience, has been fulfilling his duties as Department Manager of Administration. The Company has nominated him as a Director candidate again in the expectation that he will continue to make contributions to enhancing the Company's medium- to long-term corporate value.</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company	Number of the Company's shares owned
5	 <p>Toshinori Kamiyana New appointment (Date of birth) (October 23, 1964)</p>	<p>April 1987      Joined Kyoei Life Insurance Co. (currently, The Gibraltar Life Insurance Co., Ltd.)</p> <p>April 1988      Joined Inaba Seisakusho Co., Ltd.</p> <p>January 1989    Joined Tokyu Livable, Inc.</p> <p>September 1991    Joined Mitsui Real Estate Sales Co., Ltd. (currently, Mitsui Fudosan Realty Co., Ltd.)</p> <p>April 2020      General Manager of Sales Department, Cross-functional Sourcing Department, Solution Business Division of Mitsui Fudosan Realty Co., Ltd.</p> <p>August 2022     Joined the Company as Executive Officer (current position)</p>	0
<p>[Reason for the nomination as a Director candidate]</p> <p>Mr. Toshinori Kamiyana has been engaged in the real estate business for many years, and has a wealth of experience, broad insight, and personal connections in the industry. The Company has nominated him as a Director candidate in the expectation that, through such experience, he will develop a new revenue base for the Company.</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company	Number of the Company's shares owned
6	 <p>Etsuko Yuhara</p> <p>Reappointment [Outside] Independent Officer</p> <p>(Date of birth) (February 12, 1970)</p> <p>Term of office as Company's Outside Director: 1 year (at the conclusion of this Annual Meeting of Shareholders)</p> <p>Attendance at Board of Directors Meetings 10/10 (100%)</p>	<p>April 1992      Joined Fukutake Publishing Co., Ltd. (currently, Benesse Corporation)</p> <p>April 2001      Research Fellowship for Young Scientists of Japan Society for the Promotion of Science</p> <p>April 2004      Lecturer of Department of Social Welfare, Faculty of Social Welfare, Nihon Fukushi University</p> <p>April 2007      Associate Professor of Department of Social Welfare, Faculty of Social Welfare, Nihon Fukushi University</p> <p>July 2010      Director of Carers Japan (current position)</p> <p>April 2018      Professor of Department of Social Welfare, Faculty of Social Welfare, Nihon Fukushi University (current position)</p> <p>May 2021      Chairperson of Nagoya City Recidivism Prevention Council (current position)</p> <p>June 2021      Chairperson of Toyota City Recidivism Prevention Committee (current position)</p> <p>November 2021      Outside Director of the Company (current position)</p> <p>May 2022      Director of Chitachiiki-Kenriyogoshien-Center (current position)</p> <p>Significant concurrent positions Professor of Department of Social Welfare, Faculty of Social Welfare, Nihon Fukushi University Director of Carers Japan Chairperson of Nagoya City Recidivism Prevention Council Chairperson of Toyota City Recidivism Prevention Committee Director of Chitachiiki-Kenriyogoshien-Center</p>	900
<p>[Reason for the nomination as an Outside Director candidate and outline of expected roles]</p> <p>Ms. Etsuko Yuhara has been engaged in studies in areas such as welfare for many years as a university professor. Furthermore, as a member of the Nominating and Compensation Committee, she has been giving necessary and appropriate advice including deliberation on proposals of remuneration for Directors, thereby contributing to the enhancement of management functions. The Company has nominated her as an Outside Director candidate again in the belief that, based on this track record, she will express appropriate opinions on the Company's management in general from an independent point of view.</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company	Number of the Company's shares owned
7	 <p>Minoru Matsushima</p> <p>New appointment [Outside] Independent Officer</p> <p>(Date of birth) (August 27, 1973)</p>	<p>April 1992      Joined Nikken Engineering Corporation</p> <p>July 1996      Joined Toa Highway Guard Corporation</p> <p>November 1998      Established Ecosystem LLC (currently, Japan Ecosystem Co., Ltd.) Representative Director and President (current position)</p> <p>November 2015      Representative Director of Satellite Ichinomiya Co., Ltd. (current position)</p> <p>May 2017      Representative Director of Nippon Vender Net Co., Ltd.</p> <p>December 2019      Director of Nippon Vender Net Co., Ltd. (current position)</p> <p>Significant concurrent positions Representative Director and President of Japan Ecosystem Co., Ltd. Representative Director of Satellite Ichinomiya Co., Ltd. Director of Nippon Vender Net Co., Ltd.</p>	0
<p>[Reason for the nomination as an Outside Director candidate and outline of expected roles]</p> <p>Mr. Minoru Matsushima has multifaceted insight and a wealth of management experience as a manager of a listed company. The Company has nominated him as an Outside Director candidate in the belief that, if the appointment is approved, he will make expected contributions to the enhancement of the Company's medium- to long-term corporate value.</p>			

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company	Number of the Company's shares owned
8	 <p>Tetsuro Kato</p> <p>New appointment [Outside] Independent Officer</p> <p>(Date of birth) (February 1, 1965)</p>	<p>April 1987      Joined Takeshi Kato Certified Public Accountants Office</p> <p>June 2005      Established and Representative of Tetsuro Kato Tax Accountant Office</p> <p>January 2012    Established and Representative Partner of Tax Accountants Corporation Aobakai</p> <p>November 2015    Joined and Representative Director of Orca Consulting Ltd.</p> <p>June 2017      Representative Director of Shinachu Co., Ltd. (current position)</p> <p>Significant concurrent positions</p> <p>Representative Partner of Tax Accountants Corporation Aobakai</p> <p>Representative Director of Orca Consulting Ltd.</p> <p>Representative Director of Shinachu Co., Ltd.</p>	0
	<p>[Reason for the nomination as an Outside Director candidate and outline of expected roles]</p> <p>Mr. Tetsuro Kato has a considerable degree of knowledge in finance and accounting as a certified tax accountant and sufficient insight regarding corporate management. The Company has nominated him as an Outside Director candidate in the belief that, if the appointment is approved, he will provide appropriate advice and supervision to the Company's management.</p>		

Notes:

1. There are no special relationships of interest between the Company and Director candidates.
2. Mr. Toshinori Kamiyana, Mr. Minoru Matsushima, and Mr. Tetsuro Kato are new candidates for Director.
3. Ms. Etsuko Yuhara, Mr. Minoru Matsushima, and Mr. Tetsuro Kato are candidates for Outside Director.
4. The Company has entered into an agreement with Ms. Etsuko Yuhara to limit the liability for damages as provided for by Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the said Act; provided, however, that the amount of the liability limitation under the said agreement is the minimum liability amount provided for by Article 425, Paragraph 1 of the said Act if the Director acts in good faith without gross negligence in the performance of her duties. The Company will renew the said agreement with her if her reappointment is approved as proposed. Furthermore, if the appointment of Mr. Minoru Matsushima and Mr. Tetsuro Kato is approved, the Company will enter into the same agreement to limit their liability for damages.
5. The Company has entered into a Directors and Officers Liability Insurance Contract (D&O Insurance) stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The said insurance contract will compensate for legal damages and costs to be borne by the insured, with the Company bearing the insurance premium of the insured in full.

amount. Certain exemptions exist, however, such as non-coverage of damages caused by any conduct committed by the insured while knowing that such conduct was in violation of laws and regulations. Each candidate, if they are elected and assume office, will be part of the insured parties of the said insurance contract. The insurance contract will also be renewed under the same terms and conditions upon its subsequent renewal.


6. Ms. Etsuko Yuhara meets the requirements of an Independent Officer specified by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. The Company has notified both stock exchanges that she is an Independent Officer. She will continue to serve as an Independent Officer if her reappointment is approved as proposed. If the appointment of Mr. Minoru Matsushima and Mr. Tetsuro Kato is approved, the Company intends to designate both as Independent Officers specified by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc., and accordingly give notice to both stock exchanges.



### Agenda Item 3: Election of One (1) Audit & Supervisory Board Member

The terms of office of Audit & Supervisory Board Member Mr. Shuichi Kawasaki shall expire at the conclusion of this Annual Meeting of Shareholders. Therefore, the Company proposes to elect one (1) Audit & Supervisory Board Member.

Consent of the Audit & Supervisory Board has been previously obtained with regard to this agenda item. The candidate for Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Brief profile and position at the Company	Number of the Company's shares owned
 <p>Shuichi Kawasaki</p> <p>Reappointment [Outside] Independent Officer</p> <p>(Date of birth) (January 18, 1973)</p> <p>Term of office as Company's Outside Audit &amp; Supervisory Board Member: 8 years (at the conclusion of this Annual Meeting of Shareholders)</p>	<p>October 2004 Registered as attorney-at-law with Nagoya Bar Association (currently, Aichi Bar Association) Joined Tomioka Law and Patent Office</p> <p>January 2008 Joined Oval Law and Patent Office</p> <p>April 2009 Associate Professor of Aichi University Graduate School of Law</p> <p>June 2010 Outside Audit &amp; Supervisory Board Member of CLIP Corporation</p> <p>October 2011 Established Shuichi Kawasaki Law Office (currently, Hisaya Law Office LPC) Representative Partner (current position)</p> <p>November 2014 Outside Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>November 2018 Outside Director and Audit and Supervisory Committee Member of G Three Holdings Corporation (current position)</p> <p>April 2022 Professor of Aichi University Graduate School of Law (current position)</p> <p>Significant concurrent positions Representative Partner of Hisaya Law Office LPC Outside Director and Audit and Supervisory Committee Member of G Three Holdings Corporation Professor of Aichi University Graduate School of Law</p>	<p>4,100</p>

Name (Date of birth)	Brief profile and position at the Company	Number of the Company's shares owned
Attendance at Board of Directors Meetings 13/13 (100%)  Attendance at Audit & Supervisory Board 15/15 (100%)		
<p>[Reason for the nomination as an Outside Audit &amp; Supervisory Board Member candidate]</p> <p>The reason for nominating Mr. Shuichi Kawasaki as an Outside Audit &amp; Supervisory Board Member candidate is to have him reflect his expertise as a lawyer in the Company's audit. The Company has nominated him as an Outside Audit &amp; Supervisory Board Member again in the belief that, being well acquainted with the Company's business from serving as its Outside Audit &amp; Supervisory Board Member for eight years, and with his wealth of experience and expertise in overall legal matters as a lawyer, he will leverage them in the Company's audit.</p>		

Notes:

1. There is no special relationship of interest between Mr. Shuichi Kawasaki and the Company.
2. Mr. Shuichi Kawasaki is a candidate for Outside Audit & Supervisory Board Member.
3. The Company has entered into an agreement with Mr. Shuichi Kawasaki to limit the liability for damages as provided for by Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the said Act; provided, however, that the amount of the liability limitation under the said agreement is the minimum liability amount provided for by Article 425, Paragraph 1 of the said Act if the Outside Audit & Supervisory Board Member acts in good faith without gross negligence in the performance of his duties. The Company will renew the said agreement with him if his reappointment is approved as proposed.
4. The Company has entered into a Directors and Officers Liability Insurance Contract (D&O Insurance) stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The said insurance contract will compensate for legal damages and costs to be borne by the insured, with the Company bearing the insurance premium of the insured in full amount. Certain exemptions exist, however, such as non-coverage of damages caused by any conduct committed by the insured while knowing that such conduct was in violation of laws and regulations. If Mr. Shuichi Kawasaki is elected and assumes office, he will be one of the insured parties of the said insurance contract. The insurance contract will also be renewed under the same terms and conditions upon its subsequent renewal.
5. Mr. Shuichi Kawasaki meets the requirements of an Independent Officer specified by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. The Company has notified both stock exchanges that he is an Independent Officer. He will continue to serve as an Independent Officer if his reappointment is approved as proposed.
6. G Three Holdings Corporation, an entity where Mr. Shuichi Kawasaki is serving as an Outside Director and Audit and Supervisory Committee Member, has disclosed an investigation report on its inappropriate accounting treatment received

from the special investigation committee on February 2, 2022, and the amended reports for the securities report and the quarterly report for the previous fiscal year on February 18, 2022, together with the amended statement for the securities registration statement, respectively. Furthermore, on May 18 of the same year, the company disclosed that it will pay surcharges in accordance with the administrative surcharge payment order issued by the Commissioner of the Finance Services Agency. Although Mr. Kawasaki was unaware of the matter concerned (inappropriate accounting treatment) until discovered, he has given advice to G Three Holdings' Board of Directors, etc. in the past, and even after the discovery, has been providing advice on measures against the said matter, including recurrence-prevention measures, while closely watching over the status of implementation and requesting reports as is appropriate.