

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Securities Code 6814)

April 30, 2026

(Commencement date of measures for electronic provision: April 24, 2026)

To Shareholders with Voting Rights:

Yukio Furuno
President and CEO
FURUNO ELECTRIC CO., LTD.
9-52 Ashihara-cho, Nishinomiya City,
Hyogo, Japan

**NOTICE OF
THE 75th ANNUAL SHAREHOLDERS' MEETING**

Dear Shareholders:

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

We hereby announce that the 75th Annual Shareholders' Meeting of FURUNO ELECTRIC CO., LTD. (hereinafter the "Company") will be held for the purposes as described below.

In convening this Shareholders' Meeting, the Company has taken measures for providing information in electronic format, and posted items subject to the electronic provision measures on the following website on the Internet.

The Company's website: <https://www.furuno.co.jp/en/ir/stock/meeting.html>

In addition to the above, the items are posted on the following website.

Website of Tokyo Stock Exchange: <https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

Please access the above website, enter the name or securities code of the Company for search, and select "Basic information" and then "Documents for public inspection/PR information" to view the items.

If you do not attend the meeting in person, you can exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for the Shareholders' Meeting and exercise your voting rights by no later than 5:20 p.m. on Wednesday, May 20, 2026, Japan time.

- 1. Date and Time:** Thursday, May 21, 2026 at 10:00 a.m. JST (Japan Standard Time)
- 2. Place:** 5F, Plela Nishinomiya (PLELA HALL)
4-8 Takamatsu-cho, Nishinomiya City, Hyogo, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 75th Fiscal Year (March 1, 2025 to February 28, 2026) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 75th Fiscal Year (March 1, 2025 to February 28, 2026)
- Proposals to be resolved:**
- Proposal 1:** Distribution of Surplus
- Proposal 2:** Election of Seven (7) Directors
- Proposal 3:** Election of Two (2) Audit & Supervisory Board Members
- Proposal 4:** Election of One (1) Substitute Audit & Supervisory Board Member
- Proposal 5:** Determination of Compensation Regarding Performance-Based Post-Delivery Restricted Stock Compensation for Directors (Excluding External Directors)

-
- ⊙ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk to confirm your identity.
- ⊙ Those shareholders who have not requested for Delivery of Documents will receive a paper copy containing a portion of the Reference Documents for the General Meeting of Shareholders and a Report on the Results of Operations.
- ⊙ Among the items subject to the electronic provision measures, the following items are not included in the hard copy delivered to shareholders who requested the delivery of such document in accordance with the provisions of laws and regulations as well as Article 15 of the Articles of Incorporation of the Company. Accordingly, such document comprises part of the documents audited by Audit & Supervisory Board Members and the Accounting Auditor when preparing their respective audit reports.
1. "Details of Major Businesses," "Status of Employees," "Matters Concerning the Company's Shares," "Major Sales Offices and Factories," "Major Lenders and Amounts of Borrowings," "Status of the Accounting Auditor," "Systems for Ensuring the Appropriateness of Business Activities" and "Operational Status of Systems for Ensuring the Appropriateness of Business Activities" in the Business Report
 2. "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 3. "Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
- ⊙ Any revisions to the items subject to the electronic provision measures will be posted on each of the websites.
- ⊙ The results of this meeting will be posted on the Company's website (<https://www.furuno.co.jp/ir/stock/meeting.html>), in place of sending a Notice of Shareholders' Meeting Resolutions.

Proposals and References

Proposal 1: Distribution of Surplus

The Company considers its dividend policy one of its most important management policies. The Company's basic policy when making decisions about the distribution of profits is to comprehensively take into consideration the Company's financial position, level of profitability, dividend payout ratio, and other factors while keeping in mind continuous and stable dividend. In addition, the Company intends to utilize internal reserves for far-sighted investment and further strengthening of the Company's corporate structure.

The Company proposes a year-end dividend for the fiscal year under review as follows, in order to reward shareholders for their support while taking into consideration the management environment surrounding the Company and business performance in the fiscal year under review.

The Company previously paid out 75 yen per share as an interim dividend and the aggregate amount of annual dividends will therefore amount to 160 yen per share.

Items Related to the Year-end Dividend

(1) Type of dividend property

Cash

(2) Items related to the allocation of dividend property to shareholders and its total amount

85 yen per common share of the Company, for a total of 2,686,750,040 yen

(3) Date on which the distribution of surplus comes into effect

May 22, 2026

Proposal 2: Election of Seven (7) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this Shareholders' Meeting. Accordingly, the election of seven (7) Directors is proposed.



The candidates for Directors are decided at the Board of Directors based on a recommendation of the Nomination and Compensation Advisory Committee which is an advisory body of the Board of Directors.



The candidates for Director are as follows:


No.	Name	Gender	Position	Attendance at meetings of the Board of Directors	Candidate attributes
1	Yukio Furuno	Male	President and CEO	100% (12 out of 12 meetings)	Reappointment
2	Kazuma Waimatsu	Male	Director, Senior Managing Executive Officer and CMO	100% (12 out of 12 meetings)	Reappointment
3	Yutaka Wada	Male	Director, Managing Executive Officer and CFO	100% (12 out of 12 meetings)	Reappointment
4	Koji Tokuda	Male	Senior Executive Officer and CTO	-	New appointment
5	Hideo Higuchi	Male	Director	100% (12 out of 12 meetings)	Reappointment
					External
					Independent
6	Shingo Kagawa	Male	Director	100% (12 out of 12 meetings)	Reappointment
					External
					Independent
7	Masako Kubo	Female	Director	100% (12 out of 12 meetings)	Reappointment
					External
					Independent

(Notes) 1. CEO, CMO, CFO and CTO stand for Chief Executive Officer, Chief Marketing Officer, Chief Financial Officer and Chief Technology Officer, respectively.


Reappointment	Candidate for reappointment as Director	New appointment	Candidate for new appointment as Director	External	Candidate for appointment as External Director	Independent	Independent Director pursuant to the rules of the Tokyo Stock Exchange
---------------------------------------------------------------------------	-----------------------------------------	-----------------------------------------------------------------------------	-------------------------------------------	------------------------------------------------------------------------	------------------------------------------------	---------------------------------------------------------------------------	------------------------------------------------------------------------

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	
1	 <p data-bbox="240 479 437 535">Yukio Furuno (February 2, 1948)</p> <div data-bbox="240 562 437 611" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>	<p data-bbox="507 232 639 255">March 1987</p> <p data-bbox="507 264 619 286">May 1987</p> <p data-bbox="507 295 639 318">March 1990</p> <p data-bbox="507 327 619 349">May 1990</p> <p data-bbox="507 358 639 380">March 1997</p> <p data-bbox="507 389 619 412">May 1999</p> <p data-bbox="507 450 639 472">March 2007</p> <p data-bbox="507 481 639 504">March 2021</p>	<p data-bbox="694 232 1452 443">Deputy General Manager, Administration Division, the Company Director and Deputy General Manager, Administration Division Director and General Manager, Administration Division Managing Director and General Manager, Administration Division Managing Director and Divisional General Manager, SI Division Senior Managing Director and General Manager, TOKYO Regional Head Office</p> <p data-bbox="694 450 788 472">President</p> <p data-bbox="694 481 983 504">President and CEO (present)</p> <p data-bbox="507 539 1372 629">[Responsibilities at the Company] General Manager, Security Assurance & Export Control Committee and Chief AEO (Authorized Economic Operator) Control Officer</p>
	<p data-bbox="193 689 453 770">[Number of shares of the Company held] 280,300</p> <p data-bbox="193 779 480 891">[Term of office as Director] 39 years (at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="193 900 480 981">[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p data-bbox="507 667 1018 689">[Reason for nomination as candidate for Director]</p> <p data-bbox="507 698 1437 810">Mr. Yukio Furuno has driven the management of the Group with leadership based on his abundant experience and achievements as a manager, and contributed to the further development of the Group. We propose his election as Director with an expectation that he will continue contributing to the Company's management.</p>	
2	 <p data-bbox="240 1314 437 1370">Kazuma Waimatsu (January 6, 1960)</p> <div data-bbox="240 1397 437 1447" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>	<p data-bbox="507 1010 639 1032">March 2006</p> <p data-bbox="507 1070 619 1093">May 2009</p> <p data-bbox="507 1131 639 1153">January 2021</p> <p data-bbox="507 1184 619 1207">May 2021</p> <p data-bbox="507 1245 639 1267">March 2024</p> <p data-bbox="507 1305 619 1328">May 2024</p> <p data-bbox="507 1366 639 1388">March 2026</p>	<p data-bbox="694 1010 1422 1066">General Manager, Products Planning & Marketing Department, Marine Electronic Products Division, the Company</p> <p data-bbox="694 1072 1342 1128">Director and General Manager, Products Planning & Marketing Department, Marine Electronic Products Division</p> <p data-bbox="694 1135 1369 1191">Director and Divisional Vice General Manager, Marine Electronic Products Division</p> <p data-bbox="694 1198 1374 1254">Senior Executive Officer and Divisional General Manager, Marine Electronic Products Division</p> <p data-bbox="694 1261 1374 1317">Senior Executive Officer and Divisional General Manager, Marine Electronic Products Division</p> <p data-bbox="694 1323 1430 1379">Director, Managing Executive Officer and Divisional General Manager, Marine Electronic Products Division</p> <p data-bbox="694 1386 1353 1408">Director, Senior Managing Executive Officer and CMO(present)</p> <p data-bbox="507 1444 1038 1489">[Responsibilities at the Company] Head of Avionics and Defense Electronics Division</p>
	<p data-bbox="193 1547 453 1628">[Number of shares of the Company held] 35,880</p> <p data-bbox="193 1637 480 1749">[Term of office as Director] 2 year(at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="193 1758 480 1839">[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p data-bbox="507 1525 1018 1547">[Reason for nomination as candidate for Director]</p> <p data-bbox="507 1556 1479 1668">Mr. Kazuma Waimatsu has abundant experience as a manager as well as knowledge mainly in the sales planning and marketing sections, and has contributed to the enhancement of the Company's corporate value as Director of the Company. We propose his election as Director with an expectation that he will continue contributing to the Company's management.</p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
3	 <p data-bbox="264 555 419 616">Yutaka Wada (May 4, 1959)</p> <div data-bbox="245 640 440 685" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reappointment</div>	<p data-bbox="517 230 1430 607"> March 2003 General Manager, Merchant Marine Marketing Department, Marine Electronic Products Division, the Company May 2007 Director and General Manager, Merchant Marine Marketing Department, Marine Electronic Products Division March 2015 Director and Divisional Vice General Manager, Marine Electronic Products Division September 2015 Director, Divisional Vice General Manager, Marine Electronic Products Division; General Manager, TOKYO Regional Head Office May 2016 Managing Director, General Manager, TOKYO Regional Head Office; Secretary to General Manager, Marine Electronic Products Division May 2018 Audit & Supervisory Board Member May 2023 Director, Managing Executive Officer and CFO(present) </p> <p data-bbox="517 645 1479 763"> [Responsibilities at the Company] Head of Corporate Planning Department, Accounting & Financing Department, Human Resources & General Affairs Department, Information Technology Department and Legal Office, Procurement & Logistics, Diversity & Inclusion </p>
	<p data-bbox="197 797 485 1048"> [Number of shares of the Company held] 33,600 [Term of office as Director] 3 years(at the conclusion of this Shareholder's Meeting) [Attendance at meetings of the Board of Directors] 12out of 12 meetings </p>	<p data-bbox="517 797 1461 965"> [Reason for nomination as candidate for Director] Mr. Yutaka Wada has abundant experience as a manager as well as knowledge of all aspects of operations concerning the marine products business, and has contributed to the enhancement of the Company's corporate value as Director of the Company. We propose his election as Director with an expectation that he will continue contributing to the Company's management. </p>
	 <p data-bbox="264 1346 419 1429">Koji Tokuda (June 7, 1965)</p> <div data-bbox="245 1469 440 1514" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">New appointment</div>	<p data-bbox="517 1066 1430 1361"> March 2018 Integration Chief Manager, Technology Management Department, Marine Electronic Products Division, the Company March 2021 Executive Officer and Integration Chief Manager, Technology Management Department, Marine Electronic Products Division, the Company March 2024 Executive Officer and Integration Chief Manager, Divisional Vice General Manager, Marine Electronic Products Division, and Integration Chief Manager, Technology Management Department March 2026 Senior Executive Officer and CTO; Energy Management Control Officer (present) </p> <p data-bbox="517 1402 1479 1541"> [Responsibilities at the Company] Head of Research & Development, Production and Quality, Environment, Research and Innovation Center, Commanding & Supervisory Office, Intellectual Property Department, Technology Management Department, and Ultrasonic Transducer Center </p> <p data-bbox="517 1581 1461 1749"> [Reason for nomination as candidate for Director] Mr. Koji Tokuda has knowledge of all aspects of operations concerning development and technology, and has contributed to the enhancement of the Company's corporate value as Director of the Company. We propose his election as Director with an expectation that he will contribute to the Company's management as Director of the Company based on his knowledge. </p>
	<p data-bbox="197 1592 485 1809"> [Number of shares of the Company held] 13,010 [Term of office as Director] — [Attendance at meetings of the Board of Directors] — </p>	

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
5	 <p>Hideo Higuchi (March 5, 1950)</p> <p>Reappointment</p> <p>External</p> <p>Independent</p>	<p>June 2004 Executive Officer and Senior General Manager, Operational Reform HQ, OMRON Corporation</p> <p>June 2007 Managing Executive Officer and Senior General Manager, Business Process Innovation HQ</p> <p>December 2008 Managing Executive Officer; Senior General Manager, Business Process Innovation HQ and Senior General Manager, Corporate Strategic Planning HQ</p> <p>March 2009 Managing Executive Officer and Senior General Manager, Corporate Strategic Planning HQ</p> <p>November 2011 Outside Director, SOLOEL Co., Ltd.</p> <p>March 2012 Director</p> <p>June 2012 Outside Audit & Supervisory Board Member, Toyo Business Engineering Corporation (currently Business Engineering Corporation)</p> <p>May 2016 External Director, the Company (present)</p> <p>June 2016 Outside Director, Toyo Business Engineering Corporation (currently Business Engineering Corporation)</p> <p>[Significant concurrent positions] None</p>
	<p>[Number of shares of the Company held] —</p> <p>[Term of office as External Director] 10 years (at the conclusion of this Shareholder's Meeting)</p> <p>[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p>[Reason for nomination as candidate for External Director and outline of expected role] Mr. Hideo Higuchi has provided appropriate advice and views, mainly from a manager's viewpoint based on his abundant experience as a corporate manager in the manufacturing industry and an external officer as well as his advanced knowledge. We judge that he will contribute to strengthening the supervisory function of the Board of Directors of the Company. In addition, we expect that he will play appropriate roles as a member of the Nomination and Compensation Advisory Committee, a voluntary committee, including supervising through involvement in nomination of the management personnel and determination on the management compensation. Therefore, we propose his election as External Director.</p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
6	 <p data-bbox="256 504 427 562">Shingo Kagawa (March 8, 1958)</p> <div data-bbox="245 593 440 633" style="border: 1px solid black; padding: 2px; text-align: center;">Reappointment</div> <div data-bbox="282 667 403 707" style="border: 1px solid black; padding: 2px; text-align: center;">External</div> <div data-bbox="256 741 432 781" style="border: 1px solid black; padding: 2px; text-align: center;">Independent</div>	<p data-bbox="515 226 1366 315">April 2012 Corporate Executive Officer; Group President, Network Service Business Unit; Head of Image Internet Service Business Division, FUJITSU LIMITED</p> <p data-bbox="515 322 1398 380">June 2012 Corporate Executive Officer; Group President, Outsourcing Business Unit; Head of Image Internet Service Business Division</p> <p data-bbox="515 387 1361 445">April 2015 Corporate Executive Officer; Vice President, Integration Services Business; Group President, Network Service Business Unit</p> <p data-bbox="515 452 1361 510">April 2016 Corporate Executive Officer; Chief Technology Officer; Head of Digital Services Business</p> <p data-bbox="515 517 1329 575">April 2018 President and Representative Director, FUJITSU RESEARCH INSTITUTE</p> <p data-bbox="515 582 1074 622">April 2020 Special Adviser, APAMAN Co., Ltd.</p> <p data-bbox="515 629 1114 669">May 2020 External Director, the Company (present)</p> <p data-bbox="515 676 1398 734">October 2020 President and Representative Director, DigiIT Corporation (currently SS Technologies Corporation)</p> <p data-bbox="515 741 1241 781">October 2021 Chairman of the Board, SS Technologies Corporation</p> <p data-bbox="515 788 1209 828">May 2022 Outside Director of MINISTOP Co., Ltd. (present)</p> <p data-bbox="515 835 1050 875">January 2023 Outside Director of H.I.S. Co., Ltd.</p> <p data-bbox="515 882 1422 940">January 2026 Outside Director and Member of the Audit and Supervisory Committee of H.I.S. Co., Ltd. (present)</p> <p data-bbox="515 947 1437 1005">[Significant concurrent positions] Outside Director of MINISTOP Co., Ltd. Outside Director and Member of the Audit and Supervisory Committee of H.I.S. Co., Ltd.</p>
	<p data-bbox="196 972 456 1061">[Number of shares of the Company held] 600</p> <p data-bbox="196 1068 475 1126">[Term of office as External Director] 6 years (at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="196 1133 488 1276">[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p data-bbox="515 972 1453 1254">[Reason for nomination as candidate for External Director and outline of expected role] Mr. Shingo Kagawa has provided appropriate advice and views, mainly from a manager's viewpoint based on his abundant experience and advanced knowledge as a corporate manager of an ICT (information and communication technology) company. We judge that he will contribute to strengthening the supervisory function of the Board of Directors of the Company. In addition, we expect that he will play appropriate roles as a member of the Nomination and Compensation Advisory Committee, a voluntary committee, including supervising through involvement in nomination of the management personnel and determination on the management compensation. Therefore, we propose his election as External Director.</p>

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions
7	 <p data-bbox="245 488 440 546">Masako Kubo (October 12, 1959)</p> <div data-bbox="245 573 440 618" style="border: 1px solid black; padding: 2px; text-align: center;">Reappointment</div> <div data-bbox="284 649 402 694" style="border: 1px solid black; padding: 2px; text-align: center;">External</div> <div data-bbox="258 725 427 770" style="border: 1px solid black; padding: 2px; text-align: center;">Independent</div>	<p data-bbox="517 228 1251 255">June 2011 Director, OMRON PERSONNEL SERVICE Co., Ltd.</p> <p data-bbox="517 264 887 291">April 2015 President and CEO</p> <p data-bbox="517 300 1110 327">April 2018 Executive Officer, OMRON Corporation</p> <p data-bbox="517 336 1155 362">April 2018 President, OMRON EXPERTLINK Co., Ltd.</p> <p data-bbox="517 371 1356 434">April 2022 Program-Specific Professor, The Research Center of Community Partnerships, Kyoto Women's University</p> <p data-bbox="517 443 1334 470">June 2022 Outside Director, NITTO KOGYO CORPORATION (present)</p> <p data-bbox="517 479 1394 542">June 2023 Senior Director, KYOTO OMRON COMMUNITY FOUNDATION (present)</p> <p data-bbox="517 551 1114 577">May 2024 External Director, the Company (present)</p> <p data-bbox="517 586 1385 649">April 2026 Specially Appointed Professor, The Research Center of Community Partnerships, Kyoto Women's University (present)</p> <p data-bbox="517 658 1477 721">[Significant concurrent positions] Specially Appointed Professor, The Research Center of Community Partnerships, Kyoto Women's University</p> <p data-bbox="517 730 1062 757">Outside Director, NITTO KOGYO CORPORATION</p> <p data-bbox="517 766 1219 792">Senior Director, KYOTO OMRON COMMUNITY FOUNDATION</p>
	<p data-bbox="197 810 453 873">[Number of shares of the Company held] 200</p> <p data-bbox="197 882 475 945">[Term of office as External Director] 2 year(at the conclusion of this Shareholder's Meeting)</p> <p data-bbox="197 954 475 1016">[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p>	<p data-bbox="517 810 1410 837">[Reason for nomination as candidate for External Director and outline of expected role]</p> <p data-bbox="517 846 1449 1093">Ms. Masako Kubo has provided appropriate advice and views, mainly from a manager's viewpoint based on her abundant experience as a corporate manager in the fields of personnel affairs-related operations and the human resource services business and an external officer as well as her advanced knowledge. We judge that she will contribute to strengthening the supervisory function of the Board of Directors of the Company. In addition, we expect that she will play appropriate roles as a member of the Nomination and Compensation Advisory Committee, a voluntary committee, including supervising through involvement in nomination of the management personnel and determination on the management compensation. Therefore, we propose her election as External Director.</p>

- (Notes)
1. There are no special conflict of interest between each candidate and the Company.
 2. Mr. Hideo Higuchi, Mr. Shingo Kagawa and Ms. Masako Kubo are candidates for External Director. Furthermore, the Company has designated Mr. Hideo Higuchi and Mr. Shingo Kagawa as Independent Directors as defined by the Tokyo Stock Exchange, and if the candidates are reelected, the Company intends for them to continue acting as Independent Director. If Ms. Masako Kubo is elected as Director of the Company, the Company intends for her to act as Independent Director as defined by the Tokyo Stock Exchange.
 3. The Company has entered into a liability limitation agreement with Mr. Hideo Higuchi, Mr. Shingo Kagawa and Ms. Masako Kubo who are candidates for External Director, respectively, and the maximum amount of liability based on the agreement is the minimum amount of liability provided for in Article 425, Paragraph 1 of the Companies Act. If the candidates are elected, the Company intends to continue the agreements.
 4. The Company has entered into a Directors and Officers Liability Insurance (D&O Insurance) contract naming all Directors as the insured to enable them to fully demonstrate their expected roles in the execution of their duties, as well as to attract competent personnel. If this proposal is approved as originally proposed and each candidate is appointed Audit & Supervisory Board Member, they will be the insured under the said insurance contract. The said insurance contract covers damages that may be incurred as a result of the responsibilities assumed by the officers, etc., the insured, in the execution of their duties, or any liability of claims made against them in connection with those responsibilities.
However, there are certain exemptions such as in the case where the damages are caused by an action taken with the knowledge that it is a violation of laws and regulations, which are not covered by the insurance. (The Company fully pays the insurance premium, including that of riders, and the insured do not bear the actual cost of the premium.) The Company plans to renew the insurance policy with the same content at its maturity.
 5. The Company has entered into an indemnification agreement with all Directors as stipulated in Article 430-2, Paragraph 1 of the Companies Act, under which the Company will indemnify them for the expenses stipulated in Item 1, Paragraph 1 and losses stipulated in Item 2, Paragraph 1 of the same Act to the extent provided by laws and regulations. If the reelection of each candidate is approved, the agreement with each of them will remain in effect. If Mr. Koji Tokuda is elected as Director, the same indemnification agreement will be executed with him.


Proposal 4: Election of Two (2) Audit & Supervisory Board Members


The terms of office of Mr. Toru Muranaka and Mr. Shogo Yamada will expire at the conclusion of this Shareholders' Meeting. Accordingly, the election of two (2) Audit & Supervisory Board Members is proposed.

The term of office of the new Audit & Supervisory Board Members appointed at this Shareholders' Meeting will be up to the conclusion of the Annual Shareholder's Meeting scheduled to be held in May 2030.

The consent of the Audit & Supervisory Board has been obtained in regard to this Proposal.

The candidate for Audit & Supervisory Board Members are as follows:

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions
1	 <p>Shogo Yamada (January 25, 1966)</p> <p>Reappointment</p> <p>External</p> <p>Independent</p>	<p>April 1996 Registered as a certified public accountant (present)</p> <p>July 2013 President, Shogo Yamada Certified Public Accountant Office (present)</p> <p>March 2014 Outside Audit & Supervisory Board Member, TOYO TANSO CO., LTD.</p> <p>March 2015 Outside Director</p> <p>June 2015 External Director, Contec Co., Ltd.</p> <p>January 2020 Director and COO, TOMOE VALVE INDUSTRY PTE LTD</p> <p>January 2022 Director, TOMOE VALVE INDUSTRY PTE LTD (present)</p> <p>May 2022 External Audit & Supervisory Board Member, the Company (present)</p> <p>[Significant concurrent positions] President, Shogo Yamada Certified Public Accountant Office Director, TOMOE VALVE INDUSTRY PTE LTD</p>
	<p>[Number of shares of the Company held] 8,000</p> <p>[Term of office as Audit & Supervisory Board Member] 4 years (at the conclusion of this Shareholder's Meeting)</p> <p>[Attendance at meetings of the Board of Directors] 12 out of 12 meetings</p> <p>[Attendance at meetings of the Audit & Supervisory Board] 14 out of 14 meetings</p>	<p>[Reason for nomination as candidate for External Audit & Supervisory Board Member] Mr. Shogo Yamada will have served as External Audit & Supervisory Board Member of the Company for four (4) years at the conclusion of this Shareholder's Meeting. He has provided appropriate opinions and suggestions based on his abundant experience as a manager in addition to expertise as a certified public accountant. Therefore, we propose his election as External Audit & Supervisory Board Member of the Company in the hope that he will continue to fulfill his duties as such.</p>

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions
2	 <p data-bbox="244 495 416 551">Hidekazu Saruki (March 2, 1976)</p> <div data-bbox="233 577 432 622" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">New appointment</div> <div data-bbox="272 651 392 696" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">External</div> <div data-bbox="248 725 416 770" style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Independent</div>	<p data-bbox="507 264 1406 320">October 2001 Registered at Osaka Bar Association and joined Miyake Godo Law Office (now Miyake & Partners)</p> <p data-bbox="507 327 1118 360">May 2011 Partner, Miyake & Partners (present)</p> <p data-bbox="507 367 1342 427">September 2015 Outside Audit & Supervisory Board Member, Nishimura Securities Corporation (present)</p> <p data-bbox="507 434 1406 468">March 2021 Auditor, Infection Control and Sterilization Policy Association</p> <p data-bbox="507 474 1305 530">June 2022 Outside Audit & Supervisory Board Member, Duskin Corporation (present)</p> <p data-bbox="507 562 1326 685">[Significant concurrent positions] Miyake & Partners, Outside Audit & Supervisory Board Member, Nishimura Securities Corporation Outside Audit & Supervisory Board Member, Duskin Corporation</p>
	<p data-bbox="185 775 440 831">[Number of shares of the Company held]</p> <p data-bbox="185 837 201 860">—</p> <p data-bbox="185 866 472 922">[Term of office as Audit & Supervisory Board Member]</p> <p data-bbox="185 929 201 952">—</p> <p data-bbox="185 958 464 1014">[Attendance at meetings of the Board of Directors]</p> <p data-bbox="185 1021 201 1043">—</p> <p data-bbox="185 1050 464 1128">[Attendance at meetings of the Audit & Supervisory Board]</p> <p data-bbox="185 1135 201 1158">—</p>	<p data-bbox="507 775 1398 808">[Reason for nomination as candidate for External Audit & Supervisory Board Member]</p> <p data-bbox="507 815 1469 920">Mr. Hidekazu Saruki is expected to be able to monitor and oversee the company management from an independent and objective standpoint, based on his extensive experience and expertise as an attorney. Therefore, the Company requests a vote in his favor for election as an Outside Member of the Audit and Supervisory Board.</p>

- (Notes)
1. There are no special interests between the candidate and the Company.
 2. Mr. Shogo Yamada and Mr. Hidekazu Saruki are candidates for External Audit & Supervisory Board Member. Furthermore, the Company has designated Mr. Shogo Yamada as an Independent Auditor as defined by the Tokyo Stock Exchange, and if he is reelected, the Company intends for him to continue acting as Independent Auditor. Furthermore, if Mr. Hidekazu Saruki is elected External Audit & Supervisory Board Member, the Company also intends to designate him as an Independent Auditor as defined by the Tokyo Stock Exchange.
 3. The Company has entered into a liability limitation agreement with Mr. Shogo Yamada who is candidates for External Director, respectively, and the maximum amount of liability based on the agreement is the minimum amount of liability provided for in Article 425, Paragraph 1 of the Companies Act. If the candidates are elected, the Company intends to continue the agreements. If Mr. Hidekazu Saruki, a candidate for External Audit & Supervisory Board Member, is elected as an External Audit & Supervisory Board Member, the Company intends to enter into a new agreement with him with the same content.
 4. The Company has entered into a Directors and Officers Liability Insurance (D&O Insurance) contract naming all Audit & Supervisory Board Members as the insured to enable them to fully demonstrate their expected roles in the execution of their duties, as well as to attract competent personnel. If this proposal is approved as originally proposed and the candidate is appointed Audit & Supervisory Board Member, they will be insured under the said insurance contract. The said insurance contract covers damages that may be incurred as a result of the responsibilities assumed by the officers, etc., the insured, in the execution of their duties, or any liability of claims made against them in connection with those responsibilities.
However, there are certain exemptions such as in the case where the damages are caused by an action taken with the knowledge that it is a violation of laws and regulations, which are not covered by the insurance. (The Company fully pays the insurance premium, including that of riders, and the insured do not bear the actual cost of the premium.) The Company plans to renew the insurance policy with the same content at its maturity.
 5. The Company has entered into an indemnification agreement with all Auditors as stipulated in Article 430-2, Paragraph 1 of the Companies Act, under which the Company will indemnify them for the expenses stipulated in Item 1, Paragraph 1 and losses stipulated in Item 2, Paragraph 1 of the same Act to the extent provided by laws and regulations. If the reelection of Mr. Shogo Yamada is approved, the agreement with each of them will remain in effect. If Mr. Hidekazu Saruki is elected as Director, the same indemnification agreement will be executed with him.


Proposal 4: Election of One (1) Substitute Audit & Supervisory Board Member

In order to prepare for cases where there is a shortfall in the number of Audit & Supervisory Board Members prescribed by laws and regulations, the election of one (1) Substitute Audit & Supervisory Board Member is proposed.

Furthermore, the effectiveness of the election of this candidate may be canceled by a resolution of the Board of Directors, with the consent of the Audit & Supervisory Board, provided it is before his appointment.

The consent of the Audit & Supervisory Board has been obtained in regard to this Proposal.

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

Name (Date of birth)	Past experience, positions, and significant concurrent positions
 <p>Takashi Kono (January 17, 1957)</p> <p>External</p> <p>Independent</p>	<p>July 2009 Head, Audit Department, Sumitomo Rubber Industries, Ltd.</p> <p>January 2012 Head, Financial Department</p> <p>March 2014 Executive Officer; Head, Financial Department</p> <p>March 2019 Full-time Auditor</p> <p>[Significant concurrent positions] None</p>
<p>[Number of shares of the Company held]</p> <p>—</p>	<p>[Reason for nomination as candidate for Substitute External Audit & Supervisory Board Member] Mr. Takashi Kono has abundant experience and advanced knowledge as a person in charge of the financial department and Full-time Auditor at Sumitomo Rubber Industries, Ltd. Therefore, we propose his election as Substitute External Audit & Supervisory Board Member based on the judgment that he will sufficiently fulfill his role as Audit & Supervisory Board Member.</p>

- (Notes)
- There are no special interests between the candidate and the Company.
 - Mr. Takashi Kono is a candidate for Substitute External Audit & Supervisory Board Member. Furthermore, if Mr. Takashi Kono is appointed External Audit & Supervisory Board Member, the Company intends to designate him as an Independent Auditor as defined by the Tokyo Stock Exchange.
 - If Mr. Takashi Kono, who is a candidate for Substitute External Audit & Supervisory Board Member, is appointed External Audit & Supervisory Board Member, the Company intends to enter into a liability limitation agreement with him to limit his liability to the minimum amount provided for in Article 425, Paragraph 1 of the Companies Act.
 - The Company has entered into a Directors and Officers Liability Insurance (D&O Insurance) contract naming all Audit & Supervisory Board Members as the insured to enable them to fully demonstrate their expected roles in the execution of their duties, as well as to attract competent personnel. The said insurance contract covers damages that may be incurred as a result of the responsibilities assumed by the officers, etc., the insured, in the execution of their duties, or any liability claims made against them in connection with those responsibilities. However, there are certain exemptions such as in the case where the damages are caused by an action taken with the knowledge that it is a violation of laws and regulations and are not covered by the insurance. (The Company fully pays the insurance premium, including that of riders, and the insured do not bear the actual cost of the premium.) If Mr. Takashi Kono is elected and he assumes the office of External Audit & Supervisory Board Member during his term of office due to a shortfall in the number of Audit & Supervisory Board Members prescribed by laws and regulations, he will be included in the insured under the said insurance contract.
 - The Company has entered into an indemnification agreement with all Directors as stipulated in Article 430-2, Paragraph 1 of the Companies Act, under which the Company will indemnify them for the expenses stipulated in Item 1, Paragraph 1 and losses stipulated in Item 2, Paragraph 1 of the same Act to the extent provided by laws and regulations. If Mr. Takashi Kono is elected and he assumes the office of External Audit & Supervisory Board Member during his term of office due to a shortfall in the number of Audit & Supervisory Board Members prescribed by laws and regulations, the same indemnification agreement will be executed with them.

Proposal 5: Determination of Compensation Regarding Performance-Based Post-Delivery Restricted Stock Compensation for Directors (Excluding External Directors)

The total amount of compensation for the Company's Directors was approved at up to 480 million yen per year (excluding the employee portion of salaries and bonuses for Directors who concurrently serve as employees) at the Company's 56th Annual Shareholders' Meeting held on May 24, 2007. Subsequently, at the 69th Annual Shareholders' Meeting held on May 28, 2020, shareholders approved, separately from the aforementioned Directors' compensation, monetary compensation claims for restricted stock compensation to the Company's Directors (excluding External Directors; the "Eligible Directors") of up to 100 million yen per year, with a maximum allotment of 50,000 restricted shares per fiscal year.

In order to incentivize its Directors to achieve the targets set forth in the medium-term management plan and to more closely align their compensation with the Company's business performance and stock value, the Company proposes to introduce a performance-based post-delivery restricted stock compensation plan (the "Plan") for Eligible Directors. Under the Plan, restricted shares of the Company's common stock ("Restricted Shares") will be delivered to Eligible Directors in a number determined based on the level of achievement of performance targets and other relevant factors during a predetermined period (the "Performance Evaluation Period"). The Restricted Shares will be subject to a specified transfer restriction period and provisions under which the Company may acquire such shares without consideration.

After comprehensive consideration of the contributions of Eligible Directors and other relevant factors, the Company proposes to set the total amount of monetary compensation claims to be paid to Eligible Directors under the Plan, separate from the aforementioned Directors' compensation, at a maximum of 300 million yen for each applicable period (as defined in 3. below; the same applies hereinafter). However, as the applicable period covers multiple fiscal years and the compensation for the performance of duties over such period is to be paid in a lump sum, the effective annual amount will not exceed 100 million yen. The payment of performance-based post-delivery restricted stock compensation is determined after comprehensively considering the contributions of Eligible Directors and other relevant factors. The maximum number of Restricted Shares, when calculated on a fiscal-year-end basis for each fiscal year within the applicable period, represents approximately 0.16% of the total number of issued shares (as of February 28, 2026), and the resulting dilution rate is insignificant. Therefore, the Company believes this proposal is appropriate.

If this proposal is approved, the Board of Directors of the Company will revise the policy for determining individual Directors' compensation at a meeting to be held after the conclusion of this Shareholders' Meeting, so that it is consistent with the approved content. The current policy, which is described in the Business Report under "2. Matters Regarding Company Officers (2) Compensation for Directors and Audit & Supervisory Board Members," will be revised to the content set forth in the "Reference" section of the same item. This proposal is in line with the revised policy, and therefore, the Company believes its content to be appropriate.

The Company currently has seven (7) Directors (including three (3) External Directors). If Proposal 2 is approved, the composition of the Board of Directors will be unchanged. The number of Eligible Directors will be four (4).

【Details of the Plan】

(1) Allotment and payment of Restricted Shares

Under the Plan, the Company will pay monetary compensation claims to Eligible Directors as compensation within the total amount specified above, based on the level of achievement of performance targets and other relevant factors during the Performance Evaluation Period. Each Eligible Director will receive an allotment of Restricted Shares by making an in-kind contribution of the entirety of such monetary compensation claims.

The payment of monetary compensation claims will be subject to each Eligible Director's consent to the in-kind contribution described above and the execution of a restricted stock allotment agreement containing the provisions set forth in (4) below.

(2) Total number of Restricted Shares

The total number of Restricted Shares to be allotted to Eligible Directors shall be capped at 150,000 shares per applicable period. However, as the applicable period covers multiple fiscal years and the compensation for the performance of duties over such period is to be paid in a lump sum, the effective annual number of shares will not exceed 50,000 shares.

The amount to be paid in for Restricted Shares shall be determined by the Company's Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of resolution by the Board of Directors regarding the issuance or disposal of

such shares (or, if the Company's shares are not traded on that day, the closing price on the immediately preceding trading day), within a range not particularly favorable to the Eligible Directors who will subscribe for such Restricted Shares.

However, on or after the date of the resolution on the proposal regarding the Plan, if a stock split (including a gratis allotment of the Company's common stock), a reverse stock split of the Company's common stock, or other similar events require an adjustment to the total number of Restricted Shares to be allotted, such total number of Restricted Shares may be reasonably adjusted.

(3) Requirements for delivery

(i) The Company shall, after establishing in advance the base number of shares and the method for calculating the level of achievement of performance targets, deliver Restricted Shares to Eligible Directors after the end of the applicable period. The number of shares to be delivered shall be determined based on the level of achievement of performance targets during the Performance Evaluation Period and the length of service during the period from the date of the Company's first annual shareholders' meeting held after the commencement of the Performance Evaluation Period to the date of the Company's first annual shareholders' meeting held after the end of the Performance Evaluation Period (the "Applicable Period").

(ii) If an Eligible Director resigns from the position of Director of the Company due to death or other justifiable reasons prior to the date of delivery of shares under the Plan, the Company's Board of Directors shall reasonably determine the timing of payment of compensation, and the Company shall pay the Eligible Director (or, in the case of resignation due to death, the heir succeeding to the Eligible Director) an amount of money reasonably determined by the Company's Board of Directors, without requiring the Eligible Director to make an in-kind contribution for the monetary compensation claim.

(iii) If a merger agreement in which the Company is dissolved, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or any other proposal relating to reorganization is approved by the Company's shareholders' meeting (or by the Company's Board of Directors, if approval by the Company's shareholders' meeting is not required for such reorganization) prior to the date of delivery of shares under the Plan, and provided that the effective date of such reorganization is scheduled to occur prior to the date of delivery of shares under the Plan, the Company's Board of Directors shall reasonably determine the timing of payment of compensation, and the Company shall pay the Eligible Director an amount of money reasonably determined by the Company's Board of Directors, without requiring the Eligible Director to make an in-kind contribution for the monetary compensation claim.

(iv) If an Eligible Director becomes subject to any forfeiture event deemed necessary to achieve the purpose of the stock compensation plan (as determined by the Board of Directors), such as resigning from the position of Director of the Company without justifiable reason (such as death) or engaging in misconduct, no Restricted Shares shall be delivered to such Eligible Director under the Plan.

(Reference)

The Performance Evaluation Period will be from the 76th fiscal year to the 78th fiscal year, and the degree of achievement of performance targets is expected to be calculated within a range of 12.5% to 175% using a calculation method to be determined in advance by the Company's Board of Directors based on indicators such as consolidated operating profit, consolidated ROE, early-stage TSR, and ESG.

(4) Overview of the restricted stock allotment agreement

Upon the allotment of Restricted Shares, a restricted stock allotment agreement shall be entered into between the Company and each Eligible Director who will receive the allotment of Restricted Shares under the Plan (the "Allottees"). This agreement shall include the following provisions:

(i) Transfer restriction period

The Allottees may not transfer, pledge, grant a security interest in, make a lifetime gift of, bequeath, or otherwise dispose of the Restricted Shares allotted to them (the "Allotted Shares") to any third party (the "Transfer Restrictions") during the period from the date of delivery of the Restricted Shares until the date on which they resign from their position of Director of the Company (the "Transfer Restriction Period").

(ii) Acquisition of Restricted Shares without consideration

If an Allottee resigns from the position of Director of the Company prior to the expiration of the Transfer

Restriction Period, the Company shall automatically acquire the Allotted Shares without consideration, unless the Board of Directors determines that there are justifiable reasons for such resignation.

(iii) Lifting of Transfer Restrictions

Upon the expiration of the Transfer Restriction Period, the Company shall lift the Transfer Restrictions on all of the Allotted Shares held by the Allottee at that time.

(iv) Treatment in the event of reorganization

If, during the Transfer Restriction Period, a merger agreement in which the Company is dissolved, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or any other proposal relating to reorganization is approved by the Company's shareholders' meeting (or by the Company's Board of Directors, if approval by the Company's shareholders' meeting is not required for such reorganization), and provided that the effective date of such reorganization occurs prior to the expiration of the Transfer Restriction Period, the Company shall, by resolution of the Board of Directors, lift the Transfer Restrictions on all of the Allotted Shares held by the Allottee as of the date of such approval, effective immediately prior to the business day preceding the effective date of such reorganization.

(Reference)

The Company also plans to introduce a similar performance-based post-delivery restricted stock compensation plan for its executive officers.