Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 6564
June 10, 2026
Start date of measures for electronic provision: June 5, 2026

To Our Shareholders:

Keiko Kato, President and Representative Director
MIDAC HOLDINGS CO., LTD.
2163, Aritamaminami-machi, Chuo-ku, Hamamatsu-shi, Shizuoka

Notice of the 62nd Annual General Meeting of Shareholders

We are pleased to announce the 62nd Annual General Meeting of Shareholders of MIDAC HOLDINGS CO., LTD. (the "Company"), which will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on each of the following websites. Please access either of the websites to view the information.

The Company's website:
https://www.midac.jp/ (in Japanese)
(From the above website, select "Investor Relations," "Shares," and then "General Meeting of Shareholders.")

Website for posted informational materials for the general meeting of shareholders:
https://d.sokai.jp/6564/teiji/ (in Japanese)

TSE website (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show (in Japanese)
(Access the TSE website by using the Internet address shown above, enter "MIDAC HOLDINGS" in "Issue name (company name)" or the Company's securities code "6564" in "Code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].")

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet, etc. after reviewing the Reference Documents for the General Meeting of Shareholders below. Please either indicate your approval or disapproval of the proposals on the Voting Rights Exercise Form sent out with this notice and send it back or access the website designated by the Company for exercising voting rights indicated on the Voting Rights Exercise Form to exercise your voting rights by using the Internet, etc. by no later than 5:00 p.m. on Thursday, June 25, 2026 (JST).

1. **Date and Time:** Friday, June 26, 2026, at 10:00 a.m. (JST) (Reception will open at 9:30 a.m.)
2. **Venue:** Okura Act City Hotel Hamamatsu 4F Banquet room "Heian"
   111-2, Itaya-machi, Chuo-ku, Hamamatsu-shi, Shizuoka
3. **Meeting Agenda:**

Items to be reported:

1. The Business Report, the Consolidated Financial Statements and the Audit Results of Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee for the Company's 62nd Fiscal Year (April 1, 2025 to March 31, 2026)
2. The Non-consolidated Financial Statements for the Company's 62nd Fiscal Year (April 1, 2025 to March 31, 2026)

Items to be resolved:

Proposal No. 1 Election of Five Directors (Excluding Audit and Supervisory Committee Members)
Proposal No. 2 Election of One Director Who Is an Audit and Supervisory Committee Member
Proposal No. 3 Continuation of Countermeasures for a Large-Scale Purchase of the Company's Shares (Policy on Response to Acquisitions)

4. **Resolutions Concerning the Convocation**

(1) When exercising voting rights in writing (via postal mail), if neither approval nor disapproval of each proposal is indicated on the voting form, we will assume that you indicated your approval of the proposal.
(2) Please note that your online vote will prevail should you exercise your voting rights both in writing (via postal mail) and via the Internet, etc. If you exercise your voting rights more than once via the Internet, etc., only the last vote shall be deemed effective.
(3) If you exercise your voting rights by proxy, you may designate one other shareholder holding voting rights of the Company to attend the meeting. Please note, however, that it is necessary to submit a document proving the authority of proxy.

[Points to Note]

- When attending the meeting in person, please hand in the Voting Rights Exercise Form sent out with this notice to the reception desk at the meeting venue. Please note that admission to the venue is scheduled to begin at 9:30 a.m., and shareholders will not be allowed entry before that time.
- This notice constitutes a document containing the matters subject to electronic provision measures as set forth in Article 325-5 of the Companies Act. Matters pertaining to the reference documents for the meeting and other materials that are not stated in this notice are posted separately on the websites listed above. Accordingly, the Business Report and the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit and Supervisory Committee and the Financial Auditor are comprised of the matters stated in this notice and the matters stated on each of the websites.
- Among the matters subject to electronic provision measures, the following are not stated in this notice pursuant to applicable laws and regulations and Article 14 of the Company's Articles of Incorporation: principal business activities, principal offices and plants, status of employees, status of principal lenders, other material matters concerning the current status of the corporate group, status of shares, status of share acquisition rights, etc., status of the financial auditor, summary of the resolution on the establishment of a system to ensure the appropriateness of operations, summary of the operational status of the internal control system, policy on decisions regarding dividends from surplus, etc., basic policy on the control of the Company, and the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity, notes to consolidated financial statements, balance sheet, statement of income, statement of changes in equity, notes to financial statements, accounting audit report on the consolidated financial statements, accounting audit report on the non-consolidated financial statements, and audit report of the Audit and Supervisory Committee.
- For this general meeting of shareholders, the Company has delivered paper-based documents stating matters subject to measures for electronic provision, excluding the above-mentioned matters, to all shareholders, regardless of whether or not they have requested them.
- In the event of any corrections to matters subject to measures for electronic provision, a notification to that effect, and the corrected and pre-corrected versions of these matters will be made available on the Company's aforementioned website, the website for posted informational materials for the general meeting of shareholders and the TSE website.

- Please be aware that there will be no gifts for shareholders who attend the meeting.
  We would appreciate your understanding and cooperation.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Election of Five Directors (Excluding Audit and Supervisory Committee Members)

The terms of office of all the Directors (excluding Directors who are Audit and Supervisory Committee Members; the same applies to the rest of this proposal) will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of five Directors. With regard to this proposal, the Audit and Supervisory Committee of the Company has judged that all of the Director candidates are well qualified for the position.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Keiko Kato (June 1, 1970)	Jan. 2001 Registered as a certified public tax accountant Aug. 2006 Director of MIDAC HOLDINGS CO., LTD. Apr. 2010 Director of the Company June 2016 Director of MIDAC HAMANA CO., LTD. (currently, MIDAC CO., LTD.) Apr. 2019 President and Representative Director of the Company (current position) Sept. 2021 President and Representative Director of MIDAC CO., LTD. (current position)	687,615
	(Reasons for nomination as candidate for Director) Ms. Kato has been involved in management as a Director for many years, and also serves as the head of the overall administrative division, possessing extensive knowledge enabling her to appropriately and impartially carry out the Company's accounting, finance, and general affairs operations, etc. Since April 2019, she has demonstrated strong leadership as President and Representative Director, and has appropriately fulfilled that role in important management decision-making and in the supervision of the execution of duties by each Director. The Company has therefore judged that she contributes to the Company's sustainable growth and enhancement of corporate value, and proposes her re-election as a Director.		
2	Hiroyuki Kumagai (January 16, 1960)	Mar. 1980 Joined Kojima Cleaning Co., Ltd. (currently, the Company) Sept. 1984 Director July 2004 Senior Managing Director of MIDAC HOLDINGS CO., LTD. Apr. 2010 Senior Managing Director of the Company (current position) Dec. 2015 President and Representative Director of MIDAC HAMANA CO., LTD. (currently, MIDAC CO., LTD.) Sept. 2021 Senior Managing Director of MIDAC CO., LTD. Apr. 2025 Director of TAIHEIKOUSAN CO., LTD. (current position)	1,107,371
	(Reasons for nomination as candidate for Director) Mr. Kumagai has been involved in management as a Director over many years and has experience in overall waste disposal operations (final disposal, intermediate treatment, and collection and transportation) as well as in sales and development. Through his judgment based on broad perspective and knowledge, he has significantly contributed to improving the Company's performance. The Company has therefore judged that he is qualified for the position of Director of the Company and proposes his re-election as a Director.		

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Hiroaki Takada (April 9, 1968)	Dec. 2006 Joined MIDAC HOLDINGS CO., LTD. June 2007 Director Apr. 2010 Director of the Company General Manager of Planning Department (current position) Oct. 2021 Audit & Supervisory Board Member of MIDAC KONAN CO., LTD. (current position) Apr. 2022 Director of MIDAC CO., LTD.	381,442
	(Reasons for nomination as candidate for Director) Mr. Takada has many years of experience in corporate planning and currently serves as a Director and the General Manager of the Planning Department. He has a track record of taking the initiative in formulation and management of the medium-term management plan, along with M&A and other matters, and has a good grasp of the Company's overall organization. The Company has therefore judged that he is qualified for the position of Director of the Company and proposes his re-election as a Director.		
4	Kiyohiko Suzuki (September 7, 1973)	Feb. 2000 Joined the Company Oct. 2006 Director of the Company General Manager of Sales Department Apr. 2008 Director and Plant Manager of MIDAC FUJINOMIYA CO., LTD. June 2019 Director of the Company (current position) Apr. 2022 Director of MIDAC CO., LTD. (current position) Apr. 2022 General Manager of Operations Management Department of the Company (current position)	155,336
	(Reasons for nomination as candidate for Director) Mr. Suzuki has many years of experience in overall waste disposal operations (final disposal and intermediate treatment) and currently serves as a Director and the General Manager of the Operations Management Department. Given his extensive track record in waste treatment, the Company believes that he is the right person to promote the Company's sustained growth, and has therefore judged that he is qualified for the position of Director of the Company and proposes his re-election as a Director.		
*5	Masahiko Ochi (March 1, 1975)	Jan. 2003 Joined the Company Mar. 2012 General Manager of Sales Department Apr. 2022 General Manager of Sales Management Department (current position) June 2024 Director of MIDAC CO., LTD. (current position)	48,000
	(Reasons for nomination as candidate for Director) Mr. Ochi has many years of experience in waste sales and currently serves as General Manager of the Sales Management Department of the Company, overseeing the sales division of the Group. With his extensive experience in waste sales, Mr. Ochi has a track record of proactively working on the formulation and management of the Group's sales plans, etc. In light of this, the Company has determined that he is the right person to promote the Group's sustained growth, and has therefore judged that he is qualified for the position of Director of the Company, and proposes his election as a Director.		

Notes:
1. There is no special interest between any of the candidates and the Company.
2. *mark indicates the new candidate for Director.
3. The number of the Company's shares owned by each candidate includes their shares in the MIDAC Group Directors' Shareholding Association and indicates the number of shares as of the end of the fiscal year under review (March 31, 2026).
4. The Company has entered into a directors and officers liability insurance agreement with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, which covers legal compensation for damages and litigation costs to be borne by the insured persons. If the election of each candidate is approved, they will be included as an insured person under the insurance agreement. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.
5. In the past, the Company established MIDAC HOLDINGS CO., LTD. having the same name as the Company on July 28, 2004, which was merged with the then MIDAC CO., LTD. (currently MIDAC HOLDINGS CO., LTD.) on April 1, 2010, and dissolved.

6. The Company changed its trade name from MIDAC CO., LTD. to MIDAC HOLDINGS CO., LTD. on September 1, 2021. In addition, effective April 1, 2022, the Company conducted a company split and reorganized the Group to have the newly established MIDAC LINER CO., LTD. take over the Company's collection and transportation business (collection and transport of general waste), while having the wholly-owned subsidiaries MIDAC CO., LTD. and SANKO CO., LTD. take over the Company's waste treatment operations (collection and transport of industrial waste).

Proposal No. 2 Election of One Director Who Is an Audit and Supervisory Committee Member

The term of office of Director, Hatsuo Hyoyama, who is an Audit and Supervisory Committee Member, will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of one Director who is an Audit and Supervisory Committee Member. The Company has obtained approval for this proposal from the Audit and Supervisory Committee.

The candidate for Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
Hatsuo Hyoyama (January 23, 1951)	June 2005	Managing Director of Hamamatsu Shinkin Bank (currently Hamamatsu Iwata Shinkin Bank)	907
	June 2015	Director of Shizuoka Prefecture Western Region Shinkin Economic Research Institute	
	June 2018	Director of Shinkin Economic Research Institute	
	July 2021	Vice President of KOSEI GAKUEN and President of Hamamatsu Gakuin University	
	June 2022	Director of the Company (Audit and Supervisory Committee Member) (current position)	
	July 2022	President of KOSEI GAKUEN (current position)	
(Reasons for nomination as candidate for outside Director who is an Audit and Supervisory Committee Member and outline of expected roles) Mr. Hyoyama was engaged in management as a managing director of a leading Shinkin bank, and was involved in making decisions on lending to corporations for many years. Subsequently, he gained experience in information gathering, investigation, and research on local economies as a director of an economic research institute. Thus, he has a wide range of expertise and experience in corporate management. Furthermore, he is also engaged in the field of education as the President of KOSEI GAKUEN. The Company has therefore judged that he is capable of providing objective opinions from a neutral standpoint and appropriately fulfilling duties as an Audit and Supervisory Committee Member of the Company, and proposes his re-election as an outside Director who is an Audit and Supervisory Committee Member.			

Notes:
1. There is no special interest between the candidate and the Company.
2. Hatsuo Hyoyama is a candidate for outside Director.
   The term of office for Hatsuo Hyoyama as an outside Director who is an Audit and Supervisory Committee Member is four years.
3. The Company has entered into an agreement with Hatsuo Hyoyama, Director who is an Audit and Supervisory Committee Member, to limit his liability for damages under Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the said Act.
   The maximum amount of liability for damages defined in the agreement is the minimum liability amount provided for under Article 425, paragraph (1) of the said Act. If the re-election of Hatsuo Hyoyama is approved, the Company plans to continue the said agreement with him.
4. The Company has designated Hatsuo Hyoyama as an independent officer as defined by the Tokyo Stock Exchange and the Nagoya Stock Exchange, and notified these exchanges to that effect. If the re-election of Hatsuo Hyoyama is approved, the Company plans to continue to designate him as an independent officer.
5. The number of the Company's shares owned by the candidate includes his shares in the MIDAC Group Directors' Shareholding Association and indicates the number of shares as of the end of the fiscal year under review (March 31, 2026).
6. The Company has entered into a directors and officers liability insurance agreement with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, which covers legal compensation for damages and litigation costs to be borne by the insured persons. If the election of the candidate is approved, he will be included as an insured person under the insurance agreement. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

[Reference] Composition of the Board of Directors

The Company elects Director candidates based on judging elements, such as industrial experience, expertise, personal traits and diversity, in accordance with the procedure set out in the officers' regulations. The Company elects outside Directors who are Audit and Supervisory Committee Members in consideration of knowledge on judicial matters, accounting, tax, etc. The Skills Matrix of Directors is as follows.

Position	Name	◇ Female □ Male	Management	Finance/ Accounting/ Taxation	Legal affairs	Sales & marketing	Technology development	IR	Risk
Representative Director	Keiko Kato	◇	●	●	●			●	●
Senior Managing Director	Hiroyuki Kumagai	□	●			●	●		●
Director	Hiroaki Takada	□	●	●				●	●
Director	Kiyohiko Suzuki	□	●			●	●		●
Director	Masahiko Ochi	□				●			●
Director Audit and Supervisory Committee Member	Yoshitake Kawakami	□				●	●		●
Director Audit and Supervisory Committee Member	Shinji Ishikawa	□	●		●				
Director Audit and Supervisory Committee Member	Tetsuya Okugawa	□	●	●	●				
Director Audit and Supervisory Committee Member	Hatsuo Hyoyama	□	●	●					

Proposal No. 3 Continuation of Countermeasures for a Large-Scale Purchase of the Company's Shares (Policy on Response to Acquisitions)

At its Board of Directors meeting held on May 21, 2026, the Company resolved the continuation of "Countermeasures for a Large-Scale Purchase of the Company's Shares (Policy on Response to Acquisitions)" (hereinafter countermeasures after the continuation shall be referred to as the "Plan") subject to approval of shareholders at this Annual General Meeting of Shareholders. Accordingly, the Company proposes the delegation of the decision on matters concerning allotment of share options without contribution to the Board of Directors of the Company in accordance with the Plan and the outline of III. 3. "The Content of the Plan" below. There is no change to the scheme in formulating the Plan, although the Company has organized the external environment, etc. and made revisions to some phrases.
The content of the Plan is as follows.

I. Basic Policy on Parties in Control of Financial and Business Policy Decisions of the Company

As a party listing its shares on financial instruments exchanges, the Company respects free trading of the Company's shares, etc. in the market. Even if there is a large-scale purchase of the Company's shares, etc. by a specific party, the Company will not categorically deny it so long as it contributes to securing and improving corporate value of and common interests of shareholders of the MIDAC Group (the "Group"). In addition, the Company considers that it should ultimately be up to the decision of shareholders whether to accept a proposal for a large-scale purchase of shares.

However, proposals for a large-scale purchase of shares include those which may damage corporate value and common interests of shareholders of the Group such as possible inability to maintain a good relationship with stakeholders, or which cannot be said to fully reflect the value of the Group, or which may not provide sufficient information required for shareholders to make final decisions.

Against such proposals, the Company's Board of Directors considers that, as a duty of a party which is entrusted by shareholders, it should secure necessary time and information for shareholders and negotiate with a party proposing the large-scale purchase of shares.

II. Special Initiatives That Contribute to Realization of Basic Policy

(1) Initiatives for improving corporate value and the necessity of the Plan

The Group is a corporate group which aims to establish a recycling-oriented society through appropriate waste treatment, with its company name "MIDAC" originating from the initial letters of *mizu* (water), *daichi* (earth) and *cuki* (air). It has a mission to hand over the irreplaceable earth as beautiful as it is to the next generation, and aims to become an environment-creating group on the frontline of that effort, engaging in the solution business for the waste treatment and management of business operators.

The Group consists of the Company, eight consolidated subsidiaries, two unconsolidated subsidiaries, and one equity-method affiliate. The Group has three segments of (1) waste treatment business, (2) collection and transportation business, and (3) intermediary management business, in which the Group aims to promote appropriate waste treatment, and contribute to a resources recycling oriented society.

According to the "Industrial solid waste generation and disposal" published by the Ministry of the Environment, the total annual generation of industrial waste across the country, which is an indicator for the market size, has been around 400 million tons since 2007, remaining generally flat with slight changes. Under these circumstances, the Group has handled works from collection and transportation, intermediate treatment and final disposal in an integrated way, in order to meet all the needs of waste treatment. Going forward, the Group will continue to strive to establish a long-term stable revenue base under an integrated waste treatment system.

Moreover, in April 2022 when the Group reached the 70th anniversary of its foundation, a major milestone, the Group formulated the MIDAC Group 10-year vision "Challenge 80th" as a path to pursue the "management philosophy" in order to achieve "what we should aim for" in the next 80th anniversary. The Group will advance its medium-term management plan over two successive five-year phases toward the realization of "Challenge 80th." Through organic investment in final disposal sites and intermediate treatment facilities, it will progressively strengthen its growth foundation through the fiscal year ending March 31, 2032, the final year of the plan. In addition, by simultaneously and actively promoting M&A

investment in parallel, the Group aims to achieve consolidated net sales of ¥40.0 billion and ordinary profit of ¥12.0 billion.
Looking back, amid stagnant economic activity due to COVID-19, the increase in inflationary pressures due to the conflict between Russia and Ukraine, the situation in the Middle East and other events, the Japanese economy also has undergone change at a dizzying pace over the last few years. Operating in this environment, the Group has continued to enjoy increased revenue and profit since its IPO. The key factor enabling the Group to build a stable source of revenue has been its proven track record of steadily implementing development plans for the future.
The same can be said for "Challenge 80th," which was announced in June 2022. The Group believes that the Group's steady implementation of both organic investment that builds upon past investment and development plans for the future will lead to further improvements in corporate value and the construction of a base for growth.
However, given that the aforementioned medium-term management plan is still midway through at this time, the Group believes that a long-term period will be required for the formation of an appropriate share price. Accordingly, the Group deems that firstly ensuring the provision of the Plan will contribute to future improvements in corporate value and the common interests of its shareholders, and the Group has decided to continue the Plan.

(2) Corporate governance

1) Basic approach to corporate governance

The Group believes it is essential for the business engaged by the Group to develop trusting relationships with various stakeholders, including shareholders, employees, customers, creditors and local communities. The Group recognizes as one of the important management issues the development of a management system which is sound and transparent, and is capable of quickly and appropriately responding to changes in the management environment, in order to meet social trust.

The Group has established the "Guidelines for Action" and "Code of Conduct" for the development of systems of management's decision-making, supervision of the execution of duties by directors and internal control as well as actions with a strong sense of ethics, striving to improve the soundness, efficiency, and transparency of management across the Group.

Moreover, the Company changed from a company with a board of company auditors to a company with an audit and supervisory committee at the 53rd Annual General Meeting of Shareholders held on June 22, 2017, for the purpose of further strengthening corporate governance.

The Audit and Supervisory Committee is comprised of four Directors who are Audit and Supervisory Committee Members (of which three are outside Directors), further enhancing the supervisory function.

2) Overview of corporate governance

(a) The Board of Directors is comprised of five Directors (four males and one female, excluding those who are Audit and Supervisory Committee Members) and four Directors who are Audit and Supervisory Committee Members (four males), meets at least once every month, and determines the basic policy of management, matters stipulated by laws and regulations, and other important matters concerning management.

(b) The Audit and Supervisory Committee is comprised of one standing Audit and Supervisory Committee Member and three Audit and Supervisory Committee Members (outside Directors), and is held once every month in principle. Directors who are Audit and Supervisory Committee Members attend meetings of the Board of Directors and other important meetings, and supervise the execution of duties by Directors. In order to prepare for cases where the number of Directors who are Audit and Supervisory Committee Members is less than that stipulated by laws and regulations, the Company has elected one substitute Director who is an Audit and Supervisory Committee Member.

(c) With President and Representative Director as its chairperson, the Nomination and Remuneration Committee is established as an advisory body to the Board of Directors, for the purpose of strengthening the fairness, transparency and objectivity of procedures for the

appointment, remuneration and other related matters of Directors. Its members are comprised of three Audit and Supervisory Committee Members (outside Directors) in addition to the Chairperson, i.e., President and Representative Director.

(d) With President and Representative Director as its chairperson, the Special Committee is established as an advisory body to the Board of Directors, for the purpose of strengthening the fairness, transparency and objectivity of procedures for important transactions and actions for which interests of controlling shareholders and those of minority shareholders are in conflict. Its members are comprised of three Audit and Supervisory Committee Members (outside Directors) in addition to the Chairperson, i.e., President and Representative Director.

(e) The Group Management Meeting is held monthly, with the membership of all Directors and key executives of the Group. In addition to managing the results of monthly budget and progress in departmental plans, they deliberate and exchange opinion on all important matters in the company.

(f) With President and Representative Director as its chairperson, the Group holds the meetings of Sustainability Promotion Committee at least once every three months, in order to deal with issues surrounding sustainability, including consideration for global environmental issues such as climate change, respect for human rights, consideration for the health and working environment of employees and their fair and appropriate treatment, fair and appropriate transactions with business partners, and management of crises including natural disasters, among others. Its members are comprised of key executives, in addition to the Chairperson, i.e., President and Representative Director.

(g) The Risk Management Committee is held at least once every three months, in an effort to verify management risks surrounding the Company, and take systematic and appropriate preventive measures for preventing such risks from occurring.

(h) The Safety Management Office directly reporting to President and Representative Director is established to identify problems of internal labor safety and hygiene, and confirm the status of initiatives for improvements.

(i) The Internal Audit Office directly reporting to President and Representative Director is established to conduct internal audit systematically on all departments except for its own by designated two persons based on the "Internal Audit Rules" and report the result of audit to President and Representative Director and the Audit and Supervisory Committee.

(j) In order to have appropriate accounting based on accounting standards, an audit agreement is concluded with Deloitte Touche Tohmatsu LLC to undergo an accounting audit.

Certified public accountants who have executed duties

Designated Member; Managing Partner	Fukuyuki Nishikawa
Designated Member; Managing Partner	Kunihiko Mochizuki

Composition of assistants for audit

Certified public accountants	8 people
Persons having passed CPA exam	4 people
Other	10 people

(k) The Company has entered into an agreement with Directors (excluding Executive Directors), to limit their liability for damages under Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the said Act. The maximum amount of liability for damages defined in the agreement is the amount provided for Directors (excluding Executive Directors) by laws and regulations. The limitation of liability shall be admitted only if the Director (excluding Executive Director) is without knowledge and is not grossly negligent about the execution of duties which caused the liability.

3) Basic approach to the internal control system

Based on the basic philosophy that "A company is a public institution," the Company strives to realize responsible management for all stakeholders related to it and enhance its long-term corporate value. In order to realize the objective, the Company recognizes that one of the most important issues is sound management to protect the rights and interests of shareholders with a supporting management supervisory function and timely and appropriate information disclosure. To meet this

issue, the Company prevents meetings from becoming a formality, and encourages Directors and senior staff to speak up proactively. Moreover, the Company makes close communication on a daily basis, in an effort to foster a free atmosphere which enables frank exchange of opinions. The Company avoids one-way directions and orders from the President and collusive discussions, makes quick decisions taking risks into account, and strives to develop an organization that can effect mutual checks. On the other hand, the Company has established the Audit and Supervisory Committee, and Directors who are Audit and Supervisory Committee Members conduct strict checks on management based on their respective experience. In addition, internal audits are conducted by the Internal Audit Office.

With such systems, the Company strives to strengthen its corporate governance by making quick decisions and enhancing its management supervisory function. For information disclosure, the Company will strive for timely and fair information disclosure to prevent information gaps among stakeholders.

III. Initiatives to Prevent Inappropriate Parties from Controlling Decisions on Policy for Finance and Business of the Company in Accordance with Basic Policy

1. The Objective of the Plan

With the objective of securing and improving corporate value of the Company and the common interests of shareholders, the Plan will be continued in line with the Basic Policy stated in I above, and aims to clarify the rules which should be complied by parties trying to conduct a large-scale purchase of the Company's shares, etc. and to secure necessary and sufficient information and time for shareholders to make appropriate decisions and the opportunity for the Company to negotiate with parties trying to conduct a large-scale purchase.

To achieve the medium- to long-term business strategy stated in II. (1), going forward, the Company will focus on the development of bases in the Kanto area which has the largest waste emissions, select multiple candidates for installing new waste treatment facilities (final disposal sites and incineration facilities), and promote the plans in parallel at the same time.

The Company's main business of waste treatment is an equipment-intensive industry, which requires substantial funds to pursue such business strategy. In January 2022, the Company raised about ¥2.8 billion by issuing new shares for the necessary funds to allocate to part of the construction payment for the second to fourth stage of the management-type final disposal site and part of the construction expense of the Company's new water treatment facility. Going forward, the Company expects more demand for funds with the planned multiple investment projects, including the scheduled development of two new management-type final disposal sites in the East Japan area and one in the West Japan area.

Under such circumstances, after considering the necessity of countermeasures against large-scale purchases, the Company has concluded that it is necessary to prepare countermeasures against large-scale purchases, in order to secure the process of information provision by large-scale purchasers and examination and evaluation by the Company's Board of Directors, as well as to prevent apparent infringement of the corporate value of the Group and the common interests of shareholders. The Company believes that preparation of such countermeasures will be necessary and effective to steadily achieve the above business strategy and to eliminate as much as possible large-scale purchases which do not contribute to the corporate value of the Group and the common interests of shareholders, and that the Plan will secure the required information provision and the period of examination before the start of large-scale purchases, contributing to maintaining and improving corporate value and the common interests of shareholders.

As for shareholders of the Company, 59.18% of the total number of shares issued and outstanding (voting rights ratio of 59.41%) is held by the Company's officers and related parties (hereinafter referred to as the "Company's Officers, etc.") as of March 31, 2026. However, as a matter of fact, shares of the Company are liquid, as about 40% of them are held by individual investors and foreign corporations among others. As rights of the Company's shares held by the Company's Officers, etc. are exercised based on individual decisions at the moment, it cannot be denied that transfers, inheritance and other disposals under various circumstances due to generational transitions, etc. going forward will promote their decentralization. The holding ratio of shares issued and outstanding by the Company's Officers, etc. (hereinafter referred to as the "Shareholding Ratio") decreased from 70.77% as of September 30, 2018 just before the listing on the Second Section (current Standard Market) of the Tokyo Stock Exchange to 59.18% due to the public

offering and issuance of new shares through third party allotment (611,600 shares) and secondary share offering (total number of 209,000 shares of which 134,000 shares by the Company's Officers, etc.) implemented in December 2019 and issuance of new shares (1,000,000 shares) implemented in January 2022. It cannot be denied that the liquidity of the Company's shares may further increase because there is an ample possibility of selecting fundraising from the stock market as implemented in January 2022 in order to meet a high demand for funds arising in pursuing the above business strategy going forward as well. From the above perspective, if liquidity is improved through fundraising, the Shareholding Ratio by the Company's Officers, etc. will decrease, providing more opportunities for more shareholders and investors to hold the Company's shares. On the other hand, there is no denying that large-scale purchases, which are against the corporate value of the Company and thus the common interests of shareholders, will become more likely.

The status of major shareholders of the Company as of March 31, 2026 is as stated in Attachment 3 "Major Shareholders of the Company." In addition, at the moment, the Company has not received a proposal from a specific third party for a large-scale purchase of the Company's shares, etc.

2. Summary of the Plan

As described below, the Plan will formulate the rules to be complied with by a party who intends to make a large-scale purchase of the Company's shares, etc.; clarify that if the conditions are met, the Company will take countermeasures, and thereby a party who intends to make a large-scale purchase may incur damages; and by appropriately disclosing these, give a warning to the party who intends to make a large-scale purchase of the Company's shares, etc. that does not contribute to the corporate value of the Company and the common interests of shareholders.

In order to eliminate arbitrary judgment of the Company's Board of Directors when activating countermeasures, etc., the Plan accords maximum respect to the recommendation of the Independent Committee (hereinafter referred to as the "Independent Committee"), which is comprised of outside Directors of the Company or outside experts (company manager with a track record, former government officials, attorneys, certified public accountants, academics or their equivalents) who are independent from the management executing operations of the Company, in accordance with the Independent Committee Rules (see Attachment 1 for its summary), and discloses information in a timely manner to shareholders and investors to secure transparency. Four persons stated in Attachment 2 will assume the position of an Independent Committee member under the Plan.

3. The Content of the Plan

(1) Procedures for the Plan

1) Large-Scale Purchase, etc. covered

The Plan covers purchases of the Company's shares, etc., or acts similar thereto that fall under either (i) or (ii) below (excluding, however, those approved by the Company's Board of Directors. Such an act is hereinafter referred to as a "Large-Scale Purchase, etc.") as the scope of application. A party who conducts or intends to conduct a Large-Scale Purchase, etc. (hereinafter referred to as the "Purchaser, etc.") shall follow the procedures set forth in the Plan in advance.

(i) For shares, etc.[1] issued by the Company, the purchase by which the holder's[2] holding ratio[3] of shares, etc. will become 20% or more

(ii) For shares, etc.[4] issued by the Company, the takeover bid by which the total of the takeover bid's[5] holding ratio of shares, etc.[6] and the specially related party's[7] holding ratio of shares, etc. will become 20% or more

2) Prior submission of "Letter of Intent" to the Company

Prior to the execution of the Large-Scale Purchase, etc., the Purchaser, etc. shall submit to the Company's Board of Directors the document stating the pledging words, etc. to the effect that the Purchaser, etc. shall comply with the procedures set forth in the Plan for the Large-Scale Purchase, etc. (hereinafter referred to as the "Letter of Intent") in Japanese in a format stipulated by the Company.

Specifically, the following matters shall be stated in the "Letter of Intent."

(i) Summary of the Purchaser, etc.

(a) Name and address or location
(b) Representative's position and name
(c) Objectives of the company, etc. and the content of business
(d) Summary of major shareholders and large contributors (Top 10 shareholders or contributors)
(e) Contact in Japan
(f) Law under which the company was founded

(ii) Number of the Company's shares, etc. currently held by the Purchaser, etc. and the status of trading of the Company's shares, etc. by the Purchaser, etc. during 60 days before the submission of the Letter of Intent

(iii) Summary of the Large-Scale Purchase, etc. proposed by the Purchaser, etc. (including the type and number of the Company's shares to be acquired by the Purchaser, etc. through the Large-Scale Purchase, etc. and the objective of the Large-Scale Purchase, etc. (such objectives and its content if there is acquisition of controlling rights or participation in management, pure investment or strategic shareholding, transfer of the Company's shares to third parties after the Large-Scale Purchase, etc., an important proposal[8] or other objective. If there are multiple purposes, all of them must be stated.))

3) Provision of the "Necessary Information"

If the "Letter of Intent" in 2) above is submitted, the Purchaser, etc. shall provide to the Company in Japanese necessary and sufficient information for shareholders and investors to judge the Large-Scale Purchase, etc. and for the Company's Board of Directors to evaluate and examine it (hereinafter referred to as the "Necessary Information") in accordance with the following procedures.

First, the Company shall send to the contact in Japan in 2) (i)(e) above the "Information List" stating the information to be submitted initially within ten business days[9] (without counting the first day) after the submission of the "Letter of Intent," and the Purchaser, etc. shall submit sufficient information in accordance with the "Information List." In addition, if the Company's Board of Directors reasonably judges that the information provided by the Purchaser, etc. is insufficient for shareholders and investors to judge the content and manner, etc. of the Large-Scale Purchase, etc. and for the Company's Board of Directors to evaluate and examine them, the Purchaser, etc. shall provide additional information requested separately by the Company's Board of Directors.

Regardless of the content and manner, etc. of the Large-Scale Purchase, etc., information on the following items shall be included in part of the "Information List" in principle.

(i) Details (including history, specific name, capital composition, business contents, financial position, name and career of officers, etc.) of the Purchaser, etc. and its group (including joint holders[10], specially related parties and, in the case of funds, partners and other members)

(ii) Objectives of the Large-Scale Purchase, etc. (details of the objectives disclosed in the "Letter of Intent"), the method and the content (including the existence of the intention for participating in management, type and amount of the consideration for the Large-Scale Purchase, etc., timing of the Large-Scale Purchase, etc., structure of related transactions, number of shares to be purchased, ownership ratio of shares after purchase, etc. and legality of the method for the Large-Scale Purchase, etc.)

(iii) Grounds for the calculation of the consideration for the Large-Scale Purchase, etc. (including factual assumptions for calculation, calculation method, numerical information used for calculation, details of synergies expected to be incurred by a series of transactions for the Large-Scale Purchase, etc. and if an opinion is heard from a third party, name of the third party, summary of the opinion, and process by which the amount is decided taking into account of the opinion)

(iv) Underlying funds for the Large-Scale Purchase, etc. (including specific names of fund providers (including substantive providers), financing method and the content of related transactions)

(v) Existence of communication of intentions with a third party for the Large-Scale Purchase, etc., and if yes, its content and summary of the third party

(vi) If there is a lease agreement, security agreement, reverse repurchase agreement, purchase-sale reservation or other important agreement or arrangement (hereinafter referred to as the "Security Agreement, etc.") for the Company's shares, etc. already held by the Purchaser, etc., specific details of the Security Agreement, etc., including the type of the agreement, the other party of the agreement and the number of shares, etc. covered by the agreement

(vii) If the Purchaser, etc. plans to conclude the Security Agreement, etc. or other agreement with a third party for the Company's shares, etc. to be acquired in the Large-Scale Purchase, etc., specific details of the agreement, including the type of the planned agreement, the other party of the agreement and the number, etc. of shares, etc. covered by the agreement

(viii) Management policy, business plan, capital policy and dividend policy of the Company and the Group after the Large-Scale Purchase, etc.

(ix) Policy for the treatment, etc. of employees, business partners, customers, local communities and other stakeholders of the Company after the Large-Scale Purchase, etc.

(x) Specific measures for avoiding the conflict of interests with other shareholders of the Company

Among the information on the fact that there is a proposal for the Large-Scale Purchase, etc. by the Purchaser, etc., its summary, the summary of the Necessary Information, and other information, if there is information deemed necessary for the judgment of shareholders and investors, the Company's Board of Directors shall disclose it when deemed appropriate.

In addition, if the Purchaser, etc. is deemed to have sufficiently provided the Necessary Information, the Company's Board of Directors shall notify the Purchaser, etc. to the effect (hereinafter referred to as the "Notice on the Completion of Information Provision") and make disclosure to the effect without delay.

4) Setting, etc. of the Board of Directors' Evaluation Period

With the following day as the initial date for reckoning after making the Notice on the Completion of Information Provision, the Company's Board of Directors shall set the following period (i) or (ii) as the period for evaluation, examination, negotiation, formulation of opinions and drafting of alternative proposals by the Company's Board of Directors (hereinafter referred to as the "Board of Directors' Evaluation Period"), according to the difficulty, etc. of the evaluation on the Large-Scale Purchase, etc. and disclose promptly.

(i) Up to 60 days in the case of takeover bid covering all the Company's shares with only cash (denominated in Japanese yen) as the consideration

(ii) Up to 90 days in the case of other Large-Scale Purchase, etc.

For either (i) or (ii) above, while the Board of Directors' Evaluation Period may be extended only if the Board of Directors and the Independent Committee reasonably deem it insufficient for evaluation and examination, the extension shall be up to 30 days. In such a case, the specific period of extension and the specific reason necessitating the extended period shall be notified to the Purchaser, etc. and disclosed to shareholders and investors.

While obtaining advice of outside experts, etc. as appropriate according to the necessity, the Company's Board of Directors shall fully evaluate and examine the Necessary Information provided by the Purchaser, etc., and from the perspective of securing and improving the corporate value of the Company and the common interests of shareholders, examine the content of the Large-Scale Purchase, etc. by the Purchaser, etc. during the Board of Directors' Evaluation Period. Through these examinations, etc., the Company's Board of Directors shall carefully compile its opinion on the Large-Scale Purchase, etc., notify it to the Purchaser, etc., and disclose it to shareholders and investors in a timely and appropriate manner. As necessary, moreover, the Company's Board of Directors may

negotiate with the Purchaser, etc. the conditions and method for the Large-Scale Purchase, etc., and furthermore, present alternative proposals to shareholders and investors.

5) Recommendation of the Independent Committee on the Activation of Countermeasures

In the event that a Purchaser, etc. emerges, the Independent Committee shall make a recommendation on the appropriateness of countermeasures to the Company's Board of Directors within the Board of Directors' Evaluation Period, in accordance with the following procedures. To ensure that the judgment of the Independent Committee will contribute to securing and improving the corporate value of the Company and the common interests of shareholders, the Independent Committee may, at the Company's expense, obtain advice from third parties independent from the management executing the Company's operations (including investment banks, securities companies, financial advisors, certified public accountants, attorneys, consultants and other experts). If the Independent Committee makes a recommendation stipulated in (i) or (ii) below to the Company's Board of Directors, the Company's Board of Directors shall disclose promptly the fact of such recommendation, its summary and other matters deemed appropriate by the Company's Board of Directors.

(i) If the Purchaser, etc. does not comply with the procedures stipulated in the Plan

If the Purchaser, etc. does not comply with the procedures stipulated in the Plan, the Independent Committee shall regard the Large-Scale Purchase, etc. as significantly damaging the corporate value of the Company and the common interests of shareholders, and recommend the activation of countermeasures to the Company's Board of Directors in principle.

(ii) If the Purchaser, etc. complies with the procedures stipulated in the Plan

If the Purchaser, etc. complies with the procedures stipulated in the Plan, the Independent Committee shall recommend the non-activation of countermeasures to the Company's Board of Directors in principle.

However, even in the case of compliance with the procedures stipulated in the Plan, if the Large-Scale Purchase, etc. is regarded as significantly damaging the corporate value of the Company and the common interests of shareholders due to the reasons listed in Attachment 4, and the activation of countermeasures is deemed appropriate, the Independent Committee may recommend the activation of countermeasures as an exceptional measure. Moreover, the Independent Committee may make reservations to the effect that the intention of shareholders should be confirmed in advance on the activation of countermeasures.

6) Resolution of the Board of Directors and confirmation of the intention of shareholders

From the perspective of according maximum respect to the recommendation of the Independent Committee stipulated in 5) above and securing and improving the corporate value of the Company and the common interests of shareholders based on such recommendation, the Company's Board of Directors shall promptly resolve the activation or non-activation of countermeasures.

If the Independent Committee makes reservations to the effect that the intention of shareholders should be confirmed in advance on the activation of countermeasures when recommending their activation, the Company's Board of Directors shall convene the General Meeting of Shareholders to confirm the intention of shareholders (hereinafter referred to as the "General Meeting for Confirming Shareholders' Intention") within the shortest time practically possible, and submit a proposal for the activation of countermeasures, except for cases where holding the meeting is practically significantly difficult. The General Meeting for Confirming Shareholders' Intention may be held in conjunction with an Annual General Meeting of Shareholders or Extraordinary General Meeting of Shareholders. If the holding of the General Meeting for Confirming Shareholders' Intention is decided at the Company's Board of Directors meeting, the Board of Directors' Evaluation Period shall end at such point of time. If a proposal for the activation of countermeasures is approved at the General Meeting for Confirming Shareholders' Intention, the Company's Board of Directors shall make a resolution on the activation of countermeasures and take necessary procedures in accordance with the decision at the General Meeting for Confirming Shareholders' Intention. On the other hand, if

a proposal for the activation of countermeasures is disapproved at the General Meeting for Confirming Shareholders' Intention, the Company's Board of Directors shall make a resolution on the non-activation of countermeasures. Voting at the General Meeting for Confirming Shareholders' Intention, shall be equivalent to ordinary resolution at the Company's ordinary General Meeting of Shareholders and decide approval or disapproval.

If making the above resolution, the Company's Board of Directors shall promptly disclose the summary of the resolution and other matters deemed appropriate by the Board and the Independent Committee; and if holding the General Meeting for Confirming Shareholders' Intention, the voting result and other matters deemed appropriate by the Board and the Independent Committee.

7) Suspension of the activation of countermeasures

Even after the Company's Board of Directors has resolved the activation of countermeasures or activated them in accordance with the procedures in 6) above, the Board shall make a resolution to suspend the countermeasures if (i) the Purchaser, etc. suspends the Large-Scale Purchase, etc. or (ii) there is a change in the factual assumptions for the judgment on whether to activate the countermeasures, while the activation of the countermeasures has become deemed inappropriate from the perspective of securing and improving the corporate value of the Company and the common interests of shareholders.

If making the above resolution, the Company's Board of Directors shall promptly disclose the summary of the resolution and other matters deemed appropriate by the Board.

8) Commencement of the Large-Scale Purchase, etc.

The Purchaser, etc. shall comply with the procedures stipulated in the Plan, and shall not be able to commence the Large-Scale Purchase, etc. until the Board of Directors resolves the activation or non-activation of countermeasures.

(2) Specific details of countermeasures in the Plan

The countermeasure to be activated by the Company's Board of Directors based on the resolution stated in (1) 6) above shall be allotment of share options (hereinafter referred to as the "Share Options") without contribution.

The summary of the allotment of the Share Options without contribution shall be as described in Attachment 5 "Summary of Allotment of Share Options without Contribution."

The Company's Board of Directors may decide the suspension of countermeasures as described in (1) 7) above, even after resolving the activation of them or activating them. For example, in the case of allotment of the Share Options without contribution resolved as the countermeasures by the Company's Board of Directors, if the Purchaser, etc. suspends the Large-Scale Purchase, etc. and the Board makes the resolution described in (1) 7) above, the Board may suspend the activation of the countermeasures by the methods such as suspending the allotment of the Share Options without contribution until the previous day of the ex-rights date for the record date set for such allotment, and the Company's acquiring the Share Options without contribution from the effective date of the allotment until the previous day of the commence date of the period for exercising the Share Options.

(3) Effective period, abolition and change of the Plan

If approved at this Annual General Meeting of Shareholders, the effective period of the Plan shall be from the time of the approval resolution to the conclusion of the Annual General Meeting of Shareholders to be held in June 2029.

However, even before the expiration of such effective period, if the Company's General Meeting of Shareholders resolves to change or abolish the Plan, the Plan shall be changed or abolished at such point of time in accordance with the resolution. Moreover, if the Board of Directors composed of Directors elected at the Company's General Meeting of Shareholders resolves the abolition of the Plan, the Plan shall be abolished at such point of time.

If the Company's Board of Directors deems it necessary to make formal changes due to changes in the Companies Act, Financial Instruments and Exchange Act or other laws and regulations, or changes in rules of financial instruments exchanges, or changes in their interpretation or operation, or changes in taxation and court decisions among others, the Board may revise or change the Plan after obtaining approval of the Independent Committee as appropriate. On the other hand, if the Company's Board of Directors makes changes to the content of the Plan which may substantially

affect shareholders of the Company, the Board shall again make a submission to the nearest General Meeting of Shareholders to be held and acquire approval of shareholders.

If the Company abolishes the Plan or makes changes to the content of the Plan which will substantially affect the Company's shareholders, the Company shall promptly disclose the fact of abolishment or changes, and (in the case of changes) the details of changes and other matters deemed appropriate by the Company's Board of Directors.

4. The Rationality of the Plan

The Plan fulfills the three principles (principle of protecting and enhancing corporate value and shareholders' common interests, principle of prior disclosure and shareholders' will, and principle of ensuring necessity and reasonableness of defensive measures) stipulated by the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" announced by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005, and is based on the content of "Takeover Defense Measures in Light of Recent Environmental Changes" published by the Corporate Value Study Group on June 30, 2008. The foregoing is also consistent with the intent of the "Guidelines for Corporate Takeovers: Toward Enhancement of Corporate Value and Protection of Shareholder Interests" published by the Ministry of Economy, Trade and Industry on August 31, 2023.

(1) Principle of protecting and enhancing corporate value and shareholders' common interests

As described in 1. above, the Plan is continued for the purpose of--when there is the Large-Scale Purchase, etc. of the Company's shares, etc.--securing the necessary information and period for shareholders to judge whether to accept such Large-Scale Purchase, etc., or for the Company's Board of Directors to present alternative proposals, enabling negotiations with the Purchaser, etc. on behalf of shareholders, and thereby secure and improve the corporate value of the Company and the common interests of shareholders.

(2) Principle of prior disclosure and shareholders' will

The Plan will be continued by obtaining support of shareholders at this Annual General Meeting of Shareholders of the Company. Moreover, as described in 3. (3) above, even after being approved at this Annual General Meeting of Shareholders, the Plan will be changed or abolished if a subsequent General Meeting of Shareholders of the Company resolves to change or abolish the Plan. Therefore, the continuation or abolishment of the Plan will reflect the intention of shareholders.

(3) Principle of ensuring the necessity and reasonableness of defensive measures

1) Respect of judgment by independent external parties and thorough disclosure of information

As described in 2. above, in order to eliminate arbitrary judgment of the Board of Directors on the activation, etc. of countermeasures against the Large-Scale Purchase, etc., and ensure the objectivity and rationality of the judgment and response of the Board of Directors, the Company shall establish the Independent Committee and the Company's Board of Directors shall accord maximum respect to the recommendation of the Independent Committee when resolving the activation or non-activation of countermeasures.

Moreover, the Company shall disclose information on the summary of the Independent Committee's judgment to shareholders and investors, ensuring the system for the transparent operation of the Plan to contribute to the corporate value of the Company and the common interests of shareholders.

2) Establishment of reasonable and objective requirements for activation

As described in 3. above, the Plan is structured so as not to be activated unless reasonable and objective requirements for activation are satisfied, ensuring the system for preventing arbitrary activation by the Company's Board of Directors.

3) The policy does not constitute a response measure against acquisitions of the dead-hand type or slow-hand type.

As described in 3. (3) above, the Plan may be abolished at any time by the Board of Directors composed of Directors elected at the Company's General Meeting of Shareholders. Accordingly, the Plan does not constitute a response measure against acquisitions of the dead-hand type (a response measure against acquisitions that cannot be prevented from being triggered even if a majority of the members of the Board of Directors is replaced).

Furthermore, because the Company has set the term of office of executive Directors at one year, the Plan does not constitute a response measure against acquisitions of the slow-hand type (a response measure against acquisitions that requires time to prevent from being triggered because the members of the Board of Directors cannot all be replaced at once) either.

5. Impact on shareholders and investors

(1) Impact of the Plan's continuation on shareholders and investors

Issuance of the Share Options itself shall not be done during the Plan's continuation. Accordingly, the Plan shall not have a direct and specific impact on legal rights and economic interests concerning the Company's shares held by shareholders during its continuation.

As described in 3. (1) above, the Company's response policy with respect to a given acquisition will differ depending on whether the Purchaser, etc. complies with the Plan; accordingly, shareholders and investors are advised to pay close attention to the movements of the Purchaser, etc.

(2) Impact of allotment of the Share Options without contribution on shareholders and investors

If the Company's Board of Directors decides the activation of countermeasures and allocate the Share Options without contribution, the Share Options shall be allotted without contribution to the shareholders recorded in the shareholders' list on the allotment date determined separately, at the ratio with the upper limit of one Share Option per share owned by them. With such arrangement, while there is dilution of the per-share value of the Company's shares held by shareholders at the time of allotment of the Share Options without contribution, since there is no dilution of the value of the Company's shares held as a whole, it is not assumed that there will be a direct and specific impact on the legal rights and economic interests concerning the Company's shares held by shareholders.

However, there may be some impact on the legal rights and economic interests of the Purchaser, etc. as a result of the activation of this countermeasure.

Furthermore, even if the Company's Board of Directors adopts a resolution for the allotment of the Share Options without contribution, if the Company's Board of Directors decides to discontinue the activation of countermeasures in accordance with the procedures described in 3. (1) 7) above, the share price of the Company's shares may fluctuate accordingly. For example, after the finalization of shareholders who will receive allotment of the Share Options without contribution, if the Company suspends the activation of countermeasures, acquires the Share Options without contribution, and does not issue new shares, there will be no dilution of the per-share economic value of the Company's shares held by shareholders, and therefore, please be careful that shareholders and investors who have traded on the assumption that there will be dilution of the per-share economic value of the Company's shares may incur damages due to changes in stock prices.

In addition, in cases where discriminatory conditions are attached with respect to the exercise or acquisition of the Share Options, it is anticipated that the legal rights and economic interests of the Purchaser, etc. will be affected upon such exercise or acquisition; however, even in such cases, it is not anticipated that any direct and specific impact will be caused to the legal rights and economic interests pertaining to the Company's shares held by shareholders other than the Purchaser, etc.

(3) Procedures for shareholders due to allotment of the Share Options without contribution

Application procedures are not required for shareholders who are recorded on the final shareholders' list on the allotment date of the Share Options without contribution, as they will become the holders of Share Options as a matter of course.

Moreover, if the Company takes the procedure for the acquisition of Share Options subject to call, there will be no need for shareholders other than the Purchaser, etc. to take procedures including payment for such Share Options, as they will receive the Company's shares as the consideration for the acquisition of Share Options by the Company without paying money equivalent to the exercise price of Share Options.

In addition to the above, regarding the methods of allotment, exercise, acquisition by the Company and issuance of shares among others, the Company shall disclose or notify the details of their procedures in a timely and appropriate manner, based on applicable laws, regulations and financial instruments exchange rules, after the resolution of the Company's Board of Directors on the allotment of the Share Options without contribution. Please confirm the content of such disclosure or notification.

[1] It shall mean “share certificates, etc.” stipulated in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act. The same shall apply hereinafter unless otherwise stipulated. If there is a revision to laws and regulations, etc. cited in the Plan (including changes to the name of laws and regulations and establishment of new laws and regulations, etc. which succeed the former laws and regulations, etc.), clauses of laws and regulations, etc. cited in the Plan shall, unless the Company’s Board of Directors separately determines otherwise, be replaced by clauses of the laws and regulations, etc. which substantially succeed the clauses of such laws and regulations, etc. after the revision.

[2] It shall refer to the holder stipulated in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act, including those who are included in the holder pursuant to paragraph (3) of the same Article. The same shall apply hereinafter.

[3] It shall mean “ownership ratio of share certificates, etc.” stipulated in Article 27-23, paragraph (4) of the Financial Instruments and Exchange Act. The same shall apply hereinafter.

[4] It shall mean “share certificates, etc.” stipulated in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act. The same shall apply hereinafter in (ii).

[5] It shall mean “tender offer” stipulated in Article 27-2, paragraph (6) of the Financial Instruments and Exchange Act. The same shall apply hereinafter.

[6] It shall mean “ownership ratio of share certificates, etc.” stipulated in Article 27-2, paragraph (8) of the Financial Instruments and Exchange Act. The same shall apply hereinafter.

[7] It shall mean “specially related party” stipulated in Article 27-2, paragraph (7) of the Financial Instruments and Exchange Act. However, those listed in Item (i) of the same paragraph exclude those stipulated in Article 3, paragraph (2) of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers. The same shall apply hereinafter.

[8] It shall mean “material proposal” stipulated in Article 27-26, paragraph (1) of the Financial Instruments and Exchange Act, Article 14-8-2, paragraph (1) of the Order for Enforcement of the Financial Instruments and Exchange Act and Article 16 of the Cabinet Office Ordinance on Disclosure of the Status of Large-Volume Holdings in Share Certificates, etc.

[9] The business days shall mean those other than days listed in Article 1, paragraph (1), each item of the Act on Holidays of Administrative Organs.

[10] It shall refer to the “joint holder” stipulated in Article 27-23, paragraph (5) of the Financial Instruments and Exchange Act, including those who are regarded as the “joint holder” pursuant to paragraph (6) of the same Article. The same shall apply hereinafter.

Attachment 1

Summary of the Independent Committee Rules

1. The Independent Committee shall be established as an advisory body to the Board of Directors by the resolution of the Company's Board of Directors, for the purpose of eliminating arbitrary judgment of the Board on the activation, etc. of countermeasures against the Large-Scale Purchase, etc. as well as ensuring the objectivity and rationality of the judgment and response of the Board.
2. The Independent Committee Members shall be no less than three persons, to be elected based on the resolution of the Company's Board of Directors, among those falling under either (1) outside Directors, or (2) outside experts (company manager with a track record, former government officials, attorneys, certified public accountants, academics or their equivalents) who are independent from the management executing operations of the Company. The Company shall conclude an agreement with Independent Committee Members which includes good manager's duty of care and obligation of confidentiality.
3. The term of office of the Independent Committee Member shall be until the day of conclusion of the Annual General Meeting of Shareholders for the last fiscal year ending within three years from the time of his/her election or until the date agreed upon separately between the Independent Committee Member and the Company. However, this shall not apply if the Company's Board of Directors decides otherwise by its resolution.
4. The Independent Committee shall be convened by the Company's Representative Director or each Independent Committee Member.
5. The chairperson of the Independent Committee shall be elected by mutual votes.
6. The resolution of the Independent Committee shall be made by a majority, with all Independent Committee Members attending. However, if any of the Independent Committee Members is involved in an accident or there is other special reason, it shall be made by a majority with a majority of the Independent Committee Members attending.
7. Based on the inquiry from the Company's Board of Directors, the Independent Committee shall deliberate the matters listed in the following items, make a resolution, and recommend the content of the resolution to the Board with reasons.
   (1) Appropriateness of the activation of countermeasures concerning the Plan (including the appropriateness of obtaining confirmation on shareholders' intention in advance about the activation)
   (2) Cancellation or suspension of the activation of countermeasures concerning the Plan
   (3) Abolition and change of the Plan
   (4) Other matters that the Company's Board of Directors voluntarily inquires of the Independent Committee in relation to the Plan

   Each Independent Committee Member shall conduct deliberations and resolutions solely from the perspective of whether to contribute to the corporate value of the Company and the common interests of shareholders, not aiming to benefit personal interests of oneself or the management of the Company.
8. The Independent Committee may make Directors or employees of the Company or other parties deemed necessary attend and may request their opinion or explanation on the matters requested by the Committee, as necessary.
9. In pursuing its duties, the Independent Committee may obtain, at the Company's expense, advice from external experts independent from the management executing the Company's operations (including investment banks, securities companies, financial advisors, certified public accountants, attorneys, consultants and other experts).

Attachment 2

Career Summary of the Independent Committee Members

Shinji Ishikawa (born on September 18, 1966)

Apr. 1997	Registered as an attorney
Oct. 2001	Partner at Chukyo Law Office
Jan. 2015	Representative Member of Chukyo Law Office (current position)
Apr. 2015	Vice Chairperson of Aichi Bar Association
Apr. 2017	Vice President-Aichi of Houterasu (Japan Legal Support Center)
June 2019	Director of MIDAC HOLDINGS CO., LTD. (Audit and Supervisory Committee Member) (current position)
Nov. 2024	Audit Committee Member of Okazaki City (current position)

*The Company has designated Shinji Ishikawa as an independent officer as defined by the Tokyo Stock Exchange and the Nagoya Stock Exchange, and notified these exchanges to that effect.

Tetsuya Okugawa (born on July 21, 1962)

Apr. 1985	Appointment at Nagoya Regional Taxation Bureau
Sept. 1993	Joined SATO Sumio Certified Public Tax Accountant Office (currently Meinan Consulting Network)
Oct. 1993	Registered as a certified public tax accountant
Oct. 1994	Joined NODA C.P.A. Accounting/Certified Public Tax Accountant Firm
Jan. 2001	Joined SOBUE Yoshio Certified Public Accountant/Certified Public Tax Accountant Firm (currently Deloitte Tohmatsu Tax Co.)
Apr. 2013	Visiting Professor at Graduate School of Law of Nagoya University of Economics (current position)
Apr. 2018	Established Okugawa Certified Public Tax Accountant Firm, President of the Firm (current position)
June 2021	Director of MIDAC HOLDINGS CO., LTD. (Audit and Supervisory Committee Member) (current position)
June 2024	Outside Director of CANOX CORP. (current position)

*The Company has designated Tetsuya Okugawa as an independent officer as defined by the Tokyo Stock Exchange and the Nagoya Stock Exchange, and notified these exchanges to that effect.

Hatsuo Hyoyama (born on January 23, 1951)

June 2005	Managing Director of Hamamatsu Shinkin Bank (currently Hamamatsu Iwata Shinkin Bank)
June 2015	Director of Shizuoka Prefecture Western Region Shinkin Economic Research Institute
June 2018	Director of Shinkin Economic Research Institute
July 2021	Vice President of KOSEI GAKUEN and President of Hamamatsu Gakuin University
June 2022	Director of MIDAC HOLDINGS CO., LTD. (Audit and Supervisory Committee Member) (current position)
July 2022	President of KOSEI GAKUEN (current position)

*The Company has designated Hatsuo Hyoyama as an independent officer as defined by the Tokyo Stock Exchange and the Nagoya Stock Exchange, and notified these exchanges to that effect.

Atsuo Inukai (born on April 30, 1975)

Oct. 2004	Registered as an attorney
	Joined Hosoi Law Office (currently Taiju Law Office)
Nov. 2011	Established Inukai Law Office
	President of Inukai Law Office (current position)
Jan. 2012	Part-time lecturer at School of Law Nagoya University (current position)
Apr. 2016	Member of the Komaki City Administrative Complaint Review Board (current position)
Apr. 2023	Chairperson of the Children's Rights Committee, Aichi Bar Association

*There is no relationship, including advisory contract, between the above four persons and the Company.

Attachment 3

Major Shareholders of the Company (as of March 31, 2026)

Ranking	Shareholder name	Number of shares held (shares)	Shareholding ratio (%)
1	Fons Asset Management Co., Ltd.	8,245,000	29.78
2	Katsuhiro Kumagai	4,138,600	14.95
3	Custody Bank of Japan, Ltd. (Trust Account)	1,425,800	5.15
4	Yukiko Kumagai	1,342,800	4.85
5	The Master Trust Bank of Japan, Ltd. (Trust Account)	1,186,200	4.28
6	Hiroyuki Kumagai	1,096,320	3.96
7	Keiko Kato	654,439	2.36
8	Kazushi Yaitabashi	605,840	2.18
9	The Shizuoka Bank, Ltd. (Standing proxy: The Master Trust Bank of Japan, Ltd.)	507,000	1.83
10	Hamamatsu Iwata Shinkin Bank	430,000	1.55

Note: The Company holds 93,272 shares of treasury shares. Moreover, the shareholding ratio is calculated after excluding treasury shares.

Attachment 4

Types Deemed Significantly Damaging to the Corporate Value of the Company and the Common Interests of Shareholders

1. Cases where the Purchaser, etc. is deemed to be a party that is acquiring or about to acquire the Company's shares, despite having no genuine intention of participating in corporate management, for the purpose of simply raising their prices and making relevant parties to the Company take back the Company's shares, etc. at high prices (so-called green mailer)
2. Cases where the Purchaser, etc. is deemed to acquire the Company's shares, etc. for the purpose of temporarily controlling corporate management of the Company to transfer--to the Purchaser, etc. or its group companies, etc.--intellectual property rights, know-how, confidential information, assets of the Company or its Group companies including major business partners and clients, which are required for business management of the Company or its Group companies
3. Cases where the Purchaser, etc. is deemed to acquire the Company's shares, etc. for the purpose of controlling corporate management of the Company, and then, diverting the assets of the Company or its Group companies as collateral or repayment funds for the liabilities of the Purchaser, etc. or its group companies.
4. Cases where the Purchaser, etc. is deemed to acquire the Company's shares, etc. for the purpose of temporarily controlling corporate management of the Company to make the Company dispose of expensive assets, etc. including real estate and securities not related to the business of the Company and its Group companies for the time-being, and with the gains from such disposals, making the Company pay high dividends, or selling the Company's shares, etc. at high prices at opportunities of sharp rise of share prices due to such temporary high dividends
5. Cases where the purchase method for the Company's shares, etc. proposed by the Purchaser, etc. is deemed to restrict the opportunity or freedom of shareholders' judgment, and effectively force shareholders to sell the Company's shares, etc. such as the so-called coercive two-stage purchase (which refers to conducting purchase, etc. of shares, etc. such as tender offer by setting the conditions for the second stage purchase unfavorable or by not clarifying such conditions without inducing the purchase of all the Company's shares, etc. in the first purchase)
6. Cases where the conditions for purchasing the Company's shares, etc. proposed by the Purchaser, etc. (including but not limited to the type and amount of the consideration for purchase, grounds for calculating such amount, and other specific details of conditions (including the timing and method of the acquisition), existence of illegality and feasibility) are deemed to be considerably insufficient or inappropriate in light of the corporate value of the Company
7. Cases where acquisition of the controlling right by the Purchaser, etc. is deemed to significantly prevent the securing or improvement of the corporate value of the Company and the common interests of shareholders, such as expected to destroy the relationship with not only shareholders of the Company but also customers, employees and other stakeholders that are sources of the corporate value of the Company, and as a result of it, expected to see significant damages to the corporate value of the Company and the common interests of shareholders
8. Cases where the corporate value of the Company in the case of the Purchaser, etc. acquiring the controlling right is deemed to be significantly less than the corporate value of the Company in the case of the Purchaser, etc. not acquiring the controlling right for the comparison of future corporate value over the medium- to long-term.
9. Cases where the Purchaser, etc. is deemed to be significantly inappropriate as the controlling shareholder of the Company from the perspective of public order and standards of decency
10. Other cases where it is deemed to significantly damage the corporate value of the Company and the common interests of shareholders, conforming to cases 1. to 9.

Attachment 5

Summary of Allotment of Share Options without Contribution

1. Total number of allotment of the Share Options
   The total number of allotment of the Share Options shall be the number that the Company's Board of Directors separately determines by the resolution for the allotment of the Share Options without contribution, with the upper limit of the same number as the final total number of shares issued and outstanding (excluding the number of treasury shares held by the Company on the point of time, however) on a certain date (hereinafter referred to as the "Allotment Date") separately determined by the Company's Board of Directors in the resolution of the Board of Directors for the allotment of the Share Options without contribution (hereinafter referred to as the "Resolution for the Allotment of Share Options without Contribution.")
2. Shareholders eligible for allotment
   The Company shall allot the Share Options without contribution to the shareholders recorded in the final shareholders' list on the Allotment Date at the ratio separately decided by the Company's Board of Directors in the Resolution for the Allotment of Share Options without Contribution with the upper limit of one unit per one share of the Company's common shares owned by them (excluding the Company's treasury shares held by the Company on such point of time, however).
3. Effective date of the allotment of the Share Options without contribution
   It shall be the date separately decided by the Company's Board of Directors in the Resolution for the Allotment of Share Options without Contribution.
4. Type and number of shares to be issued upon the exercise of the Share Options
   The type of shares to be issued upon the exercise of the Share Options shall be common shares of the Company, and the number of shares to be issued per the Share Option (hereinafter referred to as the "Number of Shares to be Issued") shall be the number separately stipulated in the Resolution for the Allotment of Share Options without Contribution by the Company's Board of Directors with the upper limit of one share. However, required adjustments shall be made if the Company splits or consolidates shares.
5. Details and price of the property to be contributed upon the exercise of the Share Options
   The property to be contributed upon the exercise of the Share Options shall be money, and the amount of property to be contributed per share of the Company's common shares upon the exercise of the Share Options shall be the amount separately decided by the Company's Board of Directors in the Resolution for the Allotment of Share Options without Contribution (at least 1 yen).
6. Restriction on transfer of the Share Options
   The transfer of the Share Options shall require approval of the Company's Board of Directors.
7. Conditions for the exercise of the Share Options
   (1) Specified large-volume holders [11], (2) joint holders of specified large-volume holders, (3) specified large-volume purchasers [12], (4) specially-related parties of specified large-volume purchasers, or (5) parties that receive or succeed the Share Options from these parties (1) to (4) without approval of the Company's Board of Directors, or (6) affiliated parties to those falling under these (1) to (5) [13] (hereinafter collectively referred to as the "Non-eligible Parties") may not exercise the Share Options. Details of the conditions for exercising the Share Options shall be separately decided in the Resolution for the Allotment of Share Options without Contribution.
8. Acquisition of the Share Options by the Company
   On the day separately decided by the Company's Board of Directors, the Company may acquire the Share Options owned by those other than the Non-eligible Parties, and in exchange with them, issue common shares of the Company for the Number of Shares to be Issued per the Share Option. The Company shall not provide economic benefits such as money as the consideration for the acquisition of the Share Options held by the Non-eligible Parties. Details of the conditions for acquiring the Share Options shall be separately decided in the Resolution for the Allotment of Share Options without Contribution.
9. Acquisition without contribution in the case of cancellation of activation of countermeasures, etc.
   If the Company's Board of Directors suspends the activation of countermeasures, or in any other case as separately stipulated by the Company's Board of Directors in the Resolution for the Allotment of Share Options without Contribution, the Company may acquire all the Share Options without contribution.

10. Period, etc. for the exercise of the Share Options

Details of the period or other necessary matters for exercising the Share Options shall be separately decided by the Company's Board of Directors in the Resolution for the Allotment of Share Options without Contribution.

[11] It shall mean holders of shares, etc. for which the Company is the issuer, parties with the holding ratio of 20% or more for such shares, etc., or parties deemed to fall under them by the Company's Board of Directors. However, parties whose acquisition and holding of the Company's shares, etc. are deemed by the Company's Board of Directors not to be against the corporate value of the Company and the common interests of shareholders, or other parties separately defined by the Company's Board of Directors in the Resolution for the Allotment of Share Options without Contribution shall not fall under them. The same shall apply hereinafter.

[12] By means of a tender offer, shares (meaning share certificates, etc. stipulated in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act) of which the Company is the issuer (the same meaning applies throughout this Note) have been purchased, etc. (meaning as defined in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act, the same shall apply hereinafter.) A person who has made a public announcement of an intention to conduct such purchase, etc., and whose ratio of shares owned (including those deemed equivalent thereto as set forth in Article 7, paragraph (1) of the Order for Enforcement of the Financial Instruments and Exchange Act) following such purchase, etc., when aggregated with the ratio of shares owned by such person's specially related parties, equals 20% or more, or a person whom the Company's Board of Directors determines is likely to fall under such category. However, parties whose acquisition and holding of the Company's shares, etc. are deemed by the Company's Board of Directors not to be against the corporate value of the Company and the common interests of shareholders, or other parties separately defined by the Company's Board of Directors in the Resolution for the Allotment of Share Options without Contribution shall not fall under them. The same shall apply hereinafter.

[13] "Affiliated parties" to someone shall mean those who are deemed by the Company's Board of Directors to substantially control the person, to be controlled by the person, to be jointly under control with the person (including those who are deemed to fall under these by the Company's Board of Directors) or to act in cooperation with the person. "Control" shall mean "if a company controls determinations on the financial and business policies" (referring to cases defined in Article 3, paragraph (3) of the Regulations for Enforcement of the Companies Act) of other companies, etc.