

[Translation for Reference Purposes Only]

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Securities code: 2475

June 10, 2025

(Commencement Date of Electronic Provision Measures: June 2, 2025)

To Our Shareholders

79 Toyozawa-cho, Himeji-shi, Hyogo

WDB Holdings Co., Ltd.

President and CEO Toshimitsu Nakano

Notice of Convocation of the 40th Annual Shareholders' Meeting

Thank you very much for your continued support.

We would like to inform you that our 40th Annual General Meeting of Shareholders will be held as follows.

When convening this general meeting of shareholders, we are taking measures to provide information (e-provided matters) that are included in reference documents for general meetings of shareholders, etc. electronically. We post such information on our website on the Internet. Please visit and confirm the following websites.

<https://www.wdbhd.co.jp/eng/ir/meeting.html>

(Please visit the above website and confirm PDF of “Notice of Convocation of the 40th Annual Shareholders’ Meeting”.)

In addition to our website, we also post information on measures to provide e-mail on the Tokyo Stock Exchange (TSE). Please refer to the following.

Tokyo Stock Exchange Website (TSE Listed Company Information Service)

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

(Please visit the above-mentioned TSE website, enter and search our security code "2475" in " Code " or " WDB HOLDINGS" in "Issue name (Company name)", and select "Basic information" and " Documents for public inspection / PR information " in that order. Then, check the "Notice of General Shareholders Meeting / Informational Materials for a General Shareholders Meeting" column in "Field information available for public inspection".)

If you do not attend the meeting, you can exercise your voting rights via the Internet or by mail. Please review the reference documents for the general meeting of shareholders and exercise your voting rights by 5:00 p.m. on Wednesday, June 25, 2025.

Best regards,

Description	
1. Date and time	Thursday, June 26, 2025, 10:00 a.m. (9:10 a.m. when the reception starts)
2. Location	5th floor auditorium of our head office building, 79 Toyozawa-cho, Himeji-shi, Hyogo
3. Subject matter	
[Matters to be Reported]	<ol style="list-style-type: none"> 1. Business reports, consolidated financial statements, and reports on the audit results of the consolidated financial statements of the accounting auditor and the Audit and Supervisory Committee for the 40th fiscal term (from April 1, 2024 to March 31, 2025) 2. Report on financial statements for the 40th fiscal term (from April 1, 2024 to March 31, 2025)
[Matters to be resolved]	
Proposal 1	Appropriation of Retained Earnings
Proposal 2	Partial Amendments to the Articles of Incorporation
Proposal 3	Election of 5 directors (excluding directors who are Audit and Supervisory Committee members)
Proposal 4	Election of 1 director who is an Audit and Supervisory Committee member




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1. When attending the meeting, please submit the enclosed voting rights exercise form to the reception desk.
 2. In the event of any modification to the matters to be implemented for the provision of electronic information, a statement to that effect, prior to the modification, and after the modification shall be posted on our website and the TSE website on the Internet.
 3. At this general meeting of shareholders, regardless of whether or not a document is requested to be delivered, a document stating the matters to be dealt with in electronic delivery shall be uniformly sent. The following items regarding measures to provide electronic information are not included in the documents to be sent in accordance with laws and regulations and the provisions of Article 19 of our Articles of Incorporation.
 - "System to Ensure Appropriateness of Operations" and "Overview of the Status of Operation of the System to Ensure Appropriateness of Operations" in the Business Report
 - "Consolidated Statements of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in Financial Statements

Accordingly, the business reports, consolidated financial statements, and financial statements stated in the relevant documents are part of the subject documents audited by the accounting auditor when preparing the accounting audit report by the Audit & Supervisory Committee.
 4. After the general meeting of shareholders, we plan to hold meetings with shareholders (business briefings) and dining meetings with shareholders as a place to interact with shareholders. We ask for your participation in these meetings.



Information on Exercise of Voting Rights

The right to vote at a general meeting of shareholders is an important right for shareholders. We would like to ask you to exercise your voting rights after considering the reference documents for the general meeting of shareholders mentioned below. There are three methods for exercising voting rights as follows.

 <p>Present at a general meeting of shareholders</p> <p>Please submit the enclosed Voting Form to the reception desk.</p> <p>Date and time of the meeting</p> <p>Thursday, June 26, 2025 10:00 a.m. (Reception starts 9:10 a.m.)</p>	 <p>On the internet</p> <p>Please enter your approval or disapproval of the proposal from the URL below. https://www.web54.net.</p> <p>Exercise date</p> <p>Entry complete by 5:00 p.m. Wednesday, June 25, 2025</p>	 <p>In writing (by mail)</p> <p>Please return the Voting Form after indicating whether you agree to the proposal.</p> <p>Exercise date</p> <p>Arrived by 5:00 p.m Wednesday, June 25, 2025</p>
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In the event voting rights are exercised in both writing (by mail) and on the Internet, the exercise of voting rights via the Internet shall be treated as effective exercise of voting rights. In addition, if voting rights are exercised multiple times via the Internet, the last voting rights exercised shall be treated as valid voting rights exercised.

In the case where voting rights are exercised in writing (by mail), if there is no indication of approval or disapproval of the proposal, the proposal shall be treated as having been affirmed.

Business Report

(From April 1, 2024
to March 31, 2025)

1. Matters related to the Current Circumstances of the Consolidated Group

(1) Progress and Results of the Business

WDB group is a corporate group engaged in the human resources services business centered on staffing in the field of science (chemistry and biotechnology) and CRO (Contract Drug Development) business.

Regarding the business environment and the status of the human resources services business during the consolidated cumulative period under review (April 2024 to March 2025), the average of the ratio of job offers to applicants (seasonally adjusted) was 1.25 times (down of 0.04 points year-on-year) and the average of the unemployment rate (seasonally adjusted) was 2.5% (down of 0.1 points year-on-year). While demand for the temporary staffing services we provide remains solid, due to the severe labor shortage, securing an adequate supply of job candidates to meet this demand poses a significant challenge.

To address this issue, our group has continued to take measures to improve the treatment of temporary staff since April 2022. During the consolidated cumulative period under review, we increased the remuneration of temporary staff by an average of 5.6% in April 2024. In addition, through the digitalization of sales activities utilizing the temporary staffing service platform “doconico”, consolidation of operations into the support desks located in Tokyo and Kobe, and leveraging ChatGPT to enhance productivity, we have achieved cost reductions, which have been allocated to improving the treatment of temporary staff. We also negotiated increases in temporary staffing fees to further improve the treatment of temporary staff in the future.

In CRO business, we further promoted standardization and automation of our operations to accurately and promptly process outsourced operations from pharmaceutical and medical-device manufacturers, thereby contributing to the resolution of our customers’ challenges. Furthermore, in our overseas operations, we reallocated management resources to high-margin businesses by divesting certain unprofitable segments of Medfiles in Finland and terminating our operations for DZS in the United States.

As a result of the aforementioned activities, net sales for the consolidated cumulative period under review were ¥51,136 million (up of 3.7% year on year). Operating was ¥5,068 million (down of 7.3% year on year), ordinary income was ¥5,095 million (down of 7.5% year on year), and profit attributable to owners of parent was ¥3,051 million (down of 14.0% year on year).

In addition, the ratio of the operating income to net sales, an indicator we emphasize, was 9.9% (11.1% in the previous fiscal year) and the ratio of ordinary income to net sales was 10.0% (11.2% in the previous fiscal year) and ROE was 9.9% (12.3% in the previous fiscal year).

Divisional Review

The breakdown by division is as follows.

(Thousands of yen)

	39th term		40th term (current term)		Absolute change YoY
	Net sales	Composition ratio	Net sales	Composition ratio	
Human Resources Service Business	42,117,315	85.4%	42,985,663	84.1%	2.1%
CRO business	7,180,636	14.6%	8,150,999	15.9%	13.5%
Total	49,297,952	100.0%	51,136,663	100.0%	3.7%

(2) Capital Expenditures

Total capital expenditures during the fiscal year under review were 3,553,673 thousand yen.

(3) Financing Activities

Not applicable.

(4) Challenges to be Addressed

Our Group's main business domains are the Human Resource Services Business and the CRO Business. Our management goal is to create higher added value by utilizing the Platform in the fields related to research. Based on our management philosophy of "We want to be a company that discovers value underlying yet untapped and creates new value," we conduct our business centered on the staffing service for science-related research professionals.

As a result of the overall decline in Japan's labor force and the intensifying competition for recruitment, wage levels continue to rise, and securing human resources is becoming increasingly challenging each year.

This trend is also impacting the temporary staffing industry. As job seekers are presented with more options, staffing agencies must continuously raise wages to secure talent. In addition, recruitment advertising costs continue to rise. As a result, profit margins for temporary staffing companies are under significant pressure, and even some major firms have begun to report losses. If this trend accelerates in conjunction with a growing labor shortage, we believe that the traditional Japanese-style temporary staffing model may become unsustainable. We view the growing trend among other companies in the industry to pursue opportunities in areas other than temporary staffing, such as recruitment placement, business outsourcing, and job advertising, as a sign of this impending change.

CRO sector is not also safe with the conventional business model. As long as the business structure relies on manual processing of outsourced works, rising wage levels is a factor that puts pressure on profit margins. Furthermore, with technological advances such as the generation AI, routine operations are increasingly likely to be automated, and prompting a reevaluation of business operations that depend on outsourcing. As a result, the industry as a whole is also required to redefine the value it provides and transform its business structure.

Based on this perspective, we are developing our business according to the following strategies.

First, we aim to pursue our value as a temporary staffing agency to the greatest extent possible.

Specializing in the staffing of science engineers and researchers allows us to maintain relatively high profit margins compared to staffing agencies that focus on general occupations. Taking advantage of this strength, we will continue to increase compensation for temporary staff over the medium term. In addition, by promoting our initiative of "full-time staffing without relocation" and strengthening our sales system to offer a wider variety of jobs that match job seekers' needs, we aim to increase our attractiveness to new job seekers. At the same time, we will enhance our responsiveness when contracts with existing temporary staff end, enabling us to promptly provide the next assignment and thereby support continuous employment.

In May 2025, we released "DOCO1", a staffing service platform that enables clients to place staffing orders simultaneously with multiple staffing agencies and to centrally manage processes such as attendance and billing after contracts are concluded. By using DOCO1 as a foothold, we are also exploring a new approach to customer acquisition—initiating relationships with new clients through the platform and building trust that leads to staffing orders.

In the long term, we aim to maximize the two core values of temporary staffing agencies: serving as an "intermediary between job seekers and employers" and providing "support throughout the employment period". While we already possess unique strengths in both areas, we will further evolve our platform to automate processes, reduce intermediation costs, and continuously improve compensation for temporary staff. In addition, by further enhancing our dedicated follow-up during assignments, we aim to remain a trusted staffing provider supported by both clients and temporary staff even in a more challenging market environment where competitors may be forced to shift to other businesses. If that happens, we believe that the current intense competition will ease, allowing us to establish a new business model with higher profit margins

We will also work toward becoming a platform-based business.

Since 2016, we have made various efforts to become a platform-based business, and as a result, we have launched the staffing service digital platforms, "doconico" and "DOCO1", as well as the CRO service digital platform "CoCopos".

Our next goal is to develop a platform that offers new services beyond temporary staffing. Through the development and operation of "doconico" and "DOCO1", we have accumulated valuable expertise as a platform-based business operator. Utilizing this experience and achievements, we are now working on the development of the new platform with the aim of launching the service in a few years.

In CRO business, over the medium term, we will utilize platforms and AI to streamline operations, and while realizing improved treatment for employees and minimizing the impact on short-term earnings, we will expand our business. In the overseas operations, low profitability was an issue, but we are working to improve profitability by selling unprofitable businesses in February 2025.

Over the long term, we will face up to the changes that manual routine works will be replaced due to the development of generation AI and automation technologies. In addition to the automation and standardization of processes, we will steadily promote the strengthening of center operations that are both stable and efficient in operations. On this basis, we will concentrate our resources on the practical value areas that people should be responsible for, such as judgment, response to customers, quality-assurance, and response to multi-tasking, and establish a new CRO model that coexists with AI. In the areas of document support, PMS support, and clinical-research support, we will standardize operations, develop tools, and digitize processes to improve reproducibility and productivity.

In the field of advanced medical devices, where domestic demand is expected to grow in the future, we will establish an integrated support system that spans from development to regulatory registration and post-marketing activities. We will leverage digital technologies and data in this system and evolve into a system capable of providing comprehensive support for business expansion both in Japan and overseas.

Furthermore, we will work to create new businesses in the medical and pharmaceutical fields. By addressing highly specialized, practical challenges that existing services cannot fully resolve, we aim to build support models that are closely aligned with real-world needs and integrated with digital technology. Through this approach, we will deliver new value by combining high expertise and profitability in specific domains.

We will implement these initiatives to develop our business over the long term.

(5) Status of Transfer of Business, Absorption-type Demerger or Incorporation-type Demerger

We transferred the laboratory services business of our subsidiary, Oy Medfiles Ltd., to Eurofins BioPharma Product Testing Finland Oy, with the effective date of the transfer being February 28, 2025.

(6) Status of Acquisition of Business of Other Companies

Not applicable.

(7) Status of Succession of Rights and Obligations in Relation to the Business of Another Juridical Person, etc. as a Result of an Absorption-type Merger or Absorption-type Demerger

Not applicable.

(8) Status of Acquisition or Disposition of Shares and Other Shares of Other Companies or Stock Acquisition Rights

Not applicable.

(9) Changes in Assets and Profits and Losses

Classification	By term	37th term FY2021	38th term FY2022	39th term FY2023	40th term (current term) FY2024
Net sales	(thousands of yen)	46,875,964	47,602,446	49,297,952	51,136,663
Ordinary income	(thousands of yen)	6,393,458	5,614,843	5,505,911	5,095,377
Net income for the year attributable to owners of parent	(thousands of yen)	4,171,272	3,540,641	3,548,111	3,051,142
Net income per share (yen)		211.32	179.75	180.67	155.36
Total assets	(thousands of yen)	33,828,472	36,198,765	39,827,601	41,753,226
Net assets	(thousands of yen)	25,796,427	28,463,963	31,150,978	33,241,048
Shareholders' Equity per share (yen)		1,272.25	1,405.74	1,529.85	1,624.01

(NOTE) 1. Net income per share is calculated based on the average number of shares outstanding during the period, and net assets per share is calculated based on the total number of shares outstanding at the end of the period. The number of shares issued and outstanding is based on the number of shares excluding treasury stock.

2. The main components of changes in net assets during each fiscal year are as follows:

38th term November, 2022 Repurchasing share -258,300 thousand yen

3. The status of the 40th fiscal term is as described in "(1) Progress and Results of the Business" above.

(10) Status of Significant Parent Company and Subsidiaries

- 1. Relationship with parent company
Not applicable.
- 2. Status of significant subsidiaries

Company name	Common stock	Ratio of voting rights	Main business
WDB Co., Ltd.	450,000 thousand yen	100%	Temporary staffing and recruitment consultancy services for scientific researchers
WDB KOUGAKU Co., Ltd.	200,000 thousand yen	100%	Regular employment dispatch of engineers
WDB coco Co., Ltd.	279,983 thousand yen	68%	Collection of information on adverse drug events and reporting to the authorities
Oy Medfiles Ltd.	112 thousand euros	100%	Support services related to applications and approvals for drugs, etc.
Cobridge Co., Ltd.	110,000 thousand yen	100%	Regulatory affairs consulting services DMF registration/In-Country Caretaker services
NEZOT Co., Ltd.	200,000 thousand yen	100%	Launch, operate, and manage proprietary platforms in WDB's business domains and develop and promote new businesses
DOCO1 Co., Ltd.	100,000 thousand yen	100%	Development, sales, and operation of a unified management platform for temporary staffing

- 3. Status of Specified Wholly Owned Subsidiary Company as of the last day of the business year
Not applicable.

(11) Major Businesses (As of March 31, 2025)

Our Group's main business is temporary staffing and recruitment consulting services, mainly in the field of science. In addition, we are engaged in other businesses, such as contract regulatory application and safety management services.

(12) Major Business Locations (As of March 31, 2025)

Name	Location	
Head Office	79 Toyozawa-cho, Himeji-shi, Hyogo	
Tokyo Head Office	Yusen Building 2F, 2-3-2 Marunouchi, Chiyoda-ku, Tokyo	
Subsidiary	WDB Co., Ltd.	Chiyoda-ku, Tokyo
	WDB KOUGAKU Co., Ltd.	Chiyoda-ku, Tokyo
	WDB coco Co., Ltd.	Chuo-ku, Tokyo
	Cobridge Co., Ltd.	Chiyoda-ku, Tokyo
	Oy Medfiles Ltd.	Vantaa, FINLAND
	NEZOT Co., Ltd.	Chiyoda-ku, Tokyo
	DOCO1 Co., Ltd.	Chiyoda-ku, Tokyo

(13) Status of Employees (As of March 31, 2025)

Number of employees	Change from end of previous term	Average age	Average lengths of service
5,452 persons (597 persons)	Increased by 61 (decreased by 7)	39.07 years old	4.54 years

(NOTE) 1. The number of employees is the number of employees employed, and the number of temporary employees (including hourly flexible employees and part-time employees) is shown outside parentheses with the average number of employees for the fiscal year under review.

2. The number of employees includes the number of regular dispatched workers.

(14) Status of Major Borrowing Banks (As of March 31, 2025)

Not applicable.

(15) Other Important Matters Related to the Current Status of the Corporate Group

Not applicable.

2. Stock of the Company (As of March 31, 2025)

- (1) Total number of authorized shares80,240,000 shares
- (2) Total number of issued shares20,060,000 shares(including 421,034 shares of treasury stock)
- (3) Number of shareholders4,341 people

(4) Top 10 shareholders

Name of shareholder	Number of shares	Shareholding ratio %
Nakano Shoten, Ltd.	9,659,600	49.19
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,311,900	6.68
SMBC Trust Bank, Ltd., Trustee of Specified Securities Trust	675,100	3.44
BBH FOR FIDELITY LOW-PRICED STOCK FUND	631,202	3.21
HIKARI TUSHIN, KK	627,600	3.20
Toshimitsu Nakano	600,000	3.06
STATE STREET BANK AND TRUST COMPANY 505044	551,098	2.81
Miki Otsuka	480,000	2.44
Nippon Life Insurance Company	400,000	2.04
Custody Bank of Japan, Ltd. (Trust Account)	386,600	1.97

(NOTE) The shareholding ratio is calculated after deducting treasury stock (421,034 shares).

- (5) Other significant matters concerning the shares
- Not applicable.

3. Matters Relating to Stock Acquisition Rights of the Company

Not applicable.

4. Matter Related to the Director of the Company

(1) Names of Directors (As of March 31, 2025)

Position	Name	Responsibilities and Important Concurrent Positions
President and CEO	Toshimitsu Nakano	Representative Director, WDB Co., Ltd. Director, WDB KOUGAKU Co., Ltd. Director, WDB coco Co., Ltd. Representative Director, NEZOT Co., Ltd. Representative Director, DOCO1 Co., Ltd.
Senior Managing Director	Miki Otsuka	Senior Managing Director, WDB Co., Ltd. Director, WDB KOUGAKU Co., Ltd. Chairman, Oy Medfiles Ltd. Representative Director, Cobridge Co., Ltd.
Managing Director	Masahisa Kato	Sales
Director	Kiyoyuki Kuroda	Attorney (Representative Member of Miyake & Partners of Legal Profession Corporation) Outside Director (Audit and Supervisory Committee Member) of Fudo Tetra Corporation
Director	Hiroshi kimura	Attorney (General Manager of Kimura Law Office) Outside Director of Fujipream Corporation Outside Audit & Supervisory Board Member of Banyo Security Co., Ltd.
Directors (Full-time Audit and Supervisory Committee Members)	Shigekazu Ukai	Corporate Auditor, WDB Co., Ltd. Corporate Auditor, WDB KOUGAKU Co., Ltd. Corporate Auditor, Cobridge Co., Ltd. Corporate Auditor, DOCO1 Co., Ltd.
Director (Audit and Supervisory Committee Member)	Satoshi Hamada	Certified Public Accountant (Representative Member of Hamada tax accountant corporation) Outside Director (Audit and Supervisory Committee Member) of NISHIMATSUYA CHAIN Co., Ltd.
Director (Audit and Supervisory Committee Member)	Tomoyoshi Arita	Attorney (Ginza Chuo Law Office) Outside Audit & Supervisory Board Member of T. HASEGAWA Co., Ltd.

- (NOTE) 1. The directors of Mr. Kiyoyuki Kuroda and Mr. Hiroshi Kimura, and Audit and Supervisory Committee Members of Mr. Satoshi Hamada and Mr. Tomoyoshi Arita, are external directors.
2. Mr. Kiyoyuki Kuroda, Mr. Hiroshi Kimura, Mr. Satoshi Hamada, and Mr. Tomoyoshi Arita are independent officers who are unlikely to have a conflict of interest with general shareholders required to be designated by the Tokyo Stock Exchange.
3. Mr. Shigekazu Ukai, Audit and Supervisory Committee Member, has many years of experience in financial institutions and has certified public tax accountants, and has considerable knowledge of finance and accounting.
4. Mr. Satoshi Hamada, Audit and Supervisory Committee Member, is a certified public accountant and has advanced financial and accounting expertise.

(2) Amount of Remuneration, etc. for Directors

Classification	Number of persons to be paid	Amount paid (thousands of yen)
Directors (excluding Audit and Supervisory Committee Members)	5 persons	144,282
(Outside Directors)	(2 persons)	(10,947)
Director (Audit and Supervisory Committee Member)	3 persons	29,368
(Outside Directors)	(2 persons)	(16,630)
Total	8 persons	173,650

- (NOTE) 1. The above payments include provision for directors' retirement benefits of 25,666 thousand yen (24,085 thousand yen for directors (excluding Audit and Supervisory Committee members) and 1,580 thousand yen for directors (Audit and Supervisory Committee members)) recorded in the current fiscal year.
2. At the 33rd Annual General Meeting of Shareholders held on June 21, 2018, the maximum amount of remuneration for directors (excluding members of the Audit and Supervisory Committee) was resolved to be within 250 million yen per year (up to 50 million yen for outside directors) (except for employees' salaries). The number of directors (excluding Audit and Supervisory Committee members) at the conclusion of the general meeting of shareholders is five (including two outside directors).
3. At the 33rd Annual General Meeting of Shareholders held on June 21, 2018, the maximum amount of remuneration for directors (Audit and Supervisory Committee members) was resolved to be within 50 million yen per year. The number of directors (Audit and Supervisory Committee members) at the conclusion of the general meeting of shareholders is three (including two outside directors).

Policy for determining remuneration for executives and directors

At a meeting of the Board of Directors held on February 5, 2021, we adopted a policy for determining the remuneration, etc. of individual directors (excluding directors who are Audit and Supervisory Committee members; hereinafter referred to as "directors").

In addition, the Board of Directors has confirmed that the method for determining the details of remuneration, etc. and the contents of remuneration, etc. determined for each individual director for the current fiscal year are consistent with the decision policy resolved by the Board of Directors, and judged that they are in line with the decision policy.

The details of the policy for determining the remuneration, etc. of individual directors are as follows.

The basic remuneration for our directors is determined on a monthly basis as fixed remuneration and retirement bonus. The basic remuneration is determined according to management ability, achievements, contributions, and other factors, taking into account the level of other companies, our performance, and the level of employee salaries.

Compensation for executives is based on a system that reflects job responsibilities and achievements, taking into account corporate performance and economic conditions.

Compensation for directors who are not Audit and Supervisory Committee members is determined by the Board of Directors after the representative director formulates a draft based on the above policy.

The specific amount of remuneration for directors who are Audit and Supervisory Committee members is determined through consultation with the directors who are Audit and Supervisory Committee members.

(3) Information on Outside Officers

1. Relationship between us and other corporations and other entities with which Outside Officers hold important concurrent positions

Mr. Kiyoyuki Kuroda, Director, also serves as Representative Member of Miyake & Partners of Legal Profession Corporation and Outside Director (Audit and Supervisory Committee Member) of Fudo Tetra Corporation. There is no specific relationship between us and Miyake & Partners of Legal Profession Corporation and Fudo Tetra Corporation.

Mr. Hiroshi Kimura, Director, also serves as General Manager of Kimura Law Office, Outside Director of Fujipream Corporation, and Outside Audit & Supervisory Board Member of Banyo Securities Co., Ltd. There is no particular relationship between us and Kimura Law Office, Fujipream Corporation and Banyo Securities Co., Ltd.

Mr. Satoshi Hamada, Director (Audit and Supervisory Committee Member), concurrently serves as Representative Member of Hamada Certified Public Tax Accountant Corporation and Outside Director (Audit and Supervisory Committee Member) of NISHIMATSUYA CHAIN Co., Ltd.. There is no particular relationship between us and Hamada Certified Public Tax Accountant Corporation and NISHIMATSUYA CHAIN Co., Ltd..

Mr. Tomoyoshi Arita, Director (Audit and Supervisory Committee Member), concurrently serves as an attorney at law at Ginza Chuo Law Office and Outside Auditor of T. HASEGAWA CO., LTD. There is no specific relationship between us and Ginza Chuo Law Office and T. HASEGAWA CO., LTD.

2. Major activities during the year

Attendance at Meetings of the Board of Directors and Audit and Supervisory Committee Meetings

Classification	Name	Status of Major Activities
Outside Director	Kiyoyuki Kuroda	Mr. Kuroda attended 14 out of the 14 meetings of the Board of Directors held during the fiscal year under review. He mainly, from a professional perspective as an attorney at law, actively expresses his opinions on the deliberations and other matters. He plays an appropriate role in ensuring the appropriateness and legality of the speech necessary for management activities and the decision-making of the Board of Directors.
	Hiroshi Kimura	Mr. Kimura attended 12 out of the 14 meetings of the Board of Directors held during the fiscal year under review. He actively expresses his opinions on the deliberations and other matters, mainly from a professional perspective as an attorney at law, and plays an appropriate role in ensuring the appropriateness and legality of the speech necessary for management activities and the decision-making of the Board of Directors.
Outside Director (Audit and Supervisory Committee Member)	Satoshi Hamada	Mr. Hamada attended 13 out of 14 meetings of the Board of Directors and 13 out of 13 meetings of the Audit and Supervisory Committee. He actively expresses his opinions from the abundant experience and perspectives it has cultivated as a certified public accountant. In particular, he provides expert advice on accounting and finance, and plays an appropriate role in ensuring the appropriateness and legality of the speech necessary for management activities and the decision-making of the Board of Directors. In the Audit and Supervisory Committee, opinions on audit results are exchanged and important matters related to audits are discussed.
	Tomoyoshi Arita	Mr. Arita attended 13 out of 14 meetings of the Board of Directors and 12 out of 13 meetings of the Audit and Supervisory Committee. He actively expresses his opinions from a professional perspective, primarily as an attorney at law, and plays an appropriate role in ensuring the appropriateness and legality of speech necessary for management activities and the decision-making of the Board of Directors. In the Audit and Supervisory Committee, opinions on audit results are exchanged and important matters related to audits are discussed.

3 Total amount of remuneration paid to outside officers

As described in "(2) Amount of Remuneration, etc. for Directors."

(4) Whether or not a full-time Audit and Supervisory Committee member has been selected and the reason therefor

Mr. Shigekazu Ukai has been selected as a full-time Audit and Supervisory Committee member in order to strengthen the auditing and supervisory functions of Audit and Supervisory Committee members, and to enable the collection of information from directors (excluding Audit and Supervisory Committee members), the sharing of information at important in-house meetings, and sufficient cooperation between the Internal Audit Division and the Audit and Supervisory Committee.

(5) Matters pertinent to the limited liability contract

Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, we have entered into agreements with Mr. Kiyoyuki Kuroda and Mr. Hiroshi Kimura (Directors), and Mr. Shigekazu Ukai, Mr. Satoshi Hamada, and Mr. Tomoyoshi Arita (Directors (Audit and Supervisory Committee Members)) to limit our liability as set forth in Article 423, Paragraph 1 of the Companies Act to the total of the amounts set forth in each item of Article 425, Paragraph 1 of the Companies Act only when there is no willful act or gross negligence in performing our duties.

(6) Matters concerning liability insurance contracts for officers, etc.

We have entered into liability insurance contracts with insurance companies for officers, etc. as set forth in Article 430-3, Paragraph 1 of the Companies Act. The scope of the insured under the applicable insurance contract is that of officers and managerial employees belonging to our group, and the insured does not bear any insurance premiums. The Company will compensate for any damage suffered by the insured due to a claim for compensation for damages, etc. filed by the insured due to the insured's error, breach of obligation, omission, etc., as a result of the applicable insurance contract. Provided, however, that in order to ensure that the appropriateness of the performance of duties by the insured is not impaired, any claim for damages, etc., arising from the intentional breach of trust, criminal act, fraud, or intentional breach of laws and regulations, shall not be covered.

5. Status of Accounting Auditors

(1) Names of accounting auditors

Deloitte Touche Tohmatsu LLC

(2) Amount of remuneration, etc. of the accounting auditor for the current business year

- | | |
|--|---------------------|
| 1. Amount of remuneration, etc. for the accounting auditor for the current fiscal year | 34,640 thousand yen |
| 2. Total amount of any money or other property benefits payable by us and our subsidiaries to the accounting auditor | 56,820 thousand yen |

(NOTE) ・Based on the Practical Guidelines on Cooperation with Accounting Auditors published by the Japan Audit & Supervisory Board Members Association, the Audit & Supervisory Committee confirms the performance of audit items in the audit plan for the previous fiscal year, the performance of audit time by rank, and the progress of remuneration amount as well as the performance of duties of the accounting auditor. After examining the appropriateness of the audit plan and remuneration amount for the current fiscal year, the Audit & Supervisory Committee has agreed to Article 399, Article 1 of the Companies Act regarding remuneration, etc. of the accounting auditor.

(3) Content of non-audit services

Not applicable.

(4) Policy for the determination of the dismissal or non-reelection of the accounting auditor

In the event the Accounting Auditor determines that it is difficult to conduct an appropriate audit due to reasons such as impairing the qualifications and independence of the Accounting Auditor, the dismissal or non-reappointment of the Accounting Auditor shall be the purpose of the meeting of shareholders by a resolution of the Audit & Supervisory Committee. In addition, in the event the Accounting Auditor is deemed to fall under any of the items of Paragraph 1 of Article 340 of the Companies Act, the Audit and Supervisory Committee shall dismiss the Accounting Auditor with the consent of all Audit and Supervisory Committee Members.

(Figures in this business report are rounded down to the nearest thousand yen and ratios are rounded off.)

**Consolidated
Balance Sheets**

(As of March 31, 2025)

(Thousands of yen)

Assets		Liabilities	
Subjects	Amount	Subjects	Amount
Current assets	27,406,101	Current liabilities	6,936,261
Cash and deposits	20,574,579	Accounts payable	2,337,858
Accounts receivable and contractual assets	6,446,076	Income taxes payable	1,029,138
Inventories	64,791	Consumption tax payable	949,795
Other	320,654	Accrued bonuses	839,991
		Other	1,779,477
Fixed assets	14,347,124	Fixed liabilities	1,575,916
Tangible fixed assets	12,068,474	Provision for directors' retirement benefits	555,825
Buildings and structures	1,218,977	Asset retirement obligations	277,395
Machinery, equipment and vehicles	165,459	Net defined benefit liability	394,648
Tools, furniture and fixtures	78,377	Other	348,047
Land	6,739,821		
Lease assets	79,745	Total liabilities	8,512,177
Construction in progress	3,786,092	Net assets	
		Shareholders' equity	31,576,318
Intangible fixed assets	149,085	Common stock	1,000,000
Other	149,085	Capital surplus	709,077
		Retained earnings	31,144,590
Investments and other assets	2,129,564	Treasury stock	-1,277,349
Lease deposits	797,393	Accumulated other comprehensive income	317,611
Insurance reserve	260,968	Unrealized gain on available-for-sale securities	40,428
Deferred tax assets	893,008	Foreign currency translation adjustments	206,733
Other	178,194	Remeasurements of defined benefit plans	70,448
		Non-controlling shareholders' equity	1,347,118
		Total net assets	33,241,048
Total assets	41,753,226	Total liabilities and net assets	41,753,226

(Figures are rounded down to the nearest thousand yen.)

Consolidated
Statements of Income

(From April 1, 2024
to March 31, 2025)

(Thousands of yen)

Subjects	Amount	
Net sales		51,136,663
Cost of sales		39,394,363
Gross profit		11,742,299
Selling, general and administrative expenses		6,673,959
Operating income		5,068,340
Non-operating income		
Subsidy income	7,424	
Other	29,549	36,973
Non-operating expenses		
Foreign exchange loss	3,175	
Other	6,759	9,935
Ordinary income		5,095,377
Extraordinary income		
Gain on sales of fixed assets	81	81
Extraordinary losses		
Loss on disposal of fixed assets	19,460	
Loss on sale of fixed assets	170	
Loss on reversal of foreign currency translation adjustments	12,722	32,352
Income before income taxes and minority interests		5,063,106
Income taxes	1,779,184	
Income taxes-deferred	-66,418	1,712,766
Net income		3,350,340
Net income attributable to non-controlling interests		299,197
Profit attributable to owners of parent		3,051,142

(Figures are rounded down to the nearest thousand yen.)

Balance Sheet

(As of March 31, 2025)

(Thousands of yen)

Assets		Liabilities	
Subjects	Amount	Subjects	Amount
Current assets	2,927,540	Current liabilities	275,750
Cash and deposits	2,651,083	Income taxes payable	199,633
Other	276,457	Accounts payable	55,782
Fixed assets	15,029,578	Other	20,334
Tangible fixed assets	11,574,926	Fixed liabilities	836,575
Building	1,013,841	Deferred tax liabilities	75,147
Construct	10,565	Provision for directors' retirement benefits	555,825
Tools, furniture and fixtures	21,928	Asset retirement obligations	205,601
Vehicles and cars	1,440	Total liabilities	1,112,325
Machinery and equipment	1,237	Net assets	
Land	6,739,821	Shareholders' equity	16,804,363
Construction in progress	3,786,092	Common stock	1,000,000
Intangible fixed assets	3,000	Capital surplus	218,024
Software	3,000	Additional paid-in capital	52,525
Investments and other assets	3,451,651	Other capital surplus	165,498
Investment securities	127,731	Retained earnings	16,863,688
Investments in affiliates	2,333,509	Legal reserve	197,474
Lease deposits	573,019	Other retained earnings	16,666,214
Insurance reserve	257,282	General reserve	2,350,000
Other	160,108	Retained earnings brought forward	14,316,214
		Treasury stock	-1,277,349
		Valuation and translation adjustments	40,428
		Unrealized gain on available-for-sale securities	40,428
		Total net assets	16,844,792
Total assets	17,957,118	Total liabilities and net assets	17,957,118

(Figures are rounded down to the nearest thousand yen.)

Income Statement

(From April 1, 2024
to March 31, 2025)

(Thousands of yen)

Subjects	Amount	
Operating revenues		4,482,593
Operating expenses		1,215,790
Operating income		3,266,803
Non-operating income		
Interest and dividend income	5,203	
Reversal of allowance for investment loss	37,656	
Other	5,161	48,021
Ordinary income		3,314,824
Extraordinary losses		
Loss on valuation of shares in subsidiaries	4	
Loss on liquidation of subsidiaries	176	181
Income before income taxes		3,314,643
Income taxes	177,948	
Income taxes-deferred	2,204	180,152
Net income		3,134,490

(Figures are rounded down to the nearest thousand yen.)

Reference documents for general meeting of shareholders

Proposed resolutions and reference matters

Proposal 1 Appropriation of Retained Earnings

The appropriation of retained earnings will be as follows.

Matters related to the year-end dividend

With regard to the year-end dividend for the 40th fiscal year, we intend to pay the following dividends in order to respond to the support of our shareholders by comprehensively considering factors such as the continuation of stable dividends and our business results for the fiscal year under review, future business development, and the status of internal reserves.

1. Type of assets to be distributed
Cash
2. Matters related to the allocation of the property for distribution to the shareholders, and the aggregate amount of the dividend
Per share of our common stock 38.50 yen Total of 756,100,191 yen
3. The day on which the dividend of surplus takes effect
June 27, 2025

Proposal 2 Partial Amendments to the Articles of Incorporation

We have decided to relocate our head office from Himeji-shi, Hyogo to Kobe-shi, Hyogo, as stipulated in Article 3 of the current Articles of Incorporation, in order to achieve further growth of our business and increase corporate value by improving access to both existing and potential clients, strengthening collaboration among each of our business locations, enhancing the corporate image of our group, and attracting talented personnel even more.

With regard to this change, we will establish a supplementary provision stating that this change will take effect on the date of relocation of the head office, which will be determined by a resolution of the Board of Directors to be held by September 30, 2025. After the effective date has passed, this supplementary provision will be deleted.

(Changes are indicated by underlining.)

Current Articles of Incorporation	Proposed Change
Articles 1 to 2 <Omission of Articles> (Location of Head Office) Article 3 The head office of the Company shall be located in Himeji City, Hyogo Prefecture. Articles 4 to 39 <Omission of Articles> (Supplementary Provisions) Article 1 <Omission of Articles> <Newly established>	Articles 1 to 2 <Unchanged> (Location of Head Office) Article 3 The head office of the Company shall be located in Kobe City, Hyogo Prefecture. Articles 4 to 39 <Unchanged> (Supplementary Provisions) Article 1 <Unchanged> <u>(Transitional Measures Concerning Location of Head Office)</u> <u>Article 2 Any change to Article 3 (Location of Head Office) shall become effective as of the Head Office Relocation Date as determined by the Board of Directors meeting to be held by September 30, 2025, and this Supplementary Provision shall be deleted after the Head Office Relocation Date has passed.</u>

Proposal 3 Election of 5 directors (excluding directors who are Audit and Supervisory Committee members)

At the conclusion of this general meeting, all directors (excluding directors who are members of the Audit and Supervisory Committee; hereinafter the same shall apply in this proposal) will expire their terms of office. Therefore, we would like to request the election of five directors.

The Company comprehensively considers the selection policy of candidates for Directors from the perspective of having the ability, knowledge, and experience to strategically and promptly make decisions on the relevant departments and businesses and to manage risks.

In addition to the external requirements set forth in the Companies Act and the independence criteria set forth by the Tokyo Stock Exchange, the Company comprehensively considers the appointment of candidates for Outside Directors from the perspective of having expertise and abundant experience in each field.

In the event of a violation of laws and regulations, the Articles of Incorporation, or any other reason deemed difficult to fulfill duties properly, the Board of Directors shall deliberate and decide on the removal of the position of such director and other dispositions.

The candidates for Directors are as follows.

Candidate Number	Name (Date of Birth)	Brief Personal History, Position, Responsibilities and Important Concurrent Positions		Number of Shares of the Company Owned
1	Toshimitsu Nakano (July 11, 1956)	1982 8 1985 7 2010 4 2011 4 2011 11 2012 12 2013 3 2014 4 2014 11 2015 6 2016 4 2017 2 2020 6 2023 11	Joined Alico Japan (currently MetLife Insurance Co., Ltd.) WORK DATABANK CORP. (currently WDB HOLDINGS CO., LTD.) President and CEO (current) Representative Director, Business Succession Partners Co., Ltd. (currently WDB Business Succession Partners Co., Ltd.) Director, ICO Co., Ltd. (currently WDB coco Co., Ltd.) (current) Representative Director, WDB Co., Ltd.(current) Representative Director, WDB KOUGAKU Co., Ltd. Director, Densuke Systems Co., Ltd. (currently WDB coco Co., Ltd.) Director, Kaken Geneqs Co., Ltd. Director, WDB KOUGAKU Co., Ltd. (current) Director, WDB Doppo Co., Ltd. (current) Director, WDB Chemical Laboratory Co., Ltd. Representative Director, NEZOT Co., Ltd. (current) Chairman and Representative Director, WDB Business Succession Partners Co., Ltd. (current) Representative Director, DOCO1 Co., Ltd. (current)	600,000 shares
2	Miki Otsuka (January 16, 1964)	1986 4 1986 9 1995 11 1996 10 2000 7 2010 4 2011 4 2011 11 2012 12 2013 3 2014 4 2015 6 2017 2 2017 3 2017 6 2020 6 2020 6 2020 6	Joined Okuuchi Building Co., Ltd. Our employment Registration of Certified Social Insurance and Labor Consultant Our directors Our Senior Managing Director (current) Director, Business Succession Partners Co., Ltd. (currently WDB Business Succession Partners Co., Ltd.) (current) President, ICO. Co., ltd. (currently WDB coco Co., Ltd.) Senior Managing Director, WDB Co., Ltd. (current) Director, WDB KOUGAKU Co., Ltd. (current) Representative Director, Densuke Systems Co., Ltd. (currently WDB coco Co., Ltd.) Representative Director, WDB University Corporation Representative Director, WDB Doppo Co., Ltd. (current) Director, NEZOT Co., Ltd.(current) Chairman, Oy Medfiles Ltd.(current) Representative Director, Cobridge Co., Ltd. (current) Director, WDB Clinical Research Co., Ltd. (currently WDB coco Co., Ltd.) Director, WDB Chemical Laboratory Co., Ltd. Director, Kaken Geneqs Co., Ltd.	480,000 shares
3	Masahisa Kato (August 27, 1955)	1979 4 2005 3 2013 3 2016 3 2019 3 2023 3 2024 4 2024 6	Joined Takenaka Corporation General Manager of Sales Department, Osaka Head Office, Takenaka Corporation Executive Officer, Takenaka Corporation Managing Executive Officer, Takenaka Corporation Director and Senior Managing Executive Officer, Takenaka Corporation Advisor, Takenaka corporation Advisor. WDB Holdings Co., Ltd. Managing Director, WDB Holdings Co., Ltd. (current)	806 shares

Candidate Number	Name (Date of Birth)	Brief Personal History, Position, Responsibilities and Important Concurrent Positions		Number of Shares of the Company Owned
4	Kiyoyuki Kuroda (January 12, 1970)	1996 4	Registration as a practicing attorney	2,047 strains
		2002 5	Miyake & Partners partnerships	
		2005 11	External auditor of our company	
		2009 6	Outside Director of our Company	
		2018 6	Outside Director of Fudo Tetra Corporation. (Audit and Supervisory Committee Member) (current)	
		2019 5	Representative Employee of Miyake & Partners (current)	
5	Hiroshi Kimura (September 5, 1963)	2003 10	Registration as a practicing attorney	2,501 shares
		2005 7	Establishment of Kimura Law Office	
			Director, Kimura Law Office (current)	
		2009 6	External auditor of our company	
		2012 6	Outside Director of the Company	
		2014 6	Outside Director, FujiPream Corporation (current)	
		2017 6	Outside Corporate Auditor of Banyo Securities Co., Ltd. (current)	

- (NOTE) 1. Mr. Toshimitsu Nakano, a director candidate, controls our management.
2. There is no special interest between the other prospective Directors and us.
3. Mr. Kiyoyuki Kuroda and Mr. Hiroshi Kimura are candidates for outside directors.
4. (1) Mr. Kiyoyuki Kuroda, an outside director candidate, has abundant experience and insight as a lawyer, and as a legal expert, we hope that he will be able to independently monitor management from an objective perspective that considers the entire corporate society, including laws and regulations, without being construed by our logic. As an outside director of the Company for 16 years, he has already received an appropriate opinion from a fair and objective standpoint, and we have determined that he will be able to continue to ask for appropriate guidance when making decisions on the Board of Directors. In addition, he has been our outside Audit and Supervisory Committee Member in the past.
- (2) Mr. Hiroshi Kimura, a candidate for outside director, has abundant experience and insight as an attorney at law, and as a legal expert, he offers recommendations to our management as a whole and hopes to receive advice on strengthening our corporate governance. As an outside director of the Company for 13 years, he has already received an appropriate opinion from a fair and objective standpoint, and we have determined that he will be able to continue to ask for appropriate guidance when making decisions on the Board of Directors. In addition, he has been our outside Audit and Supervisory Committee Member in the past.
5. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, we have entered into agreements with Mr. Kiyoyuki Kuroda and Mr. Hiroshi Kimura to limit our liability as set forth in Article 423, Paragraph 1 of the Companies Act to the total of the amounts set forth in each item of Article 425, Paragraph 1 of the Companies Act only in the event that we perform our duties in good faith and are not grossly negligent. If this proposal is approved and Mr. Kiyoyuki Kuroda and Mr. Hiroshi Kimura are reappointed, the above liability limitation agreement will continue.
6. We have concluded a liability insurance contract with an insurance company based on the provisions of Article 430-3, Paragraph 1 of the Companies Act. We have decided to cover the loss suffered by the insured due to claims for damages, non-monetary claims, and criminal prosecution brought against the insured due to errors, breaches of obligations, or omissions of our directors, directors of subsidiaries, and others. In the event each candidate is elected as a director and assumes his/her office, he/she shall become the insured of such insurance contract. The insurance contract will be renewed at the time of the next renewal.
7. We have notified the Tokyo Stock Exchange of Mr. Kiyoyuki Kuroda and Mr. Hiroshi Kimura as independent officers who are required to be designated by the Tokyo Stock Exchange.
8. The number of shares of our stock held by candidates for director is as of March 31, 2025 and includes the shares held by the Board of Directors. (Figures are rounded down to the nearest share.)
9. With respect to this agenda item, the Audit and Supervisory Committee has determined that all candidates for Director are suitable.

Proposal 4 Election of 1 Director who is an Audit and Supervisory Committee Member

In order to strengthen our corporate governance and enhance operational audits, we would like to request the election of one director who will serve as an Audit and Supervisory Committee Member.

This agenda item has been approved by the Audit and Supervisory Committee.

The candidates for Director who is Audit and Supervisory Committee member are as follows.

Name (Date of Birth)	Brief Personal History, Position, Responsibilities and Important Concurrent Positions		Number of Shares of the Company Owned
Newly appointed Minoru Meboso (July 2, 1964)	1989 9	Joined Chuo Shinko Audit Corporation	-
	1997 4	Registration as Certificated Public Accountant	
	2005 7	Partner, Chuo Aoyama Audit Corporation	
	2007 8	Partner, Deloitte Tohmatsu (currently Deloitte Touche Tohmatsu LLC)	
	2024 1	Managing Director, Meboso Certified Public Accounting Office (current)	
	2024 3	Outside Director, Daiki Axis Co., Ltd. (current)	
	2024 6	Audit & Supervisory Board Member (part-time), ZEPHYR CORPORATION (current)	

- (NOTE) 1. Mr. Minoru Meboso has had a consulting contract with the Company since April 2024. If he is elected, the contract will be terminated. The contract amount is small, and we have determined that it will not affect the independence of the outside director.
2. Mr. Minoru Meboso is a candidate for outside director.
3. Mr. Minoru Meboso, the outside director candidate, is a certified public accountant and possesses a high level of knowledge regarding finance and accounting. He can be expected to play a role as an outside director from a specialist perspective, so he was selected as outside director candidate.
4. In the event that Mr. Minoru Meboso is appointed, we plan to conclude a limited liability agreement with Mr. Minoru Meboso, pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act, to the effect that the maximum amount of liability as set forth in Paragraph 1, Article 423 of the Companies Act shall be the total amount of the amounts set forth in each item of Paragraph 1, Article 425 of the Companies Act only when there is no willful conduct or gross negligence in the performance of duties.
5. We have concluded a liability insurance contract with an insurance company based on the provisions of Article 430-3, Paragraph 1 of the Companies Act. We have decided to cover the loss suffered by the insured due to claims for damages, non-monetary claims, and criminal prosecution brought against the insured due to errors, breaches of obligations, or omissions of our directors, directors of subsidiaries, and others. In the event a candidate is elected as a director and assumes his/her office, he/she shall become the insured of such insurance contract. The insurance contract will be renewed at the time of the next renewal.