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Securities Code: 2531
December 1, 2026

To our shareholders:

Mutsumi Kimura
Director and President
**TAKARA HOLDINGS INC.**
20 Naginataboko-cho, Shijo-dori Karasuma Higashi-iru,
Shimogyo-ku, Kyoto, Japan

# Notice of Convocation of the Extraordinary General Meeting of Shareholders

We write to inform you that the Extraordinary General Meeting of Shareholders of TAKARA HOLDINGS INC. (the "Company") will be held as indicated below.
The Extraordinary General Meeting of Shareholders is being convened in response to a request from a shareholder (the "Proposing Shareholder"), and all agenda items to be submitted to the meeting have been proposed by the Proposing Shareholder. The details of the proposals are set forth in the "Reference Documents for the General Meeting of Shareholders" below. **The Company's Board of Directors opposes each of Proposals No. 1 through No. 6 submitted by the Proposing Shareholder.** Please refer to page 10 onward for the opinion of the Company's Board of Directors.
When convening the Extraordinary General Meeting, the Company has taken measures for providing in electronic format information that constitutes the contents of the Reference Documents for General Meeting of Shareholders and other relevant documents (the "Matters Subject to Electronic Provision"). Such information is posted on the Company's website below under the title "Notice of Convocation of the Extraordinary General Meeting of Shareholders." Please access the website to review the information.

https://ir.takara.co.jp/ja/Stock/StockholderMtg.html (in Japanese)

If you are unable to attend the meeting in person, you may exercise your voting rights by either via the Internet or in writing (by postal mail). Please review the Reference Documents for General Meeting of Shareholders and exercise your voting rights **by Tuesday, December 15, 2026, at 5:30 p.m. (JST).**

*** We will not prepare souvenirs for shareholders who attend the meeting.**

1. **Date and time:** Wednesday, December 16, 2026, at 10:00 a.m. (JST)
2. **Venue:** RIHGA Royal Hotel Kyoto, 2nd floor, "Shunju"
   1-Taimatsu-cho, Shiokoji-sagaru, HigashiHorikawa-dori, Shimogyo-ku, Kyoto
3. **Purpose of the Meeting**
   **Matters to be resolved:**
   **<Shareholder Proposals>**
   **Proposal No. 1: Removal of Director Masako Tomotsune**
   **Proposal No. 2: Removal of Director Tomoko Kawakami**
   **Proposal No. 3: Removal of Director Takao Motomiya**
   **Proposal No. 4: Election of One Director (Eric Johnson)**
   **Proposal No. 5: Election of One Director (Yuko Tashiro)**
   **Proposal No. 6: Election of One Director (Marc André Tousignant)**

- If you attend the meeting in person, please present the voting form at the venue's reception. The reception desk is scheduled to open at 9:00 a.m.
- For the Extraordinary General Meeting of Shareholders, the Company is sending this document containing the Matters Subject to Electronic Provision to all shareholders, regardless of whether they have requested delivery of documents in paper form.
- In addition to the Company's website on the Internet listed on page 1, items subject to measures for electronic provision are also posted on the following websites on the Internet.

  Website for the information of materials for the General Meeting of Shareholders
  https://d.sokai.jp/2531/26514064/ (in Japanese)

  Tokyo Stock Exchange website (Listed Company Search)
  https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show (in Japanese)

- Should the items subject to the measures for electronic provision, including the Reference Documents for General Meeting of Shareholders, require revisions, a message to that effect and items before and after revision will be posted on the Company's website on the Internet, listed on page 1, as well as on the website for the information of materials for the General Meeting of Shareholders and the website of Tokyo Stock Exchange (Listed Company Search) on the Internet stated above.
- The Company participates in "electronic voting platforms" for institutional investors operated by ICJ Inc.
- Proposals No. 4, No. 5, and No. 6 shall become effective only if a vacancy arises in relation to the number of directors prescribed in Article 20 of the Articles of Incorporation (seven) as a result of the approval and adoption of all or part of Proposals No. 1 through No. 3 (proposals to remove directors submitted by the Proposing Shareholder) or for any other reason. If the number of vacancies is less than the number of proposals for the appointment of directors that are approved and adopted, the approved appointment proposals shall take effect, within the number of vacancies, in descending order of the number of votes in favor for each proposal, and among proposals with the same number of votes in favor, in the order of the proposals for the appointment of Mr. Eric Johnson, Ms. Yuko Tashiro, and Mr. Marc André Tousignant (i.e., in the order of Proposals No. 4, No. 5, and No. 6 in this Request).
  Note: The above conditions and order of effectiveness are based on the proposals submitted by the Proposing Shareholder.
- If a voting form is submitted without indicating your vote for or against a proposal, you will be deemed to have voted against.
- In addition to the items mentioned above, if any items to be communicated to our shareholders occur after sending this convocation notice, a message to that effect will be posted on the Company's website on the Internet listed on page 1.

**Reference Documents for General Meeting of Shareholders**

**Proposals and Reference Information**

Proposals No. 1 through No. 6 to be submitted to the Extraordinary General Meeting of Shareholders have all been proposed by ValueAct Japan Master Fund, L.P. (the "Proposing Shareholder"). The following reproduces the contents of the proposals as notified by the Proposing Shareholder, without any changes to the original text, except for minor formatting adjustments.
**The Company's Board of Directors opposes each of Proposals No. 1 through No. 6 submitted by the Proposing Shareholder. Please refer to page 10 onward for the opinion of the Company's Board of Directors.**

## I. Matters to be Considered at the Extraordinary General Meeting

Agenda Item 1: Removal of Three Directors
Agenda Item 2: Election of Three Directors

## II. Reasons for Convening

The funds managed by ValueAct Capital Management LP (hereinafter referred to as "**ValueAct**" or "**we**") hold approximately 39.4 million shares of the Company's stock (approximately 20.0% of the total number of shares issued) in total and, collectively, are the Company's largest shareholder.

ValueAct invested in Takara Holdings with a strong belief in the Company's long-term growth and value creation potential, and an appreciation for Takara Shuzo's strong brands and stable cash flow, the growth in the Japanese food wholesale industry, and the high profitability of Takara Holdings' bourbon whiskey business (Age International, a strategic partnership with Sazerac) that now accounts for over 60% of the Company's consolidated operating profit.[1] Over more than six years, ValueAct has engaged constructively with Takara Holdings in an attempt to encourage the company to focus its strategy and improve execution. However, the Company's unfocused strategy and poor execution have persisted, resulting in missed targets, missed opportunities, and weak corporate value creation over many years:

- Takara Holdings' last Medium-Term Management Plan concluded in March 2026 and missed every financial target.[2]
- The businesses in high growth industries, Takara Bio Inc. ("**Takara Bio**") and Japanese food wholesale, have suffered from weak execution and declining profitability.
- Takara Holdings' return on equity declined to 4.6% last fiscal year and management's forecast is for return on equity to remain below 5.0% this fiscal year.[3]
- Takara Holdings' share price has underperformed the market and its peers over the medium to long-term.

**The Board's oversight failures and rejection of substantive engagement with ValueAct**

In response to the long track record of underperformance at Takara Holdings, ValueAct has requested over the course of its engagement that the Company study whether it still has the optimal medium to long-term strategy, business portfolio, and governance structure through a process that aligns with best practices for independence and robustness. The Board's response was to engage with ValueAct in form but not in substance, while also taking action to maintain the status quo.

First, in February 2026, Takara Holdings announced a value destructive tender offer for its struggling listed subsidiary Takara Bio (the "**Tender Offer**") without any evidence of robust or independent oversight from the Outside Directors. The Board of Takara Holdings approved this plan which, according to management's own 10-year forecast, does not

[1] Takara Holdings Medium-Term Management Plan for 2030 Briefing Presentation, pages 10 and 22
[2] Takara Holdings Medium-Term Management Plan for 2030 Briefing Presentation, page 10
[3] Takara Holdings Medium-Term Management Plan for 2030 Briefing Presentation, pages 52 and 53

earn its cost of capital. The Board did not ask its financial advisor to independently verify management's forecasts during the tender offer process, and months later, approved an operating profit target for Takara Bio in the Fiscal Year ending in March 2031 that is more than 20% lower than the management forecast that underpinned the tender offer valuation.[4] This, despite ValueAct's consistent engagement on the need for independent and robust study of Takara Holdings' strategy and business portfolio, the high potential for management conflicts of interest in transactions with listed subsidiaries, and the fact that this tender offer represented the largest capital outlay in the Company's history.

Second, in May 2026, Takara Holdings announced its new Medium-Term Management Plan for 2030 ("**MTMP 2030**") which recommitted the Company to the status quo strategy and business portfolio, despite the failure of the Company's previous Medium-Term Management Plan to meet any of its stated financial objectives. MTMP 2030 seeks to drive better outputs from the same inputs, with 1) no major changes to the business portfolio to improve focus, 2) limited emphasis on the largest earnings driver of the group, Age International, and 3) heavy emphasis on generating synergies across Japanese food, beverages and life sciences despite the public admission that there is currently "no overlap in business domains" between Takara Bio and Takara Holdings after decades in the same Group.[5]

Third, in the summer and fall of 2026, the Board formally declined ValueAct's requests for: (1) a holistic review of the Company's strategy and business portfolio led by the Outside Directors; and (2) substantive engagement with ValueAct on necessary changes to the Company's board composition, leadership, and governance structures; leaving no room for engagement on the topics most critical to the Company's future.

As a result, ValueAct has reluctantly concluded that, despite its strong preference for constructive engagement in private, an exercise of shareholder rights is now required, in order to protect the interests of all shareholders and unlock the Company's long-term growth potential.

**ValueAct's proposals to strengthen Board oversight**

ValueAct's proposals nominate three new Outside Directors with highly relevant business, public company governance, and functional experience and remove three incumbent Outside Directors who must be held accountable for the Company's long-term underperformance and the Board's repeated failure to effectively supervise management. ValueAct is not seeking control of Takara Holdings or the implementation of any specific business outcome. What these proposals accomplish is the formation of a Board with the skillset and experience to independently and objectively examine whether the Company's current strategy, portfolio, and leadership maximize long-term value for all shareholders.

Given the long-term underperformance of the Company, the consistent failure of the Board to effectively oversee management, the added financial and operational risk borne by shareholders following the Tender Offer for Takara Bio, the commitment made in MTMP 2030 to continue the same strategy for the next 5 years, and the increasingly intransigent approach the Company has taken to its engagement with its largest shareholder ValueAct, it has become an urgent matter to hold the incumbent Outside Directors accountable and strengthen the Board's skillset.

For the reasons stated above, the Requesting Shareholder requests that the Company promptly convene this Extraordinary General Meeting and, in connection with such convening, notify the shareholders pursuant to Article 305, Paragraph 1 of the Companies Act of the matters to be considered at the Extraordinary General Meeting as set forth in Item I above and the summary of the proposals set forth in Item III below, together with the matters concerning each director candidate as stipulated in Article 74 of the Enforcement Regulations of the Companies Act, as set forth in Item III below.

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[4] Takara Holdings Medium-Term Management Plan for 2030 Briefing Presentation page 28, Takara Holdings Inc., Tender Offer Registration Statement (公開買付届出書) for the common shares of Takara Bio Inc., February 16, 2026, page 23

[5] Takara Bio Inc., Notice Regarding Expression of Opinion in Support of, and Recommendation to Tender in, the Tender Offer for the Company's Shares by Its Parent, Takara Holdings Inc., February 13, 2026, page 25

## III. Summary of the Proposals and Reasons for the Proposals

### 1. Agenda Item 1: Removal of Three Directors

The reasons common to each proposal under Agenda Item 1 are as follows.

**[Reasons Common to Proposals No. 1 through No. 3]**

The Board has shown repeatedly that it is unable to effectively supervise management, and despite the long-term underperformance of the Company, has been unable or unwilling to independently and objectively assess whether the Company's current strategy, business portfolio, and leadership remain optimal from the perspective of long-term value creation. For these failures, the three longer-tenured Outside Directors of Takara Holdings must be held accountable.

Ms. Masako Tomotsune, Chair of the Nomination and Compensation Committee, has served as an outside director of the Company for eight years, while Ms. Tomoko Kawakami and Mr. Takao Motomiya, both members of the Nomination and Compensation Committee, have served as outside directors for seven and three years, respectively. Given that the Company's business performance has deteriorated during their tenures without any evidence of an independent and objective review of the Company's strategy, business portfolio, or governance structures, it can be said that these individuals bear some responsibility for the aforementioned failed oversight of management. The fact that these three directors have "never been involved in the management of a company except as an outside officer", according to the Company's own convocation notice, creates significant limitations in the Board's ability to effectively supervise management.[6] We believe that the candidates for new directors in Proposals No. 4 through No. 6 possess more extensive business management experience related to the Company's operations than these individuals; therefore, we propose that these new director candidates be elected to replace them, and we hereby request the removal of these individuals.

#### (1) Proposal No. 1: Removal of Director Masako Tomotsune

**(a) Summary of the Proposal**

To remove Director Masako Tomotsune.

**(b) Reasons for the Proposal**

As stated in the reasons common to proposals above.

#### (2) Proposal No. 2: Removal of Director Tomoko Kawakami

**(a) Summary of the Proposal**

To remove Director Tomoko Kawakami.

**(b) Reasons for the Proposal**

As stated in the reasons common to proposals above.

#### (3) Proposal No. 3: Removal of Director Takao Motomiya

**(a) Summary of the Proposal**

To remove Director Takao Motomiya.

**(b) Reasons for the Proposal**

As stated in the reasons common to proposals above.

[6] Takara Holdings Notice of the 115th Annual General Meeting of Shareholders dated June 2, 2026

## 2. Agenda Item 2: Election of Three Directors

The reasons common to each proposal under Agenda Item 2 are as follows.

**[Reasons Common to Proposals No. 4 through No. 6]**

To remedy the failure of the Board to effectively and objectively supervise management, we propose three new independent Outside Director candidates who bring direct management experience in relevant fields, along with deep public-company board, public-company chief executive and audit-grade accounting experience. The backgrounds and qualifications of each candidate are detailed below; specifically, Mr. Johnson is the former Representative Director of JSR Corporation and founder of JSR Life Sciences, Ms. Tashiro is the former President of Accordia Golf and an Outside Director of McDonald's Holdings Company (Japan), Ltd., and Mr. Tousignant is the former Global CFO of Suntory Global Spirits.

We believe that by providing the Board of Directors with insights based on their extensive experience, these new director candidates will help the Company's Board of Directors implement effective and objective oversight of the Company's management, and contribute to enhancing the corporate value of the Company.

For the avoidance of doubt, each candidate meets the independence standards of the Tokyo Stock Exchange, the Company's own independence standards, and is independent of ValueAct. Specifically, none of the candidates is an employee of ValueAct or a member of its investment team; none of the candidates will receive any compensation from ValueAct in connection with their duties as directors if elected; and none of the candidates has any agreement, arrangement, or understanding with ValueAct regarding how they will act as directors. In addition, there are no legal or contractual impediments related to any of the candidates' prior executive service preventing his or her candidacy or service on the Board of Directors of Takara Holdings Inc.

Even if all Proposals No. 1 through No. 6 are approved, the Board of Directors will continue to consist of seven directors, and the overall composition with four of them being independent outside directors will remain unchanged. The nominees will be incorporated into the Board, and the Requesting Shareholder does not seek control of the Board or the implementation of any specific business outcome.

### (1) Proposal No. 4: Election of One Director (Eric Johnson)

#### (a) Summary of the Proposal

To elect Mr. Eric Johnson as a director.

This proposal shall take effect only if a vacancy arises in relation to the number of directors prescribed in Article 20 of the Articles of Incorporation (seven) as a result of the approval and adoption of all or part of Proposals No. 1 through No. 3 (proposals to remove directors submitted by the Requesting Shareholder) or for any other reason. If the number of vacancies is less than the number of proposals for the appointment of directors that are approved and adopted, the approved appointment proposals shall take effect, within the number of vacancies, in descending order of the number of votes in favor for each proposal, and among proposals with the same number of votes in favor, in the order of the proposals for the appointment of Mr. Johnson, Ms. Tashiro, and Mr. Tousignant (i.e., in the order of Proposals No. 4, No. 5, and No. 6 in this Request).

#### (b) Reasons for the Proposal

As stated in the reasons common to proposals above.

**(c) Biographical Information on the Candidate**

| | |
|---|---|
| Eric Johnson (Born June 19, 1961) | |
| ■ Biographical Information, Position, Responsibilities, and Significant Concurrent Positions | |
| 1984 | Joined VLSI Technology, Inc. |
| 1988 | Joined Nikon Precision, Inc. |
| 1999 | Vice President of Technology, Nikon Precision, Inc. |
| September 2001 | Joined JSR Micro, Inc.<br>COO and Senior Vice President of Technology |
| June 2005 | President, JSR Micro, Inc. |
| 2009 | Executive Officer, JSR Corporation (the company's first foreign executive officer) |
| 2014 | Founder and Head of Strategy, JSR Life Sciences (within JSR Corporation) |
| June 2019 | JSR Corporation: Representative Director and CEO |
| June 2023 | JSR Corporation, Representative Director, President, and CEO |
| April 2025 | Director, JSR Corporation |
| | <Significant Concurrent Positions><br>None |
| Number of shares of the Company held: 0 shares | |
| ■ Reasons for Nominating the Candidate and Overview of Expected Role<br>Mr. Johnson served as Representative Director and CEO of JSR Corporation, then a publicly listed company in Japan; under his leadership, the company's stock price rose by approximately 150%. He founded JSR Life Sciences in 2014 and grew it into a global platform with sales forecast to exceed 100 billion yen (more than double the sales of Takara Bio), demonstrating deep experience in the life sciences field. He also holds two patents and is well-versed in research and development. The Requesting Shareholder proposes Mr. Johnson as a candidate for outside director, believing that his experience as the CEO of a Japanese publicly listed company, his experience in building and leading a global life sciences business, and his experience in research and development will strengthen the Board's independent governance ability. | |
| ■ Mr. Johnson is a candidate for outside director. | |
| ■ Existence of Special Interests<br>There are no special interests between Mr. Johnson and the Company. | |

**(2) Proposal No. 5: Election of One Director (Yuko Tashiro)**

**(a) Summary of the Proposal**

To elect Ms. Yuko Tashiro as a director.

This proposal shall take effect only if a vacancy arises in relation to the number of directors prescribed in Article 20 of the Articles of Incorporation (seven) as a result of the approval and adoption of all or part of Proposals No. 1 through No. 3 (proposals to remove directors submitted by the Requesting Shareholder) or for any other reason. If the number of vacancies is less than the number of proposals for the appointment of directors that are approved and adopted, the approved appointment proposals shall take effect, within the number of vacancies, in descending order of the number of votes in favor for each proposal, and among proposals with the same number of votes in favor, in the order of the proposals for the appointment of Mr. Johnson, Ms. Tashiro, and Mr. Tousignant (i.e., in the order of Proposals No. 4, No. 5, and No. 6 in this Request).

**(b) Reasons for the Proposal**

As stated in the reasons common to proposals above.

**(c) Biographical Information on the Candidate**

| | |
|---|---|
| Yuko Tashiro (Born March 14, 1954) | |
| ■ Biographical Information, Position, Responsibilities, and Significant Concurrent Positions | |
| June 1986 | Joined KPMG LLP |
| July 1995 | Audit Partner, KPMG LLP |
| November 2000 | Sourcing Leader, GE Japan (GE Corporate Japan) |
| July 2003 | Phoenix Resort Co., Ltd., Chief Financial Officer (CFO) |
| April 2005 | Aon Holdings Japan, Inc. Director, Chief Operating Officer (COO) and Chief Financial Officer (CFO) |
| April 2010 | TS Associates, Inc. Representative Director |
| September 2011 | Representative Director, GI Regional Development Research Institute Co., Ltd. |
| June 2012 | Accordia Golf Co., Ltd. – Outside Director |
| March 2016 | Audit & Supervisory Board Member, McDonald's Holdings Company (Japan), Ltd. |
| June 2016 | Representative Director and President, Accordia Golf Co., Ltd. |
| December 2017 | Director, First Tee of Japan ("FTJ") (NPO) |
| January 2018 | Chairman of the Board, Accordia Golf Co., Ltd. |
| April 2018 | Chairman and Representative Director, President and CEO, Accordia Golf Co., Ltd. |
| March 2019 | Yamaha Motor Co., Ltd. Outside Director |
| April 2021 | Chairman of the Board, Accordia Golf Co., Ltd. |
| March 2023 | Outside Director, McDonald's Holdings Company (Japan), Ltd. (current position) |
| April 2025 | Chairperson, FTJ (NPO) (current position) |
| | <Significant Concurrent Positions><br>Outside Director, McDonald's Holdings Company (Japan), Ltd.<br>Chairperson, FTJ (NPO) |
| Number of shares of the Company held: 0 shares | |
| ■ Reasons for Nominating the Candidate and Overview of Expected Role<br>Ms. Tashiro is an outside director of McDonald's Holdings Company (Japan), Ltd. and possesses extensive experience in the food industry; she has also served as an outside director of Yamaha Motor Co., Ltd. Furthermore, as the former Chairman and President of Accordia Golf Co., Ltd., a Japanese consumer services company that was listed on the Tokyo Stock Exchange, she has direct experience and expertise in capital allocation, financial management, M&A, and marketing. Drawing on her experience as a former audit partner at KPMG LLP in the United States, she will contribute to strengthening the accounting oversight functions required by the Company. The Requesting Shareholder proposes Ms. Tashiro as a candidate for outside director, believing that her combination of qualifications including experience as the CEO of a publicly listed company, her current role on the board of a Japanese publicly listed company, and her expertise in accounting and auditing standards, will strengthen the Board's independent governance ability. | |
| ■ Ms. Tashiro is a candidate for outside director. | |
| ■ Existence of Special Interests<br>There are no special interests between Ms. Tashiro and the Company. | |

**(3) Proposal No. 6: Election of One Director (Marc André Tousignant)**

**(a) Summary of the Proposal**

To elect Mr. Marc André Tousignant as a director.

This proposal shall take effect only if a vacancy arises in relation to the number of directors prescribed in Article 20 of the Articles of Incorporation (seven) as a result of the approval and adoption of all or part of Proposals No. 1 through No. 3 (proposals to remove directors submitted by the Requesting Shareholder) or for any other reason. If the number of vacancies is less than the number of proposals for the appointment of directors that are approved and adopted, the approved appointment proposals shall take effect, within the number of vacancies, in descending order of the number of votes in favor for each proposal, and among proposals with the same number of votes in favor, in the order of the proposals for the appointment of Mr. Johnson, Ms. Tashiro, and Mr. Tousignant (i.e., in the order of Proposals No. 4, No. 5, and No. 6 in this Request).

**(b) Reasons for the Proposal**

As stated in the reasons common to proposals above.

**(c) Biographical Information on the Candidate**

| | |
|---|---|
| Marc André Tousignant (Born December 3, 1963) | |
| ■ Biographical Information, Position, Responsibilities, and Significant Concurrent Positions | |
| March 1990 | Joined Avon Canada (a subsidiary of Avon Products Inc.) |
| April 1997 | Joined Avon Products Inc. |
| April 1999 | Avon Japan Inc., Chief Financial Officer (CFO) |
| June 2001 | CFO, Avon Europe, Middle East, and Africa |
| July 2005 | CFO, Avon North America |
| August 2009 | CFO, Western Europe, Middle East, Africa, Asia-Pacific, and China, Avon |
| January 2011 | Group Vice President, Service Model Transformation, Avon |
| July 2014 | Joined Beam Suntory (now Suntory Global Spirits)<br>Vice President, Global Supply Chain Finance |
| September 2016 | CFO, North America, Beam Suntory |
| January 2018 | Executive Vice President and Global Chief Financial Officer, Beam Suntory |
| | <Significant Concurrent Positions><br>None |
| Number of shares of the Company held: 0 shares | |
| ■ Reasons for Nominating the Candidate and Overview of Expected Role<br>Until 2026, Mr. Tousignant served as Executive Vice President and Global Chief Financial Officer (CFO) of Suntory Global Spirits (formerly Beam Suntory), as well as a member of its Board of Directors. He also served as Chair of the company's Capital and Investment Committee and as a member of its Audit Committee and Risk Management Committee. Prior to joining Beam Suntory in 2014, he held regional and global finance leadership positions at Avon Products, Inc. for over 20 years, including serving as Chief Financial Officer (CFO) of Avon Japan. Although western spirits account for the majority of Takara Holdings' operating profit, none of the current independent directors has experience in the western spirits business. The Requesting Shareholder proposes Mr. Tousignant as a candidate for outside director, believing that his deep expertise in the western spirits sector, combined with his experience in capital allocation, M&A, finance, and accounting will strengthen the Board's independent governance ability. | |
| ■ Mr. Tousignant is a candidate for outside director. | |
| ■ Existence of Special Interests<br>There are no special interests between Mr. Tousignant and the Company. | |

END

**Opinion of the Company's Board of Directors on the Shareholder Proposals**

**The Company's Board of Directors opposes each of Proposals No. 1 through No. 6 submitted by the Proposing Shareholder.**

**1. Opinion of the Company's Board of Directors**

After careful consideration of the Shareholder Proposals, taking into account the results of thorough discussions of the Nomination and Remuneration Committee, which is composed of a majority of independent outside directors and chaired by an independent outside director, the Company's Board of Directors has determined that the Shareholder Proposals are not appropriate from the perspective of enhancing the Company's corporate value over the medium to long term and, ultimately, protecting the common interests of all shareholders, for the reasons set forth below, and has resolved to oppose the Shareholder Proposals.

In reaching this determination, the Company has taken the following measures to ensure that no doubts arise as to the fairness of the process for considering the Shareholder Proposals:

- At meetings of the Board of Directors, outside directors who are subject to the removal proposals do not participate in the deliberations or resolutions concerning the agenda items relating to their respective removal proposals or the Board Opinion on those proposals.
- Similarly, at meetings of the Nomination and Remuneration Committee, outside directors who are subject to the removal proposals (the "Outside Directors Concerned") do not participate in the discussions of recommendations concerning their respective removal proposals.

**2. Reasons for Opposing Agenda Item 1 [Removal of Three Directors] (Proposals No. 1 through No. 3)**

**(1) The Current Composition of the Company's Board of Directors Is Optimal**

The Company's directors are elected in accordance with the process set forth in the "Takara Holdings Corporate Governance Policy." Candidates for outside director positions are subject to preliminary screening and careful deliberation by the Nomination and Remuneration Committee, following consultation by the Board of Directors. The Committee then provides its advice and recommendations to the Board of Directors, which deliberates on and determines the candidates.

The Company believes that ensuring diversity in the experience and expertise of its directors, including outside directors, is essential to addressing a wide range of management challenges and achieving sustainable enhancement of its corporate value over the medium to long term. Accordingly, from among individuals who meet certain criteria, the Company selects those considered most suitable to serve as directors, taking into account their respective abilities, knowledge, experience and expertise, with a view to ensuring that executive functions complement one another and strengthening the supervisory function of the Board of Directors, regardless of gender, nationality, professional background, age or other such attributes. Currently, four of the Company's seven directors, constituting a majority of the Board of Directors, are independent outside directors, and two of the seven directors are women.

The Company selects its directors on the premise that they possess outstanding personal integrity and sound judgment, as well as the ability to identify and resolve management challenges from a broad management perspective. In addition, outside directors are selected based on their extensive experience in their respective fields and their ability to provide advice and recommendations from an independent standpoint to ensure the soundness and appropriateness of the Board of Directors' decision-making.

Furthermore, in light of the current business environment surrounding the Company, the Board of Directors recognizes that expertise and experience in corporate management and business strategy, finance, accounting and taxation, legal affairs and compliance, human resources and labor relations, research and development and product technology, brand strategy and marketing, and overseas business and international affairs are particularly important for implementing the Company's management strategy and enhancing its corporate value over the medium to long

term. Accordingly, the Company seeks to appoint directors who collectively possess sufficient expertise and experience in these areas.

The Company's current outside directors comprise individuals with extensive knowledge and expertise in areas such as law, finance, academia and corporate management, with due consideration given to diversity of skills. The Company believes that the current composition of its Board of Directors is optimal for enhancing its corporate value over the medium to long term.

For the reasons set forth below, the Company believes that the Outside Directors Concerned are indispensable to its Board of Directors.

- Director Masako Tomotsune possesses extensive experience, a proven track record and deep expertise in corporate legal affairs and related fields, developed through her career as an attorney, and serves as Chair of the Nomination and Remuneration Committee. In her capacity as Chair of the Committee, she has led the deliberations necessary to ensure objective and transparent nomination and remuneration processes. In addition, she has actively expressed her views on compliance within the Company Group at meetings of the Board of Directors and has made proactive recommendations on the thorough implementation of ROIC-based management, business portfolio strategy, dividend policy and the enhancement of external communications, focusing on improving the effectiveness of the Board of Directors and fostering more active discussions.

- Director Tomoko Kawakami possesses extensive experience, a proven track record and deep expertise in business administration, marketing and related fields, developed through her career as a university professor and researcher in Japan and overseas, and serves as a member of the Nomination and Remuneration Committee. Her research covers areas relevant to the Company's businesses, including biomanufacturing, the business application of generative AI, and sustainability and branding. She draws on cutting-edge insights gained through international academic conferences and collaborations with overseas researchers in providing oversight and advice at meetings of the Board of Directors.

- Director Takao Motomiya possesses extensive experience and a proven track record in taxation and related fields, developed through his career with the national tax authorities and as a certified public tax accountant, and serves as a member of the Nomination and Remuneration Committee. Through his participation in meetings of the Board of Directors and various other committees and meetings, he has raised questions, expressed opinions and made recommendations from the perspectives of legal and regulatory compliance and corporate governance.

In response to an advice from the Company's current outside directors, including the three Outside Directors Concerned, that outside directors should be involved in discussions from an early stage, before specific measures are finalized, the Company has introduced regular “Pre-Board Meeting Briefing Sessions.” These sessions provide opportunities for active discussions on various measures involving outside directors before formal meetings of the Board of Directors, thereby establishing a framework that contributes to the enhancement of management strategy and organizational operations.

At meetings of the Board of Directors, each of the three Outside Directors Concerned raises questions and makes other comments, as necessary, based on their respective expertise, to assess the soundness and appropriateness of the Board of Directors' decision-making. They thus appropriately fulfill their roles in providing oversight and advice from their respective professional perspectives. In addition, as Chair or members of the Nomination and Remuneration Committee, these three Outside Directors Concerned play a role in ensuring the independence and objectivity of the Board of Directors' functions relating to the nomination of director candidates and the remuneration of directors, and appropriately fulfill these responsibilities through their activities on the Committee.

All three Outside Directors Concerned were elected at the Annual General Meeting of Shareholders held on June 26, 2026, with high approval rates (specifically, as disclosed by the Company in its Extraordinary Report, the approval rates were 93.76% for Masako Tomotsune, 93.74% for Tomoko Kawakami and 93.70% for Takao Motomiya), demonstrating strong support from the Company's shareholders (the Company also understands that the Proposing

Shareholder voted in favor of the election of the Outside Directors Concerned at that Annual General Meeting of Shareholders). Removing the Outside Directors Concerned, who were elected with the support of an overwhelming majority of the Company's shareholders, despite the fact that only approximately six months have elapsed since their election, would inevitably hinder the Company's ongoing initiatives to enhance its corporate value over the medium to long term.

**(2) The Company's Board of Directors Exercises Effective Oversight**

The Proposing Shareholder asserts that the Board of Directors has persistently failed to exercise effective oversight of management. However, as demonstrated by the following points, it is clear that the Company's Board of Directors exercises a high level of oversight.

**(a) Formulation and Implementation of the "Medium-Term Management Plan for 2030" Based on a Review of the Previous Medium-Term Management Plan**

On May 13, 2026, the Company formulated the "TaKaRa Group Medium-Term Management Plan for 2030" with the aim of returning to a growth trajectory and establishing a path toward medium- to long-term growth, with a view to realizing the "TaKaRa Group Long-Term Vision 2050." The overall policy of the Medium-Term Management Plan is to "Build a global management foundation early to support the business portfolio strategy, thereby restoring the Group to a growth trajectory and establishing a path for long-term growth." The plan aims to strengthen the management foundation necessary to make appropriate investments in each business by reviewing Group governance as well as management structures and operations for each business. Specifically, the Company has established and is currently implementing five basic policies: (i) Business Portfolio Strategy to Realize Long-Term Vision 2050; (ii) Review of Group Governance and Management Structure; (iii) Reinforcement of ROIC Discipline; (iv) Reform of the Profit Structure of Existing Businesses; and (v) Establish a Growth Path by Leveraging Group Synergies.

The Company's outside directors, including the Outside Directors Concerned, participated in the formulation of the Medium-Term Management Plan from its initial stages, and extensive discussions were held at meetings of the Board of Directors and various management committees. In particular, the Company conducted a multifaceted and detailed analysis and assessment of the results of its previous medium-term management plan, the "Medium-Term Management Plan for 2025," including the extent to which its targets were achieved and the challenges identified, and publicly disclosed the findings in its "Review of Medium-Term Management Plan for 2025." Most importantly, in formulating the new Medium-Term Management Plan, the Company recognized that, amid changes in the business environment, its Board of Directors had not sufficiently encouraged appropriate measures in each business or flexibly reassessed its policies for the allocation of management resources. With this recognition, the Company reconsidered its policies for the deployment and allocation of corporate resources across the Group and sought to establish a management structure that would enable continuous reviews of these policies, incorporating capital market perspectives. In this process, the Company also incorporated objective views on each business, drawing on the expertise and insights of its outside directors. As a result of these discussions, the Company has designated the first two years of the Medium-Term Management Plan as a period of "Structural reform, turnaround, and laying the groundwork for future growth," during which it will promptly implement reforms to its profit structure and undertake an early review of its business portfolio strategy. The plan thus incorporates bold measures that go beyond a mere extension of the Company's previous approach.

Specifically, with respect to "(i) Business Portfolio Strategy to Realize Long-Term Vision 2050" mentioned above, the Company has classified its businesses into five categories—"Core," "Cash," "Growth," "Problem," and "Creation"—based on market stage, capital efficiency and competitive advantages. To restore the Group to a growth trajectory, the Company has decided to promptly withdraw from certain business activities classified as "Problem" businesses and has announced the discontinuation of proprietary gene therapy clinical development programs in the Gene Therapy business and the withdrawal from GMP cell processing contract services in the CDMO business. Furthermore, with a view to reviewing its business portfolio strategy at an early stage (within approximately two years), the Company intends to determine whether to continue positioning the Japanese Food business as a growth business and whether to continue the CDMO and Gene Therapy businesses.

Furthermore, with respect to “(ii) Review of Group Governance and Management Structure,” the Company announced that it would establish a new management committee, primarily comprising directors and executive officers, to discuss the business portfolio strategy and continuously review policies for the investment and allocation of corporate resources. Subsequently, following extensive discussions involving outside directors, the Board of Directors resolved at its meeting held on June 15, 2026, to establish the “Business Portfolio Strategy Committee” as an advisory body to the Board of Directors, and the Committee held a meeting on September 15, 2026, with all four outside directors participating. The Committee is conducting objective assessments of capital efficiency, growth potential and other factors based on analyses incorporating external expertise and comparisons with competitors. Focusing particularly on businesses whose future direction is subject to review, the Committee is engaging in open-minded discussions on the merits of each business, without being constrained by existing strategies or plans. Going forward, under the appropriate oversight of outside directors, the Company is considering further enhancing the operation of the Committee, including through greater use of external expertise, with a view to enriching discussions that incorporate capital market perspectives and accelerating decision-making. In conjunction with these efforts, the Company will also review the Group-wide governance and management structures relating to significant investment projects, including the design and operation of management committees and other decision-making bodies.

As described above, the formulation and implementation of the Company's Medium-Term Management Plan have been carried out under the effective oversight of its current outside directors, who collectively possess a broad and well-balanced range of skills.

Furthermore, these initiatives are steadily producing results. As separately disclosed on November 10, 2026 in the “Notice Regarding Revisions to Consolidated Financial Forecasts and Dividend Forecast (Dividend Increase) for the Fiscal Year Ending March 31, 2027,” the Company has revised upward its consolidated financial forecasts for the fiscal year ending March 31, 2027. In the overseas Japanese food wholesale business, improvements in the gross profit to sales ratio and reductions in the SG&A ratio are progressing generally in line with the plan. The Takara Bio Group is also expected to achieve operating income at the level initially planned by implementing reforms to its profit structure, as described in (b) below. In addition, the Company has taken measures such as the sale of non-core real estate and the decision to sell a portion of its shares in its logistics subsidiary, Takara Logistics System Co., Ltd.

The Company believes that, in order for the Board of Directors to exercise appropriate oversight in promptly reviewing its business portfolio strategy, it is essential to draw on the advice and recommendations of the current outside directors, who were involved in formulating the Medium-Term Management Plan and have a thorough understanding of its contents and challenges.

**(b) Acquisition of Full Ownership of Takara Bio**

On February 13, 2026, the Company decided to make Takara Bio Inc. (“Takara Bio”), which had been a listed subsidiary of the Company, a wholly owned subsidiary. This decision was the result of thorough deliberations aimed at enhancing the Company's corporate value over the medium to long term, conducted through an appropriate process under the oversight of the outside directors at the Board of Directors.

As a listed subsidiary of the Company, Takara Bio had operated its business while maintaining its independence from the Company. However, Takara Bio faced structural issues, including declining competitiveness and profitability in its reagents and instruments business due to rapid changes in the life science research market and competitive environment, as well as the considerable time required to recover capital investments in its CDMO business, which is a front-loaded investment-type business.

To address these challenges facing Takara Bio, the Company considered it necessary to establish a structure that would enable prompt and flexible decision-making between the Company and Takara Bio by making Takara Bio a wholly owned subsidiary, while also completely eliminating the structural conflicts of interest between Takara Bio's minority shareholders and the Company by ending the parent-subsidiary dual-listing structure. The Company believed that this would enable it to implement Group-wide initiatives more flexibly and effectively, which had previously been constrained by corporate governance considerations. The Company further believed that, through the prompt reform of Takara Bio's profit structure, the establishment of new growth strategies and business models,

and the creation and expansion of new businesses across the Company Group, including Takara Bio, both companies would benefit, thereby enabling the Company Group to create the value it seeks to deliver and enhance its social presence, as envisioned in the “TaKaRa Group Long-Term Vision 2050.”

Following the successful completion of the tender offer for Takara Bio, the Company reassessed Takara Bio's plans in light of the considerations described above, particularly the need for prompt reform of its profit structure, including measures that represented a significant departure from its previous approach, and incorporated the results into “(iv) Reform of the Profit Structure of Existing Businesses” under the Medium-Term Management Plan. Specifically, the plan calls for the prompt implementation of various fixed-cost reduction measures, including the discontinuation of proprietary gene therapy clinical development programs, withdrawal from GMP cell processing contract services, reductions in personnel costs and maintenance costs, and closure of the Sweden site, with the aim of reducing fixed costs by approximately 2.8 billion yen by the fiscal year ending March 31, 2028 and achieving an early return to profitability. Among these measures, Takara Bio has implemented a voluntary retirement program for its own employees since June 2026. In addition, with respect to the withdrawal from the GMP cell processing contract services business, Takara Bio entered into a basic agreement constituting a definitive agreement on November 2, 2026, regarding the transfer of this business to the Sumitomo Chemical Group. Discussions are also ongoing with the Sumitomo Chemical Group regarding the transfer of Takara Bio's proprietary gene therapy clinical development programs. As for the progress of fixed-cost reductions, including other measures, the Company currently expects total reductions of 2.957 billion yen, exceeding the original plan.

This series of initiatives, including making Takara Bio a wholly owned subsidiary and promptly implementing reforms to its profit structure aimed at achieving an early return to profitability, has been carried out by the Company's Board of Directors under the appropriate oversight and guidance of its outside directors. The Company believes that continued oversight and advice from its current outside directors will be effective in enabling it to promptly determine whether to continue the CDMO and Gene Therapy businesses.

**(3) The Company's Board of Directors Has Sincerely Engaged in Constructive Dialogue with Shareholders**

The Proposing Shareholder asserts that the Company formally rejected its request for substantive dialogue. However, the Company's Board of Directors has sincerely engaged in constructive dialogue with shareholders and investors, including the Proposing Shareholder, and will continue to do so.

To contribute to the Company's sustainable growth and the enhancement of its corporate value over the medium to long term, the Company strives to respond positively to requests for dialogue from shareholders and investors to the extent reasonable. The Company has also established its “Basic Policy on Constructive Dialogue with Shareholders” and endeavors to maintain a framework that facilitates constructive dialogue with shareholders.

In accordance with this policy, the Company actively engages in dialogue with shareholders through various initiatives, including financial results briefings conducted by the President and Representative Director and the executive officer in charge of investor relations (IR), small-group meetings, sustainability small-group meetings conducted by the executive officer in charge of sustainability and other personnel, individual IR meetings attended by officers and employees, including the President and Representative Director (a total of 174 meetings during the fiscal year ended March 31, 2026), sustainability and ESG meetings conducted by the Sustainability Promotion Office and other personnel, and briefings for individual investors conducted by the executive officer in charge of IR.

The Company's Board of Directors has also sincerely engaged in dialogue with the Proposing Shareholder, and its policy of continuing such dialogue remains unchanged. Since April 2020, the Company has held more than 30 meetings with the Proposing Shareholder, although the frequency of such meetings has varied over time due to information management considerations (particularly during the period immediately preceding the acquisition of full ownership of Takara Bio). Furthermore, taking into account the wishes of the Proposing Shareholder, the Company's President and Representative Director and all of its outside directors have participated in meetings with the Proposing Shareholder, demonstrating the Company's sincere and ongoing commitment to dialogue.

In contrast, the Proposing Shareholder asserts that the Company rejected its requests for substantive dialogue with the Proposing Shareholder regarding (i) a comprehensive review of the Company's strategy and business portfolio led by outside directors and (ii) necessary changes to the composition of the Board of Directors, management and governance structure. However, the Proposing Shareholder requested that the Company's outside directors be granted authority to engage in “negotiations” with the Proposing Shareholder on these specific matters. The Company merely responded that it did not intend to accommodate such a request. The Company also informed the Proposing Shareholder that its outside directors remained willing to engage with the Proposing Shareholder in its capacity as a shareholder to the extent reasonable. Accordingly, there is no factual basis whatsoever for the assertion that the Company substantively rejected dialogue with the Proposing Shareholder.

As described above, the Company has set forth its approach to a business portfolio strategy aligned with its Long-Term Vision in the “TaKaRa Group Medium-Term Management Plan for 2030.” The strategy was developed and determined through extensive internal discussions, taking into account the views of shareholders and investors, including, of course, those expressed during the Company's previous dialogue with the Proposing Shareholder.

The Company's Board of Directors remains committed to continuing sincere and constructive dialogue with shareholders and investors, including the Proposing Shareholder. Accordingly, the assertions made by the Proposing Shareholder do not constitute grounds for removing the Outside Directors Concerned.

**(4) Conclusion**

For the reasons set forth above, the Company's Board of Directors firmly believes that steadily advancing initiatives to enhance corporate value, including the Medium-Term Management Plan, under the oversight and guidance of the Board of Directors, including the current outside directors, will contribute to enhancing the Company's corporate value and, ultimately, serve the common interests of all shareholders.

The Company's Board of Directors believes that its current composition is optimal in terms of size and balance of skills and that it appropriately fulfills its oversight function. Accordingly, the Board of Directors has determined that the three Outside Directors Concerned should not be removed and opposes each of Proposals No. 1 through No. 3.

**3. Reasons for Opposing Agenda Item 2 [Election of Three Directors] (Proposals No. 4 through No. 6)**

Members of the Company's Nomination and Remuneration Committee (excluding the Outside Directors Concerned) interviewed all of the outside director candidates proposed by the Proposing Shareholder, and the Company's Nomination and Remuneration Committee and Board of Directors carefully considered the proposals.

However, even after taking into account the results of these interviews, the Company concluded that there is no necessity or reasonable justification for removing the Outside Directors Concerned and electing the proposed candidates in their place, given that the current outside directors play indispensable roles on the Company's Board of Directors and fully exercise their oversight functions.

Accordingly, the Company's Board of Directors opposes each of Proposals No. 4 through No. 6.

End