



May 13, 2024

To whom it may concern:

Company Name: TAIYO HOLDINGS CO., LTD.
 Representative: Eiji Sato, President and CEO
 (Code: 4626, Listed on Prime Market of Tokyo Stock Exchange)
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Notice Regarding Partial Amendment of the Articles of Incorporation

TAIYO HOLDINGS CO., LTD. (hereinafter, the “Company”) hereby announces that at the Board of Directors meeting held on May 13, 2024, it has resolved the submission of the “Partial Amendment of the Articles of Incorporation” for review at the 78th Ordinary General Shareholders’ Meeting scheduled to be held on June 15, 2024 as provided below.

1. Reason for Proposal

The Company proposes to adopt a company with an Audit & Supervisory Committee system in order to enhance the discussion at the Board of Directors regarding important group management matters, such as basic management policies and strategies for the Group as a whole. This will speed up decision-making and business execution by delegating decision-making authority from the Board of Directors to the Executive Board Directors, except for particularly important matters, and will enhance corporate governance by strengthening the supervisory function of the Board of Directors, with the aim of further increasing corporate value.

Along with this transition, the Company will make the necessary changes, including the establishment of new provisions regarding Audit & Supervisory Committee Members and the Audit & Supervisory Committee, the deletion of provisions regarding Audit & Supervisory Board Members and the Audit & Supervisory Board, and the establishment of new provisions regarding the delegation of important business execution decisions.

These amendments to the Articles of Incorporation will become effective at the conclusion of this Ordinary General Shareholders’ Meeting.

2. Description of Amendments

A description of the amendments is provided below.

Amended parts are underlined>

Current Articles of Incorporation	Proposed amendments
<p>Chapter 1 General Provisions</p> <p>Corporate Name Article 1 (Article text omitted)</p> <p>Purpose Article 2 The purpose of the Company is to control and manage the business activities of companies that operate the following businesses or companies that operate businesses that are peripheral to or in any way related to those businesses by owning shares of or equity in those companies and for itself to conduct the following businesses or businesses that are peripheral to or in any way</p>	<p>Chapter 1 General Provisions</p> <p>Corporate Name Article 1 (Same as current)</p> <p>Purpose Article 2 (Same as current)</p>

related to those businesses.	
(1) to (5) (Article text omitted)	(1) to (5) (Same as current)
(6) Operation of information provision services and consulting services	(6) Operation of information provision services and consulting services
(7) to (9) (Article text omitted)	(7) to (9) (Same as current)
(Location of Head Office)	(Location of Head Office)
Article 3 (Article text omitted)	Article 3 (Same as current)
(Organs)	(Organs)
Article 4 The Company shall have the following organs.	Article 4 The Company shall have the following organs.
(1) (Article text omitted)	(1) (Same as current)
(2) <u>Audit & Supervisory Board Members</u>	(Deleted)
(3) <u>Audit & Supervisory Board</u>	(Deleted)
(Addition)	(2) <u>Audit & Supervisory Committee</u>
(4) Accounting Auditor	(3) Accounting Auditor
Article 5 to 10 (Article text omitted)	Article 5 to 10 (Same as current)
(Shareholder Register Administrator)	(Shareholder Register Administrator)
Article 11 The Company shall have a shareholder register administrator.	Article 11 (Same as current)
2 The shareholder register administrator and the location of business thereof shall be designated by resolution of the Board of Directors and public notice thereof shall be given.	2 The shareholder register administrator and the location of business thereof shall be designated by resolution of the Board of Directors <u>or by the Board Directors delegated by a resolution of the Board of Directors</u> and public notice thereof shall be given.
3 (Article text omitted)	3 (Same as current)
(Share Handling Regulations)	(Share Handling Regulations)
Article 12 The handling of the Company's shares and stock acquisition rights, the procedures, etc. and fees for the exercise of shareholders' rights shall be governed by the Share Handling Regulations established by the Board of Directors, in addition to laws and regulations or these Articles of Incorporation.	Article 12 The handling of the Company's shares and stock acquisition rights, the procedures, etc. and fees for the exercise of shareholders' rights shall be governed by the Share Handling Regulations established by the Board of Directors <u>or the Board Directors delegated by a resolution of the Board of Directors</u> , in addition to laws and regulations or these Articles of Incorporation.
Chapter 3 General Shareholders' Meeting	Chapter 3 General Shareholders' Meeting
(Convocation)	(Convocation)
Article 13 An Ordinary General Shareholders' Meeting of the Company shall be convened within three (3) months from the day following the final day of each fiscal year. Extraordinary shareholders' meetings shall be convened when necessary.	Article 13 An Ordinary General Shareholders' Meeting of the Company shall be convened within three (3) months from the day following the final day of each fiscal year. Extraordinary shareholders' meetings shall be convened when necessary.
2 (Article text omitted)	2 (Same as current)
Article 14 to 15-2 (Article text omitted)	Article 14 to 15-2 (Same as current)
(Proxy Voting)	(Proxy Voting)
Article 16 Shareholders may exercise their voting rights at a general meeting of shareholders by appointing as a proxy one other shareholder of the Company with voting rights for such meeting.	Article 16 Shareholders may exercise their voting rights at a general meeting of shareholders by appointing as a proxy one other shareholder of the Company with voting rights for such meeting.
2 (Article text omitted)	2 (Same as current)
Article 17 and 18 (Article text omitted)	Article 17 and 18 (Same as current)
Chapter 4 Board Directors and Board of Directors	Chapter 4 Board Directors and Board of Directors
(Number of Members)	(Number of Members)
Article 19 The Company shall have not more than ten Board Directors.	Article 19 The Company shall have not more than ten Board Directors <u>(excluding Board Directors who are Audit & Supervisory Committee Members)</u> .
(Addition)	2 <u>The Company shall have not more than four Board Directors who are Audit & Supervisory</u>

		<u>Committee Members.</u>
(Method of Election)		(Method of Election)
Article 20	Board Directors shall be elected by a resolution of the General Shareholders' Meeting.	Article 20 Board Directors shall be elected by a resolution of the General Shareholders' Meeting, <u>distinguishing between Board Directors (excluding Board Directors who are Audit & Supervisory Committee Members) and Board Directors who are Audit & Supervisory Committee Members.</u>
2 and 3	(Article text omitted) (Addition)	2 and 3 (Same as current)
		4 <u>The effective term of the resolution for the election of an alternate Board Director who is an Audit & Supervisory Committee Member, elected pursuant to Article 329, paragraph (3) of the Companies Act, shall expire at the beginning of the general shareholders' meeting relating to the last fiscal year ending, within two years after their election.</u>
(Term of Office)		(Term of Office)
Article 21	The term of office of a Board Director shall expire at the conclusion of the ordinary general shareholders' meeting for the last business year out of the business years terminating within <u>two years</u> after the election of the Board Director.	Article 21 The term of office of a Board Director (<u>excluding a Board Director who is an Audit & Supervisory Committee Member</u>) shall expire at the conclusion of the ordinary general shareholders' meeting for the last business year out of the business years terminating within <u>one year</u> after the election of the Board Director (<u>excluding a Board Director who is an Audit & Supervisory Committee Member</u>).
	(Addition)	2 <u>The term of office of a Board Director who is an Audit & Supervisory Committee Member shall expire at the close of the ordinary general shareholders' meeting for the last business year, terminating within two years after the election of the Board Director.</u>
2	The term of office of a Board Director who is elected to increase the number of Board Directors or as the alternate for a Board Director who retired from office before the expiration of the term of office shall expire when the terms of office of the incumbent Board Directors expire.	3 The term of office of a Board Director who is elected to increase the number of Board Directors or as the alternate for a Board Director (<u>excluding a Board Director who is an Audit & Supervisory Committee Member</u>) who retired from office before the expiration of the term of office shall expire when the terms of office of the <u>other</u> incumbent Board Directors (<u>excluding Board Directors who are Audit & Supervisory Committee Member</u>) expire.
	(Addition)	4 <u>The term of office of a Board Director who is an Audit & Supervisory Committee Member elected as the alternate for a Board Director who is an Audit & Supervisory Committee Member who retired from office before the expiration of the term of office shall expire when the term of office of the retired Board Director who is an Audit & Supervisory Committee Member expires.</u>
(Representative Director)		(Representative Director)
Article 22	The Representative Director shall be elected by a resolution of the Board of Directors.	Article 22 The Representative Director shall be elected by a resolution of the Board of Directors <u>from among the Board Directors (excluding Board Directors who are Audit & Supervisory Committee Members).</u>
2	(Article text omitted)	2 (Same as current)
(Board Directors with Special Titles)		(Board Directors with Special Titles)
Article 23	The Board of Directors may appoint, by its resolution, one Director and President, and as necessary, one Director and Chairman, one or a small number of Director and Vice Presidents, one or a small number of Senior Managing Board	Article 23 The Board of Directors may appoint, by its resolution, one, and as necessary, one Director and Chairman, one or a small number of Director and Vice Presidents, one or a small number of Senior Managing Board Directors, and one or a small

<p>Directors, and one or a small number of Managing Board Directors.</p>	<p>number of Managing Board Directors <u>from among Board Directors (excluding Board Directors who are Audit & Supervisory Committee Members).</u></p>
<p>(Duties of Board Directors with Special Titles) Article 24 (Article text omitted) 2 In the event that the Director and President is unable to do so, one of the other Board Directors shall act in his place according to the order prescribed by the Board of Directors in advance.</p>	<p>(Duties of Board Directors with Special Titles) Article 24 (Same as current) 2 In the event that the Director and President is unable to do so, one of the other Board Directors <u>(excluding a Board Director who is an Audit & Supervisory Committee Member)</u> shall act in his/her place according to the order prescribed by the Board of Directors in advance.</p>
<p>(Convener and Chair of Board of Directors) Article 25 (Article text omitted)</p>	<p>(Convener and Chair of Board of Directors) Article 25 (Same as current)</p>
<p>(Convocation Notice of Board of Directors Meetings) Article 26 The convocation notice of a Board of Directors meeting shall be dispatched to each Board Director <u>and each Audit & Supervisory Board Member</u> at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency for a notice. (Addition) (Addition)</p>	<p>(Convocation Notice of Board of Directors Meetings) Article 26 The convocation notice of a Board of Directors meeting shall be dispatched to each Board Director at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency for a notice. 2 <u>With the consent of all Board Directors, a Board of Directors meeting may be held without following the convening procedures.</u> <u>Delegation of Decisions on the Execution of Important Business</u> Article 27 <u>Pursuant to Article 399-13, paragraph (6) of the Companies Act, the Company may, by resolution of the Board of Directors, delegate all or part of the decisions on the execution of important business (excluding the matters stated in each item of paragraph (5) of the same Article) to the Board Directors.</u></p>
<p>(Method of Resolutions of the Board of Directors) Article 27 (Article text omitted)</p>	<p>(Method of Resolutions of the Board of Directors) Article 28 (Same as current)</p>
<p>(Omission of Resolutions of the Board of Directors) Article 28 The Company shall deem a resolution to be passed if all Board Directors agree in writing or by electromagnetic record to the item to be resolved at a Board of Directors meeting. <u>However, this shall not apply if an Audit & Supervisory Board Member has stated his or her objection.</u></p>	<p>(Omission of Resolutions of the Board of Directors) Article 29 The Company shall deem a resolution to be passed if all Board Directors <u>(limited to those who are entitled to participate in the voting on such matters)</u> agree in writing or by electromagnetic record to the item to be resolved at a Board of Directors meeting.</p>
<p>(Minutes of the Board of Directors) Article 29 Minutes of the proceedings of the Board of Directors shall be prepared in accordance with laws and regulations, and the Board Directors <u>and Audit & Supervisory Board Members</u> present at the meeting shall write their names and affix their seals thereto or electronically sign the minutes. 2 (Article text omitted)</p>	<p>(Minutes of the Board of Directors) Article 30 Minutes of the proceedings of the Board of Directors shall be prepared in accordance with laws and regulations, and the Board Directors present at the meeting shall write their names and affix their seals thereto or electronically sign the minutes. 2 (Same as current)</p>
<p>(Remuneration, Etc. of Board Directors) Article 30 Remuneration, bonuses, and other economic benefits given by the Company in consideration for the execution of duties <u>(hereinafter the "Remuneration, Etc.")</u> to Board Directors shall be determined by resolution of the General Shareholders' Meeting.</p>	<p>(Remuneration, Etc. of Board Directors) Article 31 Remuneration, bonuses, and other economic benefits given by the Company in consideration for the execution of duties to Board Directors shall be determined by resolution of the General Shareholders' Meeting, <u>distinguishing between Board Directors (excluding Board Directors who are Audit & Supervisory Committee Members) and Board Directors who are Audit & Supervisory Committee Members.</u></p>

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

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In the event of any discrepancy between this translated document and Japanese original, the original shall prevail.

(Agreement on Limitation of Liability of Board Directors)
Article 31 (Article text omitted)

(Special Advisors and Advisors)

Article 32 The Company may appoint Special Advisors and Advisors by resolution of the Board of Directors.

(Regulations of the Board of Directors)
Article 33 (Article text omitted)

Chapter 5 Audit & Supervisory Board Members and Audit & Supervisory Board

(Number of Members)

Article 34 The Company shall have not more than four Audit & Supervisory Board Members.

(Method of Election)

Article 35 Audit & Supervisory Board Members shall be elected by a resolution of the General Shareholders' Meeting.

2 Resolutions on the election of Audit & Supervisory Board Members shall be adopted by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their voting rights at such meeting are present.

(Term of Office)

Article 36 The term of office of an Audit & Supervisory Board Member shall expire at the close of the ordinary general shareholders' meeting for the last business year out of the business years terminating within four years after the election of the Audit & Supervisory Board Member.

2 The term of office of an Audit & Supervisory Board Member who is elected as the alternate for an Audit & Supervisory Board Member who retired from office before the expiration of the term of office shall expire when the term of office of the retired Audit & Supervisory Board Member expire.

(Full-time Audit & Supervisory Board Members)

Article 37 The Audit & Supervisory Board shall appoint full-time Audit & Supervisory Board Member(s) by its resolution.

(Addition)

(Convocation Notice of Audit & Supervisory Board Meetings)

Article 38 The convocation notice of an Audit & Supervisory Board meeting shall be dispatched to each Audit & Supervisory Board Member at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency for a notice.

(Addition)

(Agreement on Limitation of Liability of Board Directors)
Article 32 (Same as current)

(Deleted)

(Regulations of the Board of Directors)
Article 33 (Same as current)

Chapter 5 Audit & Supervisory Committee

(Deleted)

(Deleted)

(Deleted)

(Deleted)

(Deleted)

(Full-time Audit & Supervisory Committee Members)

Article 34 The Audit & Supervisory Committee shall appoint full-time Audit & Supervisory Committee Member(s) by its resolution.

(Deleted)

(Convocation Notice of Audit & Supervisory Committee Meetings)

Article 35 The convocation notice of an Audit & Supervisory Committee meeting shall be dispatched to each Audit & Supervisory Committee Member at least

	<p><u>three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency for a notice.</u> <u>With the consent of all Audit & Supervisory Committee Members, an Audit & Supervisory Committee meeting may be held without following the convening procedures.</u></p>
<p>(Method of Resolutions of the Audit & Supervisory Board) <u>Article 39 Unless otherwise provided for by laws and regulations, resolutions of the Audit & Supervisory Board must be adopted by a majority of Audit & Supervisory Board Members.</u></p>	<p>(Deleted)</p>
<p>(Addition)</p>	<p>(Method of Resolutions of the Audit & Supervisory Committee) <u>Article 36 Unless otherwise provided for by laws and regulations, resolutions of the Audit & Supervisory Committee must be adopted by a majority of Audit & Supervisory Committee Members.</u></p>
<p>(Minutes of the Audit & Supervisory Board Meetings) <u>Article 40 Minutes of the proceedings of the Audit & Supervisory Board meeting shall be prepared, and the Audit & Supervisory Board Members present at the meeting shall write their names and affix their seals thereto or electronically sign the minutes.</u></p>	<p>(Deleted)</p>
<p><u>2 The minutes of the meetings of the Audit & Supervisory Board shall be kept at the head office for ten years from the date of the meeting of the Audit & Supervisory Board.</u></p> <p>(Addition)</p>	<p>(Deleted)</p>
<p>(Remuneration, Etc. of Audit & Supervisory Board Members) <u>Article 41 The Remuneration, Etc. to Audit & Supervisory Board Members shall be determined by resolution of the General Shareholders' Meeting.</u></p> <p>(Limited Liability Agreement with Audit & Supervisory Board Members) <u>Article 42 Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with an Audit & Supervisory Board Member, limiting liability for damages provided in Article 423, paragraph (1) of said Act; provided, however, that the maximum amount of liability for damages under such agreement shall be the amount stipulated by laws and regulations.</u></p>	<p>(Minutes of the Audit & Supervisory Committee Meetings) <u>Article 37 Minutes of the proceedings of the Audit & Supervisory Committee meeting shall be prepared in accordance with laws and regulations, and the Audit & Supervisory Committee Members present at the meeting shall write their names and affix their seals thereto or electronically sign the minutes.</u> <u>2 The minutes of the meetings of the Audit & Supervisory Committee shall be kept at the head office for ten years from the date of the meeting of the Audit & Supervisory Committee.</u></p>
<p>(Remuneration, Etc. of Audit & Supervisory Board Members) <u>Article 41 The Remuneration, Etc. to Audit & Supervisory Board Members shall be determined by resolution of the General Shareholders' Meeting.</u></p>	<p>(Deleted)</p>
<p>(Limited Liability Agreement with Audit & Supervisory Board Members) <u>Article 42 Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with an Audit & Supervisory Board Member, limiting liability for damages provided in Article 423, paragraph (1) of said Act; provided, however, that the maximum amount of liability for damages under such agreement shall be the amount stipulated by laws and regulations.</u></p>	<p>(Deleted)</p>
<p>(Regulations of the Audit & Supervisory Board) <u>Article 43 Items concerning the Audit & Supervisory Board shall be in accordance with the Regulations of the Audit & Supervisory Board established by the Audit</u></p>	<p>(Deleted)</p>

& Supervisory Board, in addition to laws and regulations and these Articles of Incorporation.

(Addition)

Chapter 6 Accounting Auditor

(Election and Term of Office)

Article 44 (Article text omitted)

(Remuneration, Etc.)

Article 45 Remuneration, etc. of the Accounting Auditor shall be determined by the Representative Director with the consent of the Audit & Supervisory Board.

Chapter 7 Accounts

(Business Year)

Article 46 (Article text omitted)

(Year-end Dividends)

Article 47 The Company shall, by resolution of the General Shareholders' Meeting, pay cash dividends of surplus (below, "year-end dividends") to the shareholders or registered share pledge recipients appearing or recorded in the final register of shareholders as of March 31 of each year.

(Interim Dividends)

Article 48 The Company shall, by resolution of the Board of Directors, pay dividends of surplus provided for in Article 454, paragraph (5) of the Companies Act (below, "interim dividends") to the shareholders or registered share pledge recipients appearing or recorded in the final register of shareholders as of September 30 of each year.

(Addition)

(Addition)

(Prescription for Payment of Year-end Dividends)

Article 49 In cases where the year-end dividends or interim dividends have not been received after the lapse of three full years from the date of commencement of payment thereof, the Company shall be exempt from the obligation to pay such dividends.

(Regulations of the Audit & Supervisory Committee)

Article 38 Items concerning the Audit & Supervisory Committee shall be in accordance with the Regulations of the Audit & Supervisory Committee established by the Audit & Supervisory Committee, in addition to laws and regulations and these Articles of Incorporation.

Chapter 6 Accounting Auditor

(Election and Term of Office)

Article 39 (Same as current)

(Remuneration, Etc.)

Article 40 Remuneration, etc. of the Accounting Auditor shall be determined by the Representative Director with the consent of the Audit & Supervisory Committee.

Chapter 7 Accounts

(Business Year)

Article 41 (Same as current)

(Deleted)

(Deleted)

(Organizational Body to Determine Dividends of Surplus, Etc.)

Article 42 Unless otherwise provided for by laws and regulations, the Company shall, by resolution of the Board of Directors instead of a resolution of the General Shareholders' Meeting, determine dividends of surplus and other items set forth in the items of Article 459, paragraph (1) of the Companies Act.

(Record Dates for Dividends of Surplus)

Article 43 The record date for year-end dividends of the Company shall be March 31 of each year.

2 The record date for interim dividends of the Company shall be September 30 of each year.

3 In addition to the provisions of the preceding two paragraphs, the Company may pay dividends of surplus by setting a record date.

(Prescription for Payment of Dividends)

Article 44 In cases where the dividend property is monetary and the dividends have not been received after the lapse of three full years from the date of commencement of payment thereof, the Company shall be exempt from the obligation to pay such

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<p>2 No interest shall accrue on unpaid <u>year-end dividends or interim dividends.</u></p> <p>(Addition)</p> <p>(Addition)</p>	<p>2 dividends. No interest shall accrue on unpaid dividends.</p> <p><u>Section 8 Supplementary Provisions</u></p> <p><u>(Transitional Measures Concerning Exemption from Liability of Audit & Supervisory Board Members)</u></p> <p><u>Article 45 With respect to the agreement to limit liability for damages as set forth in Article 423, paragraph (1) of the Companies Act concluded between the Company with Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) pursuant to Article 427, paragraph (1) of the same act prior to the effective date of the partial amendment to the Articles of Incorporation resolved at the 78th Ordinary General Shareholders' Meeting, the provisions then in force shall remain applicable.</u></p>
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3. Schedule for This Amendment

Scheduled date of ordinary general meeting of shareholders: June 15, 2024

Scheduled implementation date (effective date) of this amendment: June 15, 2024

End