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Securities code: 2685
Date of sending by postal mail: May 8, 2025
Start date of measures for electronic provision: May 2, 2025

To Our Shareholders

Osamu Kimura
Representative Director and President
Adastria Co., Ltd.
3-1-27 Izumi-cho, Mito-shi, Ibaraki

Notice of the 75th Ordinary General Meeting of Shareholders

We cordially notify you of the 75th Ordinary General Meeting of Shareholders of Adastria Co., Ltd. (the “Company”), to be held as indicated below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information (matters subject to measures for electronic provision) that constitutes the content of Reference Documents for the General Meeting of Shareholders in electronic format. Please visit the websites at the internet address shown below to review the information.

The Company’s website:

<https://www.adastria.co.jp/> (in Japanese)

(On the English-language version of the above website, please select “Investors” and then “General Meeting of Shareholders” under the heading “IR Library.”)

The Tokyo Stock Exchange website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020020Action.do?Show=Show>

(Access the TSE website by using the internet address shown above, enter “Adastria” in “Issue name (company name)” or the Company’s securities code “2685” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend the Ordinary General Meeting of Shareholders, you may exercise your voting rights in writing (by mail) or via the internet. After reviewing the Reference Documents for the General Meeting of Shareholders, please indicate your approval or disapproval of the proposals on the voting card sent out with this notice and return it to reach us no later than 7:00 p.m. on Wednesday, May 28, 2025 (Japan Standard Time), or vote at the website for exercising voting rights specified by the Company (<https://evote.tr.mufg.jp/>) (in Japanese).

Meeting Details

1. **Date and Time:** Thursday, May 29, 2025 at 3:00 p.m. (Reception opens at 2:30 p.m.)
2. **Venue:** “Sea Breeze” at HOTEL TERRACE the GARDEN MITO 3F
1-7-20 Miya-machi, Mito-shi, Ibaraki
3. **Purpose of the Meeting:**

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 75th fiscal year (from March 1, 2024 to February 28, 2025), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 75th fiscal year (from March 1, 2024 to February 28, 2025)

Matters to be resolved:

- Proposal 1:** Approval of Absorption-Type Company Split Agreement
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Eight (8) Directors Who Are Not Members of the Audit and Supervisory Committee
- Proposal 4:** Revision of Details of Performance-Linked and Share-Based Compensation for Directors Who Are Not Members of the Audit and Supervisory Committee

4. Instructions Concerning the Exercise of Voting Rights

- (1) If neither approval nor disapproval of each proposal is indicated in writing (by mail) on the voting form, the Company will deem that you indicated your approval of the proposal.
- (2) If you exercise your voting rights more than once via the internet, only the last vote shall be deemed effective.
- (3) Please note that your online vote will prevail regardless of the arrival date and time should you exercise your voting rights both via the internet and in writing (by mail).
- (4) If you exercise your voting rights by proxy, you may designate one other shareholder holding voting rights of the Company to attend the meeting. Please note, however, that it is necessary to submit a document proving the authority of proxy.
- (5) If you wish to make a diverse exercise of your voting rights, please advise us three days prior to the Ordinary General Meeting of Shareholders, stating your reasons therefor.

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- When you attend the General Meeting of Shareholders, you are kindly requested to submit the voting card at the reception.
 - Of the matters subject to measures for electronic provision, the following matters are excluded from the documents sent out to shareholders who have made a request for delivery of such documents in accordance with laws and regulations and the provisions of Article 15, paragraph 2 of the Articles of Incorporation.
 - (a) “System to Ensure Properness of Operation and the Status of its Implementation” in the Business Report
 - (b) “Consolidated Statement of Changes in Equity” and “Notes to the Consolidated Financial Statements”
 - (c) “Non-consolidated Statement of Changes in Equity” and “Notes to the Non-consolidated Financial Statements”

Accordingly, the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements contained in the corresponding documents are a part of the documents that were audited when the Accounting Auditor and Audit and Supervisory Committee prepared the accounting audit reports and audit reports, respectively.

- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company’s website and the TSE website both mentioned above.
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Instruction Regarding Exercise of the Voting Rights via the Internet

Method 1: Scanning QR Code®

You can log in to the website for the exercise of voting rights without entering the login ID or temporary password printed on the voting form.

1. Please scan QR Code provided on the voting form.
* "QR code" is a registered trademark of DENSO WAVE INCORPORATED.
2. Please follow on-screen instructions to indicate your approval or disapproval of each proposal.

Method 2: Entering Login ID and Temporary Password

Exercise of Voting Rights Website
<https://evote.tr.mufig.jp/> (in Japanese)

1. Please access the website for exercising voting rights.
2. Enter your Login ID/ Temporary Password provided on the voting card and click on Log in.
3. Please follow on-screen instructions to indicate your approval or disapproval of each proposal.

In case you need instructions for how to operate your personal computer/smartphone in order to exercise your voting rights via the internet, please contact:

Help Desk, Stock Transfer Agency, Mitsubishi UFJ
Trust and Banking Corporation
Phone: 0120-173-027
(toll free within Japan; 9:00 a.m. to 9:00 p.m.)

Institutional investors may use the platform operated for institutional investors by ICJ, Inc. to electronically exercise voting rights.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Documents

Proposal 1: Approval of Absorption-Type Company Split Agreement

In order to transition to a holding company structure, the Company (which is scheduled to change its trade name to and ST HD Co., Ltd. on September 1, 2025) will be the splitting company in an absorption-type company split (“Absorption-Type Company Split”), and Adastria Co., Ltd. (“New Adastria”), which was established on April 4, 2025 and is a wholly owned subsidiary of the Company, as the succeeding company in an Absorption-type Company Split, and the Company has entered into an Absorption-type Company Split agreement (“Absorption-Type Company Split Agreement”) with New Adastria as of April 4, 2025, pursuant to which the Company will succeed to New Adastria to all rights and obligations related to all of its businesses (“Business”) (excluding the businesses relating to the control or management of the business activities of the companies in which the Company holds shares or group management). The effective date of the Absorption-Type Company Split is scheduled to be September 1, 2025.

The Company requests your approval for the Absorption-Type Company Split Agreement in this proposal. The reasons for the Absorption-type Company Split, an overview of the content of the Absorption-type Company Split Agreement, and other matters related to this proposal are as follows.

1. Reasons for the Absorption-type Company Split

To respond quickly to this changing business environment and transform our business structure, the Adastria Group formulated a new Medium-Term Management Plan 2030, which will take us through February 2030. Medium-Term Management Plan 2030 describes how we will evolve our e-commerce site, *and ST*, into a Play fashion! platform. To this end, we intend to leverage the connections with the *and ST* membership base cultivated through our staff and physical multi-brand stores. We also plan to create synergies between our three businesses: Platform Business, Global Business, and Brand Retail Business. As part of this process, the Company has decided to transition to a holding company structure effective September 1, 2025, changing our trade name to and ST HD Co., Ltd.

This transition to a holding company structure will coordinate group operating companies around the *and ST* platform, while providing greater clarity to missions and roles. This approach lends itself to a multi-company management model that allows group companies to formulate and execute growth strategies independently. At the same time, the Adastria Group aims to expand categories and services while accelerating overseas expansion, pursuing M&A of companies having special characteristics not currently present within the Group.

2. Overview of the content of the Absorption-type Company Split Agreement

The content of the Absorption-type Company Split Agreement is as follows.

Absorption-Type Company Split Agreement (copy)

Adastria Co., Ltd. (scheduled to change its trade name to “and ST Co., Ltd.” on the effective date stipulated in Article 7; “Party A”) and Adastria Co., Ltd. (“Party B”) enter into an absorption-type company split agreement (the “Agreement”) as follows regarding an absorption-type company split (“Absorption-Type Company Split”) in which the rights and obligations held by Party A in relation to its business will be succeeded to Party B.

Article 1. (Trade name and address of the companies involved in the Company Split)
The trade names and addresses of the splitting company and the succeeding company in the Absorption-Type Company Split are as follows.

(1) Party A: Splitting company in the Absorption-Type Company Split

Trade name Adastria Co., Ltd.

Address 3-1-27 Izumi-cho, Mito-shi, Ibaraki

(2) Party B: Succeeding company in the Absorption-Type Company Split

Trade name Adastria Co., Ltd.

Address 2-21-1, Shibuya, Shibuya-ku, Tokyo

Article 2. (Absorption-Type Company Split)

In accordance with the provisions of the Agreement, Party A will transfer to Party B the rights and obligations stipulated in Article 3, Paragraph 1, in relation to all of the businesses (“Business”) operated by Party A (excluding the businesses relating to the control or management of the business activities of the companies in which the Party A holds shares or group management (“Group Management Business”)) through an absorption-type company split.

Article 3. (Rights and obligations to be succeeded)

1. The assets, liabilities, employment contracts, and other rights and obligations (“Succeeded Rights and Obligations”) succeeded to Party B from Party A through the Absorption-Type Company Split are detailed in the Appendix “Schedule of Rights and Obligations to be Succeeded.” Furthermore, any rights and obligations relating to the Business newly belonging to Party A after the conclusion of the Agreement and up until the effective date shall be included among the Succeeded Rights and Obligations in accordance with the Appendix.

2. The succession of liabilities from Party A to Party B shall be through cumulative assumption of obligations. However, in this case, Party B shall be the final party responsible for the liabilities between the two parties, and if Party A performs or otherwise bears the burden of the succeeded liabilities, Party A may seek reimbursement of the entire burden from Party B.

Article 4. (Consideration for the split)

Upon the Absorption-Type Company Split, Party B shall issue one share of common stock and deliver it to Party A as consideration for the rights and obligations stipulated in Paragraph 1 of the preceding article.

Article 5. (Matters concerning the amount of capital and reserves)

Party B shall not increase the amount of capital or reserves as a result of the Absorption-Type Company Split.

Article 6. (Approval of the General Meeting of Shareholders)

1. Party A shall obtain approval at a General Meeting of Shareholders as stipulated in Article 783, Paragraph 1 of the Companies Act for approval of the Agreement and other matters necessary for the Absorption-Type Company Split by the day before the effective date.

2. Party B shall obtain approval at a General Meeting of Shareholders as stipulated in Article 795, Paragraph 1 of the Companies Act for approval of the Agreement and other matters necessary for the Absorption-Type Company Split by the day before the effective date.

Article 7. (Effective date)

The effective date of the Absorption-Type Company Split (“Effective Date”) is September 1, 2025. However, if necessary due to procedural requirements for the Absorption-Type Company Split or for other reasons, this may be changed upon consultation and agreement between Party A and Party B.

Article 8. (Validity of the Agreement)

The Agreement shall lose its validity if approval by the General Meeting of Shareholders of Party A and Party B, as stipulated in Article 6, is not obtained by the Effective Date.

Article 9. (Non-compete obligation)

Party A shall not be bound by any non-compete obligations concerning the Absorption-Type Company Split.

Article 10. (Termination of the Agreement)

Party A and Company B may terminate the Agreement by mutual consent up to the day before the Effective Date.

Article 11. (Matters not stipulated)

In addition to the matters stipulated in the Agreement, any matters necessary for the Absorption-Type Company Split shall be decided upon consultation between Party A and Party B in accordance with the purpose of the Absorption-Type Company Split.

In witness thereof, one copy of the Agreement shall be prepared; Party A shall retain the original, and Party B shall retain the copy, both signed and sealed.

April 4, 2025

Party A: Michio Fukuda
Representative Director
Adastria Co., Ltd.
3-1-27 Izumi-cho, Mito-shi, Ibaraki

Party B: Yoshiaki Kitamura
Representative Director
Adastria Co., Ltd.
2-21-1, Shibuya, Shibuya-ku, Tokyo

Appendix

Schedule of Rights and Obligations to be Succeeded

The assets, liabilities, employment contracts, and other rights and obligations to be succeeded from Party A to Party B shall be those existing at the end of the day before the Effective Date as described below.

1. Assets

All of the assets that Party A owns in relation to the Business as of the Effective Date, which can be legally succeeded from the Party A to Party B. However, the following assets shall be excluded.

- (i) Deposits related to deposit accounts and term deposit accounts maintained for Party A's stock administration.
- (ii) All stocks and other securities
- (iii) Current assets and fixed assets, including accounts receivable, advances, prepaid expenses, loans, security deposits and guarantees, arising from Party A's Group Management Business

2. Liabilities

All of the liabilities that Party A owns in relation to the Business as of the Effective Date, which can be legally succeeded from the Party A to Party B. However, the following liabilities shall be excluded.

- (i) Accrued corporate taxes, accrued business taxes, accrued business office taxes, dividends payable, accrued consumption taxes, accrued fixed asset taxes, income tax payable held in trust, and shareholder benefits reserves
- (ii) Accounts payable, loan payable, and other current and fixed liabilities arising from Party A's Group Management Business

3. Employment contracts

Employment contracts with all employees of Party A (including those seconded to subsidiaries of Party A, commissioned employees, contract employees, and temporary employees). However, this does not include employment contracts with employees engaged in the Group Management Business or employees separately agreed upon between Party A and Party B.

4. Other rights and obligations

(i) Intellectual property rights

All patent rights, utility model rights, design rights, trademark rights, copyrights, know-how and other intellectual property rights held by Party A in relation to the Business as of the Effective Date. However, this excludes certain trademark rights mutually agreed upon by Party A and Party B.

(ii) Contracts (excluding employment contracts)

Contracts that Party A has signed in relation to the Business that are valid at the time of termination on the day before the Effective Date (However, this does not apply to contracts that require the consent of the other party to the contract in order to succeed to the contractual position under the Absorption-Type Company Split Agreement, and excludes contracts for which the consent of the other party was not obtained by the day before the Effective Date of the Absorption-Type Company Split Agreement.).

(iii) Permits and licenses

Permits, licenses, approvals, registrations, notifications, etc. that are part of the Business and that can be succeeded under laws and regulations. However, this excludes those that Party A has acquired in relation to the business activities of companies in which it holds shares, and those managed by the business division related to the Group Management Business.

End

3. Overview of the content stipulated in the Article 183 of the Regulations for Enforcement of the Companies Act

(1) Matters concerning the reasonableness of consideration

(i) Reasonableness of the number of shares to be delivered to the Company by New Adastria through the Absorption-Type Company Split

Upon the Absorption-Type Company Split, New Adastria will issue one share of common stock and deliver it to the Company. The number of shares to be delivered was determined through discussions between the Company and New Adastria, taking into account the fact that the Company holds all of New Adastria's issued shares, and it is believed it to be reasonable.

(ii) Reasonableness of the amount of New Adastria's capital and reserves, etc., to be increased due to the Absorption-Type Company Split

The amount of capital and reserves of New Adastria will not change as a result of the Absorption-Type Company Split, and it has been determined that the content is appropriate within the scope of laws and regulations.

(2) Balance sheet of New Adastria on the date of its establishment

Item	Amount	Item	Amount
(Assets) Cash and deposits	10 million yen	(Net assets) Share capital	10 million yen
Total assets	10 million yen	Total liabilities and net assets	10 million yen

(3) Matters concerning the disposal of important assets, etc. occurring after the end of the final fiscal year or after the date of establishment of the company involved in the absorption-type company split

(i) Matters regarding disposal of important assets, etc. occurring after the last day of the Company's final fiscal year

The Company resolved at a meeting of Board of Directors held on March 19, 2025, to withdraw from the US business and to liquidate Adastria USA, Inc., a wholly-owned US intermediate holding company of the Company (Delaware, US, capital of USD 43 million). The liquidation is expected to be completed once the necessary procedures have been completed in accordance with local laws, and the timing is expected to be around June 2026.

(ii) Matters concerning the disposal of important assets, etc. that have arisen after the date of the establishment of New Adastria Co., Ltd.

Not applicable.

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

The Company asks for approval for partial amendments to the Articles of Incorporation as follows. As stated in Proposal 1 “Approval of the Absorption-Type Company Split Agreement,” the Company plans to transition to a holding company structure on September 1, 2025. In accordance with this, the following amendments will be made.

In addition, on the condition that Proposal 1 “Approval of the Absorption-Type Company Split Agreement” is approved and adopted as originally proposed, and the Absorption-Type Company Split comes into effect, this proposal is to establish supplementary provision that the amendments to the Articles of Incorporation based on this proposal shall take effect on September 1, 2025.

(1) Change of trade name

The Company’s trade name will be changed to “and ST HD Co., Ltd.” (Article 1 of the proposed amendment).

(2) Changes to the business purpose

The Company’s business purpose will be changed to the purpose of controlling or managing the business activities of the New Adastria, which will operate the Business as a wholly-owned subsidiary of the Company on and after September 1, 2025, and the Company’s other subsidiaries (Article 2 of the proposed amendment).

2. Details of the amendments

The details of the amendments are as follows (underlined).

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 1. (Trade Name) The name of the Company shall be <u>Adastria Co., Ltd.</u> and shall appear in English as <u>Adastria Co., Ltd.</u></p> <p>Article 2. (Objects) 1. The objects of the Company shall be to <u>engage in</u> the following businesses:</p> <p>1) to 23) (Not amended) 2. <u>The Company may control and/or manage the business activities of companies engaged in any of the businesses described in the preceding paragraphs and foreign companies engaged in businesses equivalent thereto by holding shares or equity interests in such companies.</u></p> <p>Article 3 to Article 37 (Omitted) (Supplementary Provisions) 1. to 2. (Omitted) (New)</p>	<p>Article 1. (Trade Name) The name of the Company shall be <u>and ST HD Co., Ltd.</u> and shall appear in English as <u>and ST HD Co., Ltd.</u></p> <p>Article 2. (Objects) The purpose of the Company is to <u>control and/or manage the business activities of companies or other business entities engaged in the following businesses or equivalent overseas business by holding shares and/or equity interests in said companies or other business entities.</u></p> <p>1) to 23) (Not Amended) (Deleted)</p> <p>Article 3. to Article 37. (Not Amended) (Supplementary Provisions) 1. to 2. (Not Amended) 3. <u>The amendments to Articles 1 and 2 shall take effect on September 1, 2025, provided that Approval of the Absorption-Type Company Split Agreement to be proposed at the 75th Annual General Meeting of Shareholders is approved as originally proposed and that the said absorption-type company split takes effect. This paragraph shall be deleted as of the effective date of the above amendment to the Articles of Incorporation.</u></p>

Proposal 3: Election of Eight (8) Directors Who Are Not Members of the Audit and Supervisory Committee

The terms of office of all current eight Directors who are not Members of the Audit and Supervisory Committee will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of eight Directors who are not Members of the Audit and Supervisory Committee after the transition to a holding company structure. Candidate no. 3 is scheduled to resign on August 31, 2025, the day before the effective date of the Absorption-type Company Split.

The Audit and Supervisory Committee deems the procedure for nominating each candidate to be appropriate. Furthermore, after taking into consideration the Company's operating performance, etc. in the fiscal year under review in the case of candidates for reelection and assessing the career histories, etc. until present in the case of candidates for new election, the committee deems each of them to be qualified for the position of Director of the Company.

As a result, the number of Directors who are not Members of the Audit and Supervisory Committee will be eight until August 31, 2025, and seven from September 1, 2025

The candidate is as follows:

No.	Name	Current Positions and Responsibility in the Company	Attribute
1	Michio Fukuda	Representative Director and Chairman	Reelection
2	Osamu Kimura	Representative Director and President	Reelection
3	Yoshiaki Kitamura	Senior Managing Director	Reelection
4	Taiki Fukuda	Senior Managing Director	Reelection
5	Koichi Mizutome	Outside Director	Reelection, Outside, Independent
6	Tatsuhiko Matsuoka	Outside Director	Reelection, Outside, Independent
7	Etsuko Shakespeare		New election, Outside, Independent
8	Xiqiao Liu		New election, Outside, Independent

Reelection: Candidate to be reelected as a Director

New election: Candidate to be newly elected as a Director

Outside: Candidate for an outside Director

Independent: Independent officer as provided for by stock exchanges

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned (of Which, Number of Shares to Be Delivered Under the Share-Based Compensation Plan)
1	<p data-bbox="331 898 467 925"><Reelection></p> <p data-bbox="325 954 474 1010">Michio Fukuda (July 10, 1946)</p> <p data-bbox="308 1039 491 1171">Tenure as Director 54 years (at the conclusion of this General Meeting of Shareholders)</p> <p data-bbox="308 1200 491 1310">Attendance at Board of Directors meetings 15/15</p>	<p data-bbox="512 584 1134 663">May 1971 Joined Fukudaya Clothes Store Inc. (currently the Company) Director of Fukudaya Clothes Store Inc.</p> <p data-bbox="512 674 1211 701">Jun. 1982 Senior Managing Director of Fukudaya Clothes Store Inc.</p> <p data-bbox="512 712 1150 768">Apr. 1991 Representative Director, President of Bears Factory Limited (currently Adastria Logistics Co., Ltd.)</p> <p data-bbox="512 779 1142 835">Mar. 1993 Representative Director, President of POINT INC. (currently the Company)</p> <p data-bbox="512 846 1182 902">Dec. 2002 Representative Director, President of POINT TW INC. (currently Adastria Taiwan Co., Ltd.)</p> <p data-bbox="512 913 1142 969">May 2004 Representative Director, Chairman of POINT INC. (currently the Company)</p> <p data-bbox="512 981 1214 1037">May 2010 Representative Director, Chairman & President of POINT INC.</p> <p data-bbox="512 1048 1198 1104">Sep. 2013 Representative Director, Chairman of Adastria Holdings Co., Ltd. (currently the Company)</p> <p data-bbox="512 1115 1174 1171">May 2015 Representative Director, Chairman & Chief Executive Officer of Adastria Holdings Co., Ltd.</p> <p data-bbox="512 1182 1174 1238">May 2018 Representative Director, Chairman & President of the Company</p> <p data-bbox="512 1249 1182 1305">Apr. 2021 Director and Chairman of BUZZWIT Co., Ltd. Director and Chairman of ELEMENT RULE Co., Ltd.</p> <p data-bbox="512 1317 1182 1373">May 2021 Representative Director and Chairman of the Company (present)</p> <p data-bbox="512 1384 1062 1411">Significant concurrent positions outside the Company</p> <p data-bbox="512 1422 528 1449">-</p> <p data-bbox="512 1460 1023 1487">Reasons for nominating the candidate as Director</p> <p data-bbox="512 1498 1374 1621">Michio Fukuda has been nominated as a candidate for Director because the candidate has the achievements of demonstrating leadership and promoting the growth and expansion of the Company's business since the candidate assumed the office of Representative Director of the Company in 1993. The Company proposes the candidate's election as Director to utilize the candidate's rich experience accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.</p>	<p data-bbox="1286 936 1370 992">954,745 (32,705)</p>

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned (of Which, Number of Shares to Be Delivered Under the Share-Based Compensation Plan)
2	<p data-bbox="331 1055 467 1081"><Reelection></p> <p data-bbox="325 1111 489 1189">Osamu Kimura (September 2, 1969)</p> <p data-bbox="308 1218 507 1384">Tenure as Director 13 years and 8 months (at the conclusion of this General Meeting of Shareholders)</p> <p data-bbox="308 1413 507 1518">Attendance at Board of Directors meetings 15/15</p>	<p data-bbox="512 584 1209 640">Sep. 2011 Representative Director, President of TRINITY ARTS INC. (currently the Company)</p> <p data-bbox="512 647 970 674">Apr. 2013 Director of FRIENDS Co., Ltd.</p> <p data-bbox="512 680 1182 763">Sep. 2013 Director of Adastria Holdings Co., Ltd. (currently the Company) Director of Adastria Asia Co., Ltd.</p> <p data-bbox="512 770 1139 828">Feb. 2014 Director of N9&PG Co., Ltd. (currently Adastria Logistics Co., Ltd.)</p> <p data-bbox="512 835 1209 891">May 2015 Director, Senior Executive Officer of Adastria Holdings Co., Ltd. (currently the Company)</p> <p data-bbox="512 898 1011 925">Jun. 2016 Managing Director of the Company</p> <p data-bbox="512 931 1209 1025">Nov. 2016 Director, Vice President of Peoples Inc. Director, Vice President of ALICIA Co., Ltd. (currently BUZZWIT Co., Ltd.)</p> <p data-bbox="512 1032 1209 1088">Mar. 2017 Director, Vice President of ELEMENT RULE Co., Ltd. (present)</p> <p data-bbox="512 1095 1187 1151">Oct. 2017 Representative Director, President of ADASTRIA eat Creations Co., Ltd.</p> <p data-bbox="512 1158 1163 1184">Mar. 2018 Director, Executive Vice President of the Company</p> <p data-bbox="512 1191 1219 1247">May 2019 Director of NATURAL NINE TRADING (SHANGHAI) LTD. (present)</p> <p data-bbox="512 1254 979 1281">Feb. 2020 Director of BUZZWIT Co., Ltd.</p> <p data-bbox="512 1288 1011 1314">May 2021 Director, President of the Company</p> <p data-bbox="512 1321 1195 1415">May 2022 Director of zetton inc. (present) Representative Director and President of the Company (present)</p> <p data-bbox="512 1422 1182 1449">Sep. 2024 Chief Executive Officer of and ST Co., Ltd. (present)</p> <p data-bbox="512 1456 1174 1482">Mar. 2025 Director of KARRIMOR International Ltd. (present)</p> <p data-bbox="512 1489 1198 1545">Apr. 2025 Representative Director and Chairman of Adastria Co., Ltd. (New Adastria) (present)</p> <p data-bbox="512 1574 1066 1601">Significant concurrent positions outside the Company</p> <p data-bbox="512 1608 1246 1635">Representative Director and Chairman of Adastria Co., Ltd. (New Adastria)</p> <p data-bbox="512 1641 1051 1668">Director, Vice President of ELEMENT RULE Co., Ltd.</p> <p data-bbox="512 1675 938 1702">Chief Executive Officer of and ST Co., Ltd.</p> <p data-bbox="512 1709 727 1736">Director of zetton inc.</p> <p data-bbox="512 1742 932 1769">Director of KARRIMOR International Ltd.</p> <p data-bbox="512 1776 1126 1803">Director of NATURAL NINE TRADING (SHANGHAI) LTD.</p> <p data-bbox="512 1832 1023 1859">Reasons for nominating the candidate as Director</p> <p data-bbox="512 1865 1378 1993">Osamu Kimura has been nominated as a candidate for Director because the candidate has not only gained extensive experience and many achievements in the field of sales and store development, but was also appointed Director and President of the Company in May 2021 and then Representative Director and President in May 2022. The Company proposes the candidate's election as Director to utilize the candidate's rich experience and abundant achievements accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.</p>	<p data-bbox="1286 1048 1374 1104">73,726 (37,650)</p>

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned (of Which, Number of Shares to Be Delivered Under the Share-Based Compensation Plan)
3	<p data-bbox="331 943 467 969"><Reelection></p> <p data-bbox="304 999 496 1055">Yoshiaki Kitamura (January 25, 1976)</p> <p data-bbox="304 1081 496 1216">Tenure as Director 6 years (at the conclusion of this General Meeting of Shareholders)</p> <p data-bbox="304 1245 496 1350">Attendance at Board of Directors meetings 15/15</p>	<p data-bbox="512 584 970 611">Apr. 1999 Joined FIVE FOXes CO., LTD.</p> <p data-bbox="512 622 1098 649">Feb. 2007 Joined DROP INC. (currently the Company)</p> <p data-bbox="512 660 1134 716">Sep. 2010 General Manager of studio CLIP Department of TRINITY ARTS INC. (currently the Company)</p> <p data-bbox="512 728 1129 784">Mar. 2012 General Manager of niko and ... Department of TRINITY ARTS INC.</p> <p data-bbox="512 795 1222 851">Mar. 2013 Executive Officer, General Manager of Sales Division of TRINITY ARTS INC.</p> <p data-bbox="512 862 1129 918">May 2014 Director, General Manager of Sales Division of TRINITY ARTS INC.</p> <p data-bbox="512 929 1214 985">Mar. 2015 Executive Officer, General Manager of Sales II Division of Adastria Holdings, Co., Ltd. (currently the Company)</p> <p data-bbox="512 996 1166 1023">Apr. 2016 Representative Director of Adastria Korea Co., Ltd.</p> <p data-bbox="512 1034 1222 1202">Mar. 2018 Senior Executive Officer, Executive General Manager of Sales Headquarters of the Company Director of Adastria Asia Co., Ltd. (present) Director of POINT (Shanghai) Co., Ltd. (currently niko and ... (Shanghai) Co., Ltd.) (present) Director of POINT TW INC. (currently Adastria Taiwan Co., Ltd.) (present)</p> <p data-bbox="512 1214 906 1240">May 2019 Director of the Company</p> <p data-bbox="512 1252 1158 1279">Aug. 2019 Director of Adastria (Shanghai) Co., Ltd. (present)</p> <p data-bbox="512 1290 1011 1317">May 2021 Managing Director of the Company</p> <p data-bbox="512 1328 1203 1440">Feb. 2022 Director of SES GLOBAL LOGISTICS (SHANGHAI) Co., LTD. (present) Chairman of Management Board of Velvet, LLC (present)</p> <p data-bbox="512 1451 1153 1478">Jan. 2023 Director of Adastria (Thailand) Co., Ltd. (present)</p> <p data-bbox="512 1489 1198 1516">Apr. 2024 Director of ADASTRIA PHILIPPINES INC. (present)</p> <p data-bbox="512 1527 1174 1554">May. 2024 Senior Managing Director of the Company (present)</p> <p data-bbox="512 1565 1222 1621">Jul. 2024 Director of TODAY'S SPECIAL Co., Ltd. (currently the Company)</p> <p data-bbox="512 1632 1177 1659">Mar. 2025 Director of KARRIMOR International Ltd. (present)</p> <p data-bbox="512 1671 1193 1727">Apr. 2025 Representative Director and President of Adastria Co., Ltd. (New Adastria) (present)</p>	<p data-bbox="1286 1122 1374 1178">39,936 (22,330)</p>

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned (of Which, Number of Shares to Be Delivered Under the Share-Based Compensation Plan)
		<p>Significant concurrent positions outside the Company Representative Director and President of Adastria Co., Ltd. (New Adastria) Director of KARRIMOR International Ltd. Director of Adastria (Shanghai) Co., Ltd. Director of niko and ... (Shanghai) Co., Ltd. Director of Adastria Asia Co., Ltd. Director of Adastria Taiwan Co., Ltd. Director of Adastria (Thailand) Co., Ltd. Director of ADASTRIA PHILIPPINES INC. Chairman of Management Board of Velvet, LLC Director of SES GLOBAL LOGISTICS (SHANGHAI) Co., LTD.</p> <p>Reasons for nominating the candidate as Director Yoshiaki Kitamura has been nominated as a candidate for Director because the candidate has gained extensive experience and many achievements in the field of sales such as through driving the growth of the Company's core brands. The Company proposes the candidate's election as Director to utilize the candidate's rich experience and abundant achievements accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.</p>	

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned (of Which, Number of Shares to Be Delivered Under the Share-Based Compensation Plan)
4	<p data-bbox="331 869 470 902"><Reelection></p> <p data-bbox="331 925 480 981">Taiki Fukuda (April 11, 1978)</p> <p data-bbox="308 1010 499 1149">Tenure as Director 8 years (at the conclusion of this General Meeting of Shareholders)</p> <p data-bbox="308 1178 499 1283">Attendance at Board of Directors meetings 15/15</p>	<p data-bbox="512 584 651 607">Mar. 2004</p> <p data-bbox="667 584 868 607">Joined IMS Co., Ltd.</p> <p data-bbox="512 622 651 645">Apr. 2005</p> <p data-bbox="667 622 1102 645">Joined POINT INC. (currently the Company)</p> <p data-bbox="512 660 651 683">Mar. 2014</p> <p data-bbox="667 660 1158 712">General Manager of Overseas Division of Adastia Holdings, Co., Ltd. (currently the Company)</p> <p data-bbox="512 728 651 750">May 2014</p> <p data-bbox="667 728 1206 779">Representative Director, President of Adastia Asia Co., Ltd.</p> <p data-bbox="512 795 651 817">Mar. 2016</p> <p data-bbox="667 795 1198 846">Executive General Manager of Communication Design Division of the Company</p> <p data-bbox="512 862 651 884">Mar. 2017</p> <p data-bbox="667 862 1158 913">Executive General Manager of Corporate Planning Division of the Company</p> <p data-bbox="512 929 651 952">May 2017</p> <p data-bbox="667 929 1158 981">Director, Executive General Manager of Corporate Planning Division of the Company</p> <p data-bbox="512 996 651 1019">Mar. 2018</p> <p data-bbox="667 996 1134 1048">Director of the Company Chairman of Management Board of Velvet, LLC</p> <p data-bbox="512 1064 651 1086">May 2018</p> <p data-bbox="667 1064 1214 1115">Director of Adastia General Support Co., Ltd. (currently WeOur Co., Ltd.)</p> <p data-bbox="512 1131 651 1153">May 2019</p> <p data-bbox="667 1131 1046 1153">Director of Adastia Logistics Co., Ltd.</p> <p data-bbox="512 1169 651 1191">Nov. 2021</p> <p data-bbox="667 1169 1158 1220">Representative Director of ADOORLINK Co., Ltd. (currently the Company)</p> <p data-bbox="512 1236 651 1258">Feb. 2022</p> <p data-bbox="667 1236 1214 1258">Member of Management Board of Velvet, LLC (present)</p> <p data-bbox="512 1274 651 1296">May. 2024</p> <p data-bbox="667 1274 1174 1296">Senior Managing Director of the Company (present)</p> <p data-bbox="512 1312 1062 1335">Significant concurrent positions outside the Company</p> <p data-bbox="512 1335 967 1357">Member of Management Board of Velvet, LLC</p> <p data-bbox="512 1373 1023 1395">Reasons for nominating the candidate as Director</p> <p data-bbox="512 1395 1374 1576">Taiki Fukuda has been nominated as a candidate for Director because the candidate has gained extensive experience and many achievements in Japan and overseas, and the candidate worked as a Representative Director, President of an overseas subsidiary of the Company in the past. The Company proposes the candidate's election as Director to utilize the candidate's rich experience and abundant achievements accumulated thus far and thereby receive the candidate's contribution to improving the corporate value of the Company.</p>	<p data-bbox="1286 898 1374 954">237,365 (21,441)</p>

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned (of Which, Number of Shares to Be Delivered Under the Share-Based Compensation Plan)
5	Koichi Mizutome (January 26, 1968) <Reelection> <Outside> <Independent>	Apr. 1991 Joined Dentsu Inc. (currently Dentsu Group Inc.) Feb. 1996 Joined Andersen Consulting (currently Accenture PLC) Apr. 2000 Joined Roland Berger Strategy Consultants (Japan Office) Jan. 2005 Representative Director of Roland Berger Strategy Consultants (Japan Office) Oct. 2009 Managing Director of Enterprise Turnaround Initiative Corporation of Japan (currently Regional Economy Vitalization Corporation of Japan) Dec. 2010 Director and Executive Vice President of Japan Airlines Co., Ltd. Jun. 2013 Senior Managing Executive Officer of World Co., Ltd. Mar. 2015 President & CEO of Sushiro Global Holdings Co., Ltd. (currently FOOD & LIFE COMPANIES LTD.) May 2022 Outside Director of the Company (present) Oct. 2024 Representative Director of FOOD & LIFE COMPANIES LTD. Dec. 2024 Director & Special Advisor of FOOD & LIFE COMPANIES LTD. (present)	– (–)
		<p>Significant concurrent positions outside the Company Director & Special Advisor of FOOD & LIFE COMPANIES LTD.</p> <p>Reasons for nominating the candidate as outside Director and overview of expected roles Koichi Mizutome has been nominated as a candidate for outside Director as the Company believes that the candidate is qualified for the position due to the candidate's rich experience and insight gained through experience in business transformation at a global consulting firm and as a business manager at various companies, and with the expectation that these assets can benefit the management of the Company. Accordingly, the Company proposes the candidate's election as outside Director. As an outside Director who is independent from management, the Company expects that the candidate will continue to play an appropriate role in enhancing the supervisory function of the Board of Directors of the Company by supervising and providing advice, etc. on the execution of duties by Directors, mainly from the perspective of a corporate manager of global corporations in multiple industry sectors.</p> <p>Independence of the candidate The Company has appointed Koichi Mizutome as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer.</p> <p>Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 28, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Koichi Mizutome to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.</p>	
	Tenure as outside Director 3 years (at the conclusion of this General Meeting of Shareholders) Attendance at Board of Directors meetings 14/15		

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned (of Which, Number of Shares to Be Delivered Under the Share-Based Compensation Plan)
6	<p data-bbox="331 808 470 891"><Reelection> <Outside> <Independent></p> <p data-bbox="304 920 501 972">Tatsuhiko Matsuoka (August 6, 1972)</p> <p data-bbox="316 1005 489 1155">Tenure as outside Director 3 years (at the conclusion of this General Meeting of Shareholders)</p> <p data-bbox="308 1196 497 1301">Attendance at Board of Directors meetings 15/15</p>	<p data-bbox="512 584 1177 636">Apr. 1998 Joined Nippon Advanced Technology Co., Ltd. (currently Mitsubishi Electric Software Corporation)</p> <p data-bbox="512 647 1114 698">Apr. 2001 Joined Arthur Andersen, LLP. (currently PwC Consulting LLC)</p> <p data-bbox="512 710 1182 761">Aug. 2002 Transferred to KPMG Consulting Co., Ltd. (currently PwC Consulting LLC)</p> <p data-bbox="512 772 1139 824">Oct. 2008 Joined SIGMAXYZ Inc. (currently SIGMAXYZ Holdings Inc.)</p> <p data-bbox="512 835 1150 887">Nov. 2014 Information, Communications and media industry Managing Director of SIGMAXYZ Inc.</p> <p data-bbox="512 898 1182 927">Apr. 2015 Digital Force Managing Director of SIGMAXYZ Inc.</p> <p data-bbox="512 938 1171 1016">Apr. 2017 Research Advisor of Artificial Intelligence Research Center of National Institute of Advanced Industrial Science and Technology (AIST) (present)</p> <p data-bbox="512 1028 1214 1106">Apr. 2019 Senior Executive Officer, Head of Digital Sherpa and Chief Information Security Officer (CISO) of SIGMAXYZ Inc. (currently SIGMAXYZ Holdings Inc.)</p> <p data-bbox="512 1117 1198 1196">Apr. 2020 Senior Executive Officer, Head of Industry Sherpa and Chief Information Security Officer (CISO) of SIGMAXYZ Inc.</p> <p data-bbox="512 1207 1107 1236">Oct. 2021 Senior Executive Officer of SIGMAXYZ Inc.</p> <p data-bbox="512 1247 1080 1276">May 2022 Outside Director of the Company (present)</p> <p data-bbox="512 1288 1129 1339">Oct. 2022 Managing Executive Officer of Rise Consulting Group, Inc.</p> <p data-bbox="512 1350 1214 1429">Apr. 2023 Managing Executive Officer, Chief Innovation Officer (CIO) and Chief Information Security Officer (CISO) of Rise Consulting Group, Inc. (present)</p> <p data-bbox="512 1440 1331 1532">Significant concurrent positions outside the Company Managing Executive Officer, Chief Innovation Officer (CIO) and Chief Information Security Officer (CISO) of Rise Consulting Group, Inc.</p>	<p data-bbox="1342 987 1369 1039">-</p> <p data-bbox="1342 1050 1369 1102">(-)</p>

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned (of Which, Number of Shares to Be Delivered Under the Share-Based Compensation Plan)
		<p>Reasons for nominating the candidate as outside Director and overview of expected roles</p> <p>Tatsuhiro Matsuoka has been nominated as a candidate for outside Director as the Company believes that the candidate is qualified for the position due to the candidate's many achievements as a person in charge of comprehensive services utilizing IT and digital expertise, and as a manager of information security division, at a major corporation (IT consulting) and with the expectation that these assets can benefit the management of the Company. Accordingly, the Company proposes the candidate's election as outside Director.</p> <p>As an outside Director who is independent from management, the Company expects that the candidate will continue to play an appropriate role in enhancing the supervisory function of the Board of Directors of the Company by supervising and providing advice, etc. on the execution of duties by Directors, mainly from his perspective as an expert in IT, digital and information security.</p> <p>Independence of the candidate</p> <p>The Company has appointed Tatsuhiro Matsuoka as an independent officer as provided for by the Tokyo Stock Exchange and notified the exchange to that effect. If the candidate is reelected, the Company will continue to have the candidate as an independent officer.</p> <p>Agreement limiting liability</p> <p>In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 28, paragraph 2 of the Articles of Incorporation, the Company has entered into an agreement with Tatsuhiro Matsuoka to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act. If the candidate is reelected, the Company will continue the agreement with the candidate.</p>	

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned (of Which, Number of Shares to Be Delivered Under the Share-Based Compensation Plan)
7	<New election> <Outside> <Independent> Etsuko Shakespeare (June 20, 1967)	Apr. 1990 Joined DENTSU INC. (currently Dentsu Group Inc.) Mar. 1998 Joined Boots Company Japan Jan. 2001 Head of Marketing of Boots Taiwan Sep. 2001 Senior Strategic Planning Director of J. Walter Thompson Japan Ltd. Apr. 2002 Joined The Walt Disney Company (Japan) Ltd. Oct. 2006 Marketing Executive Director, Television Division of The Walt Disney Company (Japan) Ltd. Oct. 2007 Chief Marketing Officer, Vice President of The Walt Disney Company (Japan) Ltd. Nov. 2017 Vice President and General Manager, Music, Live Entertainment, Credit Card Alliance of The Walt Disney Company (Japan) Ltd. Apr. 2020 Director, Online Partnerships Business Department of Google Japan G.K. Apr. 2021 Director, Agency Partnership Sales Department of Google Japan G.K. May 2024 Director, Advertising Sales, Branding and Agency Partnership of Google Japan G.K. (present)	– (–)
		Significant concurrent positions outside the Company Director, Advertising Sales, Branding and Agency Partnership of Google Japan G.K.	
		Reasons for nominating the candidate as outside Director and overview of expected roles Etsuko Shakespeare has been nominated as a candidate for outside Director as the Company believes that the candidate is qualified for the position due to the candidate's many achievements as a manager of marketing divisions and advertising sales division at major entertainment and IT companies with a global presence and with the expectation that these assets can benefit the management of the Company. Accordingly, the Company proposes the candidate's election as outside Director. As an outside Director who is independent from management, the Company expects that the candidate will play an appropriate role in enhancing the supervisory function of the Board of Directors of the Company by supervising and providing advice, etc. on the execution of duties by Directors, mainly from the perspective of an expert with extensive experience at global corporations and in the field of digital marketing. Independence of the candidate Etsuko Shakespeare satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange. If the candidate is elected, the Company will appoint the candidate as an independent officer and notify the exchange to that effect. Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 28, paragraph 2 of the Articles of Incorporation, the Company will enter into an agreement with Etsuko Shakespeare to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act.	
Tenure as outside Director Attendance at Board of Directors meetings			

No.	Name (Date of Birth)	Career Summary, and Positions and Responsibility in the Company	Number of the Company's Shares Owned (of Which, Number of Shares to Be Delivered Under the Share-Based Compensation Plan)
8	<p><New election> <Outside> <Independent></p> <p>Xiqiao Liu (February 2, 1984)</p> <p>Tenure as outside Director</p> <p>Attendance at Board of Directors meetings</p>	<p>Apr. 2008 Joined The P&G Japan Limited</p> <p>Feb. 2012 Brand Manager of Reckitt Benckiser Japan</p> <p>Apr. 2014 Senior Brand Manager of Reckitt Benckiser Japan</p> <p>Jan. 2015 Category Manager of Reckitt Benckiser Japan</p> <p>Jun. 2015 Marketing Director of Johnson & Johnson</p> <p>Jun. 2017 Country Director of Johnson & Johnson Hong Kong</p> <p>Jul. 2018 Chief Marketing Officer of FOLIO Co., Ltd.</p> <p>Sep. 2019 Vice President and Director of FOLIO Co., Ltd.</p> <p>Jul. 2020 Chief Marketing Officer of Lenovo Japan LLC</p> <p>Jul. 2023 President & Executive Director of SUNNY SIDE UP, Inc. (present)</p>	<p>—</p> <p>(—)</p>
		<p>Significant concurrent positions outside the Company President & Executive Director of SUNNY SIDE UP, Inc.</p>	
		<p>Reasons for nominating the candidate as outside Director and overview of expected roles</p>	
		<p>Xiqiao Liu has been nominated as a candidate for outside Director as the Company believes that the candidate is qualified for the position due to the candidate's experience and insight gained through her many achievements as the head of the marketing department at multiple companies with global operations, and also having served as a manager at overseas subsidiaries and at her current company, and with the expectation that these assets can benefit the management of the Company. Accordingly, the Company proposes the candidate's election as outside Director.</p> <p>As an outside Director who is independent from management, the Company expects that the candidate will play an appropriate role in enhancing the supervisory function of the Board of Directors of the Company by supervising and providing advice, etc. on the execution of duties by Directors, mainly from the perspective of a manager with extensive experience in the field of marketing at global companies and at multiple companies.</p> <p>Independence of the candidate Xiqiao Liu satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange. If the candidate is elected, the Company will appoint the candidate as an independent officer and notify the exchange to that effect.</p> <p>Agreement limiting liability In accordance with provisions of Article 427, paragraph 1 of the Companies Act and Article 28, paragraph 2 of the Articles of Incorporation, the Company will enter into an agreement with Xiqiao Liu to limit the liability for damages under Article 423, paragraph 1 of the Companies Act to the extent of the minimum liability amount prescribed under Article 425, paragraph 1 of the Companies Act.</p>	

- Notes: 1. Each of the candidates has no special interest in the Company.
2. Koichi Mizutome, Tatsuhiro Matsuoka, Etsuko Shakespeare and Xiqiao Liu are candidates for outside Director.
3. "Number of the Company's Shares Owned" indicates the number of shares owned as of February 28, 2025.
4. "Number of the Company's Shares Owned" held by each candidate (excluding outside Directors) includes the number of shares to be delivered under the share-based compensation plan (as of May 1, 2025). Under this plan, eligible Directors who meet the prescribed requirements are given points according to their position and the Company's operating performance in the fiscal year applicable for assessment, and when they step down from office, the Company's shares and the amount of money equivalent to the Company's shares

converted into cash are delivered and paid as officer compensation according to the number of points they have received.

5. The Company has entered into a liability insurance contract with an insurance company for officers as stipulated in Article 430-3, paragraph 1 of the Companies Act, with all officers, etc. of the Company (and some subsidiaries) as insureds. The insurance contract covers damages suffered by the insureds due to claims for damages made against them arising from their acts (including omissions) carried out in the course of their duties. However, there are certain exemptions to the contract, such as not being covered for damages arising from acts carried out while aware that such acts would be in violation of laws and regulations. If the election of each candidate is approved, each of them will be insured under the relevant insurance contract. The insurance premiums are paid in full by the Company, including the special clause. The Company plans to renew the insurance contract during each candidate's term of office.

[Reference] Skills matrix of Directors

The skills matrix of Directors is as follows in the event that Proposal 3 are approved and adopted as originally proposed.

			Knowledge, experience, and capabilities, etc., of Directors							
			Corporate management	Sales/marketing	Product SCM	Global	IT/DX	Legal/risk management	Finance/accounting	ESG
Directors who are not Members of the Audit and Supervisory Committee	Internal	Michio Fukuda	●		●				●	●
		Osamu Kimura	●	●	●					
		Yoshiaki Kitamura	●	●	●	●				
		Taiki Fukuda	●			●				●
	Outside	Koichi Mizutome	●	●	●	●				
		Tatsuhiko Matsuoka	●	●	●		●			
		Etsuko Shakespeare		●		●	●			
		Xiqiao Liu	●	●	●	●				
Directors who are Members of the Audit and Supervisory Committee	Internal	Yoichi Endo	●		●					
	Outside	Kazuhiko Ebihara				●			●	
		Kyoko Mogi				●		●		

- Notes: 1. The above list presents the particular fields in which the Company's Directors are expected to demonstrate expertise. It does not represent all of their knowledge.
 2. The aspect of personnel and HR is included in "Corporate management."
 3. SCM stands for supply chain management.

Proposal 4: Revision of Details of Performance-Linked and Share-Based Compensation for Directors Who Are Not Members of the Audit and Supervisory Committee

1. Reason for the proposal and reasons for justifying the revision

The Company received approval for a performance-linked and share-based compensation plan (hereinafter, the “Plan”) for Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members, outside Directors and those not residents of Japan; hereafter the same shall apply within this Proposal) at the 66th Ordinary General Meeting of Shareholders held on May 26, 2016, and approval for revision of its contents at the 70th Ordinary General Meeting of Shareholders held on May 28, 2020, the 72nd Ordinary General Meeting of Shareholders held on May 26, 2022, the 73rd Ordinary General Meeting of Shareholders held on May 25, 2023, and the 74th Ordinary General Meeting of Shareholders held on May 23, 2024.

The Company has formulated the medium-term management plan (the “Plan”) and established the details of this system aiming at achieving the Plan and enhancing medium- to long-term business performance. However, along with efforts to expand the scope of our business and strengthen our management structure under the new organizational framework, the Company asks for approval to partially revise the calculation method for determining the number of Company shares, etc., to be delivered to Directors, with the purpose of further enhancing the effectiveness of the system by fostering a greater awareness among Directors of contributing to the medium- to long-term improvement and growth of the Company’s corporate value.

The revision of the Plan is based on the “Policy on Determination of Details of Compensation of Individual Directors,” the overview, and aims to further heighten the awareness of Directors toward contributing to improving the Company’s operating performance and to increasing corporate value over the medium and long term, and the Company believes it reasonable to adopt this Plan. Also, the Audit and Supervisory Committee deems that there are no special matters concerning these details that need to be stated at the General Meeting of Shareholders.

If this proposal is approved, the Company plans to change the wording of “d. Policy Regarding Determination of Details of Performance-Linked Compensation and Non-Monetary Compensation, and Calculation Method of Number and Amounts Thereof (Including Policy Regarding Determination of Timing and Conditions for Awarding Compensation, etc.)” within “Policy on Determination of Details of Compensation of Individual Directors” so as to align with the approved details.

The number of Directors eligible for the Plan after the revision is four provided that Proposal 3 “Election of Eight (8) Directors Who Are Not Members of the Audit and Supervisory Committee” is approved as originally proposed.

2. Details, etc. of the Plan revision

The changes apply to the parts of the Plan that relate to the method of calculating the amount of money equivalent to the Company’s shares acquired by Directors and converted into cash (hereinafter, “the Company’s Shares, etc.”).

3. Details, etc. of the Plan after amendment

(1) Overview of the Plan

The Plan is a stock-based remuneration system wherein the Company's shares are acquired through a trust using remuneration paid by the Company to directors as funds, and through said trust, the Company's shares, etc. are delivered and paid ("Delivery, etc." hereinafter) to directors according to their position and performance achievement level, etc. over three consecutive fiscal years (each referred to as an "Evaluation Fiscal Year" in this proposal).

(2) Method of Calculating the Number of the Company's Shares, etc. to be Acquired by Directors

Currently, the number of the Company's Shares, etc. for Delivery, etc. to Directors is calculated annually based on points awarded according to the Director's position for each fiscal year, year-on-year change in net sales and the degree of achievement versus the operating margin in each Evaluation Fiscal Year—both of which are also numerical targets in the medium-term management plan—as well as the result of comparing total shareholder return as an indicator of share price valuation with growth in the Tokyo Stock Price Index (TOPIX).

In order to further expand the scope of our business and enhance our corporate value over the medium to long term, and to promote the key theme of our sustainability policy of "Enabling People to Shine" we would like to revise the calculation method for the number of the Company's Shares, etc. for Delivery, etc. to Directors, by reviewing financial indicators and adding new non-financial indicators. Specifically, the calculation method will be revised to be based on points awarded according to the following: the comparison of the Company's TSR and the growth rate of the Tokyo Stock Price Index (TOPIX) for each Evaluation Fiscal Year; the degree of achievement of the target consolidated ROE; the degree of achievement of the non-financial indicator (employee satisfaction score); and the year-on-year change of the total distribution amount of our e-commerce site. One share shall be delivered for every point and if the Company's shares in the trust increase or decrease as a result of a share split, gratis allocation of shares, reverse share split, or other reason, the Company shall adjust the number of shares for Delivery, etc. for every point according to the percentage of increase or decrease.

●Details of the revision (Underlined parts are amended.)

Item	Before revision	After revision
Method of Calculating the Number of the Company's Shares, etc. to be Acquired by Directors	<ul style="list-style-type: none"> Terms vary in accordance with <u>the year-on-year change in net sales and degree of achievement versus the targets of operating margin, as well as</u> the result of comparing the Company's TSR with growth in the Tokyo Stock Price Index (TOPIX). The number of shares is determined within the range of 0 to 200%. 	<ul style="list-style-type: none"> Terms vary in accordance with the results of the comparison between the annual growth rate of the Company's TSR with growth in the Tokyo Stock Price Index (TOPIX), <u>the degree of achievement of the target consolidated ROE, the degree of achievement of non-financial indicators (employee satisfaction score), and the year-on-year change of the total distribution amount of our own e-commerce</u> The number of shares is determined within the range of 0 to 200%.

There have been no other changes to the Plan.

●Key points of the Plan as approved by the 66th Ordinary General Meeting of Shareholders, 70th Ordinary General Meeting of Shareholders, 72nd Ordinary General Meeting of Shareholders, 73rd Ordinary General Meeting of Shareholders and 74th Ordinary General Meeting of Shareholders

Item	Contents
Persons eligible for the Delivery, etc., of the Company's Shares, etc., under the Plan	Directors of the Company (excluding Directors who are Members of the Audit and Supervisory Committee, outside Directors and those not residents of Japan)
Maximum amount of money contributed by the Company and the method of acquisition of shares of the Company	<ul style="list-style-type: none"> • A total of ¥2,250 million in the applicable period of three fiscal years • Shares of the Company are purchased on the stock market or from the Company (disposition of treasury shares).
Maximum number of the Company's Shares, etc., acquired by Directors	<ul style="list-style-type: none"> • No more than a total of 624 thousand shares during a three-year period (208 thousand shares per year) • Approximately 1.38% of the total number of issued shares (after deducting treasury shares as of February 29, 2024) (approximately 0.46% of the total number of shares outstanding per year)
Timing of Delivery, etc., of the Company's Shares, etc., to Directors	In principle, when the Director has stepped down from office.
Voting rights concerning the shares of the Company in the Trust	In order to ensure neutrality toward management, voting rights shall not be exercised during the trust period.