



June 9, 2026

Company name: ITFOR Inc.
Name of representative: Koji Sakata, President and Representative Director
(Securities code: 4743; TSE Prime Market)
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Company's View on the Recommendation Against Proposal No. 2 at the 67th Annual General Meeting of Shareholders by Proxy Advisory Firm ISS

ITFOR Inc. (the "Company") has confirmed that Institutional Shareholder Services, Inc., a proxy advisory firm (hereinafter "ISS"), has issued a report recommending a vote against some of the candidates for Director regarding Proposal No. 2, "Election of 5 Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)," at the 67th Annual General Meeting of Shareholders scheduled to be held on Friday, June 19, 2026.

The Company respectfully requests its shareholders to review the Company's view below and consider the proposal.

1. ISS's Recommendation Against Proposal No. 2, "Election of 5 Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)"

ISS recommends a vote against the proposal for the election of Director candidates for the following reason:

Candidate No.	Name	Reason for the Recommendation Against
1	Tsunenori Sato	ISS recommends a vote "against" the election of the top executive Director as the Company meets its quantitative criteria of cross-shareholdings accounting for 20% or more of net assets.
2	Koji Sakata	

2. The Company's View on the Recommendation Against

Under the capital policy in the 4th Medium-Term Management Plan, the Company has been actively making CVC investments as a means of investment to expand its business domains.

However, because the value of these CVC investments is classified as "investment shares held for purposes other than pure investment (hereinafter 'cross-shareholdings')" in the Annual Securities Report, the value of the Company's "cross-shareholdings" accounts for 21.48% of its net assets. As a result, ISS recommends a vote "against" the election of the top executive Director as the Company meets its quantitative criteria of cross-shareholdings accounting for 20% or more of net assets.

Therefore, considering that the Company views CVC investments as one of the key measures to enhance corporate value, that they are different in nature from "mutually held shares" as generally interpreted, and that the Company will continue to discuss future investments, the Company concludes that these investments do not fall under "cross-shareholdings" in substance. Based on this view, the Company will disclose its Annual Securities Report for the current fiscal year by classifying its shareholdings into 3 categories: "shares held for strategic purposes," "shares held for cross-shareholding purposes," and "shares held for pure investment purposes."

As a result, when taking this classification into account, the Company's "shares held for cross-shareholding purposes" account for 12.42% of its net assets, which falls below the 20% threshold used by ISS as a guideline for its

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recommendation against.

Furthermore, from the perspective of mitigating shareholding risks and improving capital efficiency, the Company's basic policy is to reduce the balance of "shares held for cross-shareholding purposes." The Company will continue to further promote this reduction after thorough dialogue with its business partners.

The Company respectfully requests its shareholders and investors to review the Company's view above and carefully consider their voting decisions.

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