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Securities code: 9037

May 30, 2023

To our shareholders:

Hidenori Osuka Representative Director and President  
**HAMAKYOREX CO., LTD.**  
1701-1 Terawaki-cho, Minami-ku, Hamamatsu-shi,  
Shizuoka

## **Notice of the 52nd Annual General Meeting of Shareholders**

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

We hereby notify that the 52nd Annual General Meeting of Shareholders of HAMAKYOREX CO., LTD. (the “Company”) will be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format will be taken) in electronic format. This information is posted on each of the following websites, so please access either of those websites to confirm the information.

[The Company’s Website]

<https://www.hamakyorex.co.jp/ir/soukai/> (in Japanese)

(Access the above website and confirm the “52nd Annual General Meeting of Shareholders.”)

[Website for posted informational materials for the general meeting of shareholders]

<https://d.sokai.jp/9037/teiji/> (in Japanese)

[TSE website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the TSE website by using the internet address shown above, enter “HAMAKYOREX” in “Issue name (company name)” or the Company’s securities code “9037” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting / Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend the meeting in person, you can exercise your voting rights in writing or via the Internet, etc. Please review the attached Reference Documents for General Meeting of Shareholders, and exercise your voting rights in accordance with “Instructions for Exercise of Voting Rights” (Japanese Only).

- 1. Date and Time:** Wednesday, June 14, 2023, 10:30 a.m.  
**2. Venue:** “Ootori” Hall, 2F, Grand Hotel Hamamatsu  
1-3-1 Higashiiba, Naka-ku, Hamamatsu-shi, Shizuoka

**3. Purpose of the Meeting**

**Matters to be reported:**

- 1 The Business Report and the Consolidated Financial Statements for the 52nd fiscal year (from April 1, 2022 to March 31, 2023), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
- 2 The Non-Consolidated Financial Statements for the 52nd fiscal year (from April 1, 2022 to March 31, 2023)

**Matters to be resolved:**

- Proposal No. 1** Election of Ten (10) Directors  
**Proposal No. 2** Election of One (1) Audit & Supervisory Board Member  
**Proposal No. 3** Introduction of Restricted Stock-Based Remuneration Plan for Directors

1. If attending in person, please submit the enclosed voting form at the meeting reception desk.
2. In the event of any modification to information to be provided in electronic format, a statement to that effect and the information before and after the modification will be posted on each of the websites.
3. Paper-based documents stating the items for which the measures for providing information in electronic format will be taken will also be sent to shareholders who have made a request, but such paper-based documents will exclude the following items in accordance with laws and regulations and the Company’s Articles of Incorporation.
  - (1) Company system and policy
  - (2) Consolidated Statement of Changes in Equity
  - (3) Notes to Consolidated Financial Statements
  - (4) Statement of Changes in Equity
  - (5) Notes to Financial Statements

Accordingly, the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements included in this document are a part of the subject documents audited by the independent auditors in preparing the Independent Auditor’s Report and by the Audit & Supervisory Board Members in preparing their Audit Report.

[Notice] Gathering of shareholders

A gathering of shareholders and Company officers will be held following the General Meeting of Shareholders at the “Ootori” Hall on the second floor. Please take this opportunity to attend and provide any feedback or questions to us. Please note that any changes to the details of the event will be announced on the Company’s website.

## Reference Documents for General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1 Election of Ten (10) Directors

The terms of office of all ten Directors will expire at the conclusion of this annual general meeting of shareholders. Therefore, the Company proposes the election of ten Directors.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Masataka Osuka (March 3, 1941)  Attendance at Board of Directors meetings 15/17 (88%)	Feb. 1971 June 1984 Apr. 2003 July 2005 June 2007 June 2012 Nov. 2013	Representative Director and President of the Company Representative Director and President of Hamakyo Service K.K. (current position) Director and Chairman of Superex Corporation (current position) Chairman of Shizuoka Trucking Association Representative Director and Chairman of the Company (current position) Deputy Chairman of Japan Trucking Association Chairman of The Hamamatsu Chamber of Commerce and Industry	500,000 shares
(Reasons for nomination as a candidate for Director) As the founder of the Company involved with its long-term management, Mr. Masataka Osuka has established a significant level of experience and achievements. As the current Representative Director and Chairman, he provides accurate advice on every facet of business operation based on experience. The Company proposes the election of him based on his suitable fulfillment of his role as supervisor concerning the resolution of important matters, the administration of business matters, and other such matters.				
2	Hidenori Osuka (July 17, 1967)  Attendance at Board of Directors meetings 17/17 (100%)	Apr. 1992 Apr. 2001 May 2003 June 2003 Apr. 2006 June 2007 June 2008 June 2009 Jan. 2010 Aug. 2010 May 2021	Joined the Company Deputy General Manager of Sales Department 1 of the Company General Manager of Chubu Sales Department of the Company Director and General Manager of Chubu Sales Department of the Company Director and General Manager of Head Office Sales Department of the Company Director and Vice President of KINBUTSU REX Co., Ltd. Director, Vice President, General Manager of Administration Division, and General Manager of Corporate Planning Office of the Company Director of Superex Corporation (current position) Representative Director and President of the Company (current position) Director and Chairman of KINBUTSU REX Co., Ltd. (current position) Deputy Chairman of Shizuoka Trucking Association (current position)	499,100 shares
(Reasons for nomination as a candidate for Director) As manager of the Company, Mr. Hidenori Osuka possesses a broad range of experience and considerable insight into the various divisions making up the Company. The Company proposes the election of him so that the Company may benefit from his leadership as a member of management, and for his contributions to improving corporate value and bolstering the supervisory functions of the Board of Directors.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
3	Yasuo Okutsu (January 21, 1972)  Attendance at Board of Directors meetings 14/17 (82%)	July 1999	Joined the Company	1,700 shares
		Apr. 2010	Deputy General Manager of Chubu Sales Department 3 of the Company	
		Apr. 2011	General Manager of Chubu Sales Department 3 of the Company	
		Apr. 2012	Executive Officer and Deputy General Manager of Sales Division of the Company	
		Apr. 2014	Executive Officer and Branch Manager of Chubu Branch of the Company	
		Aug. 2014	Managing Executive Officer and Branch Manager of Chubu Branch of the Company	
		June 2016	Director, Managing Executive Officer, and Branch Manager of Chubu Branch of the Company	
		Apr. 2017	Director, Managing Executive Officer, Deputy General Manager of Headquarters, and Branch Manager of Chubu Branch of the Company	
		June 2020	Managing Director, Deputy General Manager of Headquarters and Branch Manager of Chubu Branch of the Company	
		June 2022	Director, Senior Managing Executive Officer, General Manager of Headquarters, and Branch Manager of Chubu Branch of the Company	
Apr. 2023	Senior Managing Director, Executive Officer, and General Manager of Headquarters of the Company (current position)			
(Reasons for nomination as a candidate for Director) The Company proposes the election of Mr. Yasuo Okutsu so that the Group may benefit from his contributions to improving corporate value based on his ample experience in the operations of the logistics center (3PL) of the Company.				
4	Tsuyoshi Yamaoka (April 12, 1976)  Attendance at Board of Directors meetings 17/17 (100%)	Mar. 2004	Joined the Company	1,100 shares
		Apr. 2012	Manager of Domestic Sales Development Department, Development Division of the Company	
		Apr. 2013	General Manager of Sales Development Department of the Company	
		June 2014	Executive Officer and General Manager of Development Headquarters of the Company	
		Apr. 2017	Executive Officer and General Manager of Development Division of the Company	
		June 2018	Director, Executive Officer, and General Manager of Development Division of the Company	
		Apr. 2019	Director, Executive Officer, and General Manager of the New Sales Management Department of the Company	
		June 2021	Managing Director, Executive Officer, and General Manager of Development Division of the Company	
June 2022	Senior Managing Director, Executive Officer, and General Manager of Development Division of the Company (current position)			
(Reasons for nomination as a candidate for Director) The Company proposes the election of Mr. Tsuyoshi Yamaoka so that the Group may benefit from his contributions to improving corporate value based on his ample experience in substantially increasing new clients in the operations of the logistics center (3PL) of the Company.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
5	Akio Ariga (June 8, 1964)  Attendance at Board of Directors meetings 16/17 (94%)	Oct. 2003	Joined the Company	3,000 shares
		Apr. 2008	Deputy General Manager of Kanto Sales Department 3 of the Company	
Apr. 2010	Executive Officer and General Manager of Kanto Sales Department 2 of the Company			
Apr. 2012	Executive Officer and Deputy General Manager of Sales Division of the Company			
Apr. 2014	Executive Officer and Branch Manager of Kanto Branch of the Company			
Aug. 2014	Managing Executive Officer and Branch Manager of Kanto Branch of the Company			
June 2015	Director, Managing Executive Officer, and Branch Manager of Kanto Branch of the Company (current position)			
(Reasons for nomination as a candidate for Director) The Company proposes the election of Mr. Akio Ariga so that the Group may benefit from his contributions to improving corporate value based on his ample experience in the operations of the logistics center (3PL) of the Company.				
6	Kiichi Nasuda (April 6, 1970)  Attendance at Board of Directors meetings 16/17 (94%)	Dec. 1999	Joined the Company	3,300 shares
		Apr. 2010	Deputy General Manager of Kansai Sales Department of the Company	
Apr. 2011	General Manager of Kansai Sales Department of the Company			
Apr. 2012	Executive Officer and General Manager of Kansai Sales Department of the Company			
Apr. 2014	Executive Officer and Branch Manager of Kansai Branch of the Company			
Apr. 2016	Managing Executive Officer and Branch Manager of Kansai Branch of the Company			
June 2016	Director, Managing Executive Officer, and Branch Manager of Kansai Branch of the Company			
Apr. 2019	Director, Executive Officer, and Branch Manager of Kansai Branch of the Company (current position)			
(Reasons for nomination as a candidate for Director) The Company proposes the election of Mr. Kiichi Nasuda so that the Group may benefit from his contributions to improving corporate value based on his ample experience in the operations of the logistics center (3PL) of the Company.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	[Outside] Isamu Miyagawa (July 22, 1942)  Attendance at Board of Directors meetings 16/17 (94%)	Apr. 1965      Joined Suzuki Motor Co., Ltd. (currently Suzuki Motor Corporation) Apr. 2010      Chairman of Hamamatsu Foundation for International Communication and Exchange Apr. 2010      Advisor of Suzuki Motor Corporation Nov. 2010      Deputy Chairman of The Hamamatsu Chamber of Commerce and Industry Apr. 2013      Councilor of TOKOHA University Education Foundation (current position) Nov. 2013      Adviser of The Hamamatsu Chamber of Commerce and Industry June 2016      Outside Director of the Company (current position)	300 shares
(Reasons for appointment as a candidate for outside Director and summary of expected roles) Mr. Isamu Miyagawa has ample experience and achievements in corporate management, etc. and considerable knowledge in finance and accounting. The Company proposes his appointment as a candidate for outside Director with the expectation that he will contribute to improving corporate value of the Group through making use of such insights to provide advice and proposals on Directors' execution of duties. If his appointment is approved, the Company plans to have him, as a member of the nomination and compensation committee, be involved in deliberating the compensation for officers, etc. of the Company from an objective and neutral standpoint.			
8	[Outside] Yoshitaka Otsu (December 11, 1952)  Attendance at Board of Directors meetings 16/17 (94%)	Apr. 1975      Joined The Shizuoka Bank, Ltd. June 2003      Executive Officer and General Manager of the Hamamatsu Branch of The Shizuoka Bank, Ltd. Apr. 2007      Senior Executive Officer and Head of Western Area Business Unit of The Shizuoka Bank, Ltd. Mar. 2010      Retired from The Shizuoka Bank, Ltd. July 2016      Outside Audit & Supervisory Board Member (Part-time) of SEIKO CORPORATION (current position) Oct. 2016      Outside Audit & Supervisory Board Member (Part-time) of TOKAI DENPUN CO., LTD. June 2018      Outside Director of the Company (current position)	500 shares
(Reasons for appointment as a candidate for outside Director and summary of expected roles) Mr. Yoshitaka Otsu has ample experience and achievements in corporate management, etc. and broad knowledge. The Company proposes his appointment as a candidate for outside Director with the expectation that he will contribute to improving corporate value of the Group through making use of such insights to provide advice and proposals on Directors' execution of duties. Mr. Yoshitaka Otsu was originally employed by The Shizuoka Bank, Ltd., which has transactional dealings with the Company, but the Company has no problems with funding and its financial position is such that it would be more than possible to procure funds from other banks. In addition, more than 10 years have elapsed since Mr. Yoshitaka Otsu resigned from The Shizuoka Bank, Ltd. in March 2010, and he is fully capable of maintaining his independence. If his appointment is approved, the Company plans to have him, as a member of the nomination and compensation committee, be involved in deliberating the compensation for officers, etc. of the Company from an objective and neutral standpoint.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
9	[Outside] Takeshi Mori (August 19, 1950)  Attendance at Board of Directors meetings 17/17 (100%)	Apr. 1973	Entered Hamamatsu Shinkin Bank	700 shares
		July 2012	Executive Director of The Hamamatsu Chamber of Commerce and Industry	
		Nov. 2012	Managing Director of The Hamamatsu Chamber of Commerce and Industry	
		June 2016	Outside Audit & Supervisory Board Member of the Company	
		June 2020	Outside Director of the Company (current position)	
	(Reasons for appointment as a candidate for outside Director and summary of expected roles) Mr. Takeshi Mori has ample experience and achievements in corporate management, etc. and considerable knowledge in finance and accounting, and he also has detailed knowledge of the operations of the Company through his auditing work conducted during his tenure as outside Audit & Supervisory Board Member of the Company. The Company proposes his appointment as a candidate for outside Director with the expectation that during his term he will contribute to improving corporate value of the Group through making use of such insights to provide advice and proposals on Directors' execution of duties. If his appointment is approved, the Company plans to have him, as a member of the nomination and compensation committee, be involved in deliberating the compensation for officers, etc. of the Company from an objective and neutral standpoint.			
10	[Outside] Sumiko Katada (April 14, 1979)  From June 2022 13/13 (100%)	Oct. 2003	Joined NICS TAXATION CO.,LTD	100 shares
		June 2006	Joined Tohmatsu Tax Co. (currently, Deloitte Tohmatsu Tax Co.)	
		Aug. 2006	Registered as a licensed tax accountant	
		Jan. 2014	Resigned from Deloitte Tohmatsu Tax Co.	
		Feb. 2014	Established Katada Accounting Office	
		June 2022	Outside Director of the Company (current position)	
	(Reasons for appointment as a candidate for outside Director and summary of expected roles) Although Ms. Sumiko Katada has no prior experience of involvement in corporate management, she has deep insight based on advanced specialized knowledge and a wealth of practical experience as a licensed tax accountant. The Company proposes her appointment as a candidate for outside Director with the expectation that she will contribute to improving corporate value of the Group through making use of such insights to provide advice and proposals on Directors' execution of duties. Furthermore, while Ms. Sumiko Katada was previously employed by Deloitte Tohmatsu Tax Co., which has transactional dealings with the Company, the value of these transactions is negligible, it is not a major business partner, and Ms. Sumiko Katada is fully capable of maintaining her independence. If her appointment is approved, the Company plans for her to serve as a member of the nomination and compensation committee, and be involved in deliberating the compensation for officers, etc. of the Company from an objective and neutral standpoint.			

- (Notes)
- There is no special interest between any of the above candidates and the Company.
  - Mr. Isamu Miyagawa, Mr. Yoshitaka Otsu, Mr. Takeshi Mori and Ms. Sumiko Katada are candidates for outside Director.
  - Mr. Isamu Miyagawa is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure as outside Director will have been seven years.
  - Mr. Yoshitaka Otsu is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure as outside Director will have been five years.
  - Mr. Takeshi Mori is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure as outside Director will have been three years.
  - Ms. Sumiko Katada is currently an outside Director of the Company, and at the conclusion of this meeting, her tenure as outside Director will have been one year.
  - Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Isamu Miyagawa, Mr. Yoshitaka Otsu, Mr. Takeshi Mori, and Ms. Sumiko Katada to limit their liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount stipulated in Article 425 paragraph 1 of the Companies Act, and the Company plans to renew this agreement with them.
  - The Company has submitted notification to the Tokyo Stock Exchange that Mr. Isamu Miyagawa, Mr. Yoshitaka Otsu, Mr. Takeshi Mori, and Ms. Sumiko Katada have been designated as independent officers as provided for by the aforementioned exchange. If their reelection is approved, the Company plans for their appointment as independent officers to continue.

**Proposal No. 2** Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Mr. Sachio Yokohara will expire at the conclusion of this annual general meeting of shareholders. Therefore, the Company proposes the election of one Audit & Supervisory Board Member to strengthen and enhance the audit system.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Sachio Yokohara (December 18, 1949)	April 1968 Current: Joined JA Topia-Hamamatsu (Agricultural Cooperative) May 2007 Joined the Company June 2007 Standing Audit & Supervisory Board Member of the Company (current position)	10,000 shares

- (Notes)
1. There is no special interest between above candidate and the Company.
  2. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Sachio Yokohara to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount stipulated in Article 425 paragraph 1 of the Companies Act. If his reelection is approved, the Company plans to renew this agreement with him.



### **Proposal No. 3** Introduction of Restricted Stock-Based Remuneration Plan for Directors

The Company has decided to introduce a remuneration plan (hereinafter the “Plan”) under which shares of the Company’s common stock (“Restricted Stock”) will be allotted to Directors (excluding outside Directors, hereinafter “Eligible Directors”) with certain restrictions on the period of transfer and reasons for acquisition by the Company without consideration, in order to provide incentives for Directors to continuously improve the Company’s corporate value and to promote further value sharing with shareholders, as follows.

At the 44th Annual General Meeting of Shareholders held on June 17, 2015, the amount of remuneration for Directors was approved as no more than ¥350 million per year (¥10 million per year for outside Directors, not including the portion of their employee salary), and no more than ¥45 million for Audit & Supervisory Board Members. In addition, at the 51st Annual General Meeting of Shareholders held on June 14, 2022, it was approved to increase the maximum amount of remuneration for the total number of outside Directors to no more than ¥20 million per year, following an increase in the number of outside Directors by one. Under this Proposal, the Company seeks approval from shareholders to newly introduce the Plan and to set the total amount of monetary remuneration claims to be paid to Eligible Directors as remuneration for Restricted Stock separate from the existing amount of remuneration for Directors at no more than ¥15 million per year.

There are currently ten Directors (among whom four are outside Directors). However, if Proposal No. 1 is approved as originally proposed, the number of Directors will be ten (among whom four are outside Directors).

#### 1. Allotment and Payment of Restricted Stock

Under the Plan, monetary remuneration claims will be paid to Eligible Directors as remuneration for Restricted Stock no more than the above annual amount, and Eligible Directors will receive an allotment of Restricted Stock by paying all of such monetary remuneration claims by way of in-kind contribution.

The amount to be paid in per share of Restricted Stock shall be determined by the Company’s Board of Directors based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day preceding the date of resolution of the Board of Directors (or the closing price of the most recent trading day if no trading was executed on that date) to the extent that it is not particularly advantageous to the Eligible Directors who subscribe to the Restricted Stock. In addition, the above monetary remuneration claims shall be subject to the Eligible Director agreeing to the above in-kind contribution and payment will be made subject to the Eligible Director entering into a Restricted Stock Allotment Agreement that includes the details set forth in 3. below.

#### 2. Total Number of Shares of Restricted Stock

The total number of shares of Restricted Stock to be allotted to Eligible Directors shall be 4,500 shares or less annually. However, in the event of a stock split or reverse stock split of the Company’s common stock after the date of resolution of this Proposal, or in the event that the total number of shares of Restricted Stock to be allotted needs to be adjusted pursuant to such cases, the total number of shares of such Restricted Stock may be reasonably adjusted.

#### 3. Details of the Restricted Stock Allotment Agreement

The Restricted Stock Allotment Agreement to be entered into between the Company and Eligible Directors to whom shares of the Restricted Stock are allotted shall include the following details.

##### (1) Details of Transfer Restrictions

An Eligible Director who has received an allotment of the Restricted Stock, during the period from the day he or she receives the allotment until he or she retires or resigns from his or her position as a Director, Executive Officer or employee of the Company (hereinafter the “Transfer Restriction Period”), may not transfer, pledge, set as collateral, or make a living donation, bequest, or any other disposition of the shares of common stock of the Company allotted under the Restricted Stock Allotment Agreement (hereinafter the “Allotted Shares”) to any third party.

##### (2) Lifting of Transfer Restrictions

The Company shall lift the Transfer Restriction Period of all of the Allotted Shares upon the expiration of the Transfer Restriction Period, provided that the Eligible Director who has received the allotment of Restricted Stock has continuously held the position specified in (1) above for a period determined by the Company’s Board of Directors (hereinafter the “Service Period”). However, if the Eligible Director resigns

or retires from the position described in (1) above during the Service Period for reasons deemed justifiable by the Board of Directors of the Company, the number of the Allotted Shares to be released from the restrictions on transfer and the time when the restrictions on transfer are released shall be reasonably adjusted as necessary.

(3) Acquisition of Restricted Stock without Consideration

If any of the Allotted Shares have not been released from the restrictions on transfer in accordance with the provisions of the reasons for release of the restrictions on transfer in (2) above at the time when the Transfer Restriction Period in (1) above expires, the Company will naturally acquire such shares without consideration.

(4) Treatment in Reorganization, etc.

If, during the Transfer Restriction Period, a merger agreement where the Company will be dissolved, a share exchange agreement where the Company becomes a wholly-owned subsidiary, or a share transfer plan or other matters related to organizational restructuring is approved at a General Meeting of Shareholders of the Company (or the Company Board of Directors if the reorganization, etc. does not require the approval of the General Meeting of Shareholders), regarding the number of Allotted Shares reasonably determined according to the period from the start date of the service period until the date of approval for the relevant reorganization, etc., restrictions on transfer shall be cancelled prior to the effective date of the reorganization, etc. by a resolution of the Company Board of Directors. In the case stipulated above, the Company will naturally acquire the Allotted Shares without consideration as of the time immediately following the lifting of the restrictions on transfer, for which restrictions on transfer have not yet been lifted.

(5) Other matters

Other matters related to the Restricted Stock Allotment Agreement shall be determined by the Company's Board of Directors.

4. Reason why it is appropriate to grant Restricted Stock

The Company intends to grant Restricted Stock to Eligible Directors in order to provide incentives to sustainably enhance the Company's corporate value and to further promote value sharing with shareholders.

The Company's Board of Directors has established a policy for determining the details of remuneration, etc. for individual Directors, and the granting of Restricted Stock under this Proposal is in line with such policy. If this Proposal is approved, the Company plans to revise it to be consistent with the approved details and stipulate the details of share-based remuneration. In addition, the Company has deemed that the granting of the Restricted Stock is appropriate as it has determined that the value of the Restricted Stock, evaluated at the market price as of the date of the resolution of the Board of Directors regarding the allotment, is within the maximum annual amount as stated in 1. above, and that the ratio of shares of the Restricted Stock to the total number of outstanding shares is 0.02% (0.2% of the total number of outstanding shares if the maximum number of shares of the Restricted Stock was issued over a period of 10 years), and that the dilution ratio is negligible.