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Securities Code 8871

June 3, 2026

Date electronic provisional measures become available: May 26, 2026

To Shareholders with Voting Rights:

Hidetoshi Yasukawa
President & CEO
GOLDCREST Co., Ltd.
2-1-1 Otemachi, Chiyoda-ku, Tokyo

**NOTICE OF
THE 35th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

Please be informed that the 35th Annual General Meeting of Shareholders of GOLDCREST Co., Ltd. (the “Company”) will be held for the purposes as described below.

In convening this Annual General Meeting of Shareholders, the Company has taken measures to provide Reference Documents for the General Meeting of Shareholders and other information (matters for electronic provision) electronically as the “Notice of the 35th Annual General Meeting of Shareholders.” Please access the websites below to view this information.

The Company’s website

<https://www.goldcrest.co.jp/ir/english.html>

In addition to the above website, the Company has also disclosed matters for electronic provision on the below.

Tokyo Stock Exchange (TSE Listed Company Information Service)

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

Please access the above TSE website, enter and search for the issue name (GOLDCREST) or securities code (8871), and then click “Basic Information” and select “Documents for Public Inspection/PR Information.”

In lieu of attending in person on the day of the General Meeting of Shareholders, you can exercise your voting rights either in writing or via the internet, following the instructions for “Exercising voting rights by mail” or “Exercising voting rights by the Internet” posted on Page 3 on the websites (in Japanese).

Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your approval or disapproval on the enclosed Voting Rights Exercise Form, and send it to us so that it is received by 6:00 p.m. on Wednesday, June 17, 2026, Japan time.

- 1. Date and Time:** Thursday, June 18, 2026 at 10:00 a.m. Japan time
(Reception will open at 9:30 a.m.)
- 2. Place:** Large conference room at the Head Office of the Company located at
12F, Taisei Otemachi Building, 2-1-1 Otemachi, Chiyoda-ku, Tokyo, Japan
Please understand that souvenirs for shareholders who attend the meeting will not be provided.
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 35th Fiscal Year (April 1, 2025 - March 31, 2026) 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 35th Fiscal Year (April 1, 2025 - March 31, 2026)
- Proposals to be resolved:**
- (Company's Proposals)**
- Proposal 1:** Election of Six Directors
- Proposal 2:** Election of One Substitute Audit & Supervisory Board Member
- (Shareholder Proposals)**
- Proposal 3:** Partial Amendments to the Articles of Incorporation (Decision-making Body for Dividends of Surplus, etc.)
- Proposal 4:** Appropriation of Surplus
- Proposal 5:** Acquisition of Treasury Shares from Specific Shareholders
- 4. Other matters with regard to convocation of the meeting:**
- (1) Handling if you do not indicate your approval/disapproval on the Voting Rights Exercise Form
If you do not indicate your approval or disapproval of each agenda item on the returned Voting Rights Exercise Form, we will assume that you have indicated your approval to the Company's proposals and disapproval to the shareholder proposals.
 - (2) If you exercise your voting rights in duplicate both in writing and via the Internet, your vote exercised via the Internet will be deemed valid.
 - (3) Handling in cases of exercising voting rights multiple times via the Internet
If you exercise your voting rights multiple times via the Internet, your last vote exercised will be deemed valid.

(Requests)

If you attend the meeting on the date of the meeting, you are kindly requested to present the enclosed Voting Rights Exercise Form at the reception desk at the meeting venue.

(Notes)

In the event of any amendments to the matters subject to electronic provision, a notice will be posted on the above websites, together with the content of the matters before and after the amendments.

Any material changes in the operation of the General Meeting of Shareholders that may arise due to the situation hereafter will be posted on the Company's website.

The Company's website: <https://www.goldcrest.co.jp/ir/stock.html> (in Japanese)

Reference Documents for the General Meeting of Shareholders

Proposals and References

<Company's Proposals (Proposals 1 and 2)>

Proposals 1 and 2 are proposals made by the Company.

Proposal 1: Election of Six Directors

The terms of office of all five Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of six Directors is proposed, adding one Independent Outside Director in order to strengthen the supervisory function of the Board of Directors.

The candidates for Director are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Hidetoshi Yasukawa (June 5, 1961)	January 1992 Established the Company President & CEO (current position) [Significant concurrent positions] President & CEO of GOLDCREST COMMUNITY Co., Ltd. President & CEO of FAMILY FINANCE Co., Ltd.	1,037,740
2	Masaki Ito (June 8, 1971)	April 1994 Joined the Company November 2003 Deputy General Manager of Planning and Development Department January 2013 General Manager of Administrative Department June 2013 Director June 2021 Managing Director (current position) [Significant concurrent positions] President & CEO of GOLDCREST REAL ESTATE SALES Co., Ltd. President & CEO of JUHAN SERVICE Co., Ltd. President & CEO of HAMAMATSUCHO HOTEL MANAGEMENT Co., Ltd.	50,000
3	Yusuke Shinohara (August 19, 1978)	April 2001 Joined the Company April 2009 Seconded to Success Pro Co., Ltd. April 2023 General Manager of Golf Division June 2025 Director of the Company (current position)	2,300
4	Masao Tsumura (May 17, 1954)	April 1985 Registered as an attorney at law and joined Tokyo Bar Association Joined Kyuzaburo Hino Law Office September 1994 Established Tsumura Law Office (current position) June 2012 Director of the Company (current position) [Significant concurrent positions] Director of Tsumura Law Office	100
5	Ryukichi Tanaka (March 13, 1950)	April 1974 Joined TAKENAKA CORPORATION March 2010 Managing Officer and General Manager of Design Division March 2012 Executive Managing Officer March 2015 Senior Executive Managing Officer March 2018 Adviser June 2022 Director of the Company (current position)	0
6	*Masanori Takahata (December 24, 1962)	April 1986 Joined Yasuda Trust & Banking Co., Ltd. (Currently Mizuho Trust & Banking Co., Ltd.) April 2008 General Manager, Real Estate Sales Department No. 5, Mizuho Trust & Banking Co., Ltd. April 2015 Executive Officer, General Manager, Real Estate Sales Department No. 2, Mizuho Trust & Banking Co., Ltd. April 2017 Senior Managing Director, Mizuho Realty Co., Ltd. April 2024 Director, Vice President and Executive Vice President, Mizuho Realty Co., Ltd.	0

(Notes)

1. * indicates a new candidate for Director.
2. A “related party transaction” exists between the Company and Success Pro Co., Ltd., a company whose entire shares are indirectly owned by Hidetoshi Yasukawa, as detailed on page 36 of the Notice of the 35th Annual General Meeting of Shareholders. There are no special interests between the remaining candidates and the Company.
3. Mr. Hidetoshi Yasukawa owns all shares of Success Pro Holdings Co., Ltd., which is a parent company of the Company, and falls under the category of “Parent Company, etc.” of the Company. He is concurrently serving as Representative Director of MYU ASSET Co., Ltd., which is a parent company of the Company, and has held that position since November 2014.
4. The “Past experience, positions, responsibilities, and significant concurrent positions” column for Mr. Yusuke Shinohara includes the positions and responsibilities he had in the past 10 years as an executive of Success Pro Co., Ltd., which is a parent company of the Company.
5. The Company shares owned by Mr. Yusuke Shinohara are held through the Company’s Employee Stock Ownership Plan.
6. Mr. Masao Tsumura, Mr. Ryukichi Tanaka, and Mr. Masanori Takahata are candidates for Outside Director.
7. The reasons for nomination as candidates for Outside Director and their expected roles are as follows:
Mr. Masao Tsumura has never been involved in corporate management other than as an Outside Director, however he has deep insight into corporate legal affairs and management practice which has been acquired in his many years of legal practice as an attorney at law, and he can be expected to supervise management from an independent and objective perspective for ensuring and improving the appropriateness of the Company’s business operations.
The term of office of Mr. Masao Tsumura as Outside Director of the Company will be fourteen years at the conclusion of this General Meeting of Shareholders.
Mr. Ryukichi Tanaka has expertise in design and managerial experience in other company, and he can be expected to give advice on the overall management of the Company.
The term of office of Mr. Ryukichi Tanaka as Outside Director of the Company will be four years at the conclusion of this General Meeting of Shareholders.
Mr. Masanori Takahata has expertise in real estate transactions and managerial experience in other company, and he can be expected to give advice on the overall management of the Company.
8. The Company has entered into agreements with Mr. Masao Tsumura and Mr. Ryukichi Tanaka to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act, under which the said liability shall be limited to the minimum amount stipulated by Article 425, Paragraph 1 of the Companies Act, provided that they performed their duties in good faith and without gross negligence. In the event that they are reelected, the Company plans to continue the said liability limitation agreements with them.
In the event that Mr. Masanori Takahata is elected, the Company plans to enter into a liability limitation agreement with the same content with him.
9. The Company has submitted notification forms to the Tokyo Stock Exchange to register Mr. Masao Tsumura, Mr. Ryukichi Tanaka, and Mr. Masanori Takahata as Independent Directors as stipulated by the Exchange.

[Skill Matrix of Directors and Audit & Supervisory Board Members]

Appointment	Name	Position at the Company	Outside/Independent	Expertise and experience						
				Corporate management	Real estate	Design	Sales and marketing	Accounting and finance	Legal, compliance, and risk management	Personnel and labor affairs
Director	Hidetoshi Yasukawa	President & CEO		○	○	○	○	○	○	○
	Masaki Ito	Managing Director		○	○			○	○	○
	Yusuke Shinohara	Director		○				○	○	○
	Masao Tsumura	Director	Outside Independent						○	○
	Ryukichi Tanaka	Director	Outside Independent	○		○			○	
	Masanori Takahata	Director	Outside Independent	○	○					
Audit & Supervisory Board Member	Hayuru Tsuda	Full-time Audit & Supervisory Board Member		○	○			○	○	○
	Jun Ozeki	Audit & Supervisory Board Member	Outside Independent					○	○	
	Hiroshi Oshikiri	Audit & Supervisory Board Member	Outside Independent						○	○

Proposal 2: Election of One Substitute Audit & Supervisory Board Member

In order to prepare for cases where the number of Audit & Supervisory Board Members falls below the number stipulated by laws and regulations, the prior election of one Substitute Audit & Supervisory Board Member is proposed.

The candidate for Substitute Audit & Supervisory Board Member is as follows.

The Audit & Supervisory Board has previously given its approval to the submission of this proposal.

Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
Mitsuru Takayasu (March 13, 1957)	April 1975 Joined Tokyo Regional Taxation Bureau July 2008 Deputy District Director of Kisarazu Tax Office July 2016 District Director of Mobara Tax Office September 2017 Opened the business as a certified public tax accountant (current position)	0

(Notes)

1. There are no special interests between the above candidate and the Company.
2. The above candidate is a candidate for Substitute Outside Audit & Supervisory Board Member.
3. Matters regarding the candidate for Substitute Outside Audit & Supervisory Board Member are as follows.
 - (1) Reasons for nomination
His professional knowledge and experience cultivated as a certified public tax accountant will allow him to audit the Company from an objective perspective. Although Mr. Mitsuru Takayasu has never been involved in corporate management, for the reason mentioned, the Company has judged that he will be able to appropriately perform the duties of Outside Audit & Supervisory Board Member.
 - (2) Liability limitation agreement
In the event that Mr. Mitsuru Takayasu assumes office of Outside Audit & Supervisory Board Member, the Company plans to enter into an agreement with him to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act, under which the said liability shall be limited to the minimum amount stipulated by Article 425, Paragraph 1 of the Companies Act, provided that he performed his duties in good faith and without gross negligence.
4. Mr. Mitsuru Takayasu satisfies the criteria for Independent Auditors set forth by the Tokyo Stock Exchange.

<Shareholders' Proposals (Proposals 3 through 5)>

Proposals 3 through 5 are proposals made by two shareholders (hereinafter referred to as the "Proposing Shareholders").

The following details of the proposals, the proposals, and reasons for the proposals are presented in their original form as submitted by the Proposing Shareholders, except that those have been organized and stated verbatim for each proposal and the format has been amended.

Details of the proposals

Regarding Proposal 1 below (hereinafter referred to as the "Proposal to Amend the Articles of Incorporation"), if any adjustment to the format (including, but not limited to, correction of article numbers) is required to any chapter or article of the Articles of Incorporation due to approval or disapproval of the Proposal to Amend the Articles of Incorporation or any other proposal (including proposals made by the Company) at this Annual General Meeting of Shareholders, the articles pertaining to the Proposal to Amend the Articles of Incorporation shall be read as the articles after such necessary adjustment. Detailed explanation of each of the shareholder proposals below can be found at <https://stracap.jp/8871-GOLDCREST/> or the Campaign Website whose link can be found on the homepage of Strategic Capital, Inc. (<https://stracap.jp/>). All company figures presented in each shareholder proposal are based on consolidated financial statements unless otherwise stated as non-consolidated. Market capitalization is calculated by subtracting the number of treasury shares from the total number of issued shares.

(Note by the Company)

"Proposal 1 below" refers to Proposal 3.

Proposal 3: Partial Amendments to the Articles of Incorporation (Decision-making Body for Dividends of Surplus, etc.)

(1) Details of the proposal

It is proposed to amend Article 38 of the current Articles of Incorporation as follows. (Amended parts are underlined.)

Current Articles of Incorporation

(Decision-making body for dividends of surplus)

The Company shall determine the matters provided for in each item of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, by a resolution of the Board of Directors, not by a resolution of the General Meeting of Shareholders, except as otherwise provided for by laws and regulations.

Proposed amendments

(Decision-making body for dividends of surplus)

The Company may determine the matters provided for in each item of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, by a resolution of the Board of Directors. However, among the matters listed in Article 459, Paragraph 1, Item 4 of the Companies Act, matters pertaining to year-end dividends may be determined by resolution of the Board of Directors only when it is objectively and reasonably expected that it will be impossible to convene an Annual General Meeting of Shareholders within the period specified in these Articles of Incorporation.

(2) Reasons for the proposal

The Company's decision on the year-end dividend is made not by the General Meeting of Shareholders but by the Board of Directors, and therefore, shareholders' opinions are not reflected in the distribution of dividends, and as a result, an unreasonable dividend policy is continuing.

For example, the Company's equity ratio reached 59.1% as of December 31, 2025, well above the condominium development and sales industry median of 31.1%. In short, the Company is continuing to accumulate equity without paying out sufficient dividends, even though there is no further need to accumulate equity.

Furthermore, as a family company, the Company is subject to retained income taxation, and it is estimated that the Company has actually incurred more than 1.2 billion yen in retained income taxation over the past 10 years. The Company's Board of Directors continues to pay retained income tax unnecessarily, and the property of the Company's shareholders has been abused, even though the Company could avoid the retained income tax if it paid sufficient dividends.

In order to correct such unreasonable dividend policy of the Company, first of all, it is requested that, in principle, the decision-making body for the year-end dividend be the General Meeting of Shareholders.

Opinion of the Board of Directors about Proposal 3

The Company's Board of Directors opposes this proposal.

(Reasons for disapproval)

The Company considers the return of profits to shareholders to be one of its most important management policies. With regard to decisions regarding dividends of surplus, the Company believes it is necessary to determine an appropriate level and make said dividend decisions flexibly, carefully considering the balance between retained earnings and dividends by taking into consideration factors such as the Company's profit situation, future business development, and economic environment. As such, dividend decisions require extremely high level judgment in corporate management, and the Board of Directors, which has the most accurate grasp of the management situation of the real estate business, should assume the responsibility for this matter, as it is the most rational and effective decision-making method, not only in the short term but also from the viewpoint of the sustainable enhancement of corporate value.

Accordingly, the decision-making body for matters such as dividends of surplus is the Board of Directors.

Furthermore, although the level of the equity ratio and the existence of tax on retained earnings have been pointed out as reasons for the proposal, the condominium development and sales business, in which the Company operates, is an industry that is highly susceptible to fluctuations in the real estate market and financial conditions. The Company believes that maintaining a certain level of equity capital is essential for maintaining creditworthiness and financial stability, and at the same time, it is necessary for business growth by making flexible investments in business opportunities, including the acquisition of land for development. In addition, for the fiscal year ended March 31, 2024 onward, the percentage of retained earnings after dividend payments was small, and so no tax on retained earnings was imposed.

Based on the principle of stable dividends, the Company has made appropriate returns to shareholders based on a comprehensive assessment of its business performance, financial condition, and business environment. The Company will continue to pursue a sustainable dividend policy that emphasizes a balance between enhancing corporate value and returning profits to shareholders.

For the above reasons, the Company's Board of Directors opposes this shareholder proposal.

Proposal 4: Appropriation of Surplus

(1) Details of the proposal

Subject to the approval of the proposal for partial amendments to the Articles of Incorporation to grant the General Meeting of Shareholders the authority to decide on dividends of surplus at this General Meeting of Shareholders, it is proposed that dividends of surplus be paid as follows.

Matters concerning year-end dividends

(1) Type of dividend property

Cash

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

For dividend payment, the greater of the amounts calculated in (i) and (ii) below shall be added to the amount of dividends per share of common stock based on the proposal for appropriation of surplus proposed by the Company (hereinafter referred to as “the Company’s Proposal of Appropriation of Surplus”) or the amount of dividends per share of common stock resolved by the Company’s Board of Directors as appropriation of surplus (including planned appropriation) at the end of the fiscal year ended March 31, 2026 by the date of the 35th Annual General Meeting of Shareholders based on Article 38 of the Company’s Articles of Incorporation (hereinafter, these dividend amounts based on the Company’s Proposal of Appropriation of Surplus and the resolutions of the Board of Directors are collectively referred to as the “Company’s Dividend Amount”), as well as to the amount of dividends per share of common stock to be paid upon approval of the Company’s Proposal of Appropriation of Surplus and other proposals concerning the appropriation of surplus (hereinafter referred to as “Other Proposals of Appropriation of Surplus”) at this Annual General Meeting of Shareholders (hereinafter referred to as “Other Dividend Amount”).

(i) Basic earnings per share for the 35th fiscal year (rounded down to the nearest yen), less the Company’s Dividend Amount, Other Dividend Amount, and the interim dividend of 50 yen per share of common stock for the 35th fiscal year (hereinafter referred to as the “Interim Dividend Amount”).

(ii) Net assets per share (the number of issued shares less the number of treasury shares; the figure calculated in accordance with the “Guidance on Accounting Standard for Earnings Per Share,” ASBJ Guidance No. 4; the same applies hereinafter) at the end of the 35th fiscal year (rounded down to the nearest yen), multiplied by 0.08, less the Company’s Dividend Amount, Other Dividend Amount, and the Interim Dividend Amount.

The total amount of dividends shall be the greater of the amounts calculated in (i) or (ii) multiplied by the number of shares subject to the dividend as of the record date for voting rights at the Company’s 35th Annual General Meeting of Shareholders.

(3) Effective date of distribution of surplus

The day following the date of this General Meeting of Shareholders of the Company

In the event that the Company’s Proposal of Appropriation of Surplus or Other Proposals of Appropriation of Surplus are proposed at the 35th Annual General Meeting of Shareholders, this proposal is additionally proposed as a proposal independent of and compatible with the said proposals.

(2) Reasons for the proposal

The Company’s capital efficiency has declined and shareholder value has been abused because of excessive accumulation of equity.

As described above, the Company’s capital adequacy ratio is well above the industry median and the Company has excessively accumulated equity. The excessive accumulation of equity has caused the Company’s ROE to decline. In fact, the Company’s ROE has never exceeded 8% over the past 10 years. Of the 41 companies in the condominium development and sales industry, the Company is the only one whose ROE has never exceeded 8% over the past 10 years.

Sluggish ROE leads to a weak stock price, and the Company’s stock price has been at a level below its liquidation value for more than 10 years. In short, the Company’s shareholder value has been abused by the excessive accumulation of equity.

Therefore, in order to correct the Company’s excessive accumulation of equity and to enhance the Company’s shareholder value, it is proposed to pay dividends at a level equivalent to DOE of 8%.

Opinion of the Board of Directors about Proposal 4

The Company's Board of Directors opposes this proposal.

(Reasons for disapproval)

This shareholder proposal is for appropriation of surplus subject to the approval of "Proposal 3: Partial Amendments to the Articles of Incorporation (Decision-making Body for Dividends of Surplus, etc.)."

As stated in the reasons for opposition to Proposal 3, the Company's basic policy is to pay dividends in line with profit and other factors while securing internal reserves for future business opportunities, taking into account the characteristics of the real estate business.

The Company has been achieving a profit margin higher than those of its industry peers by carefully selecting and purchasing land from which profit is expected with a high probability and promoting timely development, with an emphasis on striking a balance between profitability and financial stability. As the Company pursues profit maximization while responding to risks, we believe that it is essential that the Company secures equity that will enable flexible decision-making on investment.

The Company strives to improve profitability through investments for the future, rather than short-term improvements in indicators, and improve ROE so as to realize medium- to long-term enhancement of corporate value. In fact, because of its strong financial base, the Company can undertake large-scale investment projects that would normally be difficult to execute and promote investments from a medium- to long-term perspective not solely focused on short-term profitability.

In contrast, this shareholder proposal aims to improve ROE by raising the year-end dividends for the fiscal year ended March 31, 2026 to a level equivalent to DOE of around 8% and reducing equity.

We believe that this shareholder proposal restricts the Company's investment in growth, is biased toward shareholder returns from a short-term perspective, and will not contribute to enhancing the Company's corporate value over the medium to long term.

For the above reasons, the Company's Board of Directors opposes this shareholder proposal.

Proposal 5: Acquisition of Treasury Shares from Specific Shareholders

(1) Details of the proposal

This proposal will be put to a vote only if “2. Appropriation of Surplus” is rejected or not put to a vote.

(Note by the Company)

“2. Appropriation of Surplus” refers to Proposal 4.

(1) Types of shares to be acquired

Common stock

(2) Number of shares to be acquired

19,836,820 shares

(3) Details of the money, etc. to be delivered in exchange for acquisition

Money

(4) Total amount of money, etc. to be delivered in exchange for acquisition

The acquisition price shall be the lower of the following two amounts: the closing price of the Company’s shares on the Tokyo Stock Exchange Standard Market on the day before the date of this General Meeting (or, if there are no trading transactions on that day or if that day is a market holiday, the price of the first trading transaction thereafter) and the contract price of the Company’s shares on the said market most recently before the date the acquisition contract is concluded, multiplied by the number of shares to be acquired.

However, if the total amount calculated in this manner plus the Company’s Dividend Amount and Other Dividend Amount exceeds the distributable amount stipulated in Article 461 of the Companies Act on the date of this General Meeting or the date of conclusion of the acquisition contract, the total amount shall be the amount obtained by deducting the Company’s Dividend Amount and Other Dividend Amount from the said distributable amount (if the two distributable amounts differ, the lower of the two amounts shall apply).

(5) Period during which shares can be acquired

From the date of conclusion of this General Meeting until September 30, 2026

(6) The parties from whom the acquisition will be made

Hidetoshi Yasukawa, MYU ASSET Co., Ltd., and SD Support Co., Ltd.

The amount of money, etc. to be delivered to Hidetoshi Yasukawa, MYU ASSET Co., Ltd., and SD Support Co., Ltd. (hereinafter referred to as “Yasukawa and Others”) in exchange for one share of stock upon the acquisition of treasury shares will not exceed the amount calculated in accordance with Article 161 of the Companies Act and Article 30, Item 1 of the Ordinance for Enforcement of the Companies Act. Therefore, shareholders other than the parties from whom the acquisition will be made will not have the right to request that sellers be added pursuant to Article 160, Paragraphs 2 and 3 of the Companies Act.

(2) Reasons for the proposal

This proposal requests that the Company acquire all shares of the Company effectively held by Mr. Hidetoshi Yasukawa, President & CEO of the Company.

Mr. Yasukawa has served as President & CEO of the Company since 1992, but ROE has remained below 8% since the fiscal year ended March 31, 2010, and PBR has also remained below 1 since January 27, 2014.

At the Annual General Meeting of Shareholders in June 2025, the approval rate of minority shareholders, excluding Yasukawa and Others, for the proposal to elect Mr. Yasukawa as a Director was only 11.5%, clearly indicating that minority shareholders do not trust him. However, because Yasukawa and Others hold 59.7% of the voting rights, Mr. Yasukawa, as President & CEO, continues to impair the Company’s shareholder value.

Therefore, if Yasukawa and Others continue to impair shareholder value by opposing the proposal by the proposing shareholder to increase dividends, the Company is requested to acquire all shares held by Yasukawa and Others in order to realize proper governance in which the opinions of minority shareholders are reflected in management and to improve capital efficiency.

Opinion of the Board of Directors about Proposal 5

The Company's Board of Directors opposes this proposal.

(Reasons for disapproval)

<Summary>

The Company has no intention of acquiring its treasury shares in a manner that lacks fairness and transparency by depriving shareholders other than Mr. Yasukawa and the other relevant shareholders of the opportunity to sell their shares, as proposed in this shareholder proposal.

Moreover, even if this proposal is approved and resolved at the General Meeting of Shareholders, it would neither obligate Mr. Yasukawa and the other relevant shareholders to sell their shares, nor automatically obligate the Company to acquire such shares. In fact, Mr. Yasukawa and the other relevant shareholders have indicated that they have no intention of selling their shares. Therefore, this proposal is not feasible. Ultimately, we must conclude that this shareholder proposal, similar to Proposal 4, is an abusive proposal aimed at realizing excessive dividends of surplus.

Furthermore, if the Company were to repurchase its treasury shares as proposed in this shareholder proposal, a substantial amount of funds (approximately 60% of the market capitalization), exceeding the cash and deposits currently held by the Company, would outflow. As a result, this would have a severe adverse impact on the Company's financial base, restrict future growth investments, and potentially impair medium- to long-term corporate value and the common interests of shareholders. Therefore, the Board of Directors opposes this shareholder proposal.

(1) This shareholder proposal requests that, if "Proposal 4: Appropriation of Surplus" is rejected or not put to a vote, the Company acquire a total of 19,836,820 shares of the Company (hereinafter referred to as the "target shares") held by Hidetoshi Yasukawa (hereinafter referred to as "Mr. Yasukawa"), MYU ASSET Co., Ltd., and SD Support Co., Ltd. (hereinafter collectively referred to as "the Relevant Shareholders").

However, Article 160 of the Companies Act, which serves as the basis for this shareholder proposal, sets forth the procedures for a company to acquire its treasury shares when the opportunity to sell such shares is granted only to specific shareholders. The Company has no intention of acquiring its treasury shares in a manner lacking fairness and transparency by excluding shareholders other than the Relevant Shareholders from the opportunity to sell their shares. This shareholder proposal was submitted contrary to the intentions of both the Company and the Relevant Shareholders, without confirming their intentions.

In addition, a resolution to acquire treasury shares at a general meeting of shareholders merely serves to set an acquisition limit for the company when acquiring its treasury shares. Even if such a resolution is adopted, the company is not automatically obligated to acquire its treasury shares in accordance with the said resolution of a general meeting of shareholders, nor are shareholders designated as the "parties from whom the acquisition will be made" obligated to sell the shares they hold to the company.

As described below, the Company's Board of Directors believes that the acquisition of treasury shares proposed in this shareholder proposal will not contribute to enhancing the Company's corporate value or securing the common interests of its shareholders (see (2) below). Furthermore, since the Relevant Shareholders have no intention of selling their shares to the Company (see (3) below), this shareholder proposal would not be feasible even if approved at the General Meeting of Shareholders.

As the proposing shareholder itself has stated, this shareholder proposal will be put to a vote only if "Proposal 4: Appropriation of Surplus" is rejected or not put to a vote. Therefore, similar to Proposal 4, the true objective of the proposing shareholder is to realize excessive dividends of surplus, which would not contribute to the enhancement of the Company's corporate value. This shareholder proposal aims to realize a shareholder structure favorable to the proposing shareholder for that purpose and may be considered an abusive shareholder proposal that could impair the Company's shareholder value and the interests of the Company's minority shareholders.

(2) If the acquisition of treasury shares proposed in this shareholder proposal is implemented, it may have a severe adverse impact on the Company's medium- to long-term corporate value through a large outflow of funds (equivalent to approximately 60% of the market capitalization) exceeding the cash and deposits currently held by the Company, the resulting impact on the Company's financial base, and constraints on its capacity to make future growth investments. The Company is promoting a capital policy that balances improving capital efficiency with maintaining financial soundness, and we believe that large-scale and temporary capital movements such as that contemplated in this shareholder proposal may actually harm the common interests of the Company's shareholders.

Moreover, based on the independent view that Mr. Yasukawa, the Company's Representative Director, has continuously impaired the Company's shareholder value and that there are doubts about his

qualifications as a Director of the Company, this shareholder proposal requests that the Relevant Shareholders, including Mr. Yasukawa, sell their shares of the Company. However, Mr. Yasukawa is the Company's founder and he plays a crucial role in enhancing the Company's corporate value by leveraging planning and sales capabilities, knowledge and know-how, and management judgment skills in activities such as determining the Group's management policies and strategies and promoting its business operations. The fact that Mr. Yasukawa, in such position, directly or indirectly holds shares of the Company contributes to aligning his perspective with that of shareholders regarding enhancement of the Company's corporate value and securing the common interests of its shareholders. From this perspective, we believe that this shareholder proposal does not contribute to enhancing the Company's shareholder value.

(3) Furthermore, even if this proposal is approved and resolved, it will have no legal effect obligating the Relevant Shareholders to transfer their shares to the Company. Upon receiving this shareholder proposal, the Company confirmed the intentions of the Relevant Shareholders regarding the transfer of their shares. However, the Relevant Shareholders have indicated that, even if this proposal is approved and resolved, they have no intention of transferring their shares to the Company in accordance with the contents of this proposal. Accordingly, even if this proposal is approved and resolved at this Annual General Meeting of Shareholders, the Company will not be able to acquire the shares in question.

(4) This shareholder proposal is also based on the concern that the opinions of minority shareholders are not being reflected in management. However, the Company has continuously worked to strengthen corporate governance through dialogue with shareholders and investors, and at this Annual General Meeting of Shareholders, the Company also proposes increasing the number of Independent Outside Directors in order to strengthen the supervisory function of the Board of Directors. We believe that this shareholder proposal, which involves acquiring shares from specific shareholders, is not an appropriate solution to governance issues and is not a rational means of enhancing corporate value.

For the above reasons, the Company's Board of Directors opposes this shareholder proposal.