

[Translation: Please note that the following purports to be an excerpt translation from the Japanese original Notice of the 38th Ordinary General Meeting of Shareholders of Avex Inc. prepared for the convenience of shareholders outside Japan with voting rights. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.]

Securities Code: 7860

June 11, 2025

(Start date of measures for electronic provision: June 4, 2025)

To Our Shareholders:

AVEX INC.

NOTICE OF THE 38TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the 38th Ordinary General Meeting of Shareholders of Avex Inc. (the “Company”) will be held as described below.

This General Meeting of Shareholders shall be held virtually (A general meeting of shareholders held online only via the Internet) in accordance with the provisions of the Articles of Incorporation of the Company.

When convening this General Meeting of Shareholders, the Company takes measures for electronic provision and posts the matters subject to measures for electronic provision on the following websites on the Internet as the “Notice of the 38th Ordinary General Meeting of Shareholders.”

<The Company’s website (Documents related to the Meeting)>

https://avex.com/jp/en/ir/stock_bond/meeting/

<Tokyo Stock Exchange website (Listed Company Search)>

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

(Please access the website above, search by entering the Company’s name or securities code, and select “Basic information” and “Documents for public inspection/PR information” to view the information.)

Please refer to the guidance on pages 7 to 8 hereof for details on system requirements and steps for attending the Meeting. If you are unable to attend the Meeting, you may exercise your voting rights by mailing the enclosed Voting Rights Exercise Form or via the Internet by 6:00 p.m. on Thursday, June 26, 2025. Please review the Reference Document for the Ordinary General Meeting of Shareholders included in the matters subject to measures for electronic provision before voting.

As for the method of exercising your voting rights, please refer to the “Information on the Exercise of Voting Rights” shown on pages 3 to 6 hereof.

Yours very truly,

Katsumi Kuroiwa
Representative Director, CEO
Avex Inc.
1-4-1 Mita, Minato-ku, Tokyo

Details

- 1. Date and Time:** 11:00 a.m. JST, Friday, June 27, 2025
(Live Streaming Start Time: 10:30 a.m. JST on the same day)
- 2. Place:** This General Meeting of Shareholders shall be held virtually.
(A general meeting of shareholders held online only via the Internet)
Please see pages 7 to 8 hereof for more details.

3. Agenda of the meeting:

Matters to be reported:

1. Business Reports, Consolidated Financial Statements and the audit results of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee for the 38th fiscal year (April 1, 2024 through March 31, 2025)
2. Non-consolidated Financial Statements for the 38th fiscal year (April 1, 2024 through March 31, 2025)

Matters to be resolved:

- Proposal No. 1: Appointment of Five (5) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal No. 2: Appointment of One (1) Substitute Director Serving as Audit and Supervisory Committee Member

4. Others

- (1) The communication method used to transmit and receive information regarding the proceedings of this General Meeting of Shareholders shall be the Internet.
- (2) If there is no indication of approval or disapproval for the proposal on the Voting Rights Exercise Form, your vote for the proposal shall be counted as approval.
- (3) If shareholders who have exercised their voting rights in advance via the Internet or by mail attend the General Meeting of Shareholders and exercise their voting rights again, the votes placed at the General Meeting of Shareholders shall be deemed valid. If the shareholders do not exercise their voting rights at the General Meeting of Shareholders, the votes placed in advance via the Internet or by mail shall be deemed valid.
- (4) Please see pages 6 and 8 for the handling of the redundant exercise of voting rights.

- End -

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- Changes, if any, to the matters subject to measures for electronic provision will be posted on each of the websites where such matters are posted.

Information on the Exercise of Voting Rights

► Exercising voting rights via the Internet

Deadline for Exercising Voting Rights:

The voting rights must be exercised by no later than 6:00 p.m. JST, Thursday, June 26, 2025.

Please access the designated Web site for the exercise of voting rights (<https://www.web54.net>) and enter your votes by the deadline of the Internet voting period.

For the detailed procedures to exercise your voting rights via the Internet, please read the instructions on the following pages 5 and 6.

► Exercising voting rights by post

Deadline for Exercising Voting Rights:

Voting Rights Exercise Form must arrive by no later than 6:00 p.m. JST, Thursday, June 26, 2025.

Please indicate your approval or disapproval of each item of business on the attached Voting Rights Exercise Form and return it by the postal service so that it will arrive at the Company no later than the deadline for exercising voting rights. If there is no indication of approval or disapproval for the proposal on the Form, your vote for the proposal shall be counted as approval.

► Exercising voting rights by attending the Meeting

Date and Time of the Meeting: **11:00 a.m. JST, Friday, June 27, 2025**

Live Streaming Start Time: **10:30 a.m. JST on the same day**

Shareholders who wish to attend the Meeting by proxy are requested to delegate one (1) other shareholder with voting rights to attend the Meeting in accordance with laws and regulations and the Articles of Incorporation.

For the detailed procedures regarding proxies, please contact via the “Contact Form (<https://avexclub.com/contact/>)” on the website exclusively for the shareholders.

Please refer to pages 7 to 8 for details of “Exercising voting rights by attending the Meeting held virtually.”

Message to Institutional Investors

In addition to the above method to exercise voting rights via the Internet, institutional investors can exercise their rights using an electronic voting platform provided by ICJ, Inc. Please note that this service is only available for those who requested it in advance.

Business Reports and Explanation Video of Proposals	Accepting Questions Prior to the General Meeting of Shareholders
<p>The Company will post a video compiling the business reports and explanations of proposals on the website exclusively for the shareholders, the “avex shareholders club (https://avexclub.com/),” by Friday, June 20, 2025, so that the shareholders can exercise their voting rights in advance with sufficient understanding of the Company’s situation, even if they do not attend the General Meeting of Shareholders. After posting the video, the shareholders will be notified via the Information on the website exclusively for the shareholders or their registered e-mail addresses. For details of the website exclusively for the shareholders, please refer to the back cover of this Notice.</p>	<p>For this General Meeting of Shareholders, questions will be accepted in advance on the website exclusively for the shareholders of Avex, the “avex shareholders club (https://avexclub.com/).”</p> <p>If you log in to the website exclusively for the shareholders, you will see a banner to submit questions in advance. Please enter your questions and submit them from there.</p> <p>Please note that no more than one (1) question and no more than 300 Japanese characters per shareholder shall be accepted.</p> <p>Of questions submitted by 6:00 p.m. JST, Tuesday, June 24, 2025, similar questions will be consolidated. Furthermore, only questions that are related to the purpose of this General Meeting of Shareholders will be collectively answered at the Meeting.</p>

(In advance) How to exercise your voting rights via the Internet

You can exercise your voting rights online by accessing the Web site for the exercise of voting rights on either a smartphone or personal computer and following the guidelines on the screen.

Using a smartphone

You can scan the login QR Code to login without entering your voting rights exercise code and password.

***You may only exercise your voting rights once using the following methods.**

1 Scan the QR code

Scan the login QR code printed on the enclosed Voting Rights Exercise Form Sub Slip (right side) using your smartphone.

Example

Voting Rights Exercise Form Sub Slip (right side)

QR code for login

*QR code is a registered trademark of DENSO WAVE INCORPORATED.

2 Select a voting rights exercise method

When the proposal voting method selection screen is displayed, select your voting rights exercise method.

Follow the guidelines on the screen to finish voting.

When you login for the second time and onwards...

Follow the methods on the next page to login using a personal computer.

3 Select approval or disapproval for each proposal

Follow the guidelines on the screen to select approval or disapproval for each proposal.

Follow the guidelines on the screen to finish voting.

When you login for the second time and onwards...

Follow the methods on the next page to login using a personal computer.

- Due to security reasons, you are required to enter your login ID and password when you **login for the second time and onwards**, even if you scan the QR Code.
- **Depending on the model of your smartphone, you may not be able to login using the QR Code.**
If you cannot login using the QR Code, then exercise your voting rights with the method using a personal computer described on the next page.

Using a personal computer

If you use a smartphone or a mobile phone with the QR Code Reader function, you can scan the QR Code to access the Web site.

1 Access the designated Web site (<https://www.web54.net>)

- 1) Click on the “Next page” button

2 Login

- 2) Enter the “Voting Rights Exercise Code”
- 3) Click on the “Login” button

3 Register your password

- 4) Enter your “Password”
Please set a new password that you will actually use.
- 5) Click on the “Register” button.

From this step onward, please follow the guidelines on the screen.

• Web site for the exercise of voting rights

- (1) The exercise of voting rights is available only on the Web site at <https://www.web54.net>, which is accessible from a personal computer, a smartphone or a mobile phone.
- (2) Certain personal computers, smartphones or mobile phones, or Internet providers’ services or types of communication devices may not be able to run the Web site or offer the Internet voting service due to the Internet environment. For more information or inquiries, please contact the Help Desk detailed below.

• Costs incurred for accessing the designated Web site

Certain costs, such as internet connection fees and telecommunication charges, incurred by accessing the designated Web site by using a personal computer, a smartphone or a mobile phone shall be borne by the shareholder.

• Handling of the redundant exercise of voting rights

- (1) If you have exercised your voting rights by both Internet and post, only the exercise of voting rights via the Internet shall be deemed effective.
- (2) If you have exercised your voting rights several times via the Internet, only the final execution shall be deemed effective.

For Inquiries with Respect to Systems
Stock Transfer Agency Web Support Helpline
Sumitomo Mitsui Trust Bank, Limited
Toll-free service phone number in Japan: 0120-652-031
Operating hours: 9:00 a.m.–9:00 p.m.

Attendance of the General Meeting of Shareholders

The 38th Ordinary General Meeting of Shareholders will be held online (via the Internet) only.

On the day of the Meeting, you will have access to Avex's exclusive website for shareholders, the "avex shareholders club."

You can attend the Meeting, send questions, and exercise your voting rights on this website.

Please refer to the back cover of the Notice of the Meeting for the website exclusively for the shareholders.

You need to register in advance to access the "avex shareholders club," our exclusive website for shareholders. For details, please refer to "(Important) How to log in to this website" on the top page of the website exclusively for the shareholders.

(1) Environment required for the attendance

You can view the proceedings of the Meeting using a personal computer, smartphone, etc. on the day of the Meeting. In order to attend the Meeting via the Internet, you are required to prepare the following environment.

[Operating environment]

For PC: <https://jp.vcube.com/support/virtual-shareholders-meeting/requirements/#vsm01>

For mobile devices: <https://jp.vcube.com/support/virtual-shareholders-meeting/requirements/#vsm02>

(2) How to attend on the day of the Meeting

(i) Login to "avex shareholders club," Avex's exclusive website for shareholders. Click the banner of the 38th Ordinary General Meeting of Shareholders. If you click the "Request to Join" button ahead of time, the "Join" button will be available at 10:30 a.m. on the day of the Meeting. Click the "Join" button to attend the Meeting.

Live streaming starts at 10:30 a.m. JST, and the Meeting starts at 11:00 a.m. JST on Friday, June 27, 2025.

If you are unable to access the above website for shareholders, please enter through <https://7860.ksoukai.jp>.

(ii) You will be prompted to enter a user ID and a password. Enter your user ID and password as follows:

- User ID: Shareholder number (Please see the 9-digit shareholder number on your Voting Rights Exercise Form.)

- Password: Postal code (Please see the 7-digit Postal code on your Voting Rights Exercise Form.)

(iii) Read the announcements and click the "Request to Join" button.

If you click "Request to Join" ahead of time, the "Join" button will be available at 10:30 a.m. on the day of the Meeting. Click "Join" to attend the meeting.

(3) How to ask questions on the day of the Meeting

You can ask questions as follows:

(i) Log in to the live streaming site of the General Meeting of Shareholders.

(ii) Click the "Question" tab on the right side of the screen.

(iii) Enter a question and click the "Next" button.

*Submit no more than one (1) question and no more than 300 Japanese characters per shareholder.

(iv) Review your question and click the "Submit" button.

We take questions only those related to the agenda of this Meeting.

You can start sending questions immediately after logging in to the live streaming site on the day of the Meeting.

We stop taking questions at the point when we finish explaining the audit report.

Motions can also be submitted through the "Motion" tab as well as questions.

(4) Notes on exercising voting rights

If you exercise your voting rights in advance in writing or via the Internet and attend the Meeting in person, your exercise of voting rights in advance shall be deemed invalid upon confirmation of your exercise of voting rights on the day of the Meeting. If you exercise your voting rights in advance and attend the Meeting but the Company is unable to confirm your exercise of voting rights on the day of the Meeting, the Company will treat your exercise of voting rights in advance as valid. If you do not exercise your voting rights in advance and attend the Meeting but the Company is unable to confirm your exercise of voting rights on the day of the Meeting, the Company will treat it as if you did not exercise your voting rights.

If you have difficulties in using the Internet although you are willing to exercise your voting rights, please exercise your voting rights in writing in advance.

(5) Notes on attending the Meeting

- (i) Please refrain from taking pictures, recording video or sound, and/or storing the content. Provision or distribution to third parties is strictly prohibited.
- (ii) Please never share your user ID and password with others.
- (iii) Some system environments, such as internet connection and network conditions, may interrupt your access to the Meeting.
- (iv) The Company will take reasonable measures against connection failures during the live streaming of the Meeting. However, we will not at all be liable in case of connection failures caused by communication environment problems, etc. on the shareholder side.
- (v) The shareholders bear the cost arising from attending the Meeting, such as telecommunication fees.
- (vi) We will post the status on our website (<https://avex.com/jp/ja/>) if there are any changes to the live streaming of the Meeting due to unexpected circumstances, such as a system failure or any other reasons. Please check our website accordingly.
- (vii) The Meeting will be held only in Japanese.

(6) Response to connection failure

In the event of a significant disruption to the Meeting due to a connection failure, the meeting chair may decide whether to postpone or continue the Meeting. Therefore, we will make a resolution to that effect at the beginning of the Meeting.

(7) Contact information about live streaming of the General Meeting of Shareholders

If you have any questions about how to attend or view the General Meeting of Shareholders, please contact the following number.

V-cube, Inc.: 03-6833-6897

Available on June 27, 2025 (the day of the Meeting) between 9:00 a.m. and the end of the Meeting

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Reference Document for the General Meeting of Shareholders

Agenda and Reference Information


Proposal No. 1: Appointment of Five (5) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The terms of office of all five (5) Directors (excluding Directors serving as Audit and Supervisory Committee Members; the same applies hereinafter in the Proposal) of the Company will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the appointment of five (5) Directors.


In conjunction with this Proposal, and based on the Nomination and Compensation Committee's report prepared in response to the Board of Directors' request for advice, the Audit and Supervisory Committee has expressed the opinion that each nominee is eligible to serve as a Director of the Company and the details of this Proposal are appropriate.


The nominees for Directors are as follows:


No.	Name	Current Position and Assignments in the Company	Attendance at Board of Directors' Meetings
1	Masato Matsuura (Reappointment) (Male)	Representative Director and Chairman	12 out of 12 (100%)
2	Katsumi Kuroiwa (Reappointment) (Male)	Representative Director, CEO	12 out of 12 (100%)
3	Shinji Hayashi (Reappointment) (Male)	Representative Director, CFO; Member of the Compliance Committee and Nomination and Compensation Committee; responsible for Compliance and Risk Management; in charge of Management Administration Headquarters, Personnel and General Affairs Headquarters, and Accounting and Legal Affairs Headquarters	12 out of 12 (100%)
4	Toru Kenjo (Reappointment) (Male)	Director (part-time)	11 out of 12 (92%)
5	Yurina Takiguchi (Reappointment) (Outside Director) (Independent Director) (Female)	Outside Director	10 out of 10 (100%)

No.	Name (Date of Birth)	Brief Personal History, Position, Assignments and Significant Posts Concurrently Held	Number of the Company's Shares Held
1	 (Reappointment) (Male) Masato Matsuura (Oct. 1, 1964)	Apr. 1988 Established the Company, Director Mar. 1991 Senior Executive Director of the Company Sep. 2004 Representative Director and President of the Company Apr. 2005 President of Avex Entertainment Inc. Apr. 2010 Representative Director, CEO of the Company Jul. 2013 Director of Avex International Holdings Singapore Pte. Ltd. (currently Avex Asia Pte. Ltd.) (to present) Oct. 2013 Chairman of the Board of Avex Management Inc. Jun. 2018 Representative Director and Chairman, CEO of the Company Jun. 2020 Representative Director and Chairman of the Company (to present) Jul. 2020 Representative Director and Chairman, Avex Creative Factory Inc. (to present) (Significant posts concurrently held) Representative Director and Chairman, Avex Creative Factory Inc.	855,624
<p>Reason for directorial candidacy</p> <p>Since founding our company in 1988, Masato Matsuura has created and decided on management strategies, and fulfilled a central role in the producing business in the entertainment field and in contracts with important clients and affiliated artists. In addition, he took office as Representative Director and President in 2004, and has contributed to the development of our corporate group by taking on the overall management as the Representative Director and Chairman since 2018.</p> <p>We anticipate that he will inherit the founder's spirit and fulfill his full role as Director in making decisions about important matters and supervising management execution at our company, which is why he has been nominated for directorial candidacy.</p>			

No.	Name (Date of Birth)	Brief Personal History, Position, Assignments and Significant Posts Concurrently Held	Number of the Company's Shares Held
2	 (Reappointment) (Male) Katsumi Kuroiwa (Jan. 19, 1972)	May 2001 Joined Aexv, Inc. (currently Avex Management Inc.) Apr. 2005 Director of Avex Live Creative Inc. (currently Avex Entertainment Inc.) May 2012 Director of Avex Taiwan Inc. (to present) Jun. 2012 Representative Director and President of Avex Live Creative Inc. (currently Avex Entertainment Inc.) Jun. 2016 Corporate Executive of the Company Apr. 2017 Representative Director and President of Avex Entertainment Inc. (to present) Apr. 2017 Director of Avex Management Inc. Apr. 2017 Director of Avex Classics International Inc. Jun. 2018 Representative Director, COO of the Company Director of Avex Asia Pte. Ltd. (currently Avex South East Asia Pte. Ltd.) (to present) Jun. 2020 Representative Director, CEO of the Company (to present) (Significant posts concurrently held) President of Avex Entertainment Inc.	131,900
Reason for directorial candidacy Katsumi Kuroiwa entered the corporate group in 2001, and has contributed to its development through positions primary in live-related business, has made efforts toward the expansion of operations in the music business, and has endeavored to realize the group's medium- to long-term growth strategy as Representative Director, COO since 2018. As Representative Director, CEO since 2020, he has taken on the overall management of the Group. We anticipate that he will continue to fulfill his full role as Director in making decisions about important matters and supervising management execution at our company, which is why he has been nominated for directorial candidacy.			

No.	Name (Date of Birth)	Brief Personal History, Position, Assignments and Significant Posts Concurrently Held		Number of the Company's Shares Held
3	 (Reappointment) (Male) Shinji Hayashi (Jun. 8, 1964)	May 1990 Joined the Company Apr. 1993 Director of the Company Jun. 1996 Executive Director of the Company Jan. 2009 Director of Avex Management Inc. Feb. 2009 Executive Director of Avex Entertainment Inc. Apr. 2010 Representative Director, CBO of the Company Apr. 2010 Responsible for Compliance of the Company (to present) Apr. 2010 President of Avex Marketing Inc. (currently Avex Entertainment Inc.) Jun. 2016 Director, Corporate Executive, COO of the Company Jun. 2016 Member of the Compensation Committee; responsible for Risk Management of the Company (to present) Jun. 2018 Representative Director, CFO of the Company (to present) Jul. 2018 In charge of Management Administration Department (to present), HR and General Affairs Department (to present), and Accounting and Legal Affairs Department of the Company (to present) Jun. 2020 Member of the Compliance Committee of the Company (to present) May 2024 Member of the Nomination and Compensation Committee of the Company (to present)	(Significant posts concurrently held) None applicable.	731,850
Reason for directorial candidacy Shinji Hayashi entered the corporate group in 1990 and has contributed to its development through positions primarily in sales and marketing, as well as working to strengthen the Company's governance system as Officer responsible for Compliance and Risk Management, and overseeing the finance and administration departments as Representative Director, CFO since 2018. We anticipate that he will continue to fulfill his full role as Director in making decisions about important matters and supervising management execution at our company, which is why he has been nominated for directorial candidacy.				

No.	Name (Date of Birth)	Brief Personal History, Position, Assignments and Significant Posts Concurrently Held	Number of the Company's Shares Held
4	 (Reappointment) (Male) Toru Kenjo (Dec. 29, 1950)	Sep. 1991 Director and General Manager, Editing Department of Kadokawa Shoten Publishing Co., Ltd. (currently KADOKAWA CORPORATION) Nov. 1993 Established GENTOSHA INC., Representative Director and President (to present) Oct. 2005 Representative Director and President of Touchdown Co., Ltd. (to present) Jun. 2010 Director (part-time) of the Company (to present) (Significant posts concurrently held) Representative Director and President of GENTOSHA INC. Representative Director and President of Touchdown Co., Ltd.	—
<p>Reason for directorial candidacy</p> <p>After becoming a Director (part-time) in 2010, Toru Kenjo has contributed to the corporate group by utilizing his abundant business management and entertainment industry experience and knowledge.</p> <p>We anticipate that he will continue to fulfill his full role as Director in making decisions about important matters and supervising management execution at our company, which is why he has been nominated for directorial candidacy.</p> <p>With the expectation that Outside Directors can fully implement their ability in their roles, the Company plans to enter into a liability limitation agreement with him based on Article 427, Paragraph 1 of the Companies Act, with the limit of liability set to be the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act.</p>			

No.	Name (Date of Birth)	Brief Personal History, Position, Assignments and Significant Posts Concurrently Held	Number of the Company's Shares Held
5	 (Reappointment) (Outside Director) (Independent Director) (Female) Yurina Takiguchi (Aug. 1, 1987)	Apr. 2008 Affiliated with cent. Force CO., LTD (to present) Jun. 2014 Co-Anchor of “News Morning Satellite,” TV Tokyo Apr. 2017 Anchor of Nikkei CNBC Apr. 2019 Editor and Communication Director of Forbs JAPAN Sep. 2021 Member of Advisory Board, Faculty of Engineering, The University of Tokyo (to present) Jun. 2022 Outside Director of SBI Shinsei Bank, Limited (to present) Jul. 2022 Representative Director of Globe Eight Inc. (to present) May 2023 External Director of TerraSky Co., Ltd. (to present) Jun. 2024 Outside Director of the Company (to present) (Significant posts concurrently held) Outside Director of SBI Shinsei Bank, Limited Representative Director of Globe Eight Inc. External Director of TerraSky Co., Ltd.	—
<p>Reason for outside directorial candidacy and expected roles</p> <p>Since taking office as Outside Director in 2024, Yurina Takiguchi has contributed to improving the effectiveness of the Board of Directors by utilizing her abundant experience in the mass media including anchors for financial television programs, as well as a broad knowledge that she gained by serving as outside directors for other companies. We anticipate that she will continue to fulfill her full role as Outside Director in making decisions about important matters and supervising management execution at our company, which is why she has been nominated for outside directorial candidacy.</p> <p>Ms. Takiguchi is a nominee for Outside Director and if she is elected as Director, she will be designated as Independent Director stipulated by Tokyo Stock Exchange, Inc. and be registered to the Exchange. At the conclusion of this Ordinary General Meeting of Shareholders, she will have been in office as Outside Director of the Company for one (1) year.</p> <p>With the expectation that Outside Directors can fully implement their ability in their roles, the Company plans to enter into a liability limitation agreement with him based on Article 427, Paragraph 1 of the Companies Act, with the limit of liability set to be the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act.</p>			

- (Notes)
1. There are no special interests between the Company and the nominees for Directors.
 2. The number of the Company's shares held by each nominee for Director is as of March 31, 2025.
 3. The Company has entered into directors and officers liability insurance contract with an insurance company. The insurance policy will cover any damages that may result from the insured's assuming responsibilities regarding the execution of their duties or receiving claims pertaining to the pursuit of such responsibilities. All nominees for Directors will be included as the insured under the insurance policy. The Company plans to renew the insurance contract with the same terms and conditions at the next renewal.


Proposal No. 2: Appointment of One (1) Substitute Director Serving as Audit and Supervisory Committee Member

In the event that the Company lacks the number of Directors serving as Audit and Supervisory Committee Members required by laws and regulations, the Company hereby request that one (1) substitute Director serving as an Audit and Supervisory Committee Member be elected.

This election may be cancelled before the proposed Substitute Director serving as Audit and Supervisory Committee Member assumes office by a resolution of the Board of Directors, subject to the approval of the Audit and Supervisory Committee.

The submission of this proposal at this Meeting was approved by the Audit and Supervisory Committee.

The candidate for substitute Director serving as Audit and Supervisory Committee Member is as follows:

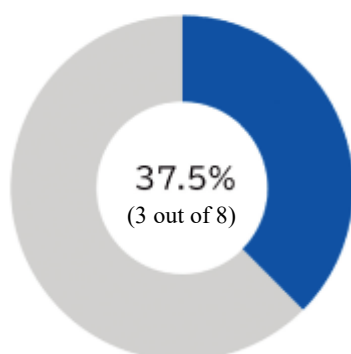
Name (Date of Birth)	Brief Personal History, Position, Assignments and Significant Posts Concurrently Held	Number of the Company's Shares Held
 <p>Newly appointed (Outside Director) (Independent Director) (Male)</p> <p>Naoki Iida (Feb. 14, 1965)</p>	<p>Apr. 1999 Lawyer (to present) Sep. 1999 Joined Seiwa Kyodo Law Office (Seiwa Meitetsu Law Office) Oct. 2008 Auditor of Yamano Music Co., Ltd. (to present) Nov. 2009 Outside Director of Bunkyodo Group Holdings Co., Ltd. (to present) Jun. 2011 Outside Auditor of Fujibo Holdings, Inc. Feb. 2018 Outside Director (Audit and Supervisory Committee Member) of Can Do Co., Ltd. (to present) Sep. 2018 Partner attorney at law of Kuroda Law Offices (to present) Sep. 2019 Member of the Nomination and Compensation Committee (currently, the Governance Committee) of Can Do Co., Ltd. (to present)</p> <p>(Significant posts concurrently held) Attorney-at-law Outside Director of Bunkyodo Group Holdings Co., Ltd. Outside Director of Can Do Co., Ltd. (Audit and Supervisory Committee Member)</p>	100
<p>Reason for nomination as candidate for substitute Outside Director serving as Audit & Supervisory Committee Member and outline of expected roles</p> <p>Naoki Iida has a high level of expertise and a wealth of knowledge on compliance as a lawyer. He has gained a wealth of experience through the provision of a range of advice and supervision on management from an independent standpoint such as an outside director of listed companies.</p> <p>He has been nominated as a candidate for a substitute Outside Director serving as Audit and Supervisory Committee Member with an expectation that his experience in these fields will be reflected in auditing at the Company.</p> <p>Iida is a nominee for substitute Outside Director and if he is elected as Director, he will be designated as Independent Director stipulated by Tokyo Stock Exchange, Inc. and be registered to the Exchange.</p>		

- (Notes)
1. There are no special interests between the Company and the nominee.
 2. The number of the Company's shares held by the nominee for Director is as of March 31, 2025.
 3. The Company has entered into directors and officers liability insurance contract with an insurance company. The insurance policy will cover any damages that may result from the insured's assuming responsibilities regarding the execution of their duties or receiving claims pertaining to the pursuit of such responsibilities. All nominees for Directors will be included as the insured under the insurance policy. If Mr. Iida is elected as Director, he will be included as the insured under the insurance policy.

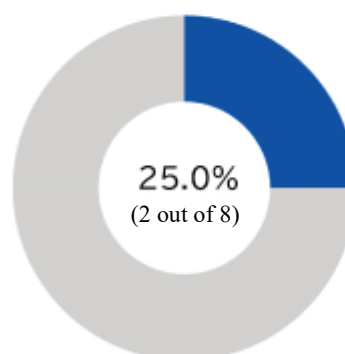
Composition of the Board of Directors

If the agenda is approved as per the original proposals, the composition of the Board of Directors after this Ordinary General Meeting of Shareholders is as follows.

Ratio of independent outside directors



Ratio of female directors



Skills matrix

The Company expects Directors to have expertise and experience necessary for basic skills for corporate management, including corporate management, finance and accounting, and legal and compliance, as well as IP creation, the missions of the Company. The following competency matrix shows areas of skills that Directors can use upon approval of Proposal No. 1.

Name	Corporate Management	IP Creation	Global	Marketing & Public Relations	Digital & IT	Finance & Accounting	Legal & Compliance
Masato Matsuura	●	●	●	●	●		
Katsumi Kuroiwa	●	●	●	●			
Shinji Hayashi	●	●		●		●	●
Toru Kenjo	●	●		●			●
Yurina Takiguchi			●	●	●		
Nobuyuki Kobayashi				●		●	●
Yoshihide Sugimoto			●				●
Megumi Yasuda						●	●

[Reference] Independence Standards for Outside Directors

The Company has established the “Independence Standards” as follows.

The Company deems that the outside officer is independent if he/she does not meet any of the following criteria.

- a. Executive of the Company or its subsidiary (hereinafter the “Group”)
- b. Major client or supplier of the Group (client or supplier with annual total amount of transactions exceeding 2% of the Group’s consolidated net sales) or an executive thereof, or a party whose major client or supplier is the Group (a party with total amount of transactions exceeding 2% of their consolidated net sales) or an executive thereof
- c. Consultant or an expert in accounting, legal matters or taxation who receives a large amount of monetary consideration or other assets from the Group besides officer’s compensation (if the party receiving such assets is an organization such as a legal entity or an association, a consultant or an expert in accounting, legal matters or taxation who belongs to such organization and is directly in charge of the Group)
In conjunction with the above, a large amount of monetary consideration shall mean an amount of 10 million yen or more per year on average for the past three years if the party receiving such compensation is an individual, or if it is an organization, an average amount of 10 million yen per year paid by the Company for the (organization’s) past three fiscal years or 2% of the organization’s consolidated net sales, whichever comes higher.
- d. The major shareholder of the Company (*1) (or an executive of the said major shareholder if the shareholder is a legal entity)
- e. An executive of the Group’s major lender (*2)
- f. Those that correspond to any of the items through a. to e. in the past 10 years
- g. Relatives (spouse or relatives within the second degree of kinship) of those who correspond to any of the items through a. to f. (excluding insignificant persons)

*1: A major shareholder is a shareholder who possesses more than 10% of the voting rights held by all shareholders, under his/her name or other’s name.

*2: A major lender is a group of financial institutions from which the Group receives loans (those related to the consolidated group to which the actual lender belongs to), where the total amount of loan made by the Group to the said group of financial institution as of the end of the previous fiscal year exceeds 5% of the Group’s total consolidated assets.