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(Stock Exchange Code 4914)
June 5, 2023
(Date of Commencement of Electronic Provision Measures: June 2, 2023)

To Shareholders with Voting Rights:

Satoshi Masumura
President and Chief Executive Officer
TAKASAGO INTERNATIONAL CORPORATION
5-37-1, Kamata, Ota-ku, Tokyo, JAPAN

NOTICE OF THE 97TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

You are hereby informed that the 97th Annual General Meeting of Shareholders of TAKASAGO INTERNATIONAL CORPORATION (the "Company," with its subsidiaries, the "Group") will be held for the purposes as described below.

When convening this General Meeting of Shareholders, the Company has taken measures for providing information electronically (the "electronic provision measures"), and has posted the matters for electronic provision measures on the Company's following website as "Notice of the 97th Annual General Meeting of Shareholders."

The Company's website: https://www.takasago.com/en/ir/meeting.html

In addition to the website shown above, the Company has also posted the matters for electronic provision measures on the website of Tokyo Stock Exchange (TSE). To view the information, please access the TSE website (Listed Company Search) below, enter "TAKASAGO INTERNATIONAL CORPORATION" in the "Issue name (company name)" or "4914" (in a half-width character) in the stock exchange "Code" click "Search," select "Basic information," and then select "Documents for public inspection/PR information."

The TSE's website (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

You can exercise your voting rights via the Internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders provided in matters for electronic provision measures and exercise your voting rights by 5:30 p.m. on Tuesday, June 27, 2023, Japan time.

[Exercise of voting rights by postal mail]
Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by the above deadline.

[Exercise of voting rights via electromagnetic means (the Internet, etc.)]
Please enter your vote for or against the proposals upon reviewing the "Guide to the Exercise of Voting Rights" (in Japanese, on page 46) provided as follows.

1. **Date and Time:** Wednesday, June 28, 2023 at 10:00 a.m. Japan time (Reception opens at 9:30 a.m.)
2. **Place:** Nissay Aroma Square 17th floor
Conference room of the Corporate Headquarters, located at
5-37-1, Kamata, Ota-ku, Tokyo, JAPAN
(Please refer to Access Map at the end of this Notice to the venue of the Meeting)
3. **Meeting Agenda:**

Matters to be reported:
(1) The Business Report, Consolidated Financial Statements for the Company's 97th Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
(2) Non-consolidated Financial Statements for the Company's 97th Fiscal Year (April 1, 2022 - March 31, 2023)

Proposal to be resolved:

Proposal 1: Dividends of Surplus
Proposal 2: Election of Ten (10) Directors

4. **Decisions concerning Convocation**
(1) If you do not indicate your vote for or against each proposal on the Voting Rights Exercise Form (or abstain from voting), you will be deemed to have approved the relevant proposal(s).
(2) Treatment of multiple exercises of voting rights
1) If you exercise your voting rights both in writing and via the Internet, the vote via the Internet will be deemed valid.
2) If you exercise your voting rights more than once via the Internet, the final vote will be deemed valid.
5. **Others related to this Notice**
(1) The documents you received also serve as documents stating the matters for electronic provision measures to be mailed to shareholders who made a request for delivery of documents. The following matters are not presented in the documents, pursuant to the relevant laws and regulations and the Articles of Incorporation. Accordingly, the documents constitute only part of the documents audited by the Audit & Supervisory Board Members and the Accounting Auditor in the preparation of the Audit Report.
1) "Basic policy regarding the persons who control the Company's decisions on financial and business policies" in the Business Report
2) Consolidated Statements of Changes in Net Assets
3) Notes to the Consolidated Financial Statements
4) Statements of Changes in Net Assets
5) Notes to the Non-consolidated Financial Statements
(2) Should the electronic provision measures matters require revisions, such revisions will be posted on the respective websites where the matters are posted.
(3) Under the revised Companies Act, which came into effect on September 1, 2022, a system that enables electronic provision of materials for the General Meetings of Shareholders* has been implemented.
Under this system, as a general rule, materials for the General Meetings of Shareholders can be viewed via the Internet by accessing the website. Materials for the General Meeting of Shareholders will be sent in writing only to shareholders who made a request for delivery of documents in accordance with the prescribed method by the record date for voting rights.
* Materials for the General Meetings of Shareholders: Reference Documents for the General Meetings of Shareholders, Business Report, Audit Report, Non-consolidated Financial Statements, and Consolidated Financial Statements
Notwithstanding the revision of Companies Act mentioned above, the Company has uniformly sent materials for the General Meeting of Shareholders in writing as before, given that this is the first year the system has been implemented. The way of handling materials for the General Meeting of Shareholders to be held in the future will be noted in an appropriate manner as soon as the Company decides.

[Inquiries about the electronic provision system]
Mitsubishi UFJ Trust and Banking Corporation, Call Center of Securities Agency Division
Dedicated number for the electronic provision system: 0120-696-505
Contact hours: From 9:00 a.m. to 5:00 p.m. (except weekends and holidays)

◎ When attending the General Meeting of Shareholders, please bring the Voting Rights Exercise Form and submit it to the reception desk. In addition, please bring this Notice of the General Meeting of Shareholders on the day of the meeting.
◎ Please be informed that any persons other than a shareholder, such as a proxy or companion, may not attend the meeting.
◎ No gifts will be provided for shareholders attending the General Meeting of Shareholders.

Proposals and References

Proposal 1:	Dividends of Surplus	Page 4
Proposal 2:	Election of Ten (10) Directors	Page 5

Proposal 1: Dividends of Surplus

Although the surrounding business environment remains harsh, the Company will strive to maintain a stable dividend in line with its basic policy to return profits appropriately to its shareholders while expanding its business earnings and strengthening its management base from a long-term perspective as a global company. The Company proposes that the dividend for the term-end of the fiscal year under review be ¥45 per share. As a result, the full-year dividend for the fiscal year under review including the interim dividend will be ¥70 per share.

(1) Type of dividend property
Cash

(2) Matters concerning the allotment of dividend property to shareholders and the total amount
Amount per common stock: **¥45**
Total amount: **¥875,511,630**

(3) Effective date of dividends of surplus
Thursday, June 29, 2023

Proposal 2: Election of Ten (10) Directors

The terms of office of all of the ten (10) Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of ten (10) Directors is proposed.

The candidates are as follows:

No.	Name		Current positions in the Company
1	[Reappointment]	Satoshi Masumura	President and Chief Executive Officer
2	[Reappointment] [External Director] [Independent Officer]	Ryoji Noyori	Director
3	[Reappointment]	Tatsuya Yamagata	Director Senior Vice President
4	[Reappointment]	Kenichi Somekawa	Director Senior Vice President
5	[Reappointment]	Fumihiro Yanaka	Director Senior Vice President
6	[Reappointment] [External Director] [Independent Officer]	Komei Matsuda	Director
7	[Reappointment]	Naoki Mizuno	Director Senior Vice President
8	[Reappointment]	Hirokazu Isono	Director Senior Vice President
9	[Reappointment]	Shigeki Kawabata	Director Senior Vice President
10	[New appointment] [External Director] [Independent Officer]	Megumi Tsukamoto	-

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, assignments
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">1</td><td>Satoshi Masumura
(October 20, 1958)

[Reappointment]</td><td>April 1983 Joined the Company
April 2008 General Manager, Flavor Laboratory, Corporate Research & Development Division
July 2012 Vice President; General Manager, Corporate Research & Development Division
June 2013 Director; Senior Vice President; General Manager, Corporate Research & Development Division
May 2014 President and Chief Executive Officer; General Manager, Corporate Research & Development Division and General Manager, EHS Headquarters
June 2014 President, Takasago West Japan Co., Ltd.
June 2016 President and Chief Executive Officer; General Manager, EHS Headquarters; Supervisor for Human Resources & General Affairs Division, the Company
June 2017 President and Chief Executive Officer; General Manager, EHS Headquarters; Supervisor for Human Resources & General Affairs Division and Audit & Inspection Department
June 2018 President and Chief Executive Officer; General Manager, EHS Headquarters (to present)</td><td>25,509</td></tr>
<tr><td colspan="3">[Reason for nomination as candidate for Director]
Mr. Satoshi Masumura has years of operational experience in the research and development division and has served in prominent positions as a manager in said division. Having been involved in the management of the Company as a Director since June 2013, and as President and Chief Executive Officer since May 2014, he has properly executed his duties. The Company, for this reason, believes that he is qualified to successfully fulfill the responsibility as the Company’s Director, and requests that he be reelected.</td></tr>
<tr><td rowspan="2">2</td><td>Ryoji Noyori
(September 3, 1938)

[Reappointment]
[External Director]
[Independent Officer]</td><td>August 1972 Professor, School of Science, Nagoya University
January 1997 Dean, Graduate School of Science and School of Science (concurrently served)
June 2001 Director, the Company (to present)
December 2001 Received the Nobel Prize in Chemistry
October 2003 Designated Professor, Nagoya University
October 2003 President, RIKEN, an incorporated administrative agency
October 2004 Distinguished Professor, Nagoya University (to present)
June 2015 Director-General, Center for Research and Development Strategy, Japan Science and Technology Agency, a national research and development agency (to present)
June 2015 Outside Director, Toray Industries, Inc. (to present)
[Significant concurrent positions]
・Outside Director, Toray Industries, Inc.</td><td>2,000</td></tr>
<tr><td colspan="3">[Reason for nomination as candidate for External Director and outline of expected role]
As an expert in organic synthetic chemistry, Mr. Ryoji Noyori has long been engaged in research activities, received the Nobel Prize in Chemistry in 2001, and has experience in organization management after having served in prominent positions at leading research institutions in Japan. The Company expects him to provide advice to enhance the Company’s technological capabilities, as well as proposals and advice that contribute to the enhancement of the Company’s corporate value, from an objective perspective based on his experience and knowledge as a researcher and organization manager. Although he has no experience of being directly engaged in corporate management except as an External Director, he has been involved in the management of the Company as an External Director since June 2001. Accordingly, the Company believes that he is qualified to properly fulfill the responsibility of an External Director, and requests that he be reelected.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, assignments
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">3</td><td>Tatsuya Yamagata
(July 27, 1963)

[Reappointment]</td><td>April 1986 Joined the Company
April 2003 President, Takasago Europe GmbH
July 2008 General Manager, Flavors GSPC Office, Global Management Headquarter and General Manager, Coffee Business Promotion Department, Flavors Division, the Company
July 2010 President, Shanghai Takasago-Union Fragrances & Flavors Co., Ltd.
June 2013 Vice President, the Company
July 2014 Vice President; Associate General Manager, Corporate Strategy & Planning Division
June 2015 Director; Senior Vice President; General Manager, Corporate Strategy & Planning Division and Associate General Manager, EHS Headquarters
June 2016 Director; Senior Vice President; General Manager, Corporate Strategy & Planning Division and Associate General Manager, EHS Headquarters and General Manager , Corporate Strategy & Planning Department and General Manager, Corporate Quality Assurance Headquarter; Supervisor for Information System Department and Quality Assurance Department
June 2017 President, Takasago International Inc. (to present)
June 2018 Director; Senior Vice President; General Manager, Global Integration Headquarters and Associate General Manager, EHS Headquarters and General Manager, Corporate Quality Assurance Headquarter; Supervisor for Information System Department and Quality Assurance Department, the Company
May 2023 Director; Senior Vice President; General Manager, Global Integration Headquarters and Associate General Manager, EHS Headquarters and General Manager, Corporate Quality Assurance Headquarter and General Manager, Global SAP Management Department; Supervisor for Information System Department and Quality Assurance Department (to present)
[Significant concurrent positions]
・President, Takasago International Inc.</td><td>9,821</td></tr>
<tr><td colspan="3">[Reason for nomination as candidate for Director]
Mr. Tatsuya Yamagata has years of operational experience mainly in the flavors division and has served in prominent positions as a manager in the administrative division as well as at overseas subsidiaries. Having been involved in the management of the Company as a Director since June 2015, he has properly executed his duties. The Company, for this reason, believes that he is qualified to successfully fulfill the responsibility as the Company’s Director, and requests that he be reelected.</td></tr>
<tr><td rowspan="2">4</td><td>Kenichi Somekawa
(November 3, 1964)

[Reappointment]</td><td>April 1987 Joined the Company
April 2003 General Manager, Fourth Flavors Sales Department
July 2008 President, Takasago Europe GmbH
June 2013 Vice President, the Company
June 2014 Vice President; Associate General Manager, Flavors Division
June 2015 President, Takasago Food Products Co., Ltd.
June 2015 Director; Senior Vice President; General Manager, Flavors Division; Supervisor for Branch Offices, the Company
June 2021 Director; Senior Vice President; General Manager, Flavors Division and General Manager, Flavors Sales Department; Supervisor for Branch Offices
July 2022 Director; Senior Vice President; General Manager, Flavors Division; Supervisor for Branch Offices (to present)</td><td>10,121</td></tr>
<tr><td colspan="3">[Reason for nomination as candidate for Director]
Mr. Kenichi Somekawa has years of operational experience mainly in the flavors division and has served in prominent positions as a manager of subsidiaries in Japan and overseas. Having been involved in the management of the Company as a Director since June 2015, he has properly executed his duties. The Company, for this reason, believes that he is qualified to successfully fulfill the responsibility as the Company’s Director, and requests that he be reelected.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, assignments
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">5</td><td>Fumihiro Yanaka
(January 19, 1962)

[Reappointment]</td><td>April 1984 Joined the Company
April 2005 General Manager, Second Department, Flavor Laboratory
April 2008 Director, Takasago International (Singapore) Pte. Ltd.
July 2012 General Manager, Flavor Laboratory, the Company
June 2014 Vice President
June 2016 Director; Senior Vice President; General Manager, Corporate Research & Development Division
June 2017 Director; Senior Vice President; General Manager, Corporate Research & Development Division; Executive Director, Analytical Technology Research Laboratory; Supervisor for Fine Chemicals Division
April 2019 Director; Senior Vice President; General Manager, Corporate Research & Development Division; Supervisor for Fine Chemicals Division (to present)</td><td>12,221</td></tr>
<tr><td colspan="3">[Reason for nomination as candidate for Director]
Mr. Fumihiro Yanaka has years of operational experience mainly in the research and development division and has served in prominent positions as a manager of the said division including at overseas bases. Having been involved in the management of the Company as a Director since June 2016, he has properly executed his duties. The Company, for this reason, believes that he is qualified to successfully fulfill the responsibility as the Company’s Director, and requests that he be reelected.</td></tr>
<tr><td rowspan="2">6</td><td>Komei Matsuda
(October 14, 1964)

[Reappointment]
[External Director]
[Independent Officer]</td><td>April 1993 Registered as an Attorney-at-law (45th term)
April 1997 Established Matsuda Sogo Law Office
October 2006 Partner Attorney, Risolute Law Office
April 2008 Lecturer, Law School, Keio University
April 2011 Practicing-attorney-professor for civil advocacy, Legal Training and Research Institute, Supreme Court
April 2016 Lecturer, Law School, Seikei University
June 2017 Director, the Company (to present)
January 2020 Partner Attorney, Toranomon Daiichi Law Office (to present)
[Significant concurrent positions]
・Partner Attorney, Toranomon Daiichi Law Office</td><td>0</td></tr>
<tr><td colspan="3">[Reason for nomination as candidate for External Director and outline of expected role]
As a legal professional, Mr. Komei Matsuda, has extensive knowledge of laws related to corporate activities through years of operational experience in the field of corporate legal affairs. The Company expects him to provide advice on corporate legal affairs and compliance, as well as proposals and advice that will contribute to improving management oversight, from an objective perspective based on his experience and knowledge as a legal professional. Although he has no experience of being directly engaged in corporate management except as an External Director, he has been involved in the management of the Company as an External Director since June 2017. Accordingly, the Company believes that he is qualified to properly fulfill the responsibility as an External Director, and requests that he be reelected.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Past experience, positions, assignments
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">7</td><td>Naoki Mizuno
(July 24, 1961)

[Reappointment]</td><td>February 1985
April 2007
June 2014

July 2015

June 2016

June 2017
June 2018

April 2020</td><td>Joined the Company
General Manager, Fragrances Sales Department
Vice President; Associate General Manager, Fragrances & Aroma Chemicals Division; General Manager, Fragrances Marketing Department
Vice President; Associate General Manager, Fragrances & Aroma Ingredients Division; General Manager, Fragrances Sales Department
Vice President; General Manager, Fragrances & Aroma Ingredients Division
President, Takasago Aromas Co., Ltd.
Director; Senior Vice President; General Manager, Procurement Division; Supervisor for Production Division, the Company
Director; Senior Vice President; General Manager, Procurement Division; General Manager, Supply Chain Division; Supervisor for Production Division (to present)</td><td>9,486</td></tr>
<tr><td colspan="4">[Reason for nomination as candidate for Director]
Mr. Naoki Mizuno has years of operational experience mainly in the fragrances division and has served in prominent positions as a manager of the said division. Having been involved in the management of the Company as a Director since June 2018, he has properly executed his duties. The Company, for this reason, believes that he is qualified to successfully fulfill the responsibility as the Company’s Director, and requests that he be reelected.</td></tr>
<tr><td rowspan="2">8</td><td>Hirokazu Isono
(October 24, 1961)

[Reappointment]</td><td>April 1985
April 2004
June 2006
July 2008

July 2013

July 2014

June 2016

June 2018

June 2020</td><td>Joined the Company
Associate General Manager, Fragrances Sales Department
General Manager, Administration Department
Executive Vice President, Takasago International Corporation (U.S.A.)
General Manager, Human Resources & General Affairs Department; Director, Global Human Resources Office, the Company
Associate General Manager, Human Resources & General Affairs Division
Vice President; General Manager, Human Resources & General Affairs Division
Director; Senior Vice President; General Manager, Human Resources & General Affairs Division; General Manager, Human Resources & General Affairs Department; Director, Global Human Resources Office
Director; Senior Vice President; General Manager, Human Resources & General Affairs Division; General Manager, Human Resources & General Affairs Department; Director, Global Human Resources Office; Supervisor for Corporate Administration Division (to present)</td><td>10,643</td></tr>
<tr><td colspan="4">[Reason for nomination as candidate for Director]
Mr. Hirokazu Isono has years of operational experience mainly in the fragrances division and has served in prominent positions as a manager of the administrative division, including at overseas bases of the said division. Having been involved in the management of the Company as a Director since June 2018, he has properly executed his duties. The Company, for this reason, believes that he is qualified to successfully fulfill the responsibility as the Company’s Director, and requests that he be reelected.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Past experience, positions, assignments
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">9</td><td>Shigeki Kawabata
(July 21, 1962)

[Reappointment]</td><td>April 1985
August 2004

January 2006

June 2006
April 2008

April 2011
May 2013

June 2014
June 2017

June 2018

July 2019</td><td>Joined The Mitsubishi Bank, Ltd.
Chief Manager, Corporate Banking Business Promotion Division No. 2, The Bank of Tokyo-Mitsubishi, Ltd.
Chief Manager, Finance & Strategic Advisory Office, Corporate Banking Business Promotion Division No. 2, The Bank of Tokyo-Mitsubishi UFJ, Ltd.
General Manager, Hirabari Corporate Banking Office
Associate General Manager, Corporate Banking Business Promotion Division
General Manager, Transaction Banking Division
General Manager, Credit Examination Office, Internal Audit & Credit Examination Division
Full-time Audit & Supervisory Board Member, the Company
Vice President; General Manager, Legal & Intellectual Property Division; Supervisor for Audit & Inspection Department
Director; Senior Vice President; General Manager, Corporate Strategy & Planning Division; General Manager, Corporate Strategy & Planning Department; General Manager, Legal & Intellectual Property Division; Supervisor for Audit & Inspection Department
Director; Senior Vice President; General Manager, Corporate Strategy & Planning Division; General Manager, Corporate Strategy & Planning Department; General Manager, Legal & Intellectual Property Division; Supervisor for Audit & Inspection Department (to present)</td><td>10,293</td></tr>
<tr><td colspan="4">[Reason for nomination as candidate for Director]
Mr. Shigeki Kawabata has years of operational experience in the finance division and has served in prominent positions as a manager in the corporate and administrative divisions. Having been involved in the management of the Company as a Director since June 2018, he has properly executed his duties. The Company, for this reason, believes that he is qualified to successfully fulfill the responsibility as the Company’s Director, and requests that he be reelected.</td></tr>
<tr><td rowspan="2">10</td><td>Megumi Tsukamoto
(June 9, 1962)

[New appointment]
[External Director]
[Independent Officer]</td><td>April 1985
July 1997
August 1999

April 2003

October 2008

November 2015

December 2017

March 2022

March 2023
[Significant concurrent positions]
・Outside Director, AUCNET INC.</td><td>Joined IBM Japan, Ltd.
Seconded to Japan Association of Corporate Executives
Returned as Government and Regulatory Affairs, IBM Japan, Ltd.
Asia Pacific Leader, Intellectual Property & Standard Policy Team, IBM Corporation Governmental Programs
Executive, Government and Regulatory Affairs, IBM Japan, Ltd.
Global Leadership Team Member, IBM Corporation Governmental Programs
General Manager, Government and Regulatory Affairs, IBM Japan, Ltd.
Operating Director; Director, Global Government and Corporate Affairs Japan, Caterpillar Japan, Ltd.
Representative Operating Director; Director, Global Government and Corporate Affairs Japan, Caterpillar Japan LLC
President, General Incorporated Association Digital Society Forum (to present)
Executive Director, Niigata University (to present)
Executive Advisor, J.S. Held Japan LLC (to present)
Outside Director, AUCNET INC. (to present)</td><td>0</td></tr>
<tr><td colspan="4">[Reason for nomination as candidate for External Director and outline of expected role]
Ms. Megumi Tsukamoto has years of operational experience in global companies and has experience in management as an Operating Director. The Company expects her to provide advice and proposals concerning rational management from an objective perspective as well as diversity and inclusion based on her abundant experience and knowledge. The Company, for this reason, believes that she is qualified to properly execute her duties as the Company’s External Director, and requests that she be elected.</td></tr>
</table>

(Notes)

1. There are no special interests between the candidates and the Company.
2. Candidates for External Directors:
   Messrs. Ryoji Noyori and Komei Matsuda and Ms. Megumi Tsukamoto are candidates for External Directors. Mr. Ryoji Noyori will have served as an External Director of the Company for twenty-two (22) years at the conclusion of this General Meeting of Shareholders. Mr. Ryoji Noyori is a world-renowned researcher who was awarded the Nobel Prize in Chemistry in 2001, and has experience in organization management at research institutions. In addition to providing advice on the development of research fields in Japan and overseas and on research trends in companies, Mr. Ryoji Noyori has given us appropriate advice on overall management from an objective standpoint and a broad perspective. Therefore, the Company believes that Mr. Ryoji Noyori is an irreplaceable person to the Company. Mr. Komei Matsuda will have served as an External Director of the Company for six (6) years at the conclusion of this General Meeting of Shareholders.
3. Relationship with companies where significant concurrent positions are held:
   Mr. Ryoji Noyori concurrently serves as an Outside Director of Toray Industries, Inc. There are no special relationships between Toray Industries, Inc. and the Company. During Mr. Ryoji Noyori's tenure at Toray Industries, Inc. as an Outside Director from June 2015 to the present, improper conduct in third-party certification registration of products was discovered. Although Mr. Ryoji Noyori was not aware of this matter in advance, he has regularly made statements regarding thorough legal compliance and appropriate business execution, and after the discovery of this matter, he has made recommendations on preventative measures and strengthening risk management, and has appropriately fulfilled his responsibilities as an Outside Director.
   Mr. Komei Matsuda concurrently serves as a Partner Attorney of Toranomon Daiichi Law Office. The Company has entered into an advisory agreement with another attorney of Toranomon Daiichi Law Office, of which Mr. Komei Matsuda is one of the members. Total transaction amounts between Toranomon Daiichi Law Office and the Company for the 97th fiscal year was ¥2 million.
   Ms. Megumi Tsukamoto concurrently serves as Outside Director of AUCNET INC. There are no special relationships between AUCNET INC. and the Company.
4. Limited liability agreement:
   The Company has entered into agreements with Messrs. Ryoji Noyori and Komei Matsuda to limit their liability pursuant to Article 423 Paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum amount of liability stipulated in Article 425 Paragraph 1 of the Companies Act. If their reelection is approved, the Company intends to extend the aforementioned limited liability agreement with them. In addition, if the election of Ms. Megumi Tsukamoto is approved, the Company intends to enter into a limited liability agreement with the same content with her.
5. Outline of directors and officers liability insurance contract:
   The Company has entered into a directors and officers liability insurance contract with an insurance company, and any damages that may result from the insured being liable for the performance of his or her duties or being subject to claims for the pursuit of such liabilities will be covered by the insurance contract. If the reappointment of each of the candidates is approved, each of them will continue to be insured, and if the election of Ms. Megumi Tsukamoto is approved, she will be newly insured. The insured do not bear the premiums. The contract will be renewed with the same content in August 2023.
6. Independent Officers:
   The Company has notified Messrs. Ryoji Noyori and Komei Matsuda as Independent Officers in accordance with the provisions of the Tokyo Stock Exchange, and if their reappointments are approved, they will continue to be Independent Officers. In addition, if the election of Ms. Megumi Tsukamoto is approved, the Company intends to notify her as an Independent Officer.

(Reference)

Skill matrix of Directors and Audit & Supervisory Board Members after the General Meeting of Shareholders

If Proposal 2 is approved, the skills and expected fields of Directors and Audit & Supervisory Board Members are as follows.

Name	Current positions in the Company	Organizational management	Research & Development Production	Sales & Marketing	Global	Legal Finance Risk Management
Satoshi Masumura	President	●	●			
Ryoji Noyori	External Director	●	●			
Tatsuya Yamagata	Director			●	●	
Kenichi Somekawa	Director			●	●	
Fumihiro Yanaka	Director		●		●	
Komei Matsuda	External Director	●				●
Naoki Mizuno	Director		●	●		
Hirokazu Isono	Director				●	●
Shigeki Kawabata	Director				●	●
Megumi Tsukamoto	External Director				●	●
Akira Ono	External Audit & Supervisory Board Member				●	●
Yukihiro Kawakami	Audit & Supervisory Board Member		●			●
Yasuo Nakae	External Audit & Supervisory Board Member	●			●	

(Notes) 1. A maximum of two of the main skills, etc., possessed by each person is marked with a ●.
2. The above “Organizational management” are cases where there is management experience at the upper levels of an organization.

Consolidated Balance Sheet

(As of March 31, 2023)

(Millions of yen)

Description	Amount	Description	Amount
Assets		**Liabilities**	
Current assets	**117,103**	**Current liabilities**	**61,195**
Cash and deposits	14,969	Notes and accounts payable	17,878
Notes receivable - trade	3,023	Short-term loans payable	22,365
Accounts receivable - trade	39,002	Current portion of long-term loans payable	7,449
Merchandise and finished goods	31,234	Accrued income taxes	1,045
Work in progress	130	Provision for bonuses	2,030
Raw materials and supplies	24,231	Provision for directors' bonuses	46
Others	4,786	Others	10,378
Allowance for doubtful accounts	(274)		
Non-current assets	**94,975**	**Long-term liabilities**	**28,930**
Property, plant and equipment	**60,984**	Long-term loans payable	14,970
Buildings and structures	31,812	Deferred tax liabilities	1,181
Machinery, equipment and vehicles	11,553	Provision for director's retirement benefits	22
Tools, furniture and fixtures	3,194	Accrued employee's retirement benefits	9,887
Land	8,333	Others	2,869
Construction in progress	4,013	**Total liabilities**	**90,125**
Others	2,076	**Net assets**	
Intangible assets	**3,988**	**Shareholders' equity**	**104,700**
Investments and other assets	**30,003**	**Capital stock**	**9,248**
Investment securities	23,397	**Capital surplus**	**8,384**
Investments in capital	101	**Retained earnings**	**88,778**
Long-term loans receivable	629	**Treasury stock**	**(1,711)**
Net defined benefit asset	1,009	**Accumulated other comprehensive income**	**15,510**
Deferred tax assets	3,243	**Valuation difference on available-for-sale securities**	**10,372**
Others	2,110	**Deferred gain or losses on hedges**	**1**
Allowance for doubtful accounts	(488)	**Cumulative translation adjustments**	**5,705**
		Remeasurements of defined benefit plans	**(569)**
		Non-controlling interests	**1,742**
		Total net assets	**121,953**
Total assets	**212,079**	**Total liabilities and net assets**	**212,079**

(Note) Figures are rounded down to the nearest million yen.

Consolidated Statement of Income

(April 1, 2022 - March 31, 2023)

(Millions of yen)

Description	Amount	
Net sales		**186,792**
Cost of sales		**132,355**
Gross profit on sales		**54,436**
Selling, administrative, research and development expenses		**48,489**
Operating income (loss)		**5,947**
Non-operating income		
Interest income	99	
Dividends income	507	
Equity in earnings of affiliates	39	
Foreign exchange gains	1,425	
Others	561	2,632
Non-operating expenses		
Interest expenses	470	
Others	151	621
Ordinary income (loss)		**7,958**
Extraordinary income		
Gain on sales of non-current assets	11	
Gain on sales of investment securities	651	
Subsidy income	531	1,194
Extraordinary losses		
Loss on disposition of non-current assets	65	
Loss on tax purpose reduction entry of non-current assets	531	596
Income before income taxes and controlling interests		**8,556**
Income taxes - current	2,002	
Income taxes - deferred	(990)	1,011
Profit		**7,545**
Profit attributable non-controlling interests		**151**
Profit attributable to owners of parent		**7,393**

(Note) Figures are rounded down to the nearest million yen.

Non-Consolidated Balance Sheet

(As of March 31, 2023)

(Millions of yen)

Description	Amount	Description	Amount
Assets		**Liabilities**	
Current assets	**62,705**	**Current liabilities**	**43,365**
Cash and deposits	6,630	Notes payable - trade	1,343
Notes receivable - trade	2,853	Accounts payable - trade	9,835
Accounts receivable - trade	20,269	Short-term loans payable	21,144
Merchandise and finished goods	16,948	Current portion of long-term loans payable	5,253
Work in progress	1	Accounts payable - other	667
Raw materials and supplies	7,566	Accrued income taxes	617
Advance payments - trade	25	Accrued expenses	2,340
Short-term loans receivable from subsidiaries and associates	5,430	Provision for bonuses	1,525
Others	2,983	Provision for directors' bonuses	40
Allowance for doubtful accounts	(2)	Others	595
		Long-term liabilities	**22,126**
Non-current assets	**76,670**	Long-term loans payable	12,292
Property, plant and equipment	**23,854**	Deferred tax liabilities	1,624
Buildings	11,701	Provision for retirement benefits	7,831
Structures	1,024	Long-term guarantee deposited	261
Machinery and equipment	3,755	Provision for loss on guarantees	64
Vehicles	40	Others	52
Tools, furniture and fixtures	1,489	**Total liabilities**	**65,491**
Land	3,172	**Net assets**	
Construction in progress	2,671	**Shareholders' equity**	**63,565**
Intangible assets	**2,029**	**Capital stock**	**9,248**
Right of using facilities	11	**Capital surplus**	**8,383**
Telephone subscription right	19	Legal capital surplus	8,355
Software	1,995	Other capital surplus	27
Others	3	**Retained earnings**	**47,689**
Investments and other assets	**50,786**	Legal retained earnings	1,905
Investment securities	20,421	Other retained earnings	45,783
Shares of subsidiaries and associates	12,423	Reserve for advanced depreciation of non-current assets	503
Investments in capital	3	Reserve for dividends	470
Investments in capital of subsidiaries and associates	12,218	Reserve for research and development	320
Long-term loans receivable from subsidiaries and associates	3,380	General reserve	1,714
Guarantee deposits	542	Retained earnings brought forward	42,775
Long-term prepaid expenses	92	**Treasury stock**	**(1,755)**
Prepaid pension cost	1,405	**Valuation and translation adjustments**	**10,318**
Others	355	**Valuation difference on available-for-sale securities**	**10,317**
Allowance for doubtful accounts	(56)	**Deferred gain or losses on hedges**	**1**
		Total net assets	**73,884**
Total assets	**139,375**	**Total liabilities and net assets**	**139,375**

(Note) Figures are rounded down to the nearest million yen.

Non-Consolidated Statement of Income

(April 1, 2022 - March 31, 2023)

(Millions of yen)

Description	Amount	
Net sales		**71,583**
Cost of sales		**52,054**
Gross profit on sales		**19,529**
Selling, administrative, research and development expenses		**17,831**
Operating income (loss)		**1,697**
Non-operating income		
Interest income	190	
Dividends income	2,267	
Commission from subsidiaries and associates	332	
Foreign exchange gains	1,442	
Others	311	4,543
Non-operating expenses		
Interest expenses	311	
Interest on bonds	0	
Service fee and commission expenses to subsidiaries	297	
Others	155	764
Ordinary income (loss)		**5,476**
Extraordinary income		
Gain on sales of non-current assets	0	
Gain on sales of investment securities	651	651
Extraordinary losses		
Loss on disposition of non-current assets	37	37
Profit before income taxes		**6,089**
Income taxes - current	1,291	
Income taxes - deferred	(269)	1,021
Profit		**5,068**

(Note) Figures are rounded down to the nearest million yen.