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Securities code: 5032

July 13, 2023

Commencement date of measures for electronic provision of information: July 6, 2023

To Shareholders with Voting Rights:

Riku Tazumi
Representative Director and CEO
ANYCOLOR Inc.
Midtown East 11F, 9-7-2, Akasaka,
Minato-ku, Tokyo, Japan

**NOTICE OF
THE 6th 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 you are cordially invited to the 6th Annual General Meeting of Shareholders of ANYCOLOR Inc. (the “Company”) to be held as described below.

In convening this General Meeting of Shareholders, we have taken measures to electronically provide the information contained in the Annual General Meeting of Shareholders Reference Documents (information to be provided electronically) and posted them on the two websites listed below. Please access either of these websites to view the information (in Japanese).

The Company’s website

<https://www.anycolor.co.jp/ir/meeting>



Tokyo Stock Exchange website (Listed Company Search)

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



(Access the TSE website by using the internet address shown above, enter “ANYCOLOR” under “Issue name (company name)” or the Company’s securities code “5032” under “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.”)

Instead of attending the meeting in person, you may exercise your voting rights in writing via post, internet. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. JST, Thursday, July 27, 2023.

Particulars

- 1. Date and Time:** Friday, July 28, 2023 at 10:00 a.m. JST (Reception starts at 9:00 a.m.)
- 2. Place:** Room7, Tokyo Midtown Conference (Midtown Tower)
9-7-1, Akasaka, Minato-ku, Tokyo, Japan
(Please refer to the venue map at the end of the Japanese version of this document, as the venue differs from the previous one.)
- 3. Meeting Agenda:**
- Matters to be reported:** The Business Report and Non-consolidated Financial Statements for the Company's 6th Fiscal Year (May 1, 2022 – April 30, 2023)
- Proposals to be resolved:**
- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Three (3) Directors (excluding Corporate Directors who are Audit and Supervisory Committee Members)
- Proposal 3:** Election of Three (3) Directors who are Audit and Supervisory Committee Members
- Proposal 4:** Determination of the Amount of Compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal 5:** Determination of the Amount of Compensation for Directors who are Audit and Supervisory Committee Members

4. Methods of Exercising Voting Rights

- (1) Exercise of voting rights by an electronic method (via the internet.)
Please follow the instructions on the voting website to exercise your voting rights by 5:00 p.m. JST, Thursday, July 27, 2023.
- (2) Exercise of voting rights in writing
After indicating your votes, please return the ballot form by post to arrive no later than 5:00 p.m. JST, Thursday, July 27, 2023. If no indication of approval or disapproval is made for any proposal, it will be treated as approval of the Company's proposal.
- (3) Handling of voting rights exercised in duplicate
If you have exercised your voting rights both via the internet and in writing by post, the Company will treat the vote cast via the internet as effective.
If you exercise your voting rights multiple times via the internet, the final vote cast will be deemed as effective.

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- If you are attending the meeting, please present the enclosed ballot form on the day of the meeting to the reception desk.
 - Shareholders who do not attend the Annual General Meeting in person may also view the proceedings of the meeting via the live stream on the internet.
 - Among information to be provided electronically, the following information is not included in the documents to be sent to a shareholder who applied for the issuance of documents in accordance with laws and regulations and Article 17 of the Company's Articles of Incorporation.
 - (1) Information regarding stock acquisition rights, etc., and structure and status of implementation relating to the proper conduct of operations in the Business Report.
 - (2) Non-Consolidated Statement of Changes in Shareholders' Equity and Notes to Non-Consolidated Financial Statements in the Financial Statements.
 - In the event that the electronically provided information is revised, the details will be posted on the Company's website and the TSE website listed above.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Partial Amendments to the Articles of Incorporation

I. Reasons for Proposed Amendments

(1) In order to enhance corporate governance by strengthening the supervisory functions of the Board of Directors and further enhancing monitoring systems, the Company proposes to transition to a company with Audit and Supervisory Committee, as Audit and Supervisory Committee Members who are responsible for auditing the execution of duties by Directors, etc. shall be voting members of the Board of Directors.

Accompanying this change, the Company proposes to make necessary amendments to the Articles of Incorporation to transition to a company with Audit and Supervisory Committee, including the establishment of new provisions concerning the Audit and Supervisory Committee and Audit and Supervisory Committee Members and the deletion of provisions concerning the Board of Corporate Auditors and Corporate Auditors, etc.

(2) The proposed Article 37 provides that dividends of surplus, etc., which are currently decided solely by the General Meeting of Shareholders, may also be decided by the Board of Directors as stipulated in Article 459, Paragraph 1 of the Companies Act, for the purpose of enabling flexible distribution. The proposed Article 37 partially duplicates provisions concerning acquisition of treasury stock and interim dividends stipulated in the current Articles 7 and 43, respectively, and these will therefore be deleted.

(3) Other necessary changes will be made, such as revision of wording in accordance with the above changes.

II. Details of the amendments

The details of the amendments are as follows.

These amendments to the Articles of Incorporation will become effective at the conclusion of this General Meeting of Shareholders.

Current Provisions	Proposed Amendments
<p>Articles 1 to 3 (Text omitted)</p> <p>(Organizational Bodies) Article 4 The Company shall establish the following organizational bodies in addition to General Meeting of Shareholders and Directors:</p> <ol style="list-style-type: none"> 1. Board of Directors 2. <u>Corporate Auditors</u> 3. <u>Board of Corporate Auditors</u> 4. <u>Accounting Auditors</u> <p>Articles 5 and 6 (Text omitted)</p> <p><u>(Acquisition of treasury stock)</u> <u>Article 7</u> <u>The company may, under the provisions of Article 165, Paragraph 2 of the Companies Act, acquire its treasury stock by the resolution of the Board of Directors</u></p> <p>Articles <u>8</u> to <u>17</u> (Text omitted)</p> <p>(Number of Directors) Article <u>18</u> The number of Directors of the Company shall not exceed <u>seven (7)</u>.</p> <p style="text-align: center;">(Newly established)</p> <p>(Appointment of Directors) Article <u>19</u> Directors shall be appointed at general meetings of shareholders.</p> <p>Paragraphs 2 and 3 (Text omitted)</p> <p>(Term of Directors) Article <u>20</u> The term of Directors shall be by the closing of the annual general meeting of shareholders related to the last of the business years ending within one (1) year of the appointment.</p> <p><u>2 The Term of Director elected as a substitute of a Director or any Director elected to increase the number of Directors shall expire when the term of other Directors currently in office expires.</u></p> <p style="text-align: center;">(Newly established)</p>	<p>Articles 1 to 3 (Unchanged)</p> <p>(Organizational Bodies) Article 4 The Company shall establish the following organizational bodies in addition to General Meeting of Shareholders and Directors:</p> <ol style="list-style-type: none"> 1. Board of Directors 2. <u>Audit and Supervisory Committee</u> (Deleted) 3. <u>Accounting Auditors</u> <p>Articles 5 and 6 (Unchanged)</p> <p style="text-align: center;">(Deleted)</p> <p>Articles <u>7</u> to <u>16</u> (Unchanged)</p> <p>(Number of Directors) Article <u>17</u> The number of Directors <u>(excluding Directors who are also Audit and Supervisory Committee Members)</u> of the Company shall not exceed <u>seven (7)</u>.</p> <p><u>2 The number of Directors who are also Audit and Supervisory Committee Members of the Company shall not exceed four (4).</u></p> <p>(Appointment of Directors) Article <u>18</u> Directors shall be appointed at general meetings of shareholders, <u>while making a distinction between Directors who are Audit and Supervisory Committee Members and the other Directors.</u></p> <p>Paragraphs 2 and 3 (Unchanged)</p> <p>(Term of Directors) Article <u>19</u> The term of Directors <u>(excluding Directors who are also Audit and Supervisory Committee Members)</u> shall be by the closing of the annual general meeting of shareholders related to the last of the business years ending within one (1) year of the appointment.</p> <p style="text-align: center;">(Deleted)</p> <p><u>2 The term of Directors who are also Audit and Supervisory</u></p>

<p>(Newly established)</p> <p>(Representative Directors and Directors with Specific Titles) Article <u>21</u> The Board of Directors shall appoint Representative Directors by its resolution.</p> <p>2 The Board of Directors may appoint one (1) President, and if necessary, a few Senior Managing Director(s) and Managing Director(s) each by its resolution.</p> <p>Article <u>22</u> (Text omitted)</p> <p>(Convocation notice for Meetings of Board of Directors) Article <u>23</u> Convocation notice for a meeting of the Board of Directors shall be sent to each Director <u>and Corporate Auditor</u> at least three (3) days prior to the date of the meeting; provided, however, that such period may be shortened in case of emergency.</p> <p>2 A Board of Directors may be held without following the convening procedures with the consent of all Directors <u>and Corporate Auditors</u>.</p> <p>Article <u>24</u> (Text omitted)</p> <p>(Newly established)</p> <p>Articles 25 and 26 (Text omitted)</p> <p>(Remuneration, etc., of Directors) Article 27 Directors' remuneration, bonuses and other financial benefits that Directors receive from the Company as consideration for execution of duties shall be appointed by general meetings of shareholders.</p>	<p><u>Committee Members shall expire at the conclusion of the annual general meeting of shareholders related to the last of the business years ending within two (2) years of the appointment.</u></p> <p><u>3 The term of a Director who is also an Audit and Supervisory Committee Member elected as a substitute for a Director who was also an Audit and Supervisory Committee Member and resigned prior to the expiry of his or her term shall expire at the expiration of the term of the resigned Member.</u></p> <p>(Representative Directors and Directors with Specific Titles) Article <u>20</u> The Board of Directors shall appoint Representative Directors <u>by its resolution from among Directors (excluding Audit and Supervisory Committee Members).</u></p> <p>2 The Board of Directors may appoint one (1) President, and if necessary, a few Senior Managing Director(s) and Managing Director(s) each <u>from among the Directors (excluding Directors who are also Audit and Supervisory Committee Members)</u> by its resolution.</p> <p>Article <u>21</u> (Unchanged)</p> <p>(Convocation notice for Meetings of Board of Directors) Article <u>22</u> Convocation notice for a meeting of the Board of Directors shall be sent to each Director at least three (3) days prior to the date of the meeting; provided, however, that such period may be shortened in case of emergency.</p> <p>2 A meeting of the Board of Directors may be held without following the convening procedures with the consent of all Directors.</p> <p>Article <u>23</u> (Unchanged)</p> <p><u>(Delegation of decisions on the execution of important operations)</u> Article <u>24</u> <u>The Company may, under the provisions of Article 399 (13), Paragraph 6 of the Companies Act, delegate all or part of decisions on the execution of important operations (excluding matters listed in each item of Article 399 (13), Paragraph 5 of the Companies Act) to Directors by a resolution of the Board of Directors.</u></p> <p>Articles 25 and 26 (Unchanged)</p> <p>(Remuneration, etc., of Directors) Article 27 Directors' remuneration, bonuses and other financial benefits that Directors receive from the Company as consideration for execution of duties shall be appointed by general meetings of shareholders, <u>while making a</u></p>
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<p>Article 28 (Text omitted)</p> <p><u>Chapter 5 Corporate Auditors and Board of Corporate Auditors</u></p> <p><u>(Number of Corporate Auditors)</u></p> <p><u>Article 29</u> <u>The number of Corporate Auditors shall not exceed four (4).</u></p> <p><u>(Appointment of Corporate Auditors)</u></p> <p><u>Article 30</u> <u>Corporate Auditors shall be appointed at general meetings of shareholders.</u> <u>2 Corporate Auditors shall be appointed by a resolution adopted by a majority of the votes of the shareholders present at the meeting, where shareholders holding 1/3 or more of the total voting rights of the shareholders who may exercise the voting rights are in attendance.</u></p> <p><u>(Term of Corporate Auditors)</u></p> <p><u>Article 31</u> <u>The term of Corporate Auditors shall be by the closing of the annual general meeting of shareholders related to the last of the business years ending within four (4) years of the appointment.</u> <u>2 The term of a Corporate Auditor appointed to fill a vacancy created by an earlier retirement of any Corporate Auditor shall be by termination of such Corporate Auditor who retired.</u></p> <p><u>(Full-time Corporate Auditor)</u></p> <p><u>Article 32</u> <u>The Board of Corporate Auditors shall appoint full-time Corporate Auditors by its resolution.</u></p> <p><u>(Convocation notice for Meetings of Board of Corporate Auditors)</u></p> <p><u>Article 33</u> <u>Convocation notice for a meeting of the Board of Directors shall be sent to each Corporate Auditor at least three (3) days prior to the date of the meeting; provided, however, that such period may be shortened in case of emergency.</u> <u>2 A meeting of the Board of Corporate Auditors may be held without following the convening procedures with the consent of all Corporate Auditors.</u></p> <p><u>(Method of Resolution by The Board of Corporate Auditors)</u></p> <p><u>Article 34</u> <u>Resolutions of the Board of Corporate Auditors shall be adopted by a majority of Corporate Auditors unless otherwise provided for in laws and regulations.</u></p> <p><u>(Regulations of the Board of Corporate Auditors)</u></p> <p><u>Article 35</u></p>	<p><u>distinction between Directors who are Audit and Supervisory Committee Members and the other Directors.</u></p> <p>Article 28 (Unchanged)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>
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<p><u>Except as otherwise provided for in laws and regulations or the Articles of Incorporation, matters concerning the Board of Corporate Auditors shall be governed by the Regulations of the Board of Corporate Auditors prescribed by the Board of Corporate Auditors.</u></p>	
<p>(Remuneration, etc., of Corporate Auditors) <u>Article 36</u> <u>Corporate Auditors' remuneration and other financial benefits that Corporate Auditors receive from the Company as consideration for execution of duties shall be appointed at general meetings of shareholders.</u></p>	(Deleted)
<p>(Exemption from Liability and Limiting Liability for Corporate Auditors) <u>Article 37</u> <u>The Company may, under the provisions of Article 426, Paragraph 1 of the Companies Act, exempt Corporate Auditors (including former Corporate Auditors) from liability for damages caused by failures in their duties by a resolution of the Board of Directors to the extent permitted by the applicable laws and regulations.</u> <u>2 The Company may, under the provisions of Article 427, Paragraph 1 of the Companies Act, enter into agreements with Corporate Auditors that limit liability for damages caused by failures in their duties; provided, however, that the maximum limit of the liability for damages under such agreement shall be the minimum liability amount provided for in laws.</u></p>	(Deleted)
<p>(Newly established)</p>	<p><u>Chapter 5 Audit and Supervisory Committee</u></p>
<p>(Newly established)</p>	<p><u>(Full-time Audit and Supervisory Committee Member)</u> <u>Article 29</u></p>
	<p><u>The Audit and Supervisory Committee may appoint full-time Audit and Supervisory Committee Members by its resolution.</u></p>
<p>(Newly established)</p>	<p><u>(Convocation notice for Meetings of Audit and Supervisory Committee)</u></p>
	<p><u>Article 30</u></p>
	<p><u>Convocation notice for a meeting of the Audit and Supervisory Committee shall be sent to each Audit and Supervisory Committee Member at least three (3) days prior to the date of the meeting; provided, however, that such period may be shortened in case of emergency.</u></p>
	<p><u>2 A meeting of the Audit and Supervisory Committee may be held without following the convening procedures with the consent of all Audit and Supervisory Committee Members.</u></p>
<p>(Newly established)</p>	<p><u>(Method of Resolution by Board of Audit and Supervisory Committee)</u></p>
	<p><u>Article 31</u></p>
	<p><u>Resolutions of the Board of Corporate Auditors shall be adopted by a majority of the votes of the Audit and Supervisory Committee Members present at the meeting, where a majority of the Audit and Supervisory Committee Members who may exercise the voting rights</u></p>

<p>(Newly established)</p> <p>Articles <u>38</u> and <u>39</u> (Text omitted)</p> <p>(Remuneration, etc., of Accounting Auditors) Article <u>40</u> Accounting Auditors' remuneration and other financial benefits that Accounting Auditors receive from the Company as consideration for execution of duties shall be determined by the Representative Director with the consent of <u>the Board of Corporate Auditors</u>.</p> <p>Article <u>41</u> (Text omitted)</p> <p>(Newly established)</p> <p>(Record Date of Dividends of Surplus) Article <u>42</u> (Text omitted)</p> <p>(Newly established)</p> <p>2 The Company may pay dividends of surplus by establishing other record dates in addition to that of the preceding paragraph.</p> <p><u>(Interim dividend)</u> <u>Article 43</u> <u>The Company may pay an interim dividend, by the resolution of the Board of Directors, with October 31 of each year as the record date.</u></p> <p>Articles <u>44</u> and <u>45</u> (Text omitted)</p> <p>(Newly established)</p>	<p><u>are in attendance.</u></p> <p><u>(Regulations of the Audit and Supervisory Committee)</u> <u>Article 32</u> <u>Except as otherwise provided for in laws and regulations or the Articles of Incorporation, matters concerning the Audit and Supervisory Committee shall be governed by the Regulations of the Audit and Supervisory Committee prescribed by the Audit and Supervisory Committee.</u></p> <p>Articles <u>33</u> and <u>34</u> (Unchanged)</p> <p>(Remuneration, etc., of Accounting Auditors) Article <u>35</u> Accounting Auditors' remuneration and other financial benefits that Accounting Auditors receive from the Company as consideration for execution of duties shall be determined by the Representative Director with the consent of <u>the Audit and Supervisory Committee</u>.</p> <p>Article <u>36</u> (Unchanged)</p> <p><u>(Decision-making Organ for Dividends of Surplus, etc.)</u> <u>Article 37</u> <u>The Company may decide matters stipulated in each item of Article 459, Paragraph 1 of the Companies Act, including the dividends of surplus, by resolution of the Board of Directors, unless otherwise provided for in laws and regulations.</u></p> <p>(Record Date of Dividends of Surplus) Article <u>38</u> (Unchanged)</p> <p><u>2 Record date for an interim dividend shall be October 31 of each year.</u></p> <p>3 The Company may pay dividends of surplus by establishing other record dates in addition to that of the preceding <u>two</u> paragraphs.</p> <p>(Deleted)</p> <p>Articles <u>39</u> and <u>40</u> (Unchanged)</p> <p><u>(Transitional Measures Regarding Exemption from Liability of Audit & Supervisory Board Members)</u> <u>Article 41</u> <u>The Company may, under the provisions of Article 426, Paragraph 1 of the Companies Act, exempt Corporate Auditors (including former Corporate Auditors) from liability for damages caused by failures in their duties prior to the close of the 6th Annual General Meeting of Shareholders, by a resolution of the Board of Directors to the extent permitted by the applicable laws and regulations.</u></p>
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Proposal 2: Election of Three (3) Directors (excluding Directors who are Audit and Supervisory Committee Members)

If Proposal 1 “Partial Amendment to the Articles of Incorporation” is approved and adopted as proposed, the Company will transition to a company with Audit and Supervisory Committee upon closing of this Annual General Meeting of Shareholders, and the terms of office of all three (3) Directors will expire. Accordingly, we propose that three (3) Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter in this proposal) be elected.

This proposal will become effective on the condition that the amendment to the Articles of Incorporation in Proposal 1 “Partial Amendment to the Articles of Incorporation” takes effect.

The candidates for Directors are as follows.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	Riku Tazumi (February 3, 1996)	May 2017	Founded the Company	13,597,010
		May 2017	Appointed CEO of the Company (current position)	
May 2021	Appointed Executive Officer, Overseas VTuber Division of the Company			
[Reason for nomination as candidate for Director] Mr. Riku Tazumi is the founder of the Company and since its founding, has demonstrated strong leadership as the CEO and has contributed to the Company’s business expansion and enhancement of corporate value. Based on his abundant knowledge and broad insight, the Company has nominated him as a candidate for Director with the expectation that he will continue to appropriately fulfill his responsibilities as the Director.				
2	Shinya Tsurui (March 3, 1987)	April 2012	Joined Zeirishi-Hojin PricewaterhouseCoopers (current PwC Tax Japan)	446,400
		September 2014	Joined Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	
		May 2019	Joined the Company Appointed Executive Officer and CFO of the Company	
		July 2019	Appointed Director and CFO of the Company (current position)	
		November 2019	Appointed General Manager of Corporate Planning Department of the Company	
		May 2021	Appointed Executive Officer of Corporate Planning Department of the Company	
		July 2021	Appointed Executive Officer and General Manager of Business Administration Department of the Company (current position)	
[Reason for nomination as candidate for Director] Mr. Shinya Tsurui has extensive knowledge and experience in the finance sector and since joining the Company, he has led the administration division as the CFO and has laid the foundations for the Company to go public. The Company has determined that he is well suited as a Director and renominated him as a candidate with the expectation that he will continue to leverage his broad knowledge and experience to contribute to the enhancement of corporate value.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	*Takeyuki Aritomi (August 5, 1984)	September 2008 Joined Nagashima Ohno & Tsunematsu July 2011 Joined SHIOMIZAKA (current position) January 2016 Appointed Partner of SHIOMIZAKA (current position) December 2017 Appointed Outside Corporate Auditor of ROXX Inc. August 2019 Appointed Director of First Advisers Inc. (current position) August 2019 Appointed Outside Corporate Auditor of Travel Book., Inc. (current position) July 2022 Appointed Outside Director of the Company (current position)	0
[Reason for nomination as candidate for Director] Mr. Takeyuki Aritomi, as an attorney, has extensive experience in the finance sector including M&As and the formation of various funds, as well as experience supporting numerous companies in a wide range of fields including corporate governance, IT, and the Act on the Protection of Personal Information, by serving as their corporate legal counsel. Based on the above, the Company has nominated him as a candidate for Director with the expectation that he will reflect his advanced legal knowledge in the management strategies and business development of the Company as a Director.			

- Notes: 1. There are no special interests between each candidate and the Company.
2. The number of shares of the Company held by each candidate indicates their shareholdings as of April 30, 2023.
3. Mr. Takeyuki Aritomi is a candidate for Outside Director.
4. Mr. Takeyuki Aritomi is currently an Outside Director of the Company, and his term of office is one (1) year starting from the end of this General Meeting.
5. The Company has executed an agreement with Mr. Takeyuki Aritomi to limit his liability as provided for in Article 423, Paragraph 1 of the Companies Act. The maximum amount of such liability under this agreement shall be the amount stipulated by laws and regulations. If the election of Mr. Takeyuki Aritomi is approved, the Company intends to continue this agreement with him.
6. The Company has concluded with an insurance company a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act. This insurance contract covers damage that may arise as a result of the insured, including the Directors and Corporate Auditors of the Company, assuming liability related to the execution of their duties or receiving a claim related to the pursuit of such liability (However, no compensation may be given for damage attributable to acts in violation of laws or regulations that were carried out with full knowledge of their illegality). If each candidate for Director is elected and take office, each candidate will become the insured of this insurance contract. The Company also intends to renew this insurance contract under the same terms and conditions at the time of the next renewal.
7. The Company notified the Tokyo Stock Exchange of positions of Mr. Takeyuki Aritomi as independent officer provided for in the provisions of the Tokyo Stock Exchange. If his appointment is approved, we will once again notify the said stock exchange of his position as independent officer.

Proposal 3: Election of Three (3) Directors who are Audit and Supervisory Committee Members

If Proposal 1 “Partial Amendment to the Articles of Incorporation” is approved as proposed, the Company will transition to a company with Audit and Supervisory Committee. Accordingly, we propose that three (3) Directors who are Audit and Supervisory Committee Members be elected.

This proposal will become effective on the condition that the amendment to the Articles of Incorporation in Proposal 1 “Partial Amendment to the Articles of Incorporation” takes effect.

The candidates for Directors are as follows.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	*Shunsaku Maekawa (November 26, 1953)	April 1976	Joined SUMITOMO CORPORATION	0
		July 2009	Appointed Director, General Manager of Internal Audit Dept. of SUMITOMO SHOJI CHEMICALS CO., LTD.	
July 2013	Appointed Full-time Corporate Auditor of SUMITOMO SHOJI CHEMICALS CO., LTD.			
March 2020	Appointed Full-time Outside Corporate Auditor of the Company (current position)			
[Reason for nomination as candidate for Director who is an Audit and Supervisory Committee Member] Mr. Shunsaku Maekawa has extensive experience as a Corporate Auditor and in administrative and internal audit departments in a major general trading company and its subsidiaries. The Company has nominated him as a new candidate for Director who is an Audit and Supervisory Committee Member with the expectation that he will appropriately fulfill his responsibilities.				
2	*Yasuko Umeda (Yasuko Iino) (October 28, 1968)	April 1991	Joined Toshiba Corporation	0
		October 2002	Registered as a lawyer	
June 2006	Joined American Family Life Assurance Company of Columbus			
January 2011	Appointed Representative of Iino law office (current position)			
December 2017	Appointed Outside Auditor of AIOI-SYSTEMS CO., LTD.			
December 2018	Appointed Outside Auditor of Supreme System Co., Ltd.			
July 2020	Appointed Outside Auditor of the Company (current position)			
[Reason for nomination as candidate for Director who is an Audit and Supervisory Committee Member] Ms. Yasuko Umeda (Yasuko Iino) has a high level of insight as a lawyer and a good understanding of company management gained from her work in several companies, which can be utilized for the Company's management. Based on the above, the Company has nominated her as a new candidate for Director who is an Audit and Supervisory Committee Member and expects her to utilize her professional expertise for the Company's management, and to strengthen supervision of overall management and conflicts of interest mainly from a legal perspective.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	*Tasuku Yamaoka (April 3, 1986)	January 2010 Joined Deloitte Touche Tohmatsu LLC March 2014 Joined Casley Deep Innovations, Inc. July 2014 Appointed Representative of Yamaoka Tasuku Certified Public Accountants' Office (current position) October 2016 Joined Gojo & Company, Inc. January 2019 Appointed CEO of Shikumiya, Inc. (current position) February 2019 Joined Wantedly, Inc. July 2019 Appointed Outside Auditor of the Company (current position) January 2021 Appointed Outside Auditor of F-code Inc. (current position)	0
<p>[Reason for nomination as candidate for Director who is an Audit and Supervisory Committee Member] Mr. Tasuku Yamaoka is a certified public accountant and has professional expertise in finance and accounting. Based on this, the Company has nominated him as a new candidate for Director who is an Audit and Supervisory Committee Member with the expectation that he will make efforts to strengthen supervision of overall management and conflicts of interest mainly from financial and accounting perspectives.</p>			

Notes: 1. * indicates a new candidate for Director.

2. There are no special interests between any of the candidates and the Company.
3. The number of shares of the Company held by each candidate indicates their shareholdings as of June 30, 2023.
4. Each candidate is a candidate for Outside Director.
5. Mr. Shunsaku Maekawa, Ms. Yasuko Umeda (Yasuko Iino) and Mr. Tasuku Yamaoka are currently Outside Auditors of the Company. Their terms of office are two (2) years for Mr. Shunsaku Maekawa and Ms. Yasuko Umeda (Yasuko Iino) and four (4) years for Mr. Tasuku Yamaoka, starting from the end of this General Meeting.
6. The Company has executed agreements with Mr. Shunsaku Maekawa, Ms. Yasuko Umeda (Yasuko Iino) and Mr. Tasuku Yamaoka as Corporate Auditors to limit their liability as provided for in Article 423, Paragraph 1 of the Companies Act. The maximum amount of such liability under these agreements shall be the amount stipulated by laws and regulations. If the election of the three candidates is approved, the Company intends to execute such agreements with them as Directors who are Audit and Supervisory Committee Members.
7. The Company has concluded with an insurance company a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act. This insurance contract covers damage that may arise as a result of the insured, including the Directors and Corporate Auditors of the Company, assuming liability related to the execution of their duties or receiving a claim related to the pursuit of such liability (However, no compensation may be given for damage attributable to acts in violation of laws or regulations that were carried out with full knowledge of their illegality). If each candidate for Director who are Audit and Supervisory Committee Members is elected and take office, each candidate will become the insured of this insurance contract. The Company also intends to renew this insurance contract under the same terms and conditions at the time of the next renewal.
8. The Company notified the Tokyo Stock Exchange of positions of Mr. Shunsaku Maekawa, Ms. Yasuko Umeda (Yasuko Iino) and Mr. Tasuku Yamaoka as independent officers provided for in the provisions of the Tokyo Stock Exchange. If their appointment is approved, we will once again notify the said stock exchange of their position as independent officers.

Proposal 4: Determination of the Amount of Compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members)

If Proposal 1 “Partial Amendment to the Articles of Incorporation” is approved and adopted as proposed, the Company will transition to a company with Audit and Supervisory Committee.

It was resolved at the 5th Annual General Meeting of Shareholders held on July 29, 2022, that the amount of remuneration to Directors shall be no more than ¥300 million per year, provided that the remuneration to Directors will not

include the salary portion of Directors who serve concurrently as employees.

However, in consideration of the recent economic situation and various other circumstances and in accordance with the transition to a company with Audit and Supervisory Committee, the Company proposes to set the amount of compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter in this proposal) at no more than ¥300 million per year (including no more than ¥30 million for Outside Directors), and to determine the specific amount and timing, etc. of payment to each Director by a resolution of the Board of Directors.

An outline of the Company's policy for determining the details of individual compensation, etc., for Directors after transition to Company with Audit and Supervisory Committee is set forth as listed in the reference below. The Company believes that the contents of this proposal are reasonable as the fixed remuneration is paid in accordance with this policy.

The amount of such remuneration will not include the employee's portion of salaries of Directors who serve concurrently as employees of the Company.

The current number of Directors is three (3) (including 1 outside director), and if Proposal 1 "Partial Amendment to the Articles of Incorporation" and Proposal 2, "Election of Three (3) Directors (excluding Directors who are Audit and Supervisory Committee Members)," are approved as proposed, the number of Directors in relation to this Proposal will be three (3) (including one (1) outside director).

This proposal will become effective on the condition that the amendment to the Articles of Incorporation in Proposal 1 "Partial Amendment to the Articles of Incorporation" takes effect.

Reference

1. Basic Policy

Remuneration to Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter) of the Company shall be based on contributing to sustained improvement in corporate performance and value which enables the Company to attract and retain excellent human resources, and the basic policy is to pay Directors at an appropriate level commensurate with the roles and responsibilities expected of them, also considering consistency with the treatment of employees. The remuneration shall be paid in cash on a fixed monthly basis, and performance-linked compensation and non-monetary compensation shall not be provided.

2. Policy on Determination of the amount of remuneration, etc. of individual monetary compensation

Basic Remuneration

The annual base remuneration of the Directors is determined at the discretion of the Representative Director at the Board of Directors meeting, to the extent of the maximum amount of remuneration approved by the General Meeting of Shareholders.

Bonuses

No bonuses shall be paid to Directors of the Company.

Proposal 5: Determination of the Amount of Compensation for Directors who are Audit and Supervisory Committee Members

If Proposal 1 "Partial Amendment to the Articles of Incorporation" is approved and adopted as proposed, the Company will transition to a company with Audit and Supervisory Committee.

In consideration of the recent economic situation and various other circumstances, the Company proposes to set the amount of compensation for Directors who are Audit and Supervisory Committee members at no more than ¥50 million per year, and the specific amount and timing, etc. of payment to each director shall be determined by consultation with the Directors who are Audit and Supervisory Committee Members.

The Company believes that the contents of this proposal are reasonable considering the responsibilities to be fulfilled by Audit and Supervisory Committee Members.

If Proposal 1 "Partial Amendment to the Articles of Incorporation" and Proposal 3, "Election of Three (3) Directors who are Audit and Supervisory Committee Members," are approved as proposed, the number of Directors who are Audit and Supervisory Committee Members in relation to this Agenda will be three (3).

This proposal will become effective on the condition that the amendment to the Articles of Incorporation in Proposal 1 "Partial Amendment to the Articles of Incorporation" takes effect.