

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.

Securities Code: 4100

June 10, 2024

To our shareholders:

Shigeru Takaragi
President and Representative Director
TODA KOGYO CORP.
1-23 Kyobashi-cho, Minami-ku,
Hiroshima

Notice of the 91st Annual General Meeting of Shareholders

We are pleased to announce the 91st Annual General Meeting of Shareholders of TODA KOGYO CORP. (the “Company”), which will be held as described below.

When convening this general meeting of shareholders, the Company takes measures for providing in electronic format the information that constitutes the content of reference documents for the shareholders meeting, etc. (matters for which measures for providing information in electronic format are to be taken). This information is posted on both of the following websites, so please access either of those websites to confirm the information.

The Company’s website:

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

(From the above website, select “Investor Relations,” and then “IR Library,” and then “General Meeting of Shareholders.”) (In Japanese only)

Website for posted informational materials for the General Meeting of Shareholders:

<https://d.sokai.jp/4100/teiji/> (in Japanese)

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the TSE website by using the internet address shown above, enter “TODA KOGYO CORP.” in “Issue name (company name)” or the Company’s securities code “4100” 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].”)

Instead of attending the Meeting, you can exercise your voting rights in writing (by postal mail) or via the Internet and other means. Please exercise your voting rights no later than 5:30 p.m. on Tuesday, June 25, 2024 (JST), after reviewing the Reference Documents for the General Meeting of Shareholders.

1. **Date and Time:** Wednesday, June 26, 2024, at 10:00 a.m. (JST)
2. **Venue:** Banquet Hall “Fuyo,” 2F, Hiroshima Grand Intelligent Hotel
1-4 Kyobashi-cho, Minami-ku, Hiroshima

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 91st fiscal year (from April 1, 2023 to March 31, 2024), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 91st fiscal year (from April 1, 2023 to March 31, 2024)

Matters to be resolved:

- Proposal No. 1: Election of Six Directors (Excluding Those Who Are Audit and Supervisory Committee Members)
- Proposal No. 2: Election of Four Directors Who Are Audit and Supervisory Committee Members

4. Decisions Regarding this Meeting (Explanation Regarding Exercise of Voting Rights)

- (1) If your approval or disapproval of the proposal is not indicated on the voting form used for exercising your voting rights in writing (by postal mail), it will be treated as if you indicated your intention to approve the proposal.
- (2) If you exercise your voting rights multiple times via the Internet and other means, your final vote will be treated as your valid vote.
- (3) If you exercise your voting rights in writing (by postal mail) and via the Internet and other means, your vote made via the Internet or other means will be treated as your valid vote regardless of when your vote in writing is received.
- (4) If having a proxy attend the Meeting, please designate another of the Company’s shareholders who can exercise voting rights as the proxy and have a written statement proving proxy right submitted to the reception counter on the day of the Meeting.

1. When attending the Meeting in person, please present the voting form to the reception counter.

Reception will open at 9:00 a.m. (JST)

2. 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 noted on the previous page.
3. Paper-based documents stating the matters subject to measures for electronic provision will be sent to shareholders who have requested the delivery of paper-based documents, however those documents do not include the following matters in accordance with the provisions of laws and regulations and Article 13, paragraph 2, of the Company’s Articles of Incorporation.
 - (a) “Systems to Ensure Appropriate Business Operations and Overview of Its Operational Status” of the Business Report
 - (b) “Notes to Consolidated Financial Statements”
 - (c) “Notes to Non-consolidated Financial Statements”

Accordingly, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements that are included in these items are some of the documents that were audited when Financial Auditors prepared the Financial Audit Report and the Audit and Supervisory Committee prepared the Audit Report.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Election of Six Directors (Excluding Those Who Are Audit and Supervisory Committee Members)

The terms of office of all five Directors (Excluding Those Who Are Audit and Supervisory Committee Members, which applies throughout this proposal) will expire at the conclusion of the Meeting.

In that regard, the Company proposes the election of six Directors, increasing the number of Directors by one to enhance the management system.

The Audit and Supervisory Committee did not find any particular points that should be pointed out regarding this proposal.

The nomination of the candidates for Directors has been deliberated at the Nomination and Remuneration Advisory Committee, whose membership is made up of a majority of Independent Officers. The candidates for Director are as follows:

Candidate No.	Name	Position and responsibility in the Company	Attendance at Board of Directors meetings for the current fiscal year
1	Tsuneaki Kubo Reelection	Director and Senior Managing Executive Officer - General Manager of Production Division, General Manager of Core Business Division and in charge of Production Technology Division and Logistics Procurement Department	100% (20/20)
2	Shigeru Takaragi Reelection	President and Representative Director	100% (20/20)
3	Dai Matsuoka Reelection	Director and Managing Executive Officer - General Manager of Research & Development Division	100% (20/20)
4	Atsushi Tomokawa New election	Managing Executive Officer, General Manager of Corporate Planning - Department and in charge of Sales Division	—
5	Shuichi Hashiyama Reelection Outside	Outside Director	100% (16/16)
6	Reiko Sodeno New election Outside Independent	—	—

(Note) As Shuichi Hashiyama was newly elected at the 90th Annual General Meeting of Shareholders held on June 28, 2023, the above number of Board of Directors meetings that he could attend is different from those of other Directors.

Candidate
No.
1

Tsuneaki Kubo
(Date of birth: October 7, 1964)
Reelection

Number of the Company's shares owned	300
Number of years in office as a Director	3 years
Attendance at Board of Directors meetings	20/20
Relationship of special interest in the Company	None

Career summary, and position and responsibility in the Company

Apr. 1988	Joined the Company
Mar. 2009	General Manager of ZHEJIANG TODA DMEGC MAGNETICS CO., LTD.
June 2012	General Manager of TODA MAGNET (SHENZHEN) CO., LTD.
Apr. 2018	Corporate Officer of the Company
Oct. 2018	General Manager of Production Division, General Manager of Onoda Plant, and Department Manager of Procurement and Logistics Department
June 2019	Executive Officer
Apr. 2021	General Manager of Core Business Division and in charge of Procurement and Logistics Department (current position)
June 2021	Director (current position)
June 2022	Managing Executive Officer
Oct. 2022	General Manager of Production Division (current position)
June 2023	Senior Managing Executive Officer (current position) and in charge of Production Technology Division (current position)

Reasons for nomination as a candidate for Director

Tsuneaki Kubo has abundant experience and achievements in the production technology division and the production division, etc. since joining the Company as well as global knowledge regarding corporate management, which was cultivated at operating companies in China. In April 2021, he was appointed as General Manager of the Core Business Division, which will cover and penetrate all the functions of the Company from the viewpoint of Core Business, and since June 2023, he has led the Group as Senior Managing Executive Officer. The Company judges him as suitable to utilize his experience and capabilities for the Company's management, and proposes his reelection as a Director.

[Message to shareholders]

I feel that in many ways, fiscal 2023 was a year that made the future potential, and strengths and weaknesses much clearer for each of the businesses that make up TODA KOGYO CORP.

We have had serious discussions about how to allocate resources and develop the business in this business environment, and have formulated a new medium-term management plan.

As we go beyond our 200th anniversary and move toward a new era, we would like to change what needs to be changed and work to create a foundation that will lead us forward for the next 100 years.

We will also actively engage in ESG initiatives and further promote greater trust through disclosure of these efforts. I hope for your continued support.

Candidate
No.
2

Shigeru Takaragi
(Date of birth: May 19, 1960)
Reelection

Number of the Company's shares owned	4,300
Number of years in office as a Director	11 years
Attendance at Board of Directors meetings	20/20
Relationship of special interest in the Company	None

Career summary, and position and responsibility in the Company

Apr. 1984	Joined the Company
May 2007	General Manager of Otake Plant
July 2007	Executive Officer
Apr. 2012	Representative Director of TODA ISU CORPORATION
Apr. 2013	Senior Managing Executive Officer of the Company
June 2013	Vice President and Director
Oct. 2013	Vice President and Representative Director
June 2014	President and Representative Director
June 2019	President and Representative Director (current position)

Reasons for nomination as a candidate for Director

Shigeru Takaragi has accumulated abundant business experience and achievements in the research division, production division, etc. over many years and has insight and global knowledge regarding corporate management, which was cultivated at an operating company in South Korea. He has experience in overall management as Vice President and Director since June 2013 and President and Representative Director since June 2014. The Company judges him as suitable to continue to lead the Group, and proposes his reelection as Director.

[Message to shareholders]

During fiscal 2023, we responded to issues such as the rising cost of raw materials and the ongoing economic downturn both in Japan and overseas by strengthening our corporate structure and revising prices. Although there were signs of recovery in demand, the challenging business environment is expected to continue for the foreseeable future.

Against this backdrop, we will start a new 3-year medium-term management plan from fiscal 2024. It incorporates guidelines for each business portfolio, such as positioning the electronic materials business as the core growth business and emphasizing the importance of the functional pigments business in applications that reduce environmental impact. We will renew our management structure and focus on achieving the plan under a more dynamic system as we begin the new medium-term management plan.

We will also continue to improve our financial position to be able to resume dividend payments. I would like to kindly ask for your continued understanding and support.

Candidate
No.
3

Dai Matsuoka
(Date of birth: May 13, 1963)
Reelection

Number of the Company's shares owned	200
Number of years in office as a Director	5 years
Attendance at Board of Directors meetings	20/20
Relationship of special interest in the Company	None

Career summary, and position and responsibility in the Company

Apr. 1991	Joined TDK Corporation
Jan. 2016	Manager, Advanced Agriculture Development Group, New Business Promotion Center
July 2016	General Manager, Technology HQ
June 2017	Corporate Officer and General Manager of Technology and Intellectual Property HQ
June 2019	Outside Director of the Company
Apr. 2021	Corporate Officer of TDK Corporation Chief Officer of Quality, Safety & Environment
Apr. 2023	Director and Managing Executive Officer of the Company (current position) General Manager of Research & Development Division (current position)

Reasons for nomination as a candidate for Director

Dai Matsuoka was involved for many years in the technology and development divisions of TDK Corporation, and has abundant experience and wide range of knowledge and insight acquired as Chief Officer of Quality, Safety & Environment. By leveraging this, he has provided advice to ensure the legality and appropriateness of decision-making by the Company's Board of Directors as an Outside Director since 2019. In April 2023, he was appointed as Director and Managing Executive Officer of the Company. The Company judges him as suitable to utilize his experience and knowledge to raise the corporate value of the Company, and proposes his election as a Director.

[Message to shareholders]

In the business environment faced by the Company in fiscal 2023, there was a slow recovery in demand for the functional pigments business, which is our inherited business, so we are promoting activities to improve profitability. Meanwhile, in the electronic materials business, we expect continuous growth in the future and are strengthening our business expansion. Making TODA ISU CORPORATION a wholly owned subsidiary is one of these initiatives.

Motors and multilayer ceramic chip capacitors, which are vital parts, are indispensable for robotic machinery that supports a declining population and safe operation using assist functions. The Company contributes to the development of society by supporting the achievement of high functionality and high reliability of these vital parts through its magnetic materials and dielectric materials. We also promote industry-academia-government collaboration to create materials that will support future endeavors by further enhancing the Company's strengths in fine particle synthesis technology. I hope for your continued support.

Candidate
No.
4

Atsushi Tomokawa
(Date of birth: September 28, 1972)
New election

Number of the Company's shares owned	—
Number of years in office as a Director	—
Attendance at Board of Directors meetings	—
Relationship of special interest in the Company	None

Career summary, and position and responsibility in the Company

Apr. 1995	Joined the Company
Apr. 2015	General Manager of Business Promotion Department, Global Fine Material Business Division
Apr. 2018	Corporate Officer
July 2018	General Manager of Global Fine Material Business Division
Apr. 2019	General Manager of Corporate Planning Department (current position)
June 2019	Executive Officer
June 2022	Managing Executive Officer (current position) and in charge of Sales Division (current position)

Reasons for nomination as a candidate for Director

Atsushi Tomokawa has abundant experience and achievements in the sales division since joining the Company, and in addition to formulating and promoting a medium-term management plan as General Manager of Corporate Planning Department since April 2019, he has broad experience and insight as supervisor and manager of the finance and accounting, IR, legal, and other divisions. The Company judges him as suitable to utilize his experience and capabilities for the long-term growth and the improvement of the Company's corporate value, and proposes his election as a Director.

Candidate No. 5	Shuichi Hashiyama (Date of birth: November 18, 1966)	Number of the Company's shares owned		—
		Number of years in office as a Director		1 year
		Attendance at Board of Directors meetings		16/16
		Reelection	Outside	Relationship of special interest in the Company (Note 2)

Career summary, and position and responsibility in the Company

Apr. 1990	Joined TDK Corporation
Apr. 2019	General Manager, Energy Systems Business Group, Energy Solutions Business Company
Apr. 2021	Corporate Officer (current position)
	Deputy General Manager, Corporate Strategy HQ
	General Manager of Corporate Planning Group
Apr. 2022	General Manager of Corporate Strategy HQ (current position)
June 2023	Outside Director of the Company (current position)

Significant concurrent positions outside the Company

Corporate Officer, General Manager of Corporate Strategy HQ of TDK Corporation

Reasons for nomination as a candidate for outside Director and outline of expected role

Shuichi Hashiyama has been involved in expanding the electronic components business within the development and sales divisions (including experience overseas) of TDK Corporation for many years and has served as the chief officer of management strategy since April 2022. While he does not have any experience in the management of a company other than serving as an outside officer, the Company judges him as suitable to utilize his knowledge of and insights into sales, R&D, and management strategy to supervise management of the Company and to provide advice to ensure the legality and appropriateness of decision-making by the Company's Board of Directors, and proposes his reelection as outside Director.

[Message to shareholders from this candidate for Director]

Although there were signs of a moderate economic recovery in fiscal 2023, the business environment surrounding the Company remained uncertain due to factors such as new international tensions in the Middle East, continued high prices worldwide, and the slowdown of the Chinese economy.

Under such external conditions, we formulated our new medium-term management plan Vision 2026, starting from fiscal 2024, with our purpose of "We transform the potential of fine particles into new possibilities for our world." at the core. Vision 2026 includes business strategies thoroughly discussed by the executive side and places a stronger focus on material issues and ESG.

As an Outside Director, I will use my experience to monitor and support the executive side, and strive to execute this plan and contribute to enhancing the Company's corporate value.

Candidate
No.
6

Reiko Sodeno

(Date of birth: September 24, 1973)

New election Outside Independent Relationship of special interest in the Company None

Number of the Company's shares owned —

Number of years in office as a Director —

Attendance at Board of Directors meetings —

Career summary, and position and responsibility in the Company

Mar. 1996 Graduated from the Department of Sanitary Engineering, Kyoto University (currently Undergraduate School of Civil, Environmental and Resources Engineering, Kyoto University)

Apr. 1997 Joined Environment Agency (currently Ministry of the Environment)

July 2004 Completed MPhil in Environmental Policy, Department of Land Economy, University of Cambridge, U.K.

Aug. 2009 Seconded to Ministry of Foreign Affairs

Aug. 2010 Deputy Director of Policy and Coordination Division, Global Environment Bureau, Ministry of the Environment

Apr. 2015 Associate Professor, Faculty of Environment and Information Studies, Keio University

Mar. 2018 Doctorate in Global Environmental Studies, Graduate School of Global Environmental Studies, Kyoto University

Apr. 2018 Professor, Planning Architecture and Environmental Systems, Faculty of Systems Engineering and Science, Shibaura Institute of Technology (current position)

Significant concurrent positions outside the Company

Professor, Planning Architecture and Environmental Systems, Faculty of Systems Engineering and Science, Shibaura Institute of Technology

Reasons for nomination as a candidate for outside Director and outline of expected role

Reiko Sodeno has insight and experience as a researcher focusing on environmental issues such as waste management and SDGs, and is currently engaged in research and teaching as a university professor. While she does not have any experience in the management of a company, based on her extensive experience, high level of expertise, and broad insight, the Company judges her as suitable to provide beneficial advice particularly for the environmental field that the Company is focusing on, and proposes her election as an outside Director. Moreover, if she is elected, it is planned that she will be involved in decisions on selection of candidates for the Company's officers and remuneration, etc. for Officers from an objective and neutral standpoint as a member of the Nomination & Remuneration Advisory Committee.

- Notes.
1. Shuichi Hashiyama and Reiko Sodeno are candidates for outside Director.
 2. Relationship of special interest in the Company
TDK Corporation is a major shareholder of the Company, holding 21.8% of the Company's shares (Ownership ratio excluding the Company's 321 thousand shares of treasury stock). There are trading relationships between TDK Corporation and the Company involving the sales of products, etc.
 3. The Company's Articles of Incorporation stipulate that it may enter into agreements that limit liability for damages provided in Article 423, paragraph (1) of the Companies Act, in accordance with the provisions of Article 427, paragraph (1) of the same Act, and the Company has entered into such a liability limitation agreement with Shuichi Hashiyama. If the reelection of Mr. Hashiyama is approved, the Company plans to renew the aforementioned agreement with him. The Company plans to enter into the same liability limitation agreement with Reiko Sodeno if her election is approved.
An outline of the main details of the agreement is as described on page 35 of the Business Report, "4 (1) (b) Summary of Liability Insurance Agreement" (Japanese only).
 4. The Company has entered into a directors and officers liability insurance policy provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, and an outline of the main details of the insurance policy is as described on page 35 of the Business Report, "4 (1) (c) Summary of Directors and Officers Liability Insurance Policy, Etc." (Japanese only). If the election of each candidate for Director is approved, they will be included as insured persons under the insurance policy. The Company also plans to renew the insurance policy with the same details at the next renewal.
 5. Reiko Sodeno meets the requirements of an Independent Officer as defined by the Tokyo Stock Exchange, and if her election is approved, the Company plans to designate her as an Independent Officer.
 6. The name on the family register of Reiko Sodeno is Reiko Kanie, however the provided name is the name she uses in the workplace.

Proposal No. 2: Election of Four Directors Who Are Audit and Supervisory Committee Members

The terms of office of all four Directors who are Audit and Supervisory Committee Members will expire at the conclusion of the Meeting.

Therefore, the Company proposes the election of four Directors who are Audit and Supervisory Committee Members.

In addition, the consent of the Audit & Supervisory Committee has been obtained for this proposal.

The candidates for Directors to be Audit and Supervisory Committee members are as follows:

Candidate No.	Name	Position and responsibility in the Company	Attendance at Board of Directors meetings for the current fiscal year
1	Kazumi Okimoto New election	Corporate Officer - Chief Risk Officer and Internal Control Officer	—
2	Shinsuke Hasegawa Reelection Outside Independent	Outside Director who is an Audit and Supervisory Committee Member	100% (20/20)
3	Koji Kanazawa Reelection Outside Independent	Outside Director who is an Audit and Supervisory Committee Member	100% (20/20)
4	Kazuya Uraisami Reelection Outside Independent	Outside Director who is an Audit and Supervisory Committee Member	100% (20/20)

Candidate No. 1	Kazumi Okimoto (Date of birth: March 3, 1959) New election	Number of the Company's shares owned	—
		Number of years in office as a Director	—
		Attendance at Board of Directors meetings	—
		Relationship of special interest in the Company	None

Career summary, and position and responsibility in the Company

Apr. 1983	Joined the Hiroshima Bank, Ltd.,
Apr. 2013	Secondment from the Hiroshima Bank Ltd. Executive Officer and Group Leader of Finance and Accounting, Corporate Administration Division of the Company
Apr. 2015	Joined the Company, General Manager of Finance and Accounting Department, Corporate Administration Division
Apr. 2016	Corporate Officer
Apr. 2017	Deputy General Manager of Corporate Planning Department
Apr. 2019	General Manager of Onoda Plant
Apr. 2020	General Manager of Otake Plant
June 2020	Corporate Officer (current position)
Apr. 2021	General Manager of Production Division
June 2021	General Manager of Human Resources Development, Production Division
June 2022	Chief Risk Officer and Internal Control Officer (current position)
Nov. 2022	President and Representative Director of Toda Fine Tech Inc.

Reasons for nomination as a candidate for Director who is an Audit and Supervisory Committee member

Kazumi Okimoto has been engaged in a wide range of business activities at a bank for many years, and since joining the Company, he has been involved in finance and accounting and has served as chief risk officer and internal control officer, as well as General Manager at manufacturing plants, and President of an operating company in Japan. Based on this experience, he has considerable knowledge of finance, accounting, risk management and internal controls and insight related to corporate management. The Company proposes his election as Director who is an Audit and Supervisory Committee member, judging him suitable to be responsible for ensuring the soundness of management from a neutral and objective perspective.

Candidate
No.
2

Shinsuke Hasegawa

(Date of birth: January 8, 1966)

Reelection Outside Independent Relationship of special interest in the Company None

Number of the Company's shares owned —
Number of years in office as a Director 2 years
Attendance at Board of Directors meetings 20/20

Career summary, and position and responsibility in the Company

Oct. 1989 Joined Arthur Andersen LLC (currently KPMG AZSA LLC)
Apr. 2001 Joined Nomura Securities Co., Ltd.
Aug. 2005 Joined Morgan Stanley Japan Securities (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)
Dec. 2008 Representative of Hasegawa CPA Office (current position)
Mar. 2014 Outside Auditor of Hinokiya Group Co., Ltd. (current position)
June 2017 Outside Corporate Auditor of the Company
June 2022 Outside Director who is an Audit and Supervisory Committee Member (current position)

Significant concurrent positions outside the Company

Representative of Hasegawa CPA Office, Outside Auditor of Hinokiya Group Co., Ltd.

Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee member and outline of expected role

Shinsuke Hasegawa has abundant experience and broad insight as a certified public accountant. While he does not have any experience in the management of a company other than serving as an outside officer, he has contributed to strengthening the functions of the Board of Directors and supervising the execution of business by checking and identifying risks, particularly in finance and accounting, as outside Corporate Auditor since June 2017, and as outside Director who is an Audit and Supervisory Committee member since June 2022. He has also contributed to enhancing the effectiveness of audits by the Audit and Supervisory Committee, and the Company proposes his reelection as outside Director who is an Audit and Supervisory Committee member in order to strengthen the Company's audit function.

[Message to shareholders]

Looking at the world surrounding us, from last year when it seemed that the impact of the COVID-19 pandemic was stabilizing, we have faced a significantly different economic environment over the past year, characterized by large fluctuations in exchange rates and continued inflation. I feel that the same thinking as before will not be sufficient to respond to the various business risks that may arise in the future.

Despite these challenging conditions, we have started the new medium-term management plan Vision 2026 from fiscal 2024. This new medium-term management plan also takes into consideration how management resources should be appropriately allocated from the aspect of capital efficiency, and incorporates various measures with a focus on enhancing corporate value.

We will examine the impact of the risks described above and other risk factors on our management from various angles to ensure that our management is being executed under appropriate risk management and that the various measures under the new executive structure are appropriate from the perspective of shareholders. I will continue to fulfill my duties as an Audit and Supervisory Committee member to contribute to enhancing the corporate value of the Company.

Candidate
No.
3

Koji Kanazawa

(Date of birth: April 20, 1979)

Reelection Outside Independent Relationship of special interest in the Company None

Number of the Company's shares owned —
Number of years in office as a Director 2 years
Attendance at Board of Directors meetings 20/20

Career summary, and position and responsibility in the Company

Oct. 2004 Joined Chuo Sogo Law Office, P.C.
Nov. 2012 Joined Rodyk & Davidson LLP (currently Dentons Rodyk)
Aug. 2013 Admitted to the New York State Bar
Jan. 2014 Deputy Director of Supervisory Coordination Division, Supervisory Bureau, Financial Services Agency
Jan. 2016 Partner of Chuo Sogo Law Office, P.C. (current position)
June 2018 Outside Corporate Auditor of the Company
June 2018 Outside Corporate Auditor of Rakuten General Insurance Co., Ltd. (current position)
June 2022 Outside Director who is an Audit and Supervisory Committee Member of the Company (current position)

Significant concurrent positions outside the Company

Partner of Chuo Sogo Law Office, P.C., Outside Corporate Auditor of Rakuten General Insurance Co., Ltd.

Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee member and outline of expected role

Koji Kanazawa has rich experience as an attorney and a wide range of knowledge regarding the law. While he does not have any experience in the management of a company other than serving as an outside officer, he has contributed to strengthening the functions of the Board of Directors and supervising the execution of business, by checking and identifying risks in contracts and the law as outside Corporate Auditor since June 2018, and as outside Director who is an Audit and Supervisory Committee member since June 2022. He has also contributed to enhancing the effectiveness of audits by the Audit and Supervisory Committee, and the Company proposes his reelection as outside Director who is an Audit and Supervisory Committee member in order to strengthen the Company's audit function.

[Message to shareholders]

The Company celebrated its 200th anniversary of the start of business last year and will start the next medium-term management plan from fiscal 2024. A number of uncertainties pose significant challenges to the global economy, such as unstable market trends caused by the risk of conflicts around the world, or severe exchange rate fluctuations, and we are not exempt from this.

As outside Director who is an Audit and Supervisory Committee member, I will focus on strengthening risk management and compliance for the Group, and will strive to support fair management decisions in such an uncertain business environment. I will endeavor to establish a solid management foundation that will support sustainable growth, in order to fulfill the Company's purpose of "transforming the potential of fine particles into new possibilities for our world."

Candidate No.	4	Kazuya Uraisami (Date of birth: November 28, 1957)	Number of the Company's shares owned	—
			Number of years in office as a Director	2 years
			Attendance at Board of Directors meetings	20/20
		Reelection Outside Independent	Relationship of special interest in the Company	None

Career summary, and position and responsibility in the Company

Apr. 1981	Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
Dec. 1993	General Manager of Credit Department of Union Bank of Switzerland (currently UBS) and other positions
May 1997	General Manager of Credit Department of Merrill Lynch Securities Co., Ltd. and other positions
Feb. 2005	General Manager of Head Office Financial Evolution Planning and Promotion Division of SANYO Electric Co., Ltd. and other positions
June 2011	President of MBK Co., Ltd. and other positions
May 2013	Executive Vice President of Kameichi Co., Ltd.
May 2014	Senior Managing Director of Asahi Techno Plant Co., Ltd.
Mar. 2018	Representative of Marginal LLC (current position)
June 2020	Outside Corporate Auditor of the Company
June 2022	Outside Director who is an Audit and Supervisory Committee Member (current position)

Significant concurrent positions outside the Company

Representative of Marginal LLC

Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee member and outline of expected role

Kazuya Uraisami was involved in the credit departments of financial institutions for many years and also has abundant experience and broad insight as a corporate manager. He has contributed to strengthening the functions of the Board of Directors and supervising the execution of business, by checking and identifying risks from a wide-ranging perspective not only in terms of finance and accounting, as outside Corporate Auditor since June 2020, and as outside Director who is an Audit and Supervisory Committee member since June 2022. He has also contributed to enhancing the effectiveness of audits by the Audit and Supervisory Committee, and the Company proposes his reelection as outside Director who is an Audit and Supervisory Committee member in order to strengthen the Company's audit function.

[Message to shareholders]

The structure of the Board of Directors is becoming diverse, with more women and foreign nationals being appointed as directors. In addition, with regard to the importance of outside directors with expertise in corporate finance, the Tokyo Stock Exchange has called for promoting "Management that is Conscious of Cost of Capital and Stock Price," while the Ministry of Economy, Trade and Industry has suggested appointing outside directors with knowledge of the capital market in their revised "Practical Guidelines for Corporate Governance Systems (CGS Guidelines)." Increasingly, companies are operating with an awareness of weighted average cost of capital (WACC) and return on invested capital (ROIC). I hope to contribute to enhancing corporate value under strong governance and compliance by leveraging my past experience.

- Notes.
1. Shinsuke Hasegawa, Koji Kanazawa, and Kazuya Uraisami are candidates for outside Director who are Audit and Supervisory Committee members.
 2. The Company's Articles of Incorporation stipulate that it may enter into agreements that limit liability for damages provided in Article 423, paragraph (1) of the Companies Act, in accordance with the provisions of Article 427, paragraph (1) of the same Act, and the Company has entered into such a liability limitation agreement with Shinsuke Hasegawa, Koji Kanazawa, and Kazuya Uraisami. If the reelection of them is approved, the Company plans to renew the aforementioned agreements with them. The Company plans to enter into the same liability limitation agreement with Kazumi Okimoto if his election is approved. An outline of the main details of the agreement is as described on page 35 of the Business Report, "4 (1) (b) Summary of Liability Insurance Agreement" (Japanese only).
 3. The Company has entered into a directors and officers liability insurance policy provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, and an outline of the main details of the insurance policy is as described on page 35 of the Business Report, "4 (1) (c) Summary of Directors and Officers Liability Insurance Policy, Etc." (Japanese only). If the election of each candidate for Director who is an Audit and Supervisory Committee member is approved, they will be included as insured persons under the insurance policy. The Company also plans to renew the insurance policy with the same details at the next renewal.
 4. The Company has submitted notification to the Tokyo Stock Exchange that Shinsuke Hasegawa, Koji Kanazawa, and Kazuya Uraisami have been designated as Independent Officers as defined by the Tokyo Stock Exchange. If their reelection is approved, the Company plans to continue having them as Independent Officers.
 5. Shinsuke Hasegawa, Koji Kanazawa, and Kazuya Uraisami served as non-executive officers (Outside Corporate Auditors) of the Company in the past.

(For reference)

Structure of Board of Directors after election and skill matrix

If Proposal No. 1 and Proposal No. 2 are approved as drafted, the structure of the Board of Directors and the major skills, experience, and knowledge of each Director shall be as indicated below.

Position in the Company Name	Corporate/ Business Management	Internationality/ Global Experience	Production/ Procurement	Quality Control	Technology/ R&D	Sales/ Marketing	Finance/ Accounting	Legal/ Compliance	Personnel/ Labor Relations/ Human Resource Development	ESG
Director Tsuneaki Kubo	•	•	•		•	•				
Director Shigeru Takaragi	•	•	•		•	•			•	•
Director Dai Matsuoka		•	•	•	•					•
Director Atsushi Tomokawa	•					•	•	•		•
Outside Director Shuichi Hashiyama	•	•			•	•				•
Outside Director Reiko Sodeno Independent		•			•					•
Director who is an Audit and Supervisory Committee Member (fulltime) Kazumi Okimoto	•		•	•			•		•	
Outside Director who is an Audit and Supervisory Committee Member Shinsuke Hasegawa Independent	•	•					•			
Outside Director who is an Audit and Supervisory Committee Member Koji Kanazawa Independent	•	•						•		•
Outside Director who is an Audit and Supervisory Committee Member Kazuya Uraisami Independent	•	•					•		•	•

* The above table is not an exhaustive list of the expertise and experience of the candidates.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

As of March 31, 2024

Assets	
Current assets	
Cash and deposits	8,164
Notes and accounts receivable - trade	8,712
Merchandise and finished goods	4,662
Work in process	2,476
Raw materials and supplies	4,718
Other	1,587
Allowance for doubtful accounts	(11)
Total current assets	30,309
Non-current assets	
Property, plant and equipment	
Buildings and structures, net	1,583
Machinery, equipment and vehicles, net	1,686
Land	4,887
Construction in progress	210
Other, net	492
Total property, plant and equipment	8,860
Intangible assets	
Goodwill	2,497
Other	13
Total intangible assets	2,510
Investments and other assets	
Investment securities	3,290
Investments in capital of subsidiaries and associates	8,016
Long-term loans receivable	4
Retirement benefit asset	553
Other	170
Allowance for doubtful accounts	(3)
Total investments and other assets	12,033
Total non-current assets	23,404
Total assets	53,714

(Millions of yen)

As of March 31, 2024

Liabilities	
Current liabilities	
Notes and accounts payable - trade	3,507
Short-term borrowings	9,113
Current portion of long-term borrowings	4,712
Income taxes payable	148
Provision for bonuses	314
Other	3,832
Total current liabilities	<u>21,629</u>
Non-current liabilities	
Long-term borrowings	13,490
Long-term accounts payable - other	112
Retirement benefit liability	2,342
Deferred tax liabilities	1,427
Other	186
Total non-current liabilities	<u>17,559</u>
Total liabilities	<u>39,189</u>
Net assets	
Shareholders' equity	
Share capital	7,477
Capital surplus	4,306
Retained earnings	(425)
Treasury shares	(1,447)
Total shareholders' equity	<u>9,910</u>
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	1,389
Foreign currency translation adjustment	2,016
Remeasurements of defined benefit plans	543
Total accumulated other comprehensive income	<u>3,950</u>
Share acquisition rights	97
Non-controlling interests	567
Total net assets	<u>14,525</u>
Total liabilities and net assets	<u>53,714</u>

Consolidated statements of income

	(Millions of yen)
	Fiscal year ended March 31, 2024
Net sales	26,234
Cost of sales	20,368
Gross profit	5,865
Selling, general and administrative expenses	5,748
Operating profit	117
Non-operating income	
Interest income	70
Dividend income	64
Rental income	40
Foreign exchange gains	447
Share of profit of entities accounted for using equity method	673
Miscellaneous income	106
Total non-operating income	1,403
Non-operating expenses	
Interest expenses	321
Miscellaneous losses	30
Total non-operating expenses	352
Ordinary profit	1,168
Extraordinary income	
Gain on disposal of non-current assets	17
Gain on sale of investment securities	76
Gain on step acquisitions	475
National subsidies	23
Compensation income	187
Total extraordinary income	780
Extraordinary losses	
Loss on disposal of non-current assets	64
Impairment losses	4,869
Other	0
Total extraordinary losses	4,934
Loss before income taxes	(2,985)
Income taxes - current	345
Income taxes - deferred	133
Loss	(3,464)
Profit attributable to non-controlling interests	116
Loss attributable to owners of parent	(3,581)

Consolidated statements of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,477	4,288	3,155	(1,468)	13,453
Changes during period					
Loss attributable to owners of parent			(3,581)		(3,581)
Changes in ownership interest of parent due to transactions with non-controlling interests		28			28
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(11)		21	10
Net changes in items other than shareholders' equity					
Total changes during period	—	17	(3,581)	20	(3,542)
Balance at end of period	7,477	4,306	(425)	(1,447)	9,910

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	688	1,368	332	2,389	86	630	16,559
Changes during period							
Loss attributable to owners of parent							(3,581)
Changes in ownership interest of parent due to transactions with non-controlling interests							28
Purchase of treasury shares							(0)
Disposal of treasury shares							10
Net changes in items other than shareholders' equity	701	648	211	1,560	10	(63)	1,508
Total changes during period	701	648	211	1,560	10	(63)	(2,034)
Balance at end of period	1,389	2,016	543	3,950	97	567	14,525

Non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

As of March 31, 2024

Assets	
Current assets	
Cash and deposits	2,909
Notes receivable - trade	806
Accounts receivable - trade	4,511
Merchandise and finished goods	2,532
Work in process	1,677
Raw materials and supplies	1,126
Prepaid expenses	13
Accounts receivable - other	307
Short-term loans receivable	1,080
Current portion of long-term loans receivable	1,157
Other	134
Allowance for doubtful accounts	(128)
Total current assets	16,128
Non-current assets	
Property, plant and equipment	
Buildings	898
Structures	16
Machinery and equipment	234
Tools, furniture and fixtures	0
Land	4,230
Construction in progress	198
Other	0
Total property, plant and equipment	5,577
Investments and other assets	
Investment securities	2,858
Shares of subsidiaries and associates	1,662
Investments in capital of subsidiaries and associates	9,517
Long-term loans receivable from subsidiaries and associates	1,561
Other	57
Allowance for doubtful accounts	(12)
Total investments and other assets	15,644
Total non-current assets	21,221
Total assets	37,350

(Millions of yen)

As of March 31, 2024

Liabilities	
Current liabilities	
Accounts payable - trade	2,116
Short-term borrowings	7,885
Current portion of long-term borrowings	4,674
Accounts payable - other	250
Accrued expenses	225
Income taxes payable	55
Advances received	10
Deposits received	44
Unearned revenue	9
Provision for bonuses	222
Accounts payable - facilities	503
Other	5
Total current liabilities	<u>16,004</u>
Non-current liabilities	
Long-term borrowings	13,278
Deferred tax liabilities	646
Provision for retirement benefits	1,472
Other	37
Total non-current liabilities	<u>15,435</u>
Total liabilities	<u>31,440</u>
Net assets	
Shareholders' equity	
Share capital	7,477
Capital surplus	
Legal capital surplus	1,869
Other capital surplus	2,386
Total capital surplus	<u>4,255</u>
Retained earnings	
Other retained earnings	
Reserve for tax purpose reduction entry of non-current assets	86
Retained earnings brought forward	(5,949)
Total retained earnings	<u>(5,862)</u>
Treasury shares	<u>(1,447)</u>
Total shareholders' equity	<u>4,422</u>
Valuation and translation adjustments	
Valuation difference on available-for-sale securities	1,389
Total valuation and translation adjustments	<u>1,389</u>
Share acquisition rights	<u>97</u>
Total net assets	<u>5,910</u>
Total liabilities and net assets	<u>37,350</u>

Non-consolidated statements of income

	(Millions of yen)
	Fiscal year ended March 31, 2024
Net sales	15,431
Cost of sales	12,825
Gross profit	2,605
Selling, general and administrative expenses	4,158
Operating loss	1,552
Non-operating income	
Interest income	69
Dividend income	738
Rental income	39
Foreign exchange gains	472
Reversal of allowance for doubtful accounts	298
Reversal of provision for loss on guarantees	52
Miscellaneous income	73
Total non-operating income	1,745
Non-operating expenses	
Interest expenses	254
Miscellaneous losses	13
Total non-operating expenses	268
Ordinary loss	(75)
Extraordinary income	
Gain on sale of investment securities	76
Gain on disposal of non-current assets	17
National subsidies	23
Compensation income	187
Total extraordinary income	305
Extraordinary losses	
Loss on disposal of non-current assets	62
Loss on sale of investment securities	0
Loss on valuation of shares of subsidiaries and associates	445
Impairment loss	4,856
Total extraordinary losses	5,365
Loss before income taxes	(5,135)
Income taxes – current	93
Loss	(5,228)

Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings
					Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward	
Balance at beginning of period	7,477	1,869	2,397	4,267	86	(720)	(633)
Loss						(5,228)	(5,228)
Purchase of treasury shares							
Disposal of treasury shares			(11)	(11)			
Net changes in items other than shareholders' equity							
Total changes during period	-	-	(11)	(11)	-	(5,228)	(5,228)
Balance at end of period	7,477	1,869	2,386	4,255	86	(5,949)	(5,862)

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(1,468)	9,641	688	688	86	10,416
Loss		(5,228)				(5,228)
Purchase of treasury shares	(0)	(0)				(0)
Disposal of treasury shares	21	10				10
Net changes in items other than shareholders' equity			701	701	10	712
Total changes during period	20	(5,219)	701	701	10	(4,506)
Balance at end of period	(1,447)	4,422	1,389	1,389	97	5,910