

Securities Code: 4641

March 4, 2025

(Date of commencement of measures for electronic provision: March 4, 2025)

To Our Shareholders:

Atsushi Imamura, President

Altech Corporation

2-3-5 Minatomirai, Nishi-ku, Yokohama-shi, Kanagawa Prefecture

Notice of the 44th Annual Meeting of Shareholders

Dear Sir/Madam:

As always, we would like to start by thanking you all for your continued support.

We cordially invite shareholders to attend the 44th Annual Meeting of Shareholders as described below.

If you are not attending the Meeting, you may exercise your voting rights via the Internet or by post. Please refer to the Reference Document for the Annual Meeting of Shareholders below and exercise your voting rights by no later than 5:30 p.m., on Tuesday, March 25, 2025.

1. Date: 10:00 a.m., Wednesday, March 26, 2025

2. Venue: Conference Room, Altech Corporation Building No.1
5-4-12 Nishihashimoto, Midori-ku, Sagamihara-shi, Kanagawa Prefecture

**3. Purpose of
the Meeting**

Items to be
reported:

- (1) The business report, the consolidated financial statements, and the results of consolidated financial statement audits by the Accounting Auditor and the Audit & Supervisory Board for the 44th business period (January 1, 2024 to December 31, 2024)
- (2) The non-consolidated financial statements for the 44th business period (January 1, 2024 to December 31, 2024)

Items to be
resolved:

- Proposal 1: Appropriation of Retained Earnings
Proposal 2: Election of Eight (8) Directors
Proposal 3: Renewal of Countermeasures to Large-scale Acquisitions of the Shares in the Company (Takeover Defense Measures)

In convening this Annual Meeting of Shareholders, the Company has taken measures for electronic provision of the information contained in the “Notice of the 44th Annual Meeting of Shareholders” and the “Other Matters Subject to Electronic Provision for the 44th Annual Meeting of Shareholders (Matters Omitted from the Issued Document)” on the following websites.

[Company Website] <https://www.alpsgiken.co.jp/ir/library/convocation.html>



In addition to the above, the information is also available on the following website:

[Tokyo Stock Exchange Website]
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>



Please visit the website above, enter and search for either "Altech Corporation" or the Company's securities code, select "Basic information" and then "Documents for public inspection/PR information."

End of document

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- In accordance with laws and regulations and Article 14 of the Articles of Incorporation of the Company, the following matters are posted on the above websites and thus are not included in this Notice.

1) Consolidated Financial Statements (Notes to Consolidated Financial Statements)

2) Non-consolidated Financial Statements (Notes to Non-consolidated Financial Statements)

Accordingly, the documents contained in this Notice of the Annual Meeting of Shareholders form part of the documents audited by the Audit & Supervisory Board Members or the Accounting Auditor in preparing the audit report.

- When attending the meeting, please submit the enclosed voting form at the reception desk.
- If you attend the Annual Meeting of Shareholders after it starts, we may take you to the second venue. We appreciate your understanding in advance.
- If there are any amendments to the matters subject to electronic provision, the amendments will be posted on the respective websites.



Instructions on the exercise of voting rights

Voting rights at the Annual Meeting of Shareholders are an important right of shareholders.

Before exercising voting rights, please review the Reference Document for the Annual Meeting of Shareholders.

You can exercise your voting rights in the following three ways.



Exercising voting rights via the Internet

Please follow the instructions on the next page to enter your approval or disapproval of the respective proposals.

Submission deadline

**Those entered no later than
5:30 p.m., Tuesday, March
25, 2025**



Exercising voting rights in writing (by post)

Please indicate your vote of approval or disapproval for each item on the agenda on the enclosed voting form, and return it.

If there is no indication of approval or disapproval for any item on the agenda on the voting form, it will be deemed an indication of approval.

Submission deadline

**Those received no later than
5:30 p.m., Tuesday, March
25, 2025**



Attending the Annual Meeting of Shareholders

Please submit the enclosed voting form at the reception desk.

Date

**10:00 a.m., Wednesday, March
26, 2025**

If you exercise your voting rights both in writing (by post) and via the Internet, your vote via the Internet will be deemed valid.

If you exercise your voting rights multiple times via the Internet, your final vote will be deemed valid.

By QR Code Scan: "Smart Exercise"

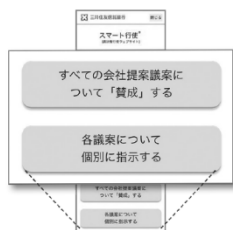
You can log in to the website for exercising voting rights without entering your voting code and password.

1. Scan the QR code at the the bottom right of the voting form.



* "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.

2. Follow the instructions on the screen to enter your approval or disapproval.



You can exercise your voting rights only once through "Smart Exercise."

If you wish to change your vote after voting, you will be asked to access the PC website, login by entering the voting code and password included on the voting form, and exercise your voting rights again.

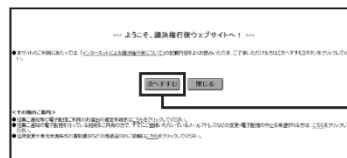
* If you scan the QR code again, you will be transferred to the PC website.

By entering the voting code and password

Designated website for exercising voting rights

<https://www.web54.net>

1. Access the website to exercise your voting rights.



Click "Next"

2. Enter the voting code indicated on the voting form.



Enter the voting code

Click "Login"

3. Enter the password indicated on the voting form.



Enter the password

Click "Next"

4. Follow the instructions on the screen to enter your approval or disapproval.

Any inquiries regarding the exercise of voting rights via the Internet shall be directed to the web support mentioned at the right.

Sumitomo Mitsui Trust Bank, Limited Web Support, Stock Transfer Agency Business Planning Dept.
Phone Toll Free: 0120 (652) 031
(Available from 9:00 to 21:00)

To institutional investors: You can use the "Electronic Voting Platform" operated by ICJ, Inc.

Reference Document for the Annual Meeting of Shareholders

Proposal 1: Appropriation of Retained Earnings

The Company positions the return of profits to shareholders as one of the important management issues.

The Company proposes to dispose of retained earnings as follows, taking into consideration the business results of the fiscal year under review and the continuation of stable dividends.

Matters concerning year-end dividends

(1) Type of dividend property

Money

(2) Matters concerning allotment of dividend property and the total amount thereof

49 yen per share of common stock of the Company, Total dividends of 973,904,351 yen

As the Company has paid interim dividends of 44 yen, annual dividends for the fiscal year under review shall amount to 93 yen per share.

(3) Date on which the dividend of surplus becomes effective

March 27, 2025

Proposal 2: Election of Eight (8) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this Annual Meeting of Shareholders. Accordingly, in order to strengthen our management framework, the Company proposes to increase the number of Directors by one and elect eight (8) Directors.

The candidates for Director are as follows:

Candidate Number	Name (Date of Birth)	Career summary, position, responsible area of business, and status of important concurrent positions	Number of shares of the Company owned
1	Nobuyuki Watanabe (May 17, 1963) <u>Reappointment</u>	<p>May 2015 Joined Altech Corporation</p> <p>September 2016 Corporate Officer and General Manager, Corporate Planning Department, Altech Corporation</p> <p>March 2017 Director and General Manager, Corporate Planning Department, Altech Corporation</p> <p>March 2018 Managing Director and General Manager, Personnel Department, Altech Corporation</p> <p>September 2019 Managing Director, Altech Corporation</p> <p>September 2020 Managing Director and General Manager, Corporate Planning Department, Altech Corporation</p> <p>March 2021 Senior Managing Director and General Manager, Corporate Planning Department, Altech Corporation</p> <p>July 2022 Director and Vice President, General Manager, Corporate Planning Department, Altech Corporation</p> <p>March 2024 Director and Vice President, Altech Corporation</p> <p>September 2024 Director and Chairman, Altech Corporation (to present)</p>	67,360 shares
<p>< Reasons for nomination as a candidate for Director ></p> <p>Mr. Nobuyuki Watanabe has business experience in the Business Department, Corporate Planning Department, and Personnel Department, and has excellent business management and executive abilities. He also actively contributes to discussions and deliberations at the Board of Directors. Based on past achievements, the Company expects that he will continue to appropriately fulfill the responsibilities of Director. Therefore, the Company has nominated him as a candidate for Director.</p>			
2	Yasushi Sudo (December 11,	<p>February 1988 Joined Altech Corporation</p> <p>July 2001 President, Digital Spice Corporation</p>	32,250 shares

Candidate Number	Name (Date of Birth)	Career summary, position, responsible area of business, and status of important concurrent positions	Number of shares of the Company owned
	1962) <u>Reappointment</u>	<p>July 2020 Joined Altech Corporation Corporate Officer, Altech Corporation</p> <p>March 2021 Director, Altech Corporation</p> <p>March 2023 President, DONKEY Corporation (to present) Director and Chairman, Digital Spice Corporation (to present)</p> <p>September 2024 Managing Director, Altech Corporation (to present)</p>	
	<p>< Reasons for nomination as a candidate for Director ></p> <p>Since joining the Company, Mr. Yasushi Sudo has worked as an engineer and in the Sales and Manufacturing Departments. He also started a manufacturing company and has many years of experience and deep insight as a corporate manager. Based on past achievements, the Company expects that he will continue to appropriately fulfill the responsibilities of Director. Therefore, the Company has nominated him as a candidate for Director.</p>		

Candidate Number	Name (Date of Birth)	Career summary, position, responsible area of business, and status of important concurrent positions		Number of shares of the Company owned
3	Hideyuki Ota (November 19, 1972) <u>New appointment</u>	April 1995	Joined Altech Corporation	17,710 shares
		January 2010	General Manager, Personnel Department, Altech Corporation	
		March 2012	General Manager, General Affairs Department, Altech Corporation	
		March 2014	Corporate Officer and General Manager, General Affairs Department, Altech Corporation	
		July 2014	Corporate Officer and General Manager, Personnel Department, Altech Corporation	
		January 2015	Corporate Officer and General Manager, Minami-Kanto Division, Altech Corporation	
		March 2021	General Manager, Personnel Department, Altech Corporation	
		March 2022	Corporate Officer and General Manager, Personnel Department, Altech Corporation	
		March 2024	Corporate Officer and General Manager, General Affairs Department, Altech Corporation	
		September 2024	Corporate Officer, Altech Corporation (to present) President and Representative Director, Alps Care Heart Corporation (to present)	
	<p>< Reasons for nomination as a candidate for Director ></p> <p>Since joining the Company as a new recruit, Mr. Hideyuki Ota has worked in the Administrative and Business Departments, and has excellent business management abilities and executive abilities of the group companies. The Company expects that he will continue to utilize his know-how for decision-making and execution of duties of the Board of Directors. Therefore, the Company has newly nominated him as a candidate for Director.</p>			
4	Kiyokazu Matsumoto (November 6, 1967) <u>New appointment</u>	May 2021	Joined Altech Corporation	5,000 shares
		July 2021	Deputy General Manager, Business Promotion Department, Altech Corporation	
		September 2022	General Manager, Naka-Nippon Division, Altech Corporation	

Candidate Number	Name (Date of Birth)	Career summary, position, responsible area of business, and status of important concurrent positions	Number of shares of the Company owned
		<div>March 2023 Corporate Officer and General Manager, Naka-Nippon Division, Altech Corporation</div> <div>March 2024 Corporate Officer and General Manager, Personnel Department, Altech Corporation (to present)</div>	
	<p>< Reasons for nomination as a candidate for Director ></p> <p>Mr. Kiyokazu Matsumoto has business experience in the Business Department, Business Promotion Department, and Personnel Department, and has excellent business management and executive abilities. The Company expects that he will appropriately fulfill the responsibilities of Director by capitalizing on his prior experience at a financial institution. Therefore, the Company has newly nominated him as a candidate for Director.</p>		

Candidate Number	Name (Date of Birth)	Career summary, position, responsible area of business, and status of important concurrent positions	Number of shares of the Company owned
5	Atsushi Imamura (January 10, 1969) <u>Reappointment</u>	<p>April 1990 Joined Altech Corporation</p> <p>October 2006 General Manager, Engineering Department, Altech Corporation</p> <p>March 2009 General Manager, Tokai Division, Altech Corporation</p> <p>March 2012 General Manager, Business Promotion Department, Altech Corporation</p> <p>March 2013 Corporate Officer and General Manager, Business Promotion Department, Altech Corporation</p> <p>March 2014 Director and General Manager, Business Promotion Department, Altech Corporation</p> <p>March 2015 President and Representative Director, Altech Corporation (to present)</p>	136,685 shares
<p>< Reasons for nomination as a candidate for Director ></p> <p>Since joining the Company as a new recruit, Mr. Atsushi Imamura has accumulated experience as an engineer, and a manager of the Education and Training Department and the Sales Department. In addition, he has been supervising corporate management for many years as the President and Representative Director of the Company, and has deep insight into overall management. Based on past achievements, the Company expects that he will continue to appropriately fulfill the responsibilities of Director. Therefore, the Company has nominated him as a candidate for Director.</p>			
6	Eigo Nosaka (May 6, 1972) <u>Reappointment</u>	<p>December 1999 President & CEO, Treasure Factory Co., LTD. (to present)</p> <p>March 2016 Outside Director, Altech Corporation (to present)</p>	0 shares
<p>< Reasons for nomination as a candidate for Outside Director and expected roles ></p> <p>Mr. Eigo Nosaka is actively pursuing business development in Japan and overseas as a corporate manager. The Company expects that he will be able to provide appropriate advice and recommendations to ensure adequacy and appropriateness from an independent perspective from management in decision-making of the Board of Directors based on his extensive experience and deep insight. Therefore, the Company has nominated him as a candidate for Outside Director. At the conclusion of this Annual Meeting of Shareholders, his term of office as Outside Director of the Company is nine years.</p>			

Candidate Number	Name (Date of Birth)	Career summary, position, responsible area of business, and status of important concurrent positions	Number of shares of the Company owned
7	Masatoshi Go (July 28, 1959) <u>Reappointment</u>	<p>October 2000 President, Tsunami Network Partners Corporation (currently TNP Partners Corporation) (to present)</p> <p>November 2013 Chairperson, TNP On the Road Corporation</p> <p>July 2016 President, TNP Threads of Light Corporation (to present)</p> <p>May 2017 Audit & Supervisory Board Member, MM Research Institute, Ltd. (to present)</p> <p>March 2018 Outside Director, Altech Corporation (to present)</p> <p>November 2023 President, TNP On the Road Corporation (to present)</p>	0 shares
<p>< Reasons for nomination as a candidate for Outside Director and expected roles ></p> <p>Mr. Masatoshi Go has many years of extensive experience and deep insight as a corporate manager. The Company expects that he will be able to provide appropriate advice and recommendations to ensure adequacy and appropriateness from an independent perspective from management in decision-making of the Board of Directors. Therefore, the Company has nominated him as a candidate for Outside Director. At the conclusion of this Annual Meeting of Shareholders, his term of office as Outside Director of the Company is seven years.</p>			
8	Takako Shijo (October 30, 1959) <u>Reappointment</u>	<p>September 1986 Began writing</p> <p>December 1992 Writer, Gyosei Corporation (to present)</p> <p>March 2006 Writer, Kanagawa Shimbun (to present)</p> <p>March 2024 Outside Director, Altech Corporation (to present)</p>	0 shares
<p>< Reasons for nomination as a candidate for Outside Director and expected roles ></p> <p>Ms. Takako Shijo has a historical and managerial perspective through her many years of reporting and writing. The Company expects that he will be able to provide appropriate advice and recommendations to ensure adequacy and appropriateness from an independent perspective from management in decision-making of the Board of Directors. Therefore, the Company has nominated her as a candidate for Outside Director. At the conclusion of this Annual Meeting of Shareholders, her term of office as Outside Director of the Company is one year.</p>			

- (Notes) 1. There is no special interest between the candidates for Director and the Company.
2. Mr. Eigo Nosaka, Mr. Masatoshi Go and Ms. Takako Shijo are candidates for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act,

and meet the criteria for independence of Outside Directors stipulated by the Company.

3. Mr. Eigo Nosaka Mr. Masatoshi Go and Ms. Takako Shijo meet the requirements for the criteria for independence based on the provisions of the Tokyo Stock Exchange, and the Company has designated them as independent officers and reported their positions to the Exchange. If their reappointment is approved, the Company will continue to appoint them as independent officers.
4. Limitation of Liability Agreements with Candidates for Outside Directors
The Company has entered into a liability limitation agreement with Mr. Eigo Nosaka, Mr. Masatoshi Go and Ms. Takako Shijo under Article 427, Paragraph 1 of the Companies Act in accordance with Article 31 of the Articles of Incorporation, and will continue the liability limitation agreement if their reappointment is approved. The maximum amount of damages under the agreement is limited to the amount stipulated by laws and regulations.
5. The Company has concluded a liability insurance contract for officers and directors with an insurance company as prescribed in Article 430-3, Paragraph 1 of the Companies Act. The details of the contract are outlined in “4. Officers, (3) Outline of the Liability Insurance Contract for Officers and Directors” of the Business Report. If the election of each candidate is approved, they will be the insured under this policy. The Company plans to renew the contract under the same terms at the next renewal.

(Reference) If this proposal is approved, the skill matrix for Directors will be as follows.

[List of Directors' Skill Matrix] *"○" refers to the field of knowledge and experience each Director possesses.

Name	Corporate management	Technology	Sales	Human resources development	Recruiting	Manufacturing	Global	Entrepreneurship	ESG	Financial accounting	Legal affairs
Nobuyuki Watanabe	○		○	○	○		○	○	○	○	○
Yasushi Sudo	○	○	○		○	○		○			
Hideyuki Ota	○		○	○	○			○	○		
Kiyokazu Matsumoto			○	○	○				○	○	○
Atsushi Imamura	○	○	○	○	○	○	○	○	○		
Eigo Nosaka	○		○	○	○		○	○	○		
Masatoshi Go	○		○	○		○		○	○	○	○
Takako Shijo				○		○		○	○		

[Definition of Skills]

Skill	Definition
Corporate management	Possess abundant experience and expertise in corporate management as a corporate manager, and be able to use this knowledge in the duties of Director
Technology	Possess extensive practical experience and high level of competence in any of the technologies of the Company's business areas, and be able to use this knowledge in the duties of Director
Sales	Possess extensive practical experience and high level of competence in sales, and be able to use this knowledge in the duties of Director
Human resources development	Possess extensive practical experience and high level of competence in human resource development, and be able to use this knowledge in the duties of Director
Recruiting	Possess extensive practical experience and high level of competence in recruiting, and be able to use this knowledge in the duties of Director
Manufacturing	Possess extensive practical experience and high level of competence in manufacturing, and be able to use this knowledge in the duties of Director
Global	Possess extensive practical experience and high level of competence in global business, and be able to use this knowledge in the duties of Director
Entrepreneurship	Possess extensive practical experience of either developing ventures or new businesses or acting as an entrepreneur, and be able to use this knowledge in the duties of Director
ESG	Be able to use broad knowledge of ESG in the duties of Director
Financial accounting	Possess extensive practical experience and high level of competence in finance and accounting, and be able to use this knowledge in the duties of Director
Legal affairs	Possess extensive practical experience and high level of competence in legal affairs, and be able to use this knowledge in the duties of Director

Proposal 3: Renewal of Countermeasures to Large-scale Acquisitions of the Shares in the Company (Takeover Defense Measures)

With the approval of shareholders at the 41st Annual Meeting of Shareholders held on March 24, 2022, the Company introduced countermeasures for large-scale acquisitions of the shares in the Company (hereinafter referred to as the “Plan”) with the aim of securing and enhancing its corporate value and the common interests of shareholders. The effective period of the Plan will mature upon the conclusion of the 44th Annual Meeting of Shareholders to be held in March 2025.

The Company has been reviewing the pros and cons of the Plan and its ideal form in light of discussions on takeover defense measures, etc.

As a result of continuing to provide services performed by highly skilled engineers to address the social issue of the shortage of engineers, an issue that has persisted since Japan’s high-growth period, the Company has earned the trust of customers with its technological and human capabilities, expanded its scale as a partner in the manufacturing industry, and continued to enhance corporate value and the common interests of shareholders. Moreover, in order to further enhance corporate value and the common interests of shareholders, in July 2023 we formulated our 12th five-year plan, “Taking on the Challenge of Becoming a Partner in a Co-Creating Society by Utilizing Technology, ” and are working to create new value as a partner in society, without limiting ourselves to the manufacturing industry, by engaging in new businesses that contribute to solving social issues, including agriculture and nursing care businesses, utilizing the technological and human capabilities we have cultivated over the years. In addition, we believe it is important to achieve stable and continuing development based on forward thinking by promoting a variety of measures, including the expansion of the Group’s human resources business, the manufacturing business utilizing our technological capabilities, and the promotion of aggressive investment in cutting-edge technologies and the environmental field revolving around sustainability, both areas which are expected to grow. To that end, in order to prevent acquisitions that could harm corporate value, we have concluded that continuing the Plan would contribute to securing and enhancing our corporate value and the common interests of shareholders.

Accordingly, the Company has decided to renew the Plan, subject to the approval of shareholders at this general meeting, as an initiative aimed at preventing inappropriate persons from controlling decisions on its financial and business policies.

Therefore, the Company requests the approval of shareholders to renew the Plan.

I. Basic policy concerning persons who control decision-making on financial and business policies of the Company (the “Basic Policy”)

The Company believes that persons who control decision-making on its financial and business policies need to understand the sources of its corporate value, continue to grow it as an engineer staffing company, and stably secure and enhance its corporate value and the common interests of shareholders. We do not categorically oppose large-scale purchases of shares as long as they contribute to our corporate value and the common interests of shareholders.

With regard to the profile of our shareholders, we believe that shares owned by shareholders are

to be determined through free transactions in the markets as a public company. Therefore, the Company believes that the final decision on whether or not to accept an acquisition proposal involving the transfer of control of the Company will ultimately be based on the intention of shareholders.

However, it is assumed that some large-scale acquisitions of shares and acquisition proposals (i) may clearly harm corporate value and, as a result, the common interests of shareholders in light of the purpose of the purchase, post-purchase management policy and others, (ii) are to be executed without granting a reasonable necessary period of time to present an alternative to the purchase, and (iii) may pose a serious risk of conflicting with corporate value of the Company and the common interests of shareholders by destroying relationships with stakeholders, including employees and clients, which are indispensable for the sustainable growth of corporate value.

Believing that persons who make such large-scale acquisitions or acquisition proposals are not appropriate to exercise control over decisions on its financial and business policies, the Company has introduced the Plan to secure its corporate value and the common interests of shareholders.

II. Efforts aimed at realizing the Basic Policy

1. Efforts to enhance corporate value

Since its foundation in 1968, the Company has grown as an engineer staffing company that aims to be an equal partner in the manufacturing industry and supports the development of the Japanese manufacturing industry by creating high added value through the provision of superior technological capabilities and solutions in the product development and design areas, under its “Heart to Heart” corporate philosophy, which signifies our belief that connections of the heart between people is fundamental to both the development of society and business and technological development.

In July 2023, the Group adopted the theme of “Taking on the Challenge of Becoming a Partner in a Co-Creating Society by Utilizing Technology” as its new five-year plan. Specifically, we will steadily execute initiatives to enable us to take on challenges in the new domains of engineering outsourcing, developing new earnings pillars, contributing to creating a sustainable, prosperous society, and employing digitalization to foster an organization/climate in which diverse human resources thrive.

(1) Initiatives for “Taking on the Challenge of Becoming a Partner in a Co-Creating Society by Utilizing Technology” (summary)

1) Create sustainable competitive advantages in the outsourcing market

Technical skills that engineers need to acquire are changing, triggered by the development of advanced technologies such as AI and robotics. Work areas in which engineers can play an active role are also changing. The Group will take advantage of its experience in personnel training cultivated since its foundation to nurture engineers who remain competent in state-of-the-art technology. Further, we will utilize the acquired skills to take on the challenge of entering new business areas that are not bound by existing frameworks. We will take the

initiative in taking on the challenges of new products and services that emerge from the development of cutting-edge technologies, as well as new industries and businesses that will require new technologies due to social changes.

2) Create new earnings pillars

Taking advantage of the Group's experience in human resource services and technological capabilities, we have continued to expand the agriculture and nursing care businesses we entered to help resolve social issues. Going forward, we aim to further build on these businesses and raise their earnings capacity by strengthening integration with technology. In the manufacturing business, we aim to expand the scale of our business by creating high value-added products in fields showing strong growth potential, such as medicine, space, agriculture and the environment. In our global business, we will expand the scope and regions of our human resource services and drive the creation of new businesses locally. We will take on the challenge of making agriculture, nursing care, manufacturing, and our global businesses new earnings pillars following the engineering outsourcing business.

3) Contribute to creating a sustainable, prosperous society

We will develop forward looking nursing care facilities where each person finds life and work satisfying to lead a spiritually enriching life, and supply chains that add value to local resources and connect production and consumption areas. Further, by leveraging the technological and personnel expertise we have accumulated, we aim to create new businesses with an entrepreneurial spirit that lead to regional revitalization.

4) Employ digitization to foster an organization/climate in which diverse human resources thrive

We will take on the challenge of transforming our business processes and models by leveraging our digitized management resources and developed platforms to improve operational efficiency. We will enhance the environment in which each employee works and one that helps them to grow and take on challenges, and foster a climate in which diverse and highly engaged human resources thrive.

(2) Initiatives to enhance corporate value by strengthening corporate governance

The Company considers the enhancement of corporate governance as one of its management priorities in order to become a company widely trusted by society. To this end, we strive to ensure the transparency, fairness, and efficiency of management by appointing outside directors to the Board of Directors.

As a company with an audit & supervisory board, we strive to enhance the effectiveness of management through audits by Audit & Supervisory Board members, including highly independent outside Audit & Supervisory Board members, and to strengthen monitoring and oversight functions in the decision-making process of the Board of Directors.

In addition, the Company strives to strengthen internal management systems through the development of risk management and internal control systems, and promotes sound corporate

activities based on the Corporate Ethics Charter and the Code of Conduct to enhance governance.

As an initiative aimed at enhancing corporate value and the common interests of shareholders, the Company has set the term of office of Directors at one year in order to make clear management's responsibility to shareholders.

We are working to secure and enhance our corporate value and the common interests of shareholders by implementing various measures as shown above.

III. Efforts to prevent persons who are inappropriate in light of the Basic Policy from controlling decision-making on financial and business policies (countermeasures to large-scale acquisitions of the shares in the Company (Takeover Defense Measures))

1. Purpose of the Plan

Countermeasures for large-scale acquisitions of shares in the Company (hereinafter referred to as the "Plan") are to be taken in accordance with the Basic Policy, with the aim of securing and enhancing our corporate value and the common interests of shareholders.

Since the possibility of increasing liquidity in shares issued by the Company cannot be denied, in order to prevent persons who are inappropriate in light of the Basic Policy from controlling decision-making on the financial and business policies of the Company, it is intended to make clear the procedures for an acquirer of shares in the Company, etc. to comply with (hereinafter referred to as the "Large-scale Purchase Rules"), secure necessary and sufficient information and time for shareholders to make appropriate decisions, and secure opportunities for negotiations with the acquirer by the Board of Directors and the Independent Committee.

2. Details of the Plan

(1) Procedures that acquirers are required to comply with (Large-scale Purchase Rules)

For a large-scale purchase of 20% or more of shares in the Company, the Plan requires an acquirer to provide information related to the purchase in advance and, after securing time for the Company to collect and examine information related to the purchase, establishes procedures for presenting to shareholders plans and alternative proposals, etc. of the Company's Board of Directors and conducting negotiations, etc. with the acquirer.

(2) Measures in the event of non-compliance with the Large-scale Purchase Rules, etc.

If an acquirer conducts a purchase without complying with the Large-scale Purchase Rules, the Company may, as a countermeasure, allot share acquisition rights with conditions that prevent exercise thereof by the acquirer and that the share acquisition rights may be acquired from a person other than the acquirer in exchange for Company shares (hereinafter referred to as the "Share Acquisition Rights") without consideration to all shareholders at the time excluding the Company. The decision on whether or not to implement the allotment of Share Acquisition Rights without consideration shall be determined by an Independent Committee composed of persons appointed by the Board of Directors. If the allotment of Share

Acquisition Rights without consideration is made in accordance with the Plan, and shares of the Company are delivered to shareholders other than the acquirer upon the exercise of the Share Acquisition Rights or acquisition by the Company, the proportion of voting rights of the shares of the Company held by the relevant acquirer may be diluted by up to 50%.

(3) Establishment of an Independent Committee

The Board of Directors shall establish an Independent Committee in accordance with the Independent Committee Rules (Exhibit 1 “Summary of the Independent Committee Rules”) as an body for properly implementing the rules provided for in the Plan and preventing the Board of Directors from making arbitrary decisions. In order to ensure the objectivity and reasonableness of the Independent Committee, the Board of Directors shall appoint as members of the Independent Committee outside Audit & Supervisory Board Members and experts who are highly independent from the management team responsible for the execution of business.

The decision on whether or not to implement the allotment of Share Acquisition Rights without consideration shall be determined by an Independent Committee in order to eliminate arbitrary decisions by the Board of Directors of the Company.

The number of members of the Independent Committee shall be three (3) or more, and their terms of office shall expire at the conclusion of the last annual meeting of shareholders in the business year ending within three (3) years after their election.

The names and career summaries of members of the Independent Committee at the time of renewal of the Plan are shown in Exhibit 2.

(4) Plan Procedures

This Plan shall apply to cases where a purchase of shares in the Company or any other similar act or a proposal¹ thereof (excluding those separately decided by the Board of Directors not to apply the Plan, hereinafter referred to as a “Large-scale Purchase”) is made, which falls under any of the following.

A person who makes or intends to make a Large-scale Purchase (hereinafter referred to as the “Acquirer”) shall be required to follow the procedures predetermined in the Plan.

- 1) With regard to shares, etc.² where the Company is the issuer, a purchase which would bring the holding ratio⁴ of the shares, etc. of a shareholder³ to 20% or more; and
- 2) With regard to shares, etc.⁵ where the Company is the issuer, a tender offer which would bring the sum of the ownership ratio of shares, etc.⁷ subject to the tender offer⁶ and the ownership ratio of shares, etc. of persons with a special relationship⁸ to 20% or more;

1 Including acts to solicit purchases from third parties.

2 “Share certificates, etc.” as prescribed in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter unless otherwise specified.

3 A shareholder as defined in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act, including

those included as shareholders pursuant to Paragraph 3 of the same article. The same shall apply hereinafter.

- 4 “Holding ratio of share certificates, etc.” as prescribed in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.
- 5 “Share certificates, etc.” as prescribed in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply in 2) below.
- 6 “Tender offer” as defined in Article 27-2, Paragraph 6 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.
- 7 “Ownership ratio of share certificates, etc.” as prescribed in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.
- 8 “Persons with a special relationship” as defined in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act. However, persons set forth in Article 3, Paragraph 2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offers for Share Certificates, etc. by a Person Other than Issuer shall be excluded from persons set forth in Item 1 of said paragraph. The same shall apply hereinafter.

(5) Requests for an Acquirer to provide information

Prior to a purchase, an Acquirer shall submit to the Board of Directors documents specifying the information set forth below for the purpose of examining the terms of the purchase (hereinafter referred to as “Necessary Information”) and intent to comply with the procedures set forth in the Plan in conducting the purchase (hereinafter referred to as an “Offer Statement”) in Japanese using the prescribed form. When the Board of Directors receives an Offer Statement, it shall promptly disclose the same and submit the Offer Statement to the Independent Committee. If the Board of Directors or the Independent Committee determines that the content of the Offer Statement are insufficient as Necessary Information, they may request the Acquirer to submit additional necessary information directly or indirectly, setting a reasonable deadline as appropriate.

The Board of Directors will disclose, at the time it deems appropriate, that the Acquirer has made a purchase proposal and the outline thereof, the outline of essential information, and any other information deemed necessary for shareholders to make a decision.

- 1) Details of the Acquirer and its group (including joint holders⁹, persons with a special relationship, and persons with a special relationship of a person for which the Acquirer is a controlled corporation, etc.¹⁰) (including the name and address or location, title and name of representative, contact details in Japan, business description, career summary or history, corporate governance system, status of social responsibility (CSR) initiatives, capital structure, financial condition, status of legal compliance, and details of past transactions similar to the purchase by the relevant Acquirer, etc.)¹¹;
- 2) Purpose, method and terms of the purchase (including the value and type of consideration for the purchase, timing of the purchase, structure of related transactions, legality of the purchase method, and feasibility of the purchase);
- 3) Grounds for calculation of the purchase price (including facts and assumptions underlying the calculation, the calculation method, numerical information used in the calculation, and

information on synergies expected to arise from a series of transactions related to the purchase, as well as the amount thereof and the basis for the calculation);

- 4) Information on past acquisition(s) of shares, etc. of the Company by the Acquirer;
 - 5) Information substantiating that the Acquirer has sufficient funds for the purchase (including the specific name of the provider of funds for the purchase (including any substantial provider), financing method, and the details of related transactions);
 - 6) Post-purchase management policy (including policy for dealing with Company stakeholders), business plan, capital policy and dividend policy, and
 - 7) Other information that the Independent Committee deems reasonably necessary
- 9 Joint holders as defined in Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act, including persons recognized by the Board of Directors as deemed to be a joint shareholder pursuant to Paragraph 6 of said article. The same shall apply hereinafter.
 - 10 As defined in Article 9, Paragraph 5 of the Order for Enforcement of the Financial Instruments and Exchange Act.
 - 11 If the Acquirer is a fund, including information pursuant to 1) for each partner and other members.

(6) Independent Committee review period, etc.

After receiving an Offer Statement containing sufficient Necessary Information from the Acquirer, the Independent Committee shall establish a period of up to 60 days for a purchase of all shares in the Company through a tender offer for cash in Japanese yen only, and a period of up to 90 days for other Large-scale Purchases, as a period for an evaluation and review by the Independent Committee (hereinafter referred to as the “Independent Committee Review Period”) and shall promptly disclose information to that effect. During the Independent Committee Review Period, the Independent Committee shall review the terms of the purchase by the Acquirer, review alternative proposals presented by the Board of Directors, gather information on the business plans, etc. of the Acquirer and the Board of Directors, and conduct comparative reviews, etc., in order to review the terms of the purchase from the perspective of securing corporate value and the common interests of shareholders.

The Independent Committee may extend the Independent Committee Review Period only where there are reasonable grounds not to make recommendation on taking/not taking countermeasures by the time the initial Independent Committee Review Period matures (the maximum extension period shall be 30 days). In the event of such, the Independent Committee shall promptly disclose the reasons, etc. that have led to the extension of the Independent Committee Review Period.

When the Acquirer submits an Offer Statement or submits additional Necessary Information, the Independent Committee shall request the Board of Directors to submit, within a period specified by the Independent Committee, its opinion on the terms of the purchase and supporting materials, alternative proposals, and other information and materials deemed necessary by the Independent Committee as appropriate.

In addition, if the Independent Committee makes a request for discussions, negotiations, etc. to the Acquirer, either directly or through the Board of Directors, from the perspective of securing and enhancing corporate value and the common interests of shareholders, the Acquirer shall be required to respond promptly to such request.

To ensure that its judgment contributes to securing and enhancing corporate value and the common interests of shareholders, the Independent Committee may obtain advice from independent third parties (including financial advisors, certified public accountants, lawyers, consultants and other experts) at the Company's expense.

In order to enhance the transparency of its judgment, the Independent Committee shall promptly disclose the outline of the Offer Statement submitted by the Acquirer, the opinion of the Board of Directors on the terms of the purchase, an outline of alternative proposals presented by the Board of Directors, the extension of the review period, and other matters that the Independent Committee deems appropriate, excluding information that the Independent Committee deems inappropriate for disclosure, such as trade secrets.

(7) Recommendations of the Independent Committee regarding the activation of countermeasures

The Independent Committee shall implement the following procedures in the event that an Acquirer emerges. The Independent Committee shall disclose the content of recommendations and other matters to be determined in accordance with any of the following procedures promptly after making the decision:

1) When the Independent Committee recommends taking countermeasures

If the Acquirer fails to comply with the procedures stipulated in the Plan, or if the Independent Committee finds that corporate value and the common interests of shareholders will be substantially damaged, including whether a purchase by the Acquirer falls under any of the requirements set forth in (8) "Requirements for allotment of Share Acquisition Rights without consideration" below, and deems it appropriate to take countermeasures, the Independent Committee shall recommend to the Board of Directors to implement the allotment of Share Acquisition Rights without consideration.

However, even after the Independent Committee has once recommended implementing the allotment of Share Acquisition Rights without consideration, if it determines that any of the following apply, it may make a new recommendation up to two business days before the commencement date of the exercise period, to cancel the allotment of Share Acquisition Rights without consideration (up to the time the allotment without consideration becomes effective) or to acquire Share Acquisition Rights without consideration (after the allotment without consideration becomes effective).

- a. In the event the Acquirer withdraws the purchase after the relevant recommendation, or if the Acquirer otherwise ceases to exist
- b. In the event of changes in the facts, etc. underlying the judgment of the recommendation, causing the purchase by the Acquirer to not satisfy any of the requirements set forth in

(8) “Requirements for allotment of Share Acquisition Rights without consideration” below, or even if it does, it is not appropriate to implement the allotment of Share Acquisition Rights without consideration or to allow the exercise thereof

2) When the Independent Committee recommends not taking countermeasures

If the Independent Committee finds, as a result of the review of purchase terms of the Acquirer or negotiations with the Acquirer, etc., that the purchase by the Acquirer does not/no longer fall under any of the requirements set forth in (8) “Requirements for allotment of Share Acquisition Rights without consideration” below, or even if it does, when the Independent Committee deems it not appropriate to take countermeasures, it shall recommend to the Board of Directors not implementing the allotment of Share Acquisition Rights without consideration.

(8) Requirements for allotment of Share Acquisition Rights without consideration

If the Independent Committee finds that a purchase by the Acquirer significantly damages corporate value and the common interests of shareholders, including any of the following cases, and deems it appropriate to take countermeasures, the Independent Committee shall recommend to the Board of Directors implementing the allotment of Share Acquisition Rights without consideration.

It shall be implemented if it is reasonably determined that the relevant Large-scale Purchase is intended to significantly damage corporate value or the interests of shareholders as a whole, and countermeasures shall not be taken merely because the intention of the Acquirer formally falls under these conditions.

- 1) If the purchase does not comply with procedures for providing information and securing the review period set forth in the Plan
- 2) If the purchase significantly harms the Company’s corporate value and the common interests of shareholders, including the following:
 - a. Purchasing shares, etc. in the Company and demanding that the Company buy back those shares, etc. at a higher price;
 - b. Temporarily controlling management of the Company and conducting management aimed at realizing the interests of the Acquirer at the Company’s expense, including the acquisition of important assets, etc. of the Company at a low price;
 - c. Diverting Company assets to secure obligations of the Acquirer or its group companies, etc., or to fund the payment thereof, or any other similar acts;
 - d. Temporarily controlling management of the Company, causing it to dispose of high-value assets that are not currently related to the Company’s business, and using the proceeds from the disposal to pay temporarily large dividends or to sell the shares at a high price by taking advantage of a sharp rise in the share price due to temporarily large dividends

- e. Cases where the purchase is likely to effectively force shareholders to sell their shares, etc., such as a coercive two-stage purchase (a purchase through a tender offer, etc. where no solicitations for purchasing all the shares are made in the initial stage, and disadvantageous purchase terms are set or the purchase terms are not made clear in the second stage)

Even where the Independent Committee determines that any of 2) above applies, if it determines that it is appropriate to confirm the intention of shareholders as to the implementation of the allotment of Share Acquisition Rights without consideration, the Independent Committee may recommend that the Board of Directors convene a general meeting of shareholders and submit a proposal concerning the implementation, etc. of the allotment of Share Acquisition Rights without consideration.

(9) Resolution by the Board of Directors

1) Resolution of the Board of Directors

The Board of Directors shall respect the recommendations of the Independent Committee on the activation of countermeasures in III. 2. (7) above to the maximum extent possible and make a resolution as to whether or not to implement the allotment of Share Acquisition Rights without consideration. Even after the Independent Committee makes a recommendation to implement the allotment of Share Acquisition Rights without consideration, the Board of Directors may decide to cancel the allotment of Share Acquisition Rights without consideration or make other decisions if the Large-scale Purchase is withdrawn or there is any change in the facts, etc. that served as the basis for the judgment of such recommendation.

2) Confirmation of the intention of shareholders

If the Independent Committee recommends that a general meeting of shareholders be convened and that a proposal concerning the implementation of the allotment of Share Acquisition Rights without consideration be submitted, the Board of Directors shall convene a general meeting of shareholders promptly within the shortest practical period of time, except where it is extremely difficult to convene a general meeting of shareholders, submit a proposal concerning the implementation of the allotment of Share Acquisition Rights without consideration, and confirm the intention of shareholders.

3) Disclosure of information

If the Board of Directors resolves to implement or not to implement the allotment of Share Acquisition Rights without consideration, or resolves to convene a general meeting of shareholders as above, or a general meeting of shareholders passes a resolution concerning the implementation or non-implementation of the allotment of Share Acquisition Rights without consideration, the outline of the relevant resolution and other matters deemed appropriate by the Board of Directors shall be disclosed promptly.

The Acquirer shall not be permitted to execute the purchase until the Board of Directors

or a general meeting of shareholders passes a resolution concerning the implementation or non-implementation of the allotment of Share Acquisition Rights without consideration.

(10) Overview of Share Acquisition Rights

An overview of Share Acquisition Rights to be allotted without consideration under the Plan is as follows.

In the event that it is determined to implement a countermeasure, the Company shall allot to all shareholders at that point of time one (1) unit of the Share Acquisition Rights without consideration subject to (i) exercise conditions stating that the exercise of rights by the Acquirer shall not be permitted and (ii) acquisition conditions stating that the Company shall acquire one (1) unit of the Share Acquisition Rights from persons other than the Acquirer in exchange for the number of shares in the Company which shall not be more than one (1) and separately determined by the Board of Directors.

1) Number of Share Acquisition Rights

The number of Share Acquisition rights shall be the same as the final total number of issued shares of the Company (however, excluding the number of Company shares held by the Company at that point of time) as of a certain date (hereinafter referred to as the “Allotment Date”) separately determined by the Board of Directors or a general meeting of shareholders concerning the allotment of Share Acquisition Rights without consideration (hereinafter referred to as the “Resolution for Allotment of the Share Acquisition Rights without Consideration”).

2) Shareholders eligible for allotment

Share Acquisition Rights shall be allotted to shareholders other than the Company recorded in the final shareholder register on the Allotment Date at the ratio of one (1) unit of the Share Acquisition Right per share in the Company held by such shareholders.

3) Effective date of allotment of Share Acquisition Rights without consideration

The effective date shall be a date separately determined by the Resolution for Allotment of Share Acquisition Rights without Consideration.

4) Class and number of shares to be issued upon exercise of Share Acquisition Rights

The class of shares in the Company to be issued upon the exercise of Share Acquisition Rights shall be common shares, and the number of shares in the Company to be issued upon the exercise of Share Acquisition Rights shall be one (1) share or less, as separately determined by the Board of Directors.

5) Value of properties to be contributed upon exercise of the Share Acquisition Rights

The purpose of the contribution to be made upon the exercise of the Share Acquisition Rights shall be in money, and the value of the property to be contributed per share of the Company’s stock upon the exercise of the Share Acquisition Rights shall be separately determined by the Resolution for Allotment of the Share Acquisition Rights without

Consideration within the range from the minimum of one yen and up to a half of the market value of one share of the Company's stock.

6) Exercise period for Share Acquisition Rights

The first day shall be a date separately determined by the Resolution for Allotment of Share Acquisition Rights without Consideration (the first day of the exercise period is hereinafter referred to as the "Exercise Period Commencement Date"), and the exercise period shall generally be a period separately determined by the Resolution for Allotment of Share Acquisition Rights without Consideration within a range of one month to three months.

7) Exercise conditions for Share Acquisition Rights: (i) A specified large-volume holder¹², (ii) a joint holder of a specified large-volume holder, (iii) a specified large-volume acquirer¹³, (iv) a person with a special relationship of a specified large-volume acquirer, (v) a person who has been transferred or succeeded the Share Acquisition Rights from a person who falls under (i) through (iv) above without obtaining the approval of the Board of Directors, or (vi) a related person¹⁴ of a person who falls under (i) through (v) (hereinafter, persons who fall under (i) through (vi) are collectively referred to as "Non-eligible Persons") are not entitled to exercise Share Acquisition Rights.

- 12 A holder of share certificates, etc. issued by the Company whose holding ratio for the relevant share certificates, etc. is 20% or more (including persons deemed by the Board of Directors to fall under this category). However, any person recognized by the Board of Directors as falling under the above category involuntarily as a result of the Company's acquisition of treasury shares or for other reasons (provided, however, that this shall not apply to cases where the person has subsequently intentionally acquired additional share certificates, etc. of the Company), any person recognized by the Board of Directors that the acquisition and holding of share certificates, etc. of the Company by such person would not be contrary to the Company's corporate value or the common interests of shareholders, and other specified persons separately determined by the Board of Directors by the Resolution for Allotment of Share Acquisition Rights without consideration shall not fall under the category of specified large-volume holders. The same shall apply hereinafter.
- 13 A person who has made a public notice to the effect of making a purchase, etc. a purchase, etc. as defined in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act; the same shall apply hereinafter in this footnote) of share certificates, etc. (share certificates, etc. set forth in Article 27-2, Paragraph 1 of the said act; the same shall apply hereinafter in this footnote) issued by the Company through a tender offer, and whose ownership ratio of the share certificates, etc. held (including cases set forth in Article 7, Paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act as equivalent thereto) after the relevant purchase, etc., when combined with the ownership ratio of share certificates, etc. of those with a special relationship with the person, is 20% or more (including persons deemed by the Board of Directors to fall under these categories). However, any person whose acquisition or holding of Company share certificates, etc. is deemed by the Board of Directors not to be contrary to corporate value or the common interests of shareholders, or any other persons specified separately by the Board of Directors by the Resolution for Allotment of Share Acquisition Rights without Consideration shall not be a specified large-volume purchaser. The same shall apply hereinafter.
- 14 A "related person" of such person refers to a person who effectively controls, is controlled by, or is under shared control with such person (including those deemed by the Board of Directors to fall under this category), or is recognized by the Board of Directors as acting in concert with such person. "Control" refers to "having control

over decisions on financial and business policies” (as defined in Article 3, Paragraph 3 of the Ordinance for Enforcement of the Companies Act) of another company, etc.

In addition, non-residents who are required to follow prescribed procedures for exercising Share Acquisition Rights under applicable laws and regulations of foreign countries shall generally not be able to exercise Share Acquisition Rights (however, Share Acquisition Rights held by non-residents shall also be subject to acquisition by the Company with the Company’s shares being consideration, conditional on compliance with applicable laws and regulations). Furthermore, those who do not submit a written pledge in the format prescribed by the Company containing a representation and warranty clause regarding the fulfillment of the exercise conditions of the Share Acquisition Rights, an indemnity clause and other covenants shall not be able to exercise Share Acquisition Rights.

8) Transfer restrictions on Share Acquisition Rights

Acquisition by transfer of Share Acquisition Rights shall require the approval of the Board of Directors.

9) Acquisition of Share Acquisition Rights by the Company

The Company may, on a date separately determined by its Board of Directors, acquire Share Acquisition Rights held by a person other than Non-eligible Persons and, in exchange, deliver the number of shares in the Company separately determined by its Board of Directors, not more than one (1) share per unit of Share Acquisition Rights. Details of the terms of acquisition of Share Acquisition Rights shall be separately determined by the Resolution for Allotment of Share Acquisition Rights without Consideration.

In the event Company acquires Share Acquisition Rights held by a person not permitted to exercise Share Acquisition Rights, no monies, etc. shall be delivered as consideration.

10) Acquisition without consideration in the event of cancellation of the activation of countermeasures, etc.

If the Board of Directors cancels the activation of countermeasures or in other cases separately determined by the Board of Directors in the Resolution for Allotment of Share Acquisition Rights without Consideration, the Company may acquire all of the Share Acquisition Rights without consideration.

11) Delivery of Share Acquisition Rights in the event of a merger, absorption-type company split, incorporation-type company split, share exchange or share transfer

It shall be separately determined by the Resolution for Allotment of Share Acquisition Rights without Consideration.

12) Issuance of share acquisition right certificates

No share acquisition right certificates shall be issued for Share Acquisition Rights.

13) Other

In addition to the above, details of Share Acquisition Rights shall be separately determined by the Resolution for Allotment of Share Acquisition Rights without Consideration.

(11) Effective Period, amendments and abolishment of the Plan

The Plan shall become effective upon approval at the annual meeting of shareholders in March 2025. The effective period of the Plan shall be three (3) years up to the conclusion of the annual meeting of shareholders to be held in March 2028.

However, even during the effective period of the Plan, if a resolution to change or abolish the Plan is passed at a general meeting of shareholders of the Company, the Plan shall be changed or abolished at that time. Further, the Plan may be abolished by resolution by the Board of Directors.

The Company shall promptly disclose any resolution made to abolish or change the Plan.

3. Revisions due to amendment, etc. of laws and regulations

The provisions of laws and regulations referred to in the Plan are based on the provisions in force as of February 13, 2025, and if it becomes necessary to amend the provisions or the meanings of the terms set forth in the above paragraphs due to the establishment, amendment or abolition of laws and regulations after that date, the provisions or the meanings of the terms set forth in the above paragraphs may be replaced within a reasonable range as appropriate in consideration of the purpose of the relevant establishment, amendment or abolition. In addition, the Board of Directors may amend the Plan for minor changes to wording due to the revision of laws and regulations and changes in the rules of the Tokyo Stock Exchange, etc.

In such cases, details of the revisions shall be disclosed promptly.

4. Impact on shareholders and investors

(1) Impact on shareholders and investors at the time of the renewal of countermeasures

The Plan is intended to provide shareholders with information necessary for them to decide whether or not to accept Large-scale Purchases, and opinions of the Board of Directors, currently responsible for management, and to guarantee an opportunity for shareholders to be presented alternative proposals. We believe this will enable shareholders to make an appropriate decision on whether or not to accept Large-scale Purchases based on sufficient information, which will lead to the protection of the common interests of shareholders. Accordingly, the Company believes that establishment of the Plan is a prerequisite for shareholders and investors to make appropriate investment decisions, and will contribute to the interests of shareholders and investors.

The Company's response policy to Large-scale Purchases will differ depending on whether or not the Acquirer complies with the rules of the Plan. Accordingly, we request shareholders and investors pay attention to developments around the Acquirer. (The status of major shareholders of the Company as of December 31, 2024 is shown in Exhibit 3.)

As Share Acquisition Rights will not be issued at the time of renewal of the Plan, there will be no direct specific impact on the rights and interests of shareholders and investors.

(2) Impact on shareholders and investors in the event of a countermeasure taken

If an Acquirer fails to comply with the rules of the Plan, or if a purchase by the Acquirer is deemed to significantly harm corporate value and the common interests of shareholders and it is deemed appropriate to take countermeasures, the Board of Directors may take countermeasures for the purpose of protecting the common interests of shareholders. If the allotment of Share Acquisition Rights without consideration is to be made as a relevant countermeasure, the allotment date shall be determined in the relevant resolution and a public notice thereof shall be given. In the event of such, Share Acquisition Rights shall be allotted to shareholders recorded in the shareholder register of the Company on the Allotment Date at the ratio of one (1) unit of Share Acquisition Rights per share in the Company held by such shareholders without consideration.

Even if the Resolution for Allotment of Share Acquisition Rights without Consideration has been passed, the Company may, in accordance with recommendations of the Independent Committee, cancel the allotment of Share Acquisition Rights without consideration up to two business days prior to the ex-rights date in relation to the allotment of Share Acquisition Rights without consideration, or acquire Share Acquisition Rights without consideration during a period from the effective date of allotment of the Share Acquisition Rights without consideration up to the day before the Exercise Period Commencement Date. In the event of such, there will be no dilution in the value per share of Company stock. Accordingly, shareholders and investors who have engaged in transactions on the assumption that such dilution will occur may suffer unforeseen losses due to fluctuations in share prices.

(3) Procedures for shareholders upon activation of countermeasures

1) Procedures for the exercise of Share Acquisition Rights

The Company will send shareholders eligible for allotment documents to be submitted in order to exercise Share Acquisition Rights (in a form prescribed by the Company, containing necessary matters such as the terms and number of Share Acquisition Rights to be exercised and the date of exercise of Share Acquisition Rights, a representation and warranty clause from shareholders regarding the fulfillment of the exercise conditions of Share Acquisition Rights, an indemnity clause and other covenants) and other documents. Following the allotment of Share Acquisition Rights without consideration, shareholders shall be delivered shares of the Company's stock in the number separately determined by the Board of Directors but not more than one (1) share per unit of Stock Acquisition Rights by submitting these necessary documents and paying in a prescribed manner monies in an amount equivalent to the exercise price determined by the Resolution for Allotment of Share Acquisition Rights without Consideration within the range from one (1) yen per unit of Share Acquisition Rights at the minimum to not more than a half of the market value of one (1) share of the Company's stock within the exercise period of the Share Acquisition Rights. The exercise of Share Acquisition Rights by Non-eligible Persons shall be governed by the

terms separately established by the Company in accordance with the purpose of III. 2. (10) “Overview of Share Acquisition Rights” above.

Should shareholders not exercise the Share Acquisition Rights and pay monies equivalent to the exercise price, shares in the Company held by them will be diluted as a result of the exercise of Share Acquisition Rights by other shareholders.

However, the Company may acquire Share Acquisition Rights from shareholders other than Non-eligible Persons and deliver shares in the Company in exchange as per the description in 2) below. If the Company takes such acquisition procedure, shareholders other than Non-eligible Persons will receive shares in the Company without exercising Share Acquisition Rights and paying monies equivalent to the exercise price, and there will be no dilution of the shares in the Company held by such shareholders.

2) Procedure for the acquisition of Share Acquisition Rights by the Company

If its Board of Directors decides to acquire Share Acquisition Rights, the Company may, in accordance with statutory procedures, acquire Share Acquisition Rights from shareholders other than Non-eligible Persons on a date specified by its Board of Directors and deliver shares in the Company in exchange to the holders of the Share Acquisition Rights. In the event of such, shareholders who hold Share Acquisition Rights subject to the acquisition shall be delivered, without paying money equivalent to the exercise price, the Company’s stock in a number not exceeding one (1) share per unit of the Share Acquisition Rights as separately determined by the Board of Directors as consideration for the Company’s acquisition of the Share Acquisition Rights (in the event of such, such shareholders may be required to separately submit a written document in a format prescribed by the Company, containing a representation and warranty clause declaring that they are not Non-eligible Persons, an indemnity clause and other covenants).

In addition to the above, details including the method of allotment, method of exercise, and procedures for the acquisition of Share Acquisition Rights by the Company will be announced or notified to shareholders after the Resolution for Allotment of Share Acquisition Rights without Consideration is passed for review.

IV. The Plan should be in accordance with the Basic Policy

The Plan clearly states that an Acquirer of shares, etc. in the Company provide necessary and sufficient information regarding the purchase for shareholders and investors, the Board of Directors and the Independent Committee in advance, and that the Board of Directors may take countermeasures against an Acquirer who fails to comply with such requirements based on the recommendation of the Independent Committee.

It also clearly states that, even when the procedures set forth in the Plan are complied with, if the Independent Committee determines that the purchase by the Acquirer will result in clear infringement of corporate value and common interests of shareholders as set forth in the Plan, the Board of Directors may take a countermeasure against the Acquirer with the allotment of Share

Acquisition Rights without consideration in order to secure corporate value and the common interests of shareholders.

As above, the Company concludes that the Plan has been designed in accordance with the Basic Policy.

V. The Plan should not harm the common interests of shareholders of the Company

The Company concludes that the Plan does/will not harm the common interests of shareholders of the Company for the following reasons:

(1) Introduced with the aim of securing and enhancing the common interests of shareholders

The Plan has been introduced with the aim of securing and enhancing the Company's corporate value and the common interests of shareholders by, when a purchase of the shares in the Company is made, enabling shareholders to decide whether or not to accept the relevant purchase, and securing necessary information and time for the Board of Directors to gather opinions and present alternative proposals and to negotiate with an Acquirer for the benefit of shareholders.

(2) The intention of shareholders should be emphasized

The Plan was/will be established following approval at a general meeting of shareholders of the Company. In addition, as stated in III. 2. (11) above, the Plan has a sunset clause with an effective period of three years. Further, prior to the maturity of the effective period, if a resolution to change or abolish the Plan is passed by the Board of Directors or a general meeting of shareholders, the Plan shall be changed or abolished in accordance with said resolution. As above, it is based on the intention of shareholders.

VI. The Plan is not intended to maintain the position of the Company's corporate officers

We conclude that the Plan is not intended to maintain the position of the Company's corporate officers for the following reasons:

(1) Emphasis on the judgment of highly independent outside Audit & Supervisory Board Members and outside experts and information disclosure

In introducing the Plan, the Company has established an Independent Committee as a body to ensure proper implementation of the rules set forth in the Plan and elimination of any arbitrary decisions by its Board of Directors. The Independent Committee shall be composed of outside Audit & Supervisory Board Members and outside experts, who are independent from the management team responsible for business execution.

Information on the decisions of the Independent Committee shall be disclosed to shareholders as necessary to ensure that the Plan is implemented transparently to the extent that it contributes to corporate value and the common interests of shareholders.

(2) Establishment of reasonable and objective activation requirements

As described in III.2 (8) Requirements for allotment of Share Acquisition Rights without consideration above and III.2 (9) Resolution by the Board of Directors above, the Plan is

designed so that no activation will occur unless the predetermined reasonable and objective activation requirements are satisfied, securing a mechanism to prevent arbitrary activation by the Board of Directors.

(3) Obtaining the opinions of third-party experts

As stated in III. 2. (6) Independent Committee Review Period and others above, when an Acquirer emerges, the Independent Committee may obtain advice from independent third parties (financial advisors, certified public accountants, lawyers, consultants and other experts) at the expense of the Company, providing a mechanism to strongly secure the fairness and objectivity of the judgment of the Independent Committee.

(4) Not a dead-hand or slow-hand takeover defense

As stated in III. 2. (11) above, the Plan can be abolished by the Board of Directors composed of Directors who are elected at a general meeting of shareholders. Accordingly, it is possible for an Acquirer to nominate Directors at a general meeting of shareholders and have the Board of Directors composed of those Directors to abolish the Plan. Therefore, the Plan is not a dead-hand takeover defense measure (a takeover defense measure in which it is not possible to prevent countermeasures from being taken even if a majority of members of the board are replaced). In addition, since the term of office of Directors of the Company is one (1) year, the Plan is not a slow-hand takeover defense measure (a takeover defense measure in which it takes time to prevent the activation because of the inability to change the composition of the board at once).

End of document

Exhibit 1

Summary of the Independent Committee Rules

1. The Independent Committee shall be established by resolution of the Board of Directors.
2. The Independent Committee shall consist of at least three members, and the Board of Directors shall appoint outside Audit & Supervisory Board Members and experts who satisfy the independence requirements established by the Company and are independent from the management team responsible for the execution of business.

“Experts” for this purpose refers to corporate executives who have no business dealings with the Company, persons well versed in investment banking, lawyers, certified public accountants, university professors or other persons equivalent thereto, who have concluded an agreement with the Company that includes the duty of care of prudent managers, etc. as separately stipulated by the Board of Directors.

3. The term of office of members of the Independent Committee shall expire at the conclusion of the last annual meeting of shareholders in the business year ending within three (3) years after their election. However, this shall not apply if otherwise determined by resolution of the Board of Directors.

In addition, if a member of the Independent Committee who is an outside Audit & Supervisory Board Member of the Company ceases to be an Audit & Supervisory Board Member, their term as a member of the Independent Committee shall also terminate at the same time, unless they are reappointed.

4. The Independent Committee shall make decisions on matters listed in each of the following items and make recommendations to the Board of Directors with reasons for its decisions. The Board of Directors shall respect the recommendations of the Independent Committee to the maximum extent possible and make a resolution as body under the Companies Act as to whether or not to implement the allotment of Share Acquisition Rights without consideration. Each member of the Independent Committee and Company Director are required to make such decision from the perspective of whether or not it will contribute to the Company’s corporate value and the common interests of shareholders, and must not exclusively pursue their own personal interests or those of the Company's management.
 - (1) Implementation (including making a recommendation to the Board of Directors to convene a general meeting of shareholders and submit a proposal for the implementation of the allotment of Share Acquisition Rights without consideration) or non-implementation
 - (2) Cancellation of the allotment or acquisition of Share Acquisition Rights without consideration
 - (3) Other matters on which the Board of Directors should make a decision and for which the Board of Directors has consulted the Independent Committee

In addition to the foregoing, the Independent Committee may undertake matters listed in each of the following:

- (1) Judgment on the applicability to purchases subject to the Plan
 - (2) Decision to extend the Independent Committee Review Period
 - (3) Determination of information to be provided by an Acquirer and the Board of Directors to the Independent Committee and the response deadline
 - (4) Examination and review of the details of post-purchase management policy and business plans, etc. of an Acquirer
 - (5) Request the submission of alternative proposals from the Board of Directors and review alternative proposals
 - (6) Other matters specified in the Plan to be undertaken by the Independent Committee
 - (7) Matters separately specified by the Board of Directors to be undertaken by the Independent Committee
5. If the Independent Committee determines that an Offer Statement and other submitted information are insufficient as Necessary Information, it may request an Acquirer, either directly or through the Board of Directors, to submit additional information. In addition, when an Acquirer submits an Offer Statement and Necessary Information, the Independent Committee may request the Board of Directors to present, within a designated time period, its opinion on the terms of the purchase by the Acquirer and supporting materials therefor, alternative proposals, and other information deemed necessary by the Independent Committee as appropriate.
 6. In the event it is necessary to improve the terms of the purchase by the Acquirer from the viewpoint of securing and enhancing corporate value and the common interests of shareholders, the Independent Committee shall hold discussions and negotiations, etc. directly with the Acquirer or through the Board of Directors, and present to shareholders alternative proposals by the Board of Directors.
 7. In order to gather necessary information, the Independent Committee may request the attendance of Directors, Audit & Supervisory Board Members and employees of the Company, and other persons that the Independent Committee considers necessary, and request explanations on matters that the Independent Committee seeks.
 8. The Independent Committee may, at the Company's expense, obtain the advice of independent third parties (including financial advisors, certified public accountants, lawyers, consultants and other experts).
 9. Members of the Independent Committee may convene a meeting of the Independent Committee at any time when a purchase is made.
 10. A resolution of the Independent Committee shall, in principle, be made by a majority where all the members of the Independent Committee are present (including via video conference or teleconference; the same shall apply hereinafter). Provided, however, that in the event that a committee member is unable to perform their duties due to incident or other unavoidable circumstances, a resolution may be made at a meeting where a majority of the Independent Committee members attend by a majority of the Independent Committee members present.

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Exhibit 2

Names and Career Summaries of Members of the Independent Committee

Name	Hiroshi Kaya	
Career summary	October 1992	Joined Showa Ota Audit Corporation (currently Ernst & Young ShinNihon LLC)
	May 2012	Senior Partner, Showa Ota Audit Corporation
	June 2016	Retired from Showa Ota Audit Corporation
	July 2016	Representative Director, Daimaru Koki Co., Ltd. (to present)
	August 2016	Representative, Hiroshi Kaya Certified Public Accountant Office (to present)
	March 2017	Substitute Audit & Supervisory Board Member, Altech Corporation
	March 2018	Outside Audit & Supervisory Board Member, Altech Corporation (to present)
	June 2022	Director, Audit and Supervisory Committee Member, Ryoyu Systems Co., Ltd. (to present)
Name	Takashi Miyatani	
Career summary	April 1991	Registered as attorney at law Joined Mori Sogo Law Offices (currently Mori Hamada & Matsumoto) (to present)
	January 1998	Partner (to present)
Name	Katsuo Kato	
Career summary	April 1983	Joined The Toho Bank, Ltd.
	June 2005	General Manager, Hitachi Branch, The Toho Bank, Ltd.
	June 2010	General Manager, Loans Department, The Toho Bank, Ltd.
	June 2013	Director and General Manager, Tokyo Branch, The Toho Bank, Ltd.
	June 2015	Managing Director, General Manager of Sales Division, The Toho Bank, Ltd.
	June 2017	President and Representative Director, The Toho Credit

	Guarantee Co., Ltd. (to present)
March 2018	Outside Audit & Supervisory Board Member, Altech Corporation (to present)

(Notes) There is no special interest between the above three individuals and the Company.

Exhibit 3

Overview of Shareholdings of the Company's Shares
(Status of Major Shareholders)

Major shareholders of the Company as of December 31, 2024 are as follows:

Rank	Shareholder name	Investment in the Company	
		Number of shares held	Percentage of voting rights
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	2,537,100	12.90%
2	Altech Corporation Employee Stock Ownership Association	2,021,031	10.28%
3	Custody Bank of Japan, Ltd. (Trust Account)	791,800	4.02%
4	TOKACHI ZAIDAN	748,000	3.80%
5	The Toho Bank, Ltd.	589,529	2.99%
6	The Bank of Yokohama, Ltd.	580,707	2.95%
7	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	423,800	2.15%
8	BBH FOR FIDELITY LOW-PRICED STOCK FUND (PRINCIPAL ALL SECTOR SUBPORTFOLIO)	345,228	1.75%
9	The Hachijyuni Bank, Ltd.	305,910	1.55%
10	STATE STREET BANK AND TRUST COMPANY 505044	302,900	1.54%

- (Notes)
1. In addition to the above, the Company holds 1,871,076 shares of treasury stock.
 2. The total number of issued shares is 21,746,675.
 3. The total number of voting rights is 196,584.
 4. Figures are rounded down to the nearest unit.

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