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Securities code: 1879

June 7, 2023

(Starting date of the measures for electronic provision: June 2, 2023)

**To Shareholders with Voting Rights:**

Katsushi Takami  
Representative Director and  
President  
SHINNIHON CORPORATION  
1-4-3 Hibino, Mihama-ku,  
Chiba-shi, Chiba Prefecture, Japan

**NOTICE OF  
THE 59TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 59th Annual General Meeting of Shareholders of SHINNIHON CORPORATION (the “Company”) will be held as described below.

The Company has taken measures for the electronic provision in convening this General Meeting of Shareholders, and posted the matters to be provided electronically on the following website under “NOTICE OF THE 59TH ANNUAL GENERAL MEETING OF SHAREHOLDERS.”

The Company’s website:

<https://www.shinnihon-c.co.jp/ir/shareholders/>

In addition to the above, the materials to be provided electronically are also disclosed on the following website.

Tokyo Stock Exchange’s website:

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

To view the information thus disclosed, please access the website above, enter our company name or securities code, click “Search,” and select “Basic information” and then “Documents for public inspection/PR information.”

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. We ask that you review the Reference Materials for the General Meeting of Shareholders included in the matters to be provided electronically, indicate your votes for or against each of the proposals in accordance with the Guide to Exercising Voting Rights below, and exercise your voting rights no later than 5:30 p.m. on Wednesday, June 28, 2023.

**1. Date and Time:** Thursday, June 29, 2023 at 10:00 a.m. Japan time  
(Reception opens at 9:30 a.m.)

**2. Place:** Meeting room on 12th floor, Shinnihon Building  
1-4-3 Hibino, Mihama-ku, Chiba-shi, Chiba Prefecture, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company's 59th Fiscal Year (April 1, 2022–March 31, 2023) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 59th Fiscal Year (April 1, 2022–March 31, 2023)

**Proposals to be resolved:**

**<Company proposals (Proposal 1 and Proposal 2)>**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of Nine (9) Directors

**<Shareholder proposals (Proposal 3 and Proposal 4)>**

- Proposal 3:** Appropriation of Surplus  
**Proposal 4:** Acquisition of Treasury Shares

**4. Other Matters Determined for Convocation of the General Meeting of Shareholders**

- (1) If neither approval nor disapproval of a proposal is indicated on the Voting Rights Exercise Form, it shall be deemed a vote of approval for the company proposals and a vote of disapproval for the shareholder proposals.
- (2) If a shareholder exercises the voting rights both in writing and via the Internet, the vote via the Internet shall be deemed valid. If a shareholder exercises the voting rights more than once via the Internet, the last vote shall be deemed valid.

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◎When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

◎The printed documents you have received also serves as documents containing the matters to be provided electronically which are provided upon the request for delivery of it. Pursuant to the provisions of laws and regulations as well as Article 15 of the Company's Articles of Incorporation, the following items are not included in the documents. Accordingly, such documents include part of documents audited by Audit & Supervisory Board Members and the Accounting Auditor in preparing their respective Audit Reports.

- Systems and Policies of the Company in the Business Report
- Notes to Consolidated Financial Statements in the Consolidated Financial Statements
- Notes to Non-consolidated Financial Statements in the Non-consolidated Financial Statements

◎Any updates to the matters to be provided electronically will be posted on the relevant websites where such matters are posted.

# Reference Materials for the General Meeting of Shareholders

## <Company proposals (Proposal 1 and Proposal 2)>

### Proposals and Reference Matters

#### Proposal 1: Appropriation of Surplus

We propose to appropriate surplus as below.

1. Matters concerning year-end dividends

Considering the need to pay stable dividends and our business results for the fiscal year under review, we propose to increase year-end dividends as indicated below.

(1) Matters concerning dividends paid to shareholders on dividend property and total amount of dividends

|                                              |                     |
|----------------------------------------------|---------------------|
| ¥17 per share of common stock of the Company | Total: ¥994,328,589 |
|----------------------------------------------|---------------------|

\* The annual dividend for the fiscal year under review, including the interim dividend, will be ¥27 per share.

(2) Effective date of dividends of surplus

June 30, 2023

2. Matters concerning other appropriation of surplus

To ensure sound business development and improve our financial strength in view of the future business environment, we also propose to appropriate surplus as below.

(1) Item and amount of surplus to decrease

|                                    |                 |
|------------------------------------|-----------------|
| Retained earnings brought forward: | ¥10,000,000,000 |
|------------------------------------|-----------------|

(2) Item and amount of surplus to increase

|                  |                 |
|------------------|-----------------|
| General reserve: | ¥10,000,000,000 |
|------------------|-----------------|

**Proposal 2: Election of Nine (9) Directors**

At the conclusion of this General Meeting of Shareholders, the terms of office of all nine (9) Directors will expire. Accordingly, the Company proposes to elect nine (9) Directors.

The candidates for Director are as follows.

| No. | Name                                                           | Current positions and responsibilities at the Company                                                                                                                      |
|-----|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1   | Kazuo Kanetsuna [Reappointment]                                | Chairman and Director                                                                                                                                                      |
| 2   | Katsushi Takami [Reappointment]                                | Representative Director, President and Chief Executive Officer                                                                                                             |
| 3   | Masayuki Suzuki [Reappointment]                                | Representative Director, Vice President and Executive Officer<br>Senior General Manager, Construction Headquarters and General Manager, Production Management Headquarters |
| 4   | Junichi Mikami [Reappointment]                                 | Director, Vice President and Executive Officer<br>General Manager, Construction Headquarters                                                                               |
| 5   | Naeki Takahashi [Reappointment]                                | Director, Managing Executive Officer<br>General Manager, Management Headquarters and General Manager, Corporate Planning Office                                            |
| 6   | Yasuhito Kanetsuna [Reappointment]                             | Director, Managing Executive Officer<br>General Manager, Real Estate Development Department, Development Business Headquarters and General Manager, Yokohama Branch        |
| 7   | Shinji Takahashi [Reappointment]<br>[Outside]<br>[Independent] | Director                                                                                                                                                                   |
| 8   | Tatsuya Suzuki [Reappointment]<br>[Outside]<br>[Independent]   | Director                                                                                                                                                                   |
| 9   | Koji Oshima [Reappointment]<br>[Outside]<br>[Independent]      | Director                                                                                                                                                                   |

| No.                                                                                                                                                                                                                                                                                                                         | Name<br>(Date of birth)                | Career summary, positions, responsibilities,<br>and significant concurrent positions                                                                                                                                                                  | Number of<br>shares of the<br>Company held |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| 1                                                                                                                                                                                                                                                                                                                           | Kazuo Kanetsuna<br>(March 28, 1940)    | October 1964      Established Kanetsuna Komuten LLC<br>Representative Director and President                                                                                                                                                          | 16                                         |
|                                                                                                                                                                                                                                                                                                                             |                                        | February 1969      Reorganized Kanetsuna Komuten LLC into a joint-<br>stock corporation<br>Appointed Representative Director and President<br>(the Company was renamed SHINNIHON<br>CORPORATION in April 1972.)                                       |                                            |
|                                                                                                                                                                                                                                                                                                                             |                                        | June 2013      Representative Director, Chairman and Executive<br>Officer, the Company                                                                                                                                                                |                                            |
|                                                                                                                                                                                                                                                                                                                             |                                        | April 2019      Director                                                                                                                                                                                                                              |                                            |
|                                                                                                                                                                                                                                                                                                                             |                                        | June 2019      Chairman and Director (to present)                                                                                                                                                                                                     |                                            |
| [Reason for nomination as a candidate for Director]<br>As the founder of the Company, Mr. Kazuo Kanetsuna has been involved in the management of the Company for many years. We believe that he can use his experience to supervise the management of the Company. We, therefore, nominate him as a candidate for Director. |                                        |                                                                                                                                                                                                                                                       |                                            |
| 2                                                                                                                                                                                                                                                                                                                           | Katsushi Takami<br>(November 21, 1964) | April 1989      Joined The Sanwa Bank, Ltd. (currently MUFG<br>Bank, Ltd.)                                                                                                                                                                            | 200,000                                    |
|                                                                                                                                                                                                                                                                                                                             |                                        | April 2003      Joined the Company                                                                                                                                                                                                                    |                                            |
|                                                                                                                                                                                                                                                                                                                             |                                        | April 2004      General Manager, Management Headquarters                                                                                                                                                                                              |                                            |
|                                                                                                                                                                                                                                                                                                                             |                                        | June 2004      Director                                                                                                                                                                                                                               |                                            |
|                                                                                                                                                                                                                                                                                                                             |                                        | June 2007      Managing Director                                                                                                                                                                                                                      |                                            |
|                                                                                                                                                                                                                                                                                                                             |                                        | June 2009      Representative Director and Vice President                                                                                                                                                                                             |                                            |
|                                                                                                                                                                                                                                                                                                                             |                                        | April 2010      Representative Director and Vice President,<br>General Manager, Construction Sales Headquarters                                                                                                                                       |                                            |
|                                                                                                                                                                                                                                                                                                                             |                                        | June 2013      Representative Director, President and Chief<br>Executive Officer (to present)                                                                                                                                                         |                                            |
|                                                                                                                                                                                                                                                                                                                             |                                        | [Significant concurrent positions]<br>Representative Director and President, SHINNIHON COMMUNITY<br>CORPORATION<br>Representative Director and President, SHINNIHON FUDOSAN<br>CORPORATION<br>Representative Director and Chairman, KEN KEN Co., Ltd. |                                            |
| [Reason for nomination as a candidate for Director]<br>Serving as President to steer the Company, Mr. Katsushi Takami is well versed in its businesses. We, therefore, nominate him as a candidate for Director.                                                                                                            |                                        |                                                                                                                                                                                                                                                       |                                            |

| No.                                                                                                                                                                                                                                                                                           | Name<br>(Date of birth)               | Career summary, positions, responsibilities,<br>and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Number of<br>shares of the<br>Company held |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| 3                                                                                                                                                                                                                                                                                             | Masayuki Suzuki<br>(October 11, 1955) | <p>November 1976    Joined the Company</p> <p>April 1996        General Manager, Construction Department I,<br/>Construction Headquarters</p> <p>June 1999        Director</p> <p>June 2005        Managing Director, General Manager, Technology<br/>Headquarters</p> <p>April 2009        Managing Director, Senior General Manager,<br/>Construction Headquarters</p> <p>September 2012    Managing Director, General Manager, Production<br/>Management Headquarters</p> <p>June 2013        Director, Senior Managing Executive Officer,<br/>General Manager, Production Management<br/>Headquarters</p> <p>June 2018        Director, Vice President and Executive Officer,<br/>Senior General Manager, Construction<br/>Headquarters and General Manager, Production<br/>Management Headquarters</p> <p>June 2022        Representative Director, Vice President and<br/>Executive Officer, Senior General Manager,<br/>Construction Headquarters and General Manager,<br/>Production Management Headquarters (to present)</p> | 12,336                                     |
| <p>[Reason for nomination as a candidate for Director]</p> <p>Having been involved primarily in Construction divisions and Purchasing divisions since joining the Company, Mr. Masayuki Suzuki is well versed in its businesses. We, therefore, nominate him as a candidate for Director.</p> |                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                            |
| 4                                                                                                                                                                                                                                                                                             | Junichi Mikami<br>(August 22, 1955)   | <p>April 1979        Joined the Company</p> <p>April 2005        Executive General Manager, Construction<br/>Department V, Construction Headquarters</p> <p>June 2005        Director</p> <p>April 2012        Director, General Manager, Construction<br/>Headquarters</p> <p>June 2013        Director, Managing Executive Officer, General<br/>Manager, Construction Headquarters</p> <p>June 2018        Director, Senior Managing Executive Officer,<br/>General Manager, Construction Headquarters</p> <p>June 2022        Director, Vice President and Executive Officer,<br/>General Manager, Construction Headquarters (to<br/>present)</p>                                                                                                                                                                                                                                                                                                                                                                                  | 10,000                                     |
| <p>[Reason for nomination as a candidate for Director]</p> <p>Having been involved primarily in Construction divisions since joining the Company, Mr. Junichi Mikami is well versed in its businesses. We, therefore, nominate him as a candidate for Director.</p>                           |                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                            |

| No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Name<br>(Date of birth)                                                                                                                                                        | Career summary, positions, responsibilities,<br>and significant concurrent positions |                                                                           | Number of<br>shares of the<br>Company held |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------|--------------------------------------------|
| 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Naeki Takahashi<br>(October 29, 1966)                                                                                                                                          | April 1991                                                                           | Joined The Sanwa Bank, Ltd. (currently MUFG Bank, Ltd.)                   | 2,700                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                | June 2006                                                                            | Joined the Company                                                        |                                            |
| June 2008                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Executive Officer, General Manager, Corporate Planning Office                                                                                                                  |                                                                                      |                                                                           |                                            |
| June 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Director, General Manager, Management Headquarters and General Manager, Corporate Planning Office                                                                              |                                                                                      |                                                                           |                                            |
| June 2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Director, Managing Executive Officer, General Manager, Management Headquarters, General Manager, Corporate Planning Office (to present)                                        |                                                                                      |                                                                           |                                            |
| [Reason for nomination as a candidate for Director]<br>Having been involved primarily in Management divisions since joining the Company, Mr. Naeki Takahashi is well versed in its businesses. We, therefore, nominate him as a candidate for Director.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                |                                                                                      |                                                                           |                                            |
| 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Yasuhito Kanetsuna<br>(September 22, 1975)                                                                                                                                     | September 2004                                                                       | Joined Nissho Iwai Real Estate Corporation (currently Sojitz Corporation) | 464                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                | April 2007                                                                           | Joined the Company                                                        |                                            |
| April 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Executive Officer, General Manager, Real Estate Development Department, Development Business Headquarters                                                                      |                                                                                      |                                                                           |                                            |
| June 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Director, Executive Officer, General Manager, Real Estate Development Department, Development Business Headquarters                                                            |                                                                                      |                                                                           |                                            |
| June 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Director, Managing Executive Officer, General Manager, Real Estate Development Department, Development Business Headquarters                                                   |                                                                                      |                                                                           |                                            |
| October 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Director, Managing Executive Officer, General Manager, Real Estate Development Department, Development Business Headquarters and General Manager, Yokohama Branch (to present) |                                                                                      |                                                                           |                                            |
| [Reason for nomination as a candidate for Director]<br>Having been involved primarily in Development divisions since joining the Company, Mr. Yasuhito Kanetsuna is well versed in its businesses. We, therefore, nominate him as a candidate for Director.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                |                                                                                      |                                                                           |                                            |
| 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Shinji Takahashi<br>(June 30, 1972)<br><u>Outside Director</u>                                                                                                                 | April 1999                                                                           | Registered as an attorney<br>Joined Shibadaimon Law Firm (to present)     | —                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                | June 2015                                                                            | Director, the Company (to present)                                        |                                            |
| [Significant concurrent position]<br>Attorney, Shibadaimon Law Firm                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                |                                                                                      |                                                                           |                                            |
| [Reason for nomination as a candidate for Outside Director and expected roles]<br>We nominate Mr. Shinji Takahashi as a candidate for Outside Director, expecting him to draw on his expert knowledge and experience as an attorney to supervise management of the Company and contribute to the enhancement of corporate governance by providing advice regarding management as a whole. Although he has never been directly involved in corporate management except serving as Outside Director, he has extensive experience and specialized knowledge as an attorney and can provide accurate instruction and advice from an objective standpoint. We, therefore, consider that he can perform the duties of an Outside Director appropriately. |                                                                                                                                                                                |                                                                                      |                                                                           |                                            |

| No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Name<br>(Date of birth)                                           | Career summary, positions, responsibilities,<br>and significant concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Number of<br>shares of the<br>Company held |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Tatsuya Suzuki<br>(August 1, 1955)<br><br><u>Outside Director</u> | <p>April 1979      Employed by Chiba City</p> <p>April 2005      Chief, Planning Division, Planning and<br/>Coordination Bureau, Chiba City</p> <p>April 2008      Assistant Director-General, Planning and<br/>Coordination Bureau</p> <p>April 2010      Assistant Director-General, Urban Development<br/>Bureau</p> <p>April 2011      Director-General, Urban Development Bureau</p> <p>April 2013      Director-General, Comprehensive Policy Bureau</p> <p>July 2014        Deputy Mayor</p> <p>June 2022      Director, the Company (to present)</p>                                                                                                                                                                                                                                        | —                                          |
| <p>[Reason for nomination as a candidate for Outside Director and expected roles]</p> <p>We nominate Mr. Tatsuya Suzuki as a candidate for Outside Director, expecting him to draw on the extensive knowledge and experience that he has acquired through his many years of involvement in the administration of Chiba City to supervise management of the Company and contribute to the enhancement of corporate governance by providing advice regarding management as a whole. Although he has never been directly involved in corporate management, he has extensive experience and specialized knowledge acquired through his many years of involvement in the administration of Chiba City and can provide accurate instruction and advice from an objective standpoint. We, therefore, consider that he can perform the duties of an Outside Director appropriately.</p> |                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                            |
| 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Koji Oshima<br>(May 12, 1974)<br><br><u>Outside Director</u>      | <p>October 1998    Joined Asahi &amp; Co. (currently KPMG AZSA LLC)</p> <p>January 2005    Seconded to the Securities and Exchange<br/>Surveillance Commission, Financial Services<br/>Agency with a limited term of two years</p> <p>May 2016        Partner, KPMG AZSA LLC</p> <p>July 2021        Representative Partner, Oshima Tax and<br/>Consulting (to present)</p> <p>July 2021        Representative, Koji Oshima CPA Firm (to<br/>present)</p> <p>July 2021        Representative Director, OBR Corporation (to<br/>present)</p> <p>June 2022      Director, the Company (to present)</p> <p>[Significant concurrent positions]</p> <p>Representative Partner, Oshima Tax and Consulting</p> <p>Representative, Koji Oshima CPA Firm</p> <p>Representative Director, OBR Corporation</p> | —                                          |
| <p>[Reason for nomination as a candidate for Outside Director and expected roles]</p> <p>We nominate Mr. Koji Oshima as a candidate for Outside Director, expecting him to draw on his experience as a member of the Securities and Exchange Surveillance Commission and his expert knowledge and experience as a certified public accountant and certified public tax accountant to supervise management of the Company and contribute to the enhancement of corporate governance by providing advice regarding management as a whole.</p>                                                                                                                                                                                                                                                                                                                                     |                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                            |



- Notes:
1. There are no special interests between each of the candidates and the Company.
  2. Mr. Shinji Takahashi, Mr. Tatsuya Suzuki, and Mr. Koji Oshima are candidates for Outside Director. The Company plans to register them as Independent Directors as defined by the Tokyo Stock Exchange.
  3. Mr. Shinji Takahashi will have served as Outside Director for eight (8) years, and Mr. Tatsuya Suzuki and Mr. Koji Oshima will have served as Outside Director for one (1) year at the conclusion of this Annual General Meeting of Shareholders.
  4. In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has concluded agreements with all Outside Directors to limit their liability stipulated in Article 423, Paragraph 1 of the Act. If the reappointment of Mr. Shinji Takahashi, Mr. Tatsuya Suzuki, and Mr. Koji Oshima is approved, the Company will conclude similar liability limitation agreements with them. The contents of these agreements will be as stated below.
    - If a Director is held liable for damages to the Company as a result of negligence of his duties, his liability shall be limited to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
    - The above limitation of liability shall only apply if the Director performs his duties that cause the liability in good faith and with no gross negligence.
  5. The Company has concluded a directors and officers liability insurance contract, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company. The contract covers legal damages and litigation expenses incurred by the insured person. All candidates for Director will be insured under the contract. The Company plans to renew the contract with the same contents at the next renewal.

<Reference> Major areas of expertise and experience

| No. | Name               | Corporate management | Technology | Sales | Marketing | Accounting/<br>Finance | Legal/<br>Compliance | Risk management |
|-----|--------------------|----------------------|------------|-------|-----------|------------------------|----------------------|-----------------|
| 1   | Kazuo Kanetsuna    | ○                    | ○          | ○     | ○         | ○                      | ○                    | ○               |
| 2   | Katsushi Takami    | ○                    |            | ○     | ○         | ○                      | ○                    | ○               |
| 3   | Masayuki Suzuki    | ○                    | ○          |       | ○         |                        | ○                    | ○               |
| 4   | Junichi Mikami     | ○                    | ○          |       | ○         |                        | ○                    | ○               |
| 5   | Naeki Takahashi    | ○                    |            |       | ○         | ○                      | ○                    | ○               |
| 6   | Yasuhito Kanetsuna | ○                    |            | ○     | ○         |                        | ○                    | ○               |
| 7   | Shinji Takahashi   |                      |            |       |           |                        | ○                    | ○               |
| 8   | Tatsuya Suzuki     |                      |            |       | ○         |                        | ○                    | ○               |
| 9   | Koji Oshima        | ○                    |            |       |           | ○                      | ○                    | ○               |

\* The table above does not indicate all capability, areas of knowledge, or areas of experience of the candidates.

## <Shareholder proposals (Proposal 3 and Proposal 4)>

Proposal 3 and Proposal 4 were proposed by one shareholder.

Quoted below in the order of proposal are the original texts, including the titles and contents, from the shareholder proposals submitted by the proposing shareholder. Neither proposal in the shareholder proposals included reasons for the proposal.

### **Proposal 3: Appropriation of Surplus**

#### 1. Contents of the proposal

Following the provisions of Article 453 and Article 454 of the Companies Act, ¥100 per share of common stock shall be paid as dividends of surplus to shareholders at the end of the 59th Fiscal Year, in addition to the appropriation of surplus proposed by the Company. The effective date of the dividends of surplus will be June 30, 2023.

### <Opinion of the Board of Directors on Proposal 3>

The Board of Directors opposes this shareholder proposal.

The Company considers return of profit to shareholders over the long term as one of its prime management policies. As such, the Company's policy is to distribute its surplus based on its business performance while considering the maintenance and continuation of a stable dividend payment, and to strive to enhance the sufficiency of internal reserves to further improve our financial strength and prepare for future business development.

Under this basic policy, in Proposal 1, "Appropriation of Surplus" made by the Company, the Company proposed to increase year-end dividends for the fiscal year ended March 31, 2023, to ¥17 per share, up by ¥5 from the start-of-year forecast, after taking into consideration the optimal balance between growth investments in the real estate development business and enhancement of human capital in future and shareholder returns. With the interim dividend of ¥10 yen per share, this makes an annual dividend of ¥27 per share. Also, the Company forecasts its interim dividend to be ¥15 per share and its year-end dividend to be ¥19 per share for the fiscal year ending March 31, 2024, making the annual dividend for the year ¥34 per share, up by ¥7 year on year.

The world situation changes rapidly, and the business environment shows the increased instability. Amid these circumstances, concerning this shareholder proposal of paying dividends of ¥100 for the fiscal year ended March 31, 2023, in addition to those proposed by the Company in Proposal 1, "Appropriation of Surplus," the Company believes that it is not consistent with its basic policies on shareholder returns as it does not take into full consideration the need to ensure financial soundness given the risk associated with the real estate development business and continuously make growth investments and thus does not lead to the enhancement of the Company's corporate value over the long term.

For these reasons, the Board of Directors of the Company opposes this shareholder proposal.

#### **Proposal 4: Acquisition of Treasury Shares**

##### 1. Contents of the proposal

Following the provisions of Article 156, Paragraph 1 of the Companies Act, the Company shall acquire its common stock in the total number of shares of up to 2,500,000 shares or for a total acquisition cost of up to ¥2,500 million (or, the upper limit of the total acquisition cost permitted in the Companies Act [the “Distributable Amount” defined in Article 461 of the Companies Act], if the total acquisition cost permitted in the Companies Act is below such an amount) by delivery of money within 150 days after the conclusion of this Annual General Meeting of Shareholders.

#### **<Opinion of the Board of Directors on Proposal 4>**

The Board of Directors opposes this shareholder proposal.

As described in the opinion of the Board of Directors of the Company on Proposal 3, the Company’s policy is to distribute its surplus based on its business performance while considering the maintenance and continuation of a stable dividend payment, and to strive to enhance the sufficiency of internal reserves to further improve our financial strength and prepare for future business development.

The Company considers the acquisition of treasury shares to be one of the ways of returning profit to shareholders. As things stand now, however, the Company adheres to the basic policy of returning profit to shareholders by dividend payments for the purpose of stably returning its profit to shareholders over the long term.

For these reasons, the Board of Directors of the Company opposes this shareholder proposal.