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Securities Code: 3038  
January 10, 2025

To Shareholders with Voting Rights

Hirokazu Numata  
President and Representative Director  
Kobe Bussan Co., Ltd.  
125-1 Hirano, Kakogawa-cho,  
Kakogawa-shi, Hyogo

### **Notice of the 39th Annual General Meeting of Shareholders**

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

We hereby inform you that the 39th Annual General Meeting of Shareholders of Kobe Bussan Co. Ltd. (the “Company”) will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken electronic provision measures, which provide information contained in the Reference Documents for the General Meeting of Shareholders, etc. (the “matters subject to electronic provision measures”) in electronic format, and has posted this information on the following websites on the Internet. Please access one of the following websites to view the information.

[The Company website]

<https://www.kobebussan.co.jp/english/ir/meeting.php>



[Website on which general shareholder meeting materials are posted]

<https://d.sokai.jp/3038/teiji/>

(available in Japanese only)



[Tokyo Stock Exchange (TSE) website (Listed Company Search)]

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



(Please access the TSE website above, enter “Kobe Bussan” in the “Issue name (company name)” field or our Securities Code “3038” in the “Code” field, and click on “Search” to find search results. Then, click on “Basic information” and “Documents for public inspection/PR information” in this order to find “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” in the “Filed information available for public inspection” section.)

**In lieu of attending the meeting in person, you may exercise your voting rights in advance via the Internet, etc. or in writing. If you choose not to attend the meeting on the date of the event, please review the hereto attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Tuesday, January 28, 2025, Japan time.**

**Please note that we will not provide souvenirs to attendees of the General Meeting of Shareholders.**

**Thank you for your understanding and cooperation.**

## Particulars

1. **Date and Time:** 10:00 a.m., Wednesday, January 29, 2025
2. **Place:** Banquet Hall Ohwada, 1st floor, South Building, Kobe Portopia Hotel  
6-10-1 Minatojima Nakamachi, Chuo-ku, Kobe-shi, Hyogo
3. **Meeting Agenda**  
**Matters to be reported:**
  1. The Business Report, the Consolidated Financial Statements, and the Results of Audits of the Consolidated Financial Statements by Accounting Auditors and the Audit and Supervisory Committee for the 39th Fiscal Year (from November 1, 2023 to October 31, 2024)
  2. The Non-consolidated Financial Statements for the 39th Fiscal Year (from November 1, 2023 to October 31, 2024)

**Matters to be resolved:**

- Proposal No. 1 – Election of Six (6) Directors (excluding Directors Who are Audit and Supervisory Committee Members)
- Proposal No. 2 – Election of Two (2) Directors Who are Audit and Supervisory Committee Members
- Proposal No. 3 – Approval for Issuance of Share Acquisition Rights as Stock Options for Directors (excluding Directors Who are Audit and Supervisory Committee Members and Outside Directors) and Employees of the Company as well as Directors and Employees of its Subsidiaries

#### 4. Guide to the Exercise of Voting Rights

- (1) When you exercise your voting rights via the Internet, etc.  
Please read the Guide to the Exercise of Voting Rights via the Internet, etc. on pages 4 and 5 of the Japanese original of this notice, and enter your approval or disapproval of each proposal following the on-screen guidance by the deadline specified on the previous page.
- (2) When you exercise your voting rights in writing  
Please indicate your approval or disapproval of each proposal on the enclosed voting rights exercise form and return to arrive by the deadline specified on the previous page. If you do not indicate your approval or disapproval of each proposal on the returned voting rights exercise form, you will be deemed to have indicated your approval.
- (3) When you have exercised your rights multiple times  
If you exercise your voting rights both in writing and via the Internet, etc., the exercise via the Internet, etc. will be treated as a valid exercise of voting rights. If you exercise your voting rights multiple times via the Internet, etc., the latest exercise will be treated as a valid exercise of voting rights.
- (4) When you have a proxy attend the meeting  
Please have the proxy present a written proof of his/her voting rights together with the voting rights exercise form at the reception desk of the venue. The proxy must be another shareholder of the Company who has voting rights as provided by the provisions of Article 16 of the Articles of Incorporation of the Company.

If any changes to the matters subject to electronic provision measures arise, a notice to that effect and the matters before and after the change will be posted on each of the websites as listed on page 1 of this notice.

The following matters will not be provided in the paper copy to shareholders who made a request for delivery of documents in accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation of the Company.

- (i) Consolidated Statements of Changes in Equity
- (ii) Notes to Consolidated Financial Statements
- (iii) Non-consolidated Statements of Changes in Equity
- (iv) Notes to Non-consolidated Financial Statements

Accordingly, the Consolidated Financial Statements and the Non-consolidated Financial Statements included in the paper copy to be delivered to shareholders who made a request for delivery of documents constitute only part of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Audit and Supervisory Committee and Accounting Auditors in preparation of audit reports and accounting audit reports, respectively.

Please note that the documents other than this notice and the Reference Documents for the General Meeting of Shareholders are available in Japanese only.

When you attend the meeting, please present the enclosed Voting Rights Exercise Form at the reception desk of the venue.

In previous years, we have sent our shareholders a written notice of resolutions stating the results of resolution after the conclusion of the general meeting of shareholders, but from this year, instead of sending a written notice of resolutions, we will post it on our website (<https://www.kobebussan.co.jp/ir/meeting.php>) after the General Meeting of Shareholders (available in Japanese only).



| Candidate No.   | Name<br>(Date of birth)  | Career summary, position, assignment, and significant concurrent position(s)   | Number of shares of the Company held (shares) |
|---|--|--|---|
| 2   | Yasuhiro Tanaka<br>(January 21, 1969)<br>[Male]<br>[Reappointment] | <p>Oct. 2001    Joined the Company</p> <p>Jan. 2007    Manager, Business Management System Division</p> <p>Jan. 2008    Director</p> <p>Dec. 2008    Executive Vice President</p> <p>Feb. 2012    Executive Vice President and Representative Director (current position)</p> <p>Apr. 2016    Manager, Agriculture Resources Division</p> <p>Aug. 2016    Manager, Trading Division</p> <p>Feb. 2017    Manager, Corporate Planning Division</p> <p>Nov. 2017    Manager and Director in charge of Business Management System Department<br/> Manager and Director in charge of Trading Department<br/> Manager and Director in charge of Corporate Planning Department</p> <p>Dec. 2017    Director in charge of Career Development Department (current position)</p> <p>Jan. 2018    Director in charge of Corporate Planning Department (current position)</p> <p>Jan. 2019    Director in charge of General Affairs Department<br/> Manager and Director in charge of Legal Affairs Department<br/> Manager and Director in charge of System Department (current position)<br/> Manager and Director in charge of Accounting Department</p> <p>Jul. 2019    Manager and Director in charge of BBQ Business Department, Foodservice Promotion Division<br/> Director in charge of Accounting Department</p> <p>Nov. 2020    Manager and Director in charge of Communication Design Department (current position)</p> <p>Nov. 2021    Director in charge of BBQ Business Department (current position)</p> <p>Mar. 2022    Manager and Director in charge of General Affairs Department</p> <p>Jan. 2023    Director in charge of General Affairs Department (current position)<br/> Director in charge of Legal Affairs Department (current position)</p> <p>(Significant concurrent position)<br/> Director, Kobe Bussan Myanmar Co., Ltd.</p> | 10,000  |
| <p>[Reason for nomination]</p> <p>Yasuhiro Tanaka has engaged in the management of the entire Kobe Bussan Group as Executive Vice President and Representative Director of the Company since 2012. As he has fulfilled his responsibilities as the person in charge of administrative departments by streamlining and improving efficiency of operations, which enabled the Group to expand its business, the Company believes that he is appropriate as Director of the Company.</p> |  |  |   |

| Candidate No.   | Name<br>(Date of birth)  | Career summary, position, assignment, and significant concurrent position(s)   | Number of shares of the Company held (shares) |
|---|--|--|---|
| 3   | Yasuharu Kido<br>(December 3, 1970)<br>[Male]<br>[Reappointment] | Jan. 2018 Joined the Company<br>Jul. 2019 Manager, Accounting Department<br>Jan. 2022 Director (current position)<br>Manager and Director in charge of Accounting Department (current position)<br>Manager and Director in charge of Finance Department (current position)   | 400   |
| <p>[Reason for nomination]</p> <p>Yasuharu Kido holds a wealth of experience and expertise accumulated over long years of service in accounting and finance, and served as Manager, Accounting Department of the Company since 2019 and Manager and Director in charge of Accounting Department and Finance Department of the Company since 2022. He has contributed to the growth of the Group's business by for example providing suggestions on business planning from the standpoint as an executive responsible for Accounting Department and Finance Department. Accordingly, the Company believes that he is appropriate as Director of the Company.</p> |  |  |   |
| 4   | Kazuo Asami<br>(June 12, 1976)<br>[Male]<br>[Reappointment]      | Jan. 2005 Joined the Company<br>Jan. 2007 Director (current position)<br>Aug. 2012 Manager, STB Division<br>Feb. 2013 Manager, STB Plant Division<br>Aug. 2015 Manager, Plant Management Division<br>Aug. 2016 Manager, Agriculture Resources Division<br>Nov. 2017 Manager and Director in charge of Plant Management Department<br>Manager and Director in charge of Domestic Agriculture Resources Department (current position)<br>Dec. 2017 Director in charge of R&D Department (current position)<br>Mar. 2023 Director in charge of Plant Management Department (current position) | 47,900  |
| <p>(Significant concurrent positions)</p> <p>President and Representative Director, Kobe Bussan Eco Green Hokkaido Co., Ltd.<br/>President and Representative Director, Sekihara Sake Brewery Co., Ltd.<br/>President and Representative Director, Kikukawa Co., Ltd.<br/>President and Representative Director, Masuzen Co., Ltd.<br/>Executive Director, Kobe Bussan (Anqiu) Foods Co., Ltd.</p>  |  |  |   |
| <p>[Reason for nomination]</p> <p>Kazuo Asami holds a wealth of experience and track record in the fields of the management of the Group's plants and food product manufacturing. He has committed himself to developing private label products manufactured by the Group's domestic plants, which drive our business growth with strong support from our customers. Accordingly, the Company believes that he is appropriate as Director.</p>  |  |  |   |

| Candidate No.  | Name<br>(Date of birth)   | Career summary, position, assignment, and significant concurrent position(s)  | Number of shares of the Company held (shares) |
|--|---|---|---|
| 5  | Satoshi Nishida<br>(March 4, 1978)<br>[Male]<br>[Reappointment] | Jul. 2002    Joined the Company<br>Gyomu Super FC Operations Division<br>Sep. 2004    Manager, Yokohama Office<br>Jan. 2009    Director (current position)<br>Mar. 2015    Manager, Overseas Marketing Division<br>Aug. 2015    Manager, Overseas Operations System<br>Division<br>Oct. 2015    Manager, Import Retail Operations Division<br>Nov. 2017    Manager and Director in charge of Overseas<br>Marketing Department (current position)<br>Manager and Director in charge of Import<br>Retail Operations Department<br>Dec. 2017    Director in charge of Area East<br>Merchandising Department (current position)<br>(Significant concurrent position)<br>President and Representative Director, Kobe Bussan Foods<br>Co., Ltd. | 1,000   |
| <p>[Reason for nomination]</p> <p>Satoshi Nishida has held positions including Manager, Yokohama Office, and Manager of various business departments. Based on a wealth of experience and knowledge accumulated from these positions, he has contributed to the business expansion and overseas business development of the Group. With his capability in business execution and promotion of business activities with a wide perspective, the Company believes that he is appropriate as Director of the Company.</p> |   |   |   |

| Candidate No.  | Name<br>(Date of birth)  | Career summary, position, assignment, and significant concurrent position(s)   | Number of shares of the Company held (shares) |
|--|--|--|---|
| 6  | Akihito Watanabe<br>(November 13, 1977)<br>[Male]<br>[Reappointment] | <p>Jun. 2003    Joined the Company</p> <p>Apr. 2015    Manager, Yokohama Office (current position)</p> <p>Nov. 2016    Manager, Gyomu Super Kanto FC Operations Division<br/>Manager, Kanto FC Marketing Division</p> <p>Nov. 2017    Manager, Gyomu Super FC Operations Department, Area West Sales Division<br/>Manager, FC Marketing Department, Area West Sales Division (current position)<br/>Manager, Gyomu Super FC Operations Department, Area East Sales Division (current position)<br/>Manager, FC Marketing Department, Area East Sales Division (current position)</p> <p>Jan. 2018    Director (current position)</p> <p>Feb. 2018    Director in charge of Area East Sales Division (current position)</p> <p>Apr. 2018    Manager, Delicatessen Business Department (current position)</p> <p>Oct. 2019    Director in charge of Area West Sales Division (current position)<br/>Manager, Customer Service Promotion Department</p> <p>Jan. 2022    Manager and Director in charge of Customer Service Promotion Department (current position)</p> <p>(Significant concurrent positions)<br/>President and Representative Director, Sagami Bakery Co., Ltd.<br/>President and Representative Director, Shonan Un Reve Co., Ltd.</p> | 3,800   |
| <p>[Reason for nomination]</p> <p>Akihito Watanabe has managed the Area West Sales Division and the Area East Sales Division, which the Group's mainstay Gyomu Super FC Operation Department and FC Marketing Department belong to, and contributed to the expansion of the Gyomu Super Business. He has also launched a new business as Manager, Delicatessen Business Department. Accordingly, the Company believes that he is appropriate as Director of the Company, who manage the expansion of the Group's business.</p> |  |  |   |

- Notes:
1. None of the candidates for Directors has any special conflicts of interest with the Company.
  2. The job titles are those at the time of appointment.
  3. The Company has concluded a directors and officers liability insurance (the "D&O insurance") contract stipulated in Article 430-3, Paragraph (1) of the Companies Act with an insurance company, covering legal damages and litigation expenses to be borne by the insureds due to execution of their duties (excluding certain cases that fall under the exemptions stipulated in the insurance contract). The Company bears the D&O insurance premium in full. If the candidates are reelected, they will be included in the insureds of the D&O insurance contract. The contract period of the D&O insurance is one (1) year, and we plan to renew it with a resolution of the Board of Directors before the expiration of that period.



**Proposal No. 2 – Election of Two (2) Directors Who are Audit and Supervisory Committee Members**

In order to strengthen the auditing system, the Company has decided to increase the number of Directors who are Audit and Supervisory Committee Members by two, and accordingly proposes the election of two (2) Directors who are Audit and Supervisory Committee Members.

The Company has obtained the consent of the Board of Corporate Auditors to this proposal.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows.

| Candidate No.   | Name<br>(Date of birth)  | Career summary, position, assignment and significant concurrent position(s)   | Number of shares of the Company held (shares) |
|---|--|---|---|
| 1   | Misa Machida<br>(October 11, 1978)<br>[Female]<br>[New appointment]<br>[Outside] | <p>Oct. 2003    Joined Tohmatsu &amp; Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>Aug. 2007    Principal, Machida Accounting Office (current position)</p> <p>Apr. 2008    Part-time professional, GYOSEI &amp; CO.</p> <p>Oct. 2016    Part-time professional, PKF Hibiki Audit Corporation</p> <p>Nov. 2020    External Director, ING Co., Ltd. (current position)</p> <p>Jun. 2024    External Director (Director who is Audit &amp; Supervisory Committee Member), Japan System Techniques Co., Ltd. (current position)</p> <p>(Significant concurrent positions)<br/>Principal, Machida Accounting Office<br/>External Director, ING Co., Ltd.<br/>External Director (Director who is Audit &amp; Supervisory Committee Member), Japan System Techniques Co., Ltd.</p> | —   |
| <p>[Reasons for nomination and the expected role]<br/>As a certified public accountant, Ms. Misa Machida is expected to supervise, and provide advice to, the directors on the execution of their duties by leveraging her expertise and insight, wealth of knowledge, and practical experience in the fields of finance, accounting and auditing, as well as based on her diverse perspectives. For these reasons, the Company believes that she is appropriate as Outside Director of the Company, and if elected, it expects her to monitor overall management and provide effective advice as Audit and Supervisory Committee Member.</p> |  |   |   |

| Candidate No.  | Name<br>(Date of birth)  | Career summary, position, assignment and significant concurrent position(s)   | Number of shares of the Company held (shares) |
|--|--|---|---|
| 2  | Yutaka Inada<br>(February 20,1979)<br>[Female]<br>[New appointment]<br>[Outside] | <p>Sep. 2007 Registered as attorney at law and joined Kobe City Law Office</p> <p>Jun. 2012 Manager in charge of Legal Affairs, Bureau of General Affairs, Tokyo Metropolitan Government</p> <p>Apr. 2017 Legal Expert, Himeji City Government</p> <p>Apr. 2019 Associate Professor (Part-time), Konan Law School</p> <p>Apr. 2021 Joined Kobe City Law Office (current position)<br/>Legal Support Officer (Part-time), Administration and Finance Bureau, Kobe City Government (current position)</p> <p>(Significant concurrent position)<br/>Of Counsel, Kobe City Law Office</p> | —   |
| <p>[Reasons for nomination and the expected role]</p> <p>Ms. Yutaka Inada is expected to supervise, and provide advice to, the directors on the execution of their duties by leveraging her abundant experience and expertise as an attorney at law and also her experience serving multiple government agencies, as well as based on her diverse perspectives. For these reasons, the Company believes that she is appropriate as Outside Director of the Company, and if elected, it expects her to monitor overall management and provide effective advice as Audit and Supervisory Committee Member.</p> |  |   |   |

- Notes:
1. None of the candidates for Directors has any special conflicts of interest with the Company.
  2. Ms. Misa Machida and Ms. Yutaka Inada are the candidates for Outside Director.
  3. Subject to the approval of the election of Ms. Misa Machida and Ms. Yutaka Inada, the Company plans to enter into an agreement with each of them under the provision of Article 427, Paragraph (1) of the Companies Act, which limits their liabilities for damages stipulated in Article 423, Paragraph (1) of the said Act. The limit on liabilities for damages under the agreement is set at the amount provided for by laws and regulations.
  4. The Company has concluded the D&O insurance contract stipulated in Article 430-3, Paragraph (1) of the Companies Act with an insurance company, covering legal damages and litigation expenses to be borne by the insureds due to execution of their duties (excluding certain cases that fall under the exemptions stipulated in the insurance contract). The Company bears the D&O insurance premium in full. If the candidates are reelected, they will be included in the insureds of the D&O insurance contract. The contract period of the D&O insurance is one (1) year, and we plan to renew it with a resolution of the Board of Directors before the expiration of that period.
  5. Subject to the approval of the election of Ms. Misa Machida and Ms. Yutaka Inada, the Company plans to designate and register them as independent officers in accordance with the regulations of the Tokyo Stock Exchange.

(Reference)

### Skill Matrix for Directors

\* Subject to approval of the election of all candidates for Directors at the General Meeting of Shareholders, the expertise and experience of Directors (including Directors who are audit & Supervisory Committee Members) are summarized as follows:

| Name             | Position  | Gender | Corporate Management | Finance/Accounting | Legal/Governance | Sales/Marketing | Manufacturing/R&D | IT/Digital technologies | Labor/HR |
|------------------|---|--------|----------------------|--------------------|------------------|-----------------|-------------------|-------------------------|----------|
| Hirokazu Numata  | President and Representative Director                       | Male   | ●                    |                    |                  | ●               | ●                 |                         |          |
| Yasuhiro Tanaka  | Executive Vice President and Representative Director        | Male   | ●                    |                    | ●                |                 |                   | ●                       | ●        |
| Yasuharu Kido    | Director  | Male   | ●                    | ●                  |                  |                 |                   |                         |          |
| Kazuo Asami      | Director  | Male   | ●                    |                    |                  |                 | ●                 |                         |          |
| Satoshi Nishida  | Director  | Male   | ●                    |                    |                  | ●               |                   |                         |          |
| Akihito Watanabe | Director  | Male   | ●                    |                    |                  | ●               | ●                 |                         |          |
| Koichi Masada    | Director (Full-time Audit and Supervisory Committee Member) | Male   |                      | ●                  |                  |                 |                   |                         |          |
| Takeshi Ieki     | Director (Audit and Supervisory Committee Member)           | Male   |                      | ●                  |                  |                 |                   |                         |          |
| Sachiko Nomura   | Director (Audit and Supervisory Committee Member)           | Female |                      |                    | ●                |                 |                   |                         |          |
| Misa Machida     | Director (Audit and Supervisory Committee Member)           | Female |                      | ●                  |                  |                 |                   |                         |          |
| Yutaka Inada     | Director (Audit and Supervisory Committee Member)           | Female |                      |                    | ●                |                 |                   |                         |          |

**Proposal No. 3 – Approval for Issuance of Share Acquisition Rights as Stock Options for Directors (excluding Directors Who are Audit and Supervisory Committee Members and Outside Directors) and Employees of the Company as well as Directors and Employees of its Subsidiaries**

Pursuant to the provisions of Articles 236, 238 and 239 of the Companies Act, the Company hereby requests approval to delegate its authority to the Board of Directors to decide the subscription requirements for share acquisition rights to be issued as stock options under particularly favorable conditions to Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors; hereinafter, the same shall apply in this proposal) and employees of the Company as well as directors and employees of its subsidiaries as described below. The purpose of issuing such share acquisition rights is to incentivize and raise awareness among them of contributing to improving the Group's business performance, thereby increasing its corporate value.

At the 36th Annual General Meeting of Shareholders held on January 27, 2022, the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company was approved to be up to five hundred (500) million yen (including up to thirty (30) million yen for Outside Directors) per year. At the same shareholders' meeting, the maximum amount of cash to be contributed by the Company as funds to acquire shares of the Company during the initial trust period of about five (5) years under the Board Benefit Trust plan for Directors was separately approved to be four hundred (400) million yen in total, and has remained the same to date. In this proposal, the Company also seeks approval to grant share acquisition rights to up to six (6) Directors as remuneration, etc., separately from the aforementioned amounts of remuneration.

The issuance of share acquisition rights to Directors of the Company falls under remuneration, etc. provided in Article 361, Paragraph 1, Item 4 of the Companies Act. Accordingly, the Company also asks for approval for the maximum number of share acquisition rights to be allotted to Directors and other matters specified in Article 98-3 of the Ordinance for Enforcement of the Companies Act.

The reason for issuing share acquisition rights under particularly favorable conditions to Directors and employees of the Company as well as directors and employees of its subsidiaries and the details of such share acquisition rights are as describe below.

1. Reason for the issuance of share acquisition rights under particularly favorable conditions

The Company will issue share acquisition rights without contribution to Directors and employees of the Company as well as directors and employees of its subsidiaries in order to incentivize and raise awareness among them of contributing to improving the Group's business performance, thereby improving its corporate value.

We believe that it is appropriate to grant share acquisition rights to Directors of the Company as their remuneration as they are to be granted as stock options.

The fair value of the share acquisition rights shall be calculated using the Black-Scholes Model based on various conditions on the date of allotment. The amount of share acquisition rights to be issued as remuneration for Directors shall be the fair value of each share acquisition right on the date of allotment multiplied by the total number of share acquisition rights to be allotted to Directors in office on that date.

2. Amount to be contributed for the share acquisition rights

No cash payment shall be required for the share acquisition rights.

3. Date of allotment of share acquisition rights

The decision shall be delegated to the Board of Directors of the Company.

4. Details of the share acquisition rights

(1) Class and number of shares underlying the share acquisition rights

The upper limit shall be 2,600,000 shares of common stock of the Company.

In the case that the Company conducts a stock split or a stock consolidation, the number of underlying shares shall be adjusted in accordance with the formula outlined below. However, such adjustment shall be made for the number of shares underlying the share acquisition rights that have not been exercised at that point in time, and any fraction of less than one (1) share resulting from the adjustment shall be omitted.

$$\begin{array}{l} \text{Number of shares} \\ \text{after adjustment} \end{array} = \begin{array}{l} \text{Number of shares} \\ \text{before adjustment} \end{array} \times \text{Ratio of stock split or consolidation}$$

In addition, in the event the Company engages in a merger, corporate split, share exchange or share transfer (hereinafter collectively, "Merger, etc."), makes a gratis allotment of shares, or any other events where adjustment of the number of underlying shares is required, the relevant number may be adjusted to a reasonable extent, taking into consideration the conditions of the Merger, etc. and gratis allotment of shares.

(2) Total number of share acquisition rights

The total number of shares acquisition rights shall be no more than 26,000, of which the number to be granted to Directors of the Company shall be up to 510. (The number of shares underlying each share acquisition right shall be 100 shares of common stock; provided, however, that if a share number adjustment set forth in (1) above is made, similar adjustment shall be applied.)

The above number is the number scheduled to be allotted. If the total number of share acquisition rights to be allotted is decreased, such as in the case where any share acquisition rights have not been subscribed for, the total number of share acquisition rights to be allotted shall be the total number of share acquisition rights to be issued.

(3) Value of assets to be contributed upon exercise of the share acquisition rights

The type of assets to be contributed upon exercise of the share acquisition rights shall be cash, and the amount shall be calculated by multiplying the amount to be contributed per share upon exercise of the share acquisition rights (hereinafter, the “Exercise Price”) by the number of shares underlying each share acquisition right. The Exercise Price shall be the closing price on the day on which the share acquisition rights are allotted (or the closing price on the day immediately preceding the allotment date, if it is a holiday or there are no transactions on that date).

If the Company conducts a stock split or a stock consolidation of shares of its common stock, the Exercise Price shall be adjusted in accordance with the ratio of the stock split or consolidation using the following formula, and any fraction of less than one (1) yen resulting from the adjustment shall be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Ratio of stock split or consolidation}}$$

Additionally, if the Company newly issues shares of common stock or disposes of its treasury shares at a price below the then-current market price (excluding (a) the sale of treasury shares pursuant to the provisions of Article 194 of the Companies Act (Demand for sale to holder of shares less than one (1) unit), (b) the conversion of securities to be or able to be converted into shares of common stock of the Company, and (c) the exercise of share acquisition rights (including those attached to bonds with share acquisition rights) that allow the holder to demand the issuance of shares of common stock of the Company), the Exercise Price shall be adjusted using the following formula, and any fraction of less than one (1) yen resulting from the adjustment shall be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Number of shares outstanding} + \frac{\text{Number of shares to be issued} \times \text{Amount to be paid in per share}}{\text{Market price per share before new issuance}}}{\text{Number of shares outstanding} + \text{Number of shares to be issued}}$$

The “Number of shares outstanding” in the above formula shall be the total number of shares of common stock of the Company issued less the number of treasury shares of common stock owned by the Company, and in the case of disposition of treasury shares, the “Number of shares to be issued” shall be read as the “Number of treasury shares to be disposed of.”

Furthermore, if the Company engages in a Merger, etc., the Exercise Price may be adjusted to a reasonable extent, taking into consideration the conditions of gratis allotment of shares, etc.

(4) Exercise period of the share acquisition rights

The exercise period shall be from April 1, 2027 to October 31, 2033.

(5) Matters concerning share capital and legal capital surplus to be increased in the event of the issuance of shares upon exercise of the share acquisition rights

(i) The amount of share capital to be increased through issuance of shares upon exercise of the share acquisition rights shall be an amount equivalent to a half of the maximum amount of increase in share capital, etc., calculated in accordance with Article 17, Paragraph 1 of the Regulation on Corporate Accounting, and any fraction of less than one (1) yen resulting from the calculation shall be rounded up.

(ii) The amount of legal capital surplus to be increased through issuance of shares upon exercise of the share acquisition rights shall be the amount obtained by subtracting the increase of share capital as provided in (i) above from the maximum amount of increase in share capital, etc. as also provided in (i) above.

- (6) Conditions for exercising the share acquisition rights
  - (i) A holder of the stock acquisition rights (a “Right Holder”) must maintain the position of director, corporate auditor, or employee of the Company, its subsidiaries or associates at the time of exercising the rights. However, this shall not apply to cases where a director or corporate auditor has retired at the expiration of his/her term of office, or an employee has retired upon reaching the retirement age. This shall not apply to cases where the Board of Directors of the Company deems that there is justifiable reason, either.
  - (ii) The inheritance of the share acquisition rights shall not be permitted.
  - (iii) Any other conditions for exercising the share acquisition rights shall be as provided for in the Share Acquisition Rights Allotment Agreement to be entered into between the Company and Right Holders based on the resolutions of the Board of Directors and this General Meeting of Shareholders.
- (7) Matters concerning acquisition of the share acquisition rights
  - (i) In the event that a Right Holder becomes no longer eligible to exercise his/her share acquisition rights as prescribed in (6) above, the Company may acquire the share acquisition rights without contribution.
  - (ii) In the event that a proposal for the approval of a merger agreement under which the Company shall become a non-surviving company, or a proposal for the approval of a share exchange agreement or a share transfer plan under which the Company shall become a wholly-owned subsidiary of another company is approved at a General Meeting of Shareholders of the Company, the Company may acquire the share acquisition rights without contribution.
- (8) Restriction on transfer of the share acquisition rights  
Any acquisition of the share acquisition rights by transfer requires approval by a resolution of the Board of Directors of the Company.
- (9) Treatment of the share acquisition rights upon organizational restructuring by the Company  
In the event that the agreement or plan document established upon an organizational restriction stipulates the issuance of share acquisition rights in stock companies as provided below, share acquisition rights in such stock companies shall be issued in accordance with the ratio of the organizational restructure.
  - (i) Merger (limited to cases where the Company shall become a non-surviving company)  
Stock company which survives the merger or stock company incorporated as a result of the merger
  - (ii) Absorption-type corporate split  
Stock company which succeeds all or part of the rights and obligations related to the absorbed business of a company which conducts the absorption-type corporate split
  - (iii) Incorporation-type corporate split  
Stock company established as a result of the incorporation-type corporate split
  - (iv) Share exchange  
Stock company which acquires all of the shares issued by a company engages in the share exchange
  - (v) Share transfer  
Stock company established as a result of the share transfer
- (10) Rounding down of fractions resulting from exercise of the share acquisition rights  
Any fractions of less than one (1) share included in the number of shares to be issued to Right Holders shall be omitted.
- (11) Matters concerning certificates of the share acquisition rights  
The Company shall not issue any certificates of the share acquisition rights.
- (12) Other details of the share acquisition rights  
Other details regarding the share acquisition rights shall be determined, together with other subscription requirements, at a meeting of the Board of Directors to be held in the future to resolve on the issuance of share acquisition rights for subscription.