

September 6, 2021

To Our Shareholders:

2-12-24 Shibuya, Shibuya-ku, Tokyo

QB Net Holdings Co., Ltd.

Yasuo Kitano, President CEO

Notice of the 7th Ordinary General Meeting of Shareholders

We would like to express our sincere appreciation for your continued support.

We would like to inform you that we will convene our 7th Ordinary General Meeting of Shareholders as follows.

To prevent the spread of Novel Coronavirus (COVID-19) infections, we request that shareholders examine the reference materials below concerning this year's General Meeting of Shareholders, exercise your voting rights in advance in writing or through the Internet, etc., by 5:00 p.m. on Tuesday, September 21, 2021, if possible, and, regardless of your current health condition, please refrain from coming to the meeting venue on the date of the General Meeting of Shareholders.

1. **Date:** 10:00 a.m., Wednesday, September 22, 2021
(Reception begins at 9:30 a.m.)
2. **Venue:** Tokyo Women's Plaza Hall
5-53-67 Jingumae, Shibuya-ku, Tokyo
3. **Purposes:**
 - Items to be reported:**
 1. The business report, the consolidated financial statements and the results of consolidated financial statement audits by the Accounting Auditor and the Board of Auditors for the 7th business period (July 1, 2020 to June 30, 2021)
 2. The non-consolidated financial statements for the 7th business period (July 1, 2020 to June 30, 2021)
 - Items to be resolved:**
 - Proposal 1:** Partial Amendments to the Articles of Incorporation
 - Proposal 2:** Election of Four (4) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
 - Proposal 3:** Election of Four (4) Directors Who Are Audit and Supervisory Committee Members
 - Proposal 4:** Setting of the Amount of Directors' Remuneration (Excluding Directors Who Are Audit and Supervisory Committee Members)
 - Proposal 5:** Setting of the Amount of Remuneration for Directors Who Are Audit and Supervisory Committee Members

*Internet Disclosure

If any revisions are made to the reference documents for the Ordinary General Meeting of Shareholders, the business report, the consolidated financial statements, and the non-consolidated

financial statements, the revisions will be posted on the Company's website (<http://www.qbnet.jp/>). Pursuant to relevant laws and regulations and Article 14 of the Company's Articles of Incorporation, among documents to be attached to this notice, "System to Ensure the Appropriateness of Business Operations and Outline of Implementation Status of Such Systems" in the business report, "Consolidated Statement of Changes in Equity" and "Notes on Consolidated Financial Statements" in the consolidated financial statements, and "Unconsolidated Statement of Changes in Net Assets" and "Notes on Unconsolidated Financial Statements" in the unconsolidated financial statements are posted on the Company's website and not attached to this notice. Attached documents to this notice are part of the documents that were audited by the Board of Auditors and the Accounting Auditor in preparing the Audit Report.

Reference Document for the General Meeting of Shareholders

Proposals and Referential Matters

Proposal 1: Partial Amendments to the Articles of Incorporation

(1) Reason for the Proposal

Since the Company intends to become a company with an Audit and Supervisory Committee to further improve corporate governance, it will establish new provisions for the Audit and Supervisory Committee and Directors who are Audit and Supervisory Committee Members and abolish the provisions for the Statutory Auditors and Board of Statutory Auditors as well as establish supplementary provisions as a transitional measure accompanying the abolition of the provisions for exemption from liability of Statutory Auditors.

(2) Details of the Amendments

Details of the amendments to be made are as follows.

The Company proposes that the amendments to the Articles of Incorporation in this proposal be made effective upon the conclusion of the Ordinary General Meeting of Shareholders.

(Underlines indicate changes.)

Current Articles of Incorporation	Proposed Amendments
CHAPTERS I through III (provisions omitted)	CHAPTERS I through III (unchanged)
CHAPTER IV. Directors and Board of Directors	CHAPTER IV. Directors and Board of Directors
Article 18. (Provisions omitted)	Article 18. (Unchanged)
(Number of Directors)	(Number of Directors)
Article 19. The Company shall have no more than <u>twelve</u> <u>(12)</u> Directors. (Newly established)	Article 19. 1. The Company shall have no more than <u>seven</u> <u>(7) Directors (excluding those who are Audit and</u> <u>Supervisory Committee Members).</u> 2. <u>The Company shall have no more than five</u> <u>(5) Directors who are Audit and Supervisory</u> <u>Committee Members (hereinafter referred to as</u> <u>"Audit and Supervisory Committee Members").</u>
(Method of Election)	(Method of Election)
Article 20. 1. Directors shall be elected by resolution of a General Meeting of Shareholders. 2. (Provisions omitted) 3. (Provisions omitted)	Article 20. 1. Directors shall be elected by resolution of a General Meeting of Shareholders, <u>by distinguishing between</u> <u>Audit and Supervisory Committee Members and</u> <u>other Directors.</u> 2. (Unchanged) 3. (Unchanged)

Current Articles of Incorporation	Proposed Amendments
<p>(Notice of Convocation)</p> <p>Article 24.</p> <p>Notice of the convocation of a meeting of the Board of Directors shall be dispatched to each Director <u>and Statutory Auditor</u> at least three (3) days prior to the date of such meeting; provided, however, that <u>a meeting of the Board of Directors may be held without taking convocation procedures if the consent of all Directors and Statutory Auditors is obtained.</u></p> <p style="text-align: center;">(Newly established)</p> <p style="text-align: center;">(Newly established)</p>	<p>(Notice of Convocation)</p> <p>Article 24.</p> <ol style="list-style-type: none"> 1. Notice of the convocation of a meeting of the Board of Directors shall be dispatched to each Director at least three (3) days prior to the date of such meeting; provided, however, that <u>such period may be shortened in case of urgent necessity.</u> 2. <u>A meeting of the Board of Directors may be held without taking convocation procedures if the consent of all Directors is obtained.</u> <p>(Delegation of Execution of Important Business)</p> <p>Article 25.</p> <p><u>Pursuant to the provisions of Article 399-13, paragraph (6) of the Companies Act, the Company may delegate all or part of the decision-making concerning the execution of important business (excluding the matters listed in the items of Article 399-13, paragraph (5) of the said Act) to Directors (excluding Audit and Supervisory Committee Members) by resolution of the Board of Directors.</u></p>
<p>(Method of Resolution of the Board of Directors)</p> <p>Article 25. (Provisions omitted)</p> <p style="text-align: center;">(Newly established)</p>	<p>(Resolution Method, etc. of the Board of Directors)</p> <p>Article 26. (Unchanged)</p> <ol style="list-style-type: none"> 2. <u>If all of the Directors (limited to those who are entitled to participate in the vote on the relevant matter) consent in writing or by means of electromagnetic records, the Company shall deem that a resolution approving such matter for resolution has been adopted by the Board of Directors.</u>
<p>(Omission of Resolution of the Board of Directors)</p> <p>Article 26.</p> <p><u>If all of the Directors (limited to those who are entitled to participate in the vote on the relevant matter) consent in writing or by means of electromagnetic records with respect to a matter to be resolved by the Board of Directors, the Company shall deem that a resolution approving such matter for resolution has been adopted by the Board of Directors; provided, however, that this shall not apply to the case where a Statutory Auditor makes an objection.</u></p>	<p style="text-align: center;">(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Minutes of the Board of Directors Meetings) Article 27. The substance of the proceedings and the results of a meeting of the Board of Directors, and other matters provided for by laws and regulations shall be stated or recorded in minutes, which shall bear the names and seals or the electronic signatures of the Directors <u>and Statutory Auditors</u> present at the meeting.</p> <p>Article 28. (Provisions omitted)</p> <p>(Remuneration, etc. for Directors) Article 29. The remuneration, <u>etc.</u> for Directors shall be determined by resolution of a General Meeting of Shareholders.</p> <p>Article 30. (Provisions omitted)</p>	<p>(Minutes of the Board of Directors Meetings) Article 27. The substance of the proceedings and the results of a meeting of the Board of Directors, and other matters provided for by laws and regulations shall be stated or recorded in minutes, which shall bear the names and seals or the electronic signatures of the Directors present at the meeting.</p> <p>Article 28. (Unchanged)</p> <p>(Remuneration, etc. for Directors) Article 29. The remuneration <u>and bonuses</u> for Directors, <u>and other economic benefits to be received by Directors from the Company as consideration for the performance of their duties (hereinafter referred to as "Remuneration")</u> shall be determined by resolution of a General Meeting of Shareholders, <u>by distinguishing between Audit and Supervisory Committee Members and other Directors.</u></p> <p>Article 30. (Unchanged)</p>
<p><u>CHAPTER V. STATUTORY AUDITORS AND BOARD OF STATUTORY AUDITORS</u></p> <p><u>(Appointment of Statutory Auditors and Establishment of a Board of Statutory Auditors)</u></p> <p><u>Article 31.</u> The Company shall have Statutory Auditors and a Board of Statutory Auditors.</p> <p><u>(Number of Directors)</u> <u>Article 32.</u> The Company shall have no more than four (4) Statutory Auditors.</p> <p><u>(Method of Election)</u> <u>Article 33.</u> 1. <u>Statutory Auditors shall be elected by resolution of a General Meeting of Shareholders.</u> 2. <u>A resolution to elect Statutory Auditors shall be adopted by a majority of the votes represented at a meeting at which shareholders holding one-third (1/3) or more of the total number of voting rights of all shareholders who are entitled to exercise their voting rights are present.</u></p>	<p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>(Term of Office)</u> <u>Article 34.</u> 1. <u>The term of office of Statutory Auditors shall be until the close of the Ordinary General Meeting of Shareholders pertaining to the last fiscal year ending within four (4) years following their election.</u> 2. <u>The term of office of a Statutory Auditor elected to fill a vacancy of a Statutory Auditor who has retired before the expiration of his or her term of office shall continue until the expiration of the term of office of the retired Statutory Auditor.</u></p>	(Deleted)
<p><u>(Full-time Statutory Auditors)</u> <u>Article 35.</u> <u>The Board of Statutory Auditors shall appoint full-time Statutory Auditors by its resolution.</u></p>	(Deleted)
<p><u>(Notice of Convocation of a Board of Statutory Auditors Meeting)</u> <u>Article 36.</u> 1. <u>Notice of the convocation of a meeting of the Board of Statutory Auditors shall be dispatched to each Statutory Auditor at least three (3) days prior to the date of such meeting; provided, however, that such period may be shortened in case of an urgent need to convene a meeting.</u> 2. <u>A meeting of the Board of Statutory Auditors may be held without taking convocation procedures if the consent of all Statutory Auditors is obtained.</u></p>	(Deleted)
<p><u>(Method of Resolution of the Board of Statutory Auditors)</u> <u>Article 37.</u> <u>Unless otherwise provided for by laws and regulations, a resolution of the Board of Statutory Auditors shall be adopted by an affirmative vote of a majority of Statutory Auditors.</u></p>	(Deleted)
<p><u>(Minutes of the Board of Statutory Auditors Meetings)</u> <u>Article 38.</u> <u>The substance of the proceedings and the results of a meeting of the Board of Statutory Auditors, and other matters provided for by laws and regulations shall be stated or recorded in minutes, which shall bear the names and seals or the electronic signatures of the Statutory Auditors present at the meeting.</u></p>	(Deleted)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Regulations of the Board of Statutory Auditors)</u> <u>Article 39.</u> <u>Matters relating to the Board of Statutory Auditors shall be governed by the Regulations of the Board of Statutory Auditors to be established by the Board of Statutory Auditors, in addition to applicable laws and regulations or these Articles of Incorporation.</u></p>	(Deleted)
<p><u>(Remuneration, etc.)</u> <u>Article 40.</u> <u>The remuneration, etc. for Statutory Auditors shall be determined by resolution of a General Meeting of Shareholders.</u></p>	(Deleted)
<p><u>(Exemption from Liability of Statutory Auditors)</u> <u>Article 41.</u> 1. <u>Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt a Statutory Auditor (including a former Statutory Auditor) from liability for damages due to failure to perform his or her duties, to the extent permitted by laws and regulations.</u> 2. <u>Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with Statutory Auditors to limit their liability for damages caused by failing to perform their duties; provided, however, that the maximum amount of liability under such agreement shall be the amount stipulated by laws and regulations.</u></p> <p>(Newly established) (Newly established)</p> <p>(Newly established)</p>	(Deleted)
	<p><u>CHAPTER V. AUDIT AND SUPERVISORY COMMITTEE</u> <u>(Establishment of an Audit and Supervisory Committee)</u> <u>Article 31.</u> <u>The Company shall have an Audit and Supervisory Committee.</u></p> <p><u>(Full-time Audit and Supervisory Committee Members)</u> <u>Article 32.</u> <u>The Audit and Supervisory Committee may appoint full-time Audit and Supervisory Committee Members from among Audit and Supervisory Committee Members by its resolution.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">CHAPTER VII. ACCOUNTS</p> <p>Articles 46 to 48 (Provisions omitted)</p> <p>(Statute of Limitations for Year-End Dividends, etc.) Article 49.</p> <ol style="list-style-type: none"> 1. If any year-end dividends <u>or</u> interim dividends remain unreceived within three (3) years from the date of commencement of payment, the Company shall be discharged from its obligation to pay such dividends. 2. Accrued year-end dividends <u>and</u> interim dividends shall bear no interest. <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">CHAPTER VII. ACCOUNTS</p> <p>Articles 41 to 43 (Unchanged)</p> <p>(Statute of Limitations for Year-End Dividends, etc.) Article 44.</p> <ol style="list-style-type: none"> 1. If any year-end dividends <u>or</u> interim dividends remain unreceived within three (3) years from the date of commencement of payment, the Company shall be discharged from its obligation to pay such dividends. 2. Accrued year-end dividends <u>and</u> interim dividends shall bear no interest. <p><u>Supplementary Provisions</u> <u>(Transitional Measures for Exemption from Liability of Statutory Auditors, etc. Prior to Transition to Company with Audit and Supervisory Committee)</u> <u>The exemption from liability of Statutory Auditors (including former Statutory Auditors) for the acts provided for in Article 423, paragraph (1) of the Companies Act prior to the conclusion of the Seventh (7th) Ordinary General Meeting of Shareholders held in September 2021, and liability limitation agreements executed with Statutory Auditors shall be governed by the provisions of Article 41 of the Articles of Incorporation prior to the amendment by resolution of the said General Meeting of Shareholders.</u></p>

Proposal 2: Election of Four (4) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The Company will become a company with an Audit and Supervisory Committee upon the conclusion of the Ordinary General Meeting of Shareholder if Proposal 1: Partial Amendments to the Articles of Incorporation is approved as originally proposed, and the term of office of all current (seven) Directors will expire.

Therefore, the Company hereby requests the appointment of four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter, the same shall apply to this proposal). The Company proposes that this proposal take effect on the condition that Proposal 1: Partial Amendments to the Articles of Incorporation is approved as originally proposed, and the resolution of the proposal makes the amendments to the Articles of Incorporation effective.

The candidates for Directors are as follows.

No.	Candidate	Brief profile, position and responsibility at the Company, and significant concurrent positions	
1	<p style="text-align: center;">Yasuo Kitano Re-election</p> <p>Date of birth June 26, 1969</p> <p>Gender Male</p> <p>Number of the Company's shares owned 392,000 shares</p>	<p>February 2005 September 2005 March 2006 September 2008 October 2009 June 2011 February 2012 September 2016</p>	<p>Joined QB Net Co., Ltd. Director, Manager of Corporate Planning Office, QB Net Co., Ltd. Director, General Manager of Administration Department, QB Net Co., Ltd. Executive Managing Director, Manager of Corporate Planning Office and General Manager of Administration Department, QB Net Co., Ltd. President CEO, QB Net Co., Ltd. (incumbent) Director CEO, QB NET INTERNATIONAL HOLDINGS PTE. LTD. (incumbent) Director CEO, QB NET INTERNATIONAL PTE. LTD. (incumbent) Director CEO, QB House (Hong Kong) Limited (incumbent) President, QB House (Taiwan) Ltd. (incumbent) President CEO, the Company (incumbent) Director, QB HOUSE USA INC. (incumbent)</p>
		<p>(Reasons for nomination as a candidate for Director) He serves as President CEO of the Company and QB Net Co., Ltd., and has a wealth of knowledge and experience in the haircut business. We deem him as appropriate for promoting the management of the Company Group, and therefore nominate him again as a candidate for Director.</p>	

No.	Candidate	Brief profile, position and responsibility at the Company, and significant concurrent positions	
2	<p data-bbox="368 367 544 427">Yusuke Iriyama <u>Re-election</u></p> <p data-bbox="336 524 552 584">Date of birth December 12, 1974</p> <p data-bbox="336 613 416 674">Gender Male</p> <p data-bbox="336 703 536 824">Number of the Company's shares owned 91,300 shares</p>	<p data-bbox="603 255 778 315">January 2003 September 2004</p> <p data-bbox="603 344 735 405">March 2006</p> <p data-bbox="603 412 778 472">December 2013</p> <p data-bbox="603 479 711 539">July 2015</p> <p data-bbox="603 546 778 607">September 2016</p> <p data-bbox="603 613 778 674">September 2019</p>	<p data-bbox="858 255 1114 284">Joined QB Net Co., Ltd.</p> <p data-bbox="858 291 1366 351">Director, Manager of Business Department, QB Net Co., Ltd.</p> <p data-bbox="858 358 1299 418">Managing Director, Manager of Business Department, QB Net Co., Ltd.</p> <p data-bbox="858 425 1350 486">Managing Director, General Manager of Sales Department, QB Net Co., Ltd.</p> <p data-bbox="858 492 1347 553">Managing Director, General Manager of East Japan Business Department, QB Net Co., Ltd.</p> <p data-bbox="858 560 1214 589">Managing Director, the Company</p> <p data-bbox="858 595 1326 656">Executive Managing Director, the Company (incumbent)</p> <p data-bbox="858 663 1374 723">Executive Managing Director, General Manager of East Japan Business Department, QB Net Co., Ltd. (incumbent)</p>
3	<p data-bbox="360 958 552 1019">Makoto Miyazaki <u>Re-election</u></p> <p data-bbox="336 1115 552 1176">Date of birth December 17, 1968</p> <p data-bbox="336 1205 416 1265">Gender Male</p> <p data-bbox="336 1294 536 1415">Number of the Company's shares owned 64,000 shares</p>	<p data-bbox="603 943 746 1003">January 2001 May 2004</p> <p data-bbox="603 1032 778 1093">December 2013</p> <p data-bbox="603 1099 711 1160">July 2015</p> <p data-bbox="603 1189 778 1249">September 2016</p>	<p data-bbox="858 943 1114 972">Joined QB Net Co., Ltd.</p> <p data-bbox="858 978 1374 1039">Director, General Manager of Sales Department, QB Net Co., Ltd.</p> <p data-bbox="858 1046 1382 1106">Director, General Manager of Store Management Department, QB Net Co., Ltd.</p> <p data-bbox="858 1113 1299 1173">Director, General Manager of West Japan Business Department, QB Net Co., Ltd. (incumbent)</p> <p data-bbox="858 1180 1235 1209">Director, the Company (incumbent)</p>
		<p data-bbox="603 1227 1171 1256">(Reasons for nomination as a candidate for Director)</p> <p data-bbox="603 1263 1394 1406">He serves as the person in charge of the east Japan area for QB Net Co., Ltd., and has a wealth of knowledge and experience in the haircut business. We deem him as appropriate for promoting the management of the Company Group, and therefore nominate him again as a candidate for Director.</p>	
		<p data-bbox="603 1227 1171 1256">(Reasons for nomination as a candidate for Director)</p> <p data-bbox="603 1263 1394 1406">He serves as the person in charge of the west Japan area for QB Net Co., Ltd., and has a wealth of knowledge and experience in the haircut business. We deem him as appropriate for promoting the management of the Company Group, and therefore nominate him again as a candidate for Director.</p>	

No.	Candidate	Brief profile, position and responsibility at the Company, and significant concurrent positions
4	<p data-bbox="347 331 560 394">Osamu Matsumoto <u>Re-election</u></p> <p data-bbox="336 488 480 551">Date of birth July 14, 1971</p> <p data-bbox="336 577 416 640">Gender Male</p> <p data-bbox="336 674 536 797">Number of the Company's shares owned 84,000 shares</p>	<p data-bbox="600 255 1374 318">January 2004 Joined QB Net Co., Ltd. September 2013 Director, QB NET INTERNATIONAL HOLDINGS PTE. LTD. (incumbent) Director, QB NET INTERNATIONAL PTE. LTD. (incumbent) Director, QB House (Hong Kong) Limited (incumbent)</p> <p data-bbox="600 472 1337 535">December 2013 Director, General Manager of Administration Department, QB Net Co., Ltd. (incumbent)</p> <p data-bbox="600 539 1337 629">September 2016 Director, General Manager of Administration Department, the Company (incumbent) Director, QB HOUSE USA INC. (incumbent)</p> <p data-bbox="600 633 1369 656">September 2018 President, QB House (Taiwan) Ltd. (incumbent)</p> <p data-bbox="600 660 1394 842">(Reasons for nomination as a candidate for Director) He serves as the person in charge of the administration department of the Company and QB Net Co., Ltd., and has a wealth of knowledge and experience in the haircut business. We deem him as appropriate for promoting the management of the Company Group, and therefore nominate him again as a candidate for Director.</p>

Notes:

1. There are no special conflicts of interest between the above mentioned candidates and the Company.
2. The Company has concluded a directors and officers liability limitation agreement, provided for in Article 430-3, paragraph 1 of the Companies Act, with an insurance company and plans to renew the agreement. If each candidate is elected and takes office, he or she will become the insured person of the agreement. This agreement covers litigation fees, compensation for damages, etc. arising from corporate litigation, shareholders' derivative suits, third-party litigation, etc., borne by insured persons in the course of their duties.

Proposal 3: Election of Four (4) Directors Who Are Audit and Supervisory Committee Members

The Company will become a company with an Audit and Supervisory Committee upon the conclusion of the Ordinary General Meeting of Shareholders if Proposal 1: Partial Amendments to the Articles of Incorporation is approved as originally proposed.

Therefore, the Company hereby requests the appointment of four (4) Directors who are Audit and Supervisory Committee Members.

The Company proposes that this proposal take effect on the condition that Proposal 1: Partial Amendments to the Articles of Incorporation is approved as originally proposed, and the resolution of the proposal makes the amendments to the Articles of Incorporation effective.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows.

No.	Candidate	Brief profile, position and responsibility at the Company, and significant concurrent positions	
1	<p>Tatsushi Omiya <u>Re-election</u></p> <p>Date of birth September 14, 1973</p> <p>Gender Male</p> <p>Number of the Company's shares owned -</p>	<p>April 1998</p> <p>April 2002</p> <p>October 2003</p> <p>July 2012</p> <p>December 2013</p> <p>September 2014</p> <p>June 2015</p> <p>September 2017</p> <p>October 2018</p> <p>April 2021</p> <p>July 2021</p>	<p>Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p>Joined Training and Research Institute for Court Officials, Supreme Court of Japan</p> <p>Registered at Tokyo Bar Association</p> <p>Joined Mori Hamada & Matsumoto</p> <p>Partner, CITY LAW OFFICES</p> <p>Auditor, QB Net Co., Ltd.</p> <p>Supervisory Director, Sekisui House Reit, Inc. (incumbent)</p> <p>Auditor, the Company</p> <p>Outside Director, the Company (incumbent)</p> <p>Partner, Lex Law Office</p> <p>Outside Director, BTC Corporation (incumbent)</p> <p>Representative Partner, Lex Law Office (incumbent)</p>
		<p>(Reasons for nomination as a candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the expected role)</p> <p>He serves as a representative partner in Lex Law Office, and has a wealth of knowledge and experience as an attorney. Therefore, we expect him to supervise management from a professional perspective as an attorney, and we request that he be elected as an Outside Director who is an Audit and Supervisory Committee Member. He has no experience in corporate management other than in the way of becoming an outside officer, but based on the reasons mentioned above, we judged that he will be able to appropriately execute duties as an Outside Director.</p>	

No.	Candidate	Brief profile, position and responsibility at the Company, and significant concurrent positions	
2	<p data-bbox="368 349 536 412">Tadao Kikuchi <u>Re-election</u></p> <p data-bbox="331 506 536 568">Date of birth December 4, 1965</p> <p data-bbox="331 600 411 663">Gender Male</p> <p data-bbox="331 689 536 801">Number of the Company's shares owned -</p>	<p data-bbox="603 255 719 282">April 1988</p> <p data-bbox="603 318 759 344">February 2000</p> <p data-bbox="603 349 719 376">April 2004</p> <p data-bbox="603 412 735 439">March 2010</p> <p data-bbox="603 443 715 470">May 2010</p> <p data-bbox="603 474 735 501">March 2016</p> <p data-bbox="603 506 759 533">February 2018</p> <p data-bbox="603 537 735 564">March 2019</p> <p data-bbox="603 568 719 595">April 2020</p>	<p data-bbox="850 255 1366 318">Joined The Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.)</p> <p data-bbox="850 322 1353 349">Joined Tokyo Branch, Deutsche Securities Inc.</p> <p data-bbox="850 353 1305 416">Joined ROYAL Co., Ltd. (currently Royal Holdings Co., Ltd.)</p> <p data-bbox="850 421 1233 448">President, Royal Holdings Co., Ltd.</p> <p data-bbox="850 452 1129 479">Director, HUB CO., LTD.</p> <p data-bbox="850 483 1326 510">Chairman & CEO, Royal Holdings Co., Ltd.</p> <p data-bbox="850 515 1321 542">Outside Director, the Company (incumbent)</p> <p data-bbox="850 546 1374 573">Chairman, Royal Holdings Co., Ltd. (incumbent)</p> <p data-bbox="850 577 1326 640">Special Professor, the Graduate School of Management, Kyoto University (incumbent)</p>
3	<p data-bbox="363 1008 539 1070">Toshikazu Saito <u>Re-election</u></p> <p data-bbox="331 1164 485 1227">Date of birth June 18, 1944</p> <p data-bbox="331 1258 411 1321">Gender Male</p> <p data-bbox="331 1348 536 1460">Number of the Company's shares owned 4,500 shares</p>	<p data-bbox="603 913 719 940">April 1967</p> <p data-bbox="603 976 715 1003">June 1986</p> <p data-bbox="603 1008 715 1034">June 1992</p> <p data-bbox="603 1070 719 1097">April 2011</p> <p data-bbox="603 1133 759 1160">February 2018</p> <p data-bbox="603 1164 735 1191">August 2020</p>	<p data-bbox="850 913 1297 976">Joined Dainippon Ink and Chemicals, Incorporated (currently DIC Corporation)</p> <p data-bbox="850 981 1230 1008">Director, Renaissance Incorporated</p> <p data-bbox="850 1012 1262 1075">Representative Director and President, Renaissance Incorporated</p> <p data-bbox="850 1079 1270 1142">Representative Director and Chairman, Renaissance Incorporated</p> <p data-bbox="850 1146 1326 1173">Outside Director, the Company (incumbent)</p> <p data-bbox="850 1178 1374 1240">Representative Director, Chairman, and Corporate Officer, Renaissance Incorporated (incumbent)</p>
		<p data-bbox="603 1263 1358 1348">(Reasons for nomination as a candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the expected role)</p> <p data-bbox="603 1352 1394 1536">He serves as Representative Director, Chairman, and Corporate Officer of Renaissance Incorporated, and has a wealth of knowledge and experience as a manager. Therefore, we expect him to appropriately provide advice for overall management and supervise the management of the Company, and we request that he be elected as an Outside Director who is an Audit and Supervisory Committee Member.</p>	

No.	Candidate	Brief profile, position and responsibility at the Company, and significant concurrent positions	
4	<p data-bbox="379 501 523 562" style="text-align: center;"><u>Keiko Toya</u> New election</p> <p data-bbox="331 658 533 719">Date of birth February 26, 1964</p> <p data-bbox="331 748 416 808">Gender Female</p> <p data-bbox="331 837 533 958">Number of the Company's shares owned -</p>	April 1988	Joined the Saitama Bank Ltd. (currently Resona Bank, Ltd.)
		July 1999	Representative Director, MARKETING EXCELLENCE CO., LTD.
		April 2002	Specially Appointed Associate Professor, Graduate School of Business Administration, Rikkyo University
		June 2004	Doctor of Business Administration, University of Tsukuba Graduate School
		April 2006	Full-time Lecturer, Faculty of Business Administration, Toyo University
		July 2006	Managing Director, MARKETING EXCELLENCE CO., LTD. (incumbent)
		April 2007	Associate Professor, School of Business, Doshisha University Graduate School
		April 2014	Professor, Graduate School of Global Business, Meiji University (incumbent)
		April 2019	Outside Director, Yuasa Trading Co., Ltd. (incumbent)
		June 2021	Outside Director, SHIN NIPPON BIOMEDICAL LABORATORIES, LTD. (incumbent)
<p data-bbox="600 909 1362 999">(Reasons for nomination as a candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the expected role)</p> <p data-bbox="600 1003 1394 1182">She has provided advice to a number of corporations as an expert of business administration and marketing for many years and has a wealth of professional knowledge and sufficient experience and wisdom. Therefore, we expect her to supervise management from her independent and objective standpoint, and we request that she be elected as an Outside Director who is an Audit and Supervisory Committee Member.</p>			

Notes:

1. There are no special conflicts of interest between the above mentioned candidates and the Company.
2. Each candidate mentioned above is a candidate for an Outside Director who is an Audit and Supervisory Committee Member. The Company has designated Mr. Tatsushi Omiya, Mr. Tadao Kikuchi and Mr. Toshikazu Saito as Independent Directors as stipulated by the Tokyo Stock Exchange, and notified it of such, and, if their election is approved, they will continue to serve as Independent Directors. If the election of Ms. Keiko Toya is approved, the Company will appoint her as an Independent Director as well.
3. The Company has entered into a liability limitation agreement with Mr. Tatsushi Omiya, Mr. Tadao Kikuchi and Mr. Toshikazu Saito to limit liability, as stipulated in Article 423, paragraph 1 of the Companies Act. The agreement limits the maximum amount for damages falling under requirements stipulated by laws and regulations to the minimum liability amount stipulated by laws and regulations. If their re-election is approved, the Company will continue the liability limitation agreement with them. If the election of Ms. Keiko Toya is approved, the Company will enter into the same agreement with her.
4. The Company has concluded a directors and officers liability limitation agreement, provided for in Article 430-3, paragraph 1 of the Companies Act, with an insurance company and plans to renew the agreement. If each candidate is elected and takes office, he or she will become the insured person of the agreement. This agreement covers litigation fees, compensation for damages, etc. arising from corporate litigation, shareholders' derivative suits, third-party litigation, etc., borne by insured persons in the course of their duties.
5. Mr. Tatsushi Omiya, Mr. Tadao Kikuchi and Mr. Toshikazu Saito are Outside Directors of the Company. As for the term of office, Mr. Tatsushi Omiya will have served for four years as of the conclusion of the Ordinary General Meeting of Shareholders while Mr. Tadao Kikuchi and Mr. Toshikazu Saito will have served for three years and seven months.

Proposal 4: Setting of the Amount of Directors' Remuneration (Excluding Directors Who Are Audit and Supervisory Committee Members)

Based on the resolution of the Extraordinary General Meeting of Shareholders held on June 1, 2015, concerning remuneration for Directors of the Company, the maximum cash compensation was set at 200 million yen or less per year (excluding the portion of compensation for employees), which remains effective at present. The Company will become a company with an Audit and Supervisory Committee upon the conclusion of the Ordinary General Meeting of Shareholders if Proposal 1: Partial Amendments to the Articles of Incorporation is approved as originally proposed.

Accordingly, The Company proposes to abolish the current provisions for the amount of remuneration for Directors and, pursuant to Article 361, paragraphs 1 and 2 of the Companies Act, set remuneration for Directors at 170 million yen or less per year (excluding the portion of compensation for employees) to reflect the circumstances, such as economic conditions. The Company also proposes that matters, such as the specific amount and the timing to pay each Director (excluding Directors who are Audit and Supervisory Committee Members), be resolved by the Board of Directors.

The Company regards this proposal as reasonable as a result of taking into comprehensive consideration aspects including the business size of the Company, the officer remuneration structure, levels of the amount to pay and the number of officers after the Company becomes a company with an Audit and Supervisory Committee as well as future trends.

The number of Directors is seven (7) (including three (3) Outside Directors) at present, and the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) concerning this proposal will be four (4) (including zero (0) Outside Directors) if Proposals 1 and 2 are approved as originally proposed and take effect.

This proposal will take effect on the condition that Proposal 1: Partial Amendments to the Articles of Incorporation is approved as originally proposed, and the resolution of the proposal makes the amendments to the Articles of Incorporation effective.

Proposal 5: Setting of the Amount of Remuneration for Directors Who Are Audit and Supervisory Committee Members

The Company will become a company with an Audit and Supervisory Committee upon the conclusion of the Ordinary General Meeting of Shareholders if Proposal 1: Partial Amendments to the Articles of Incorporation is approved as originally proposed.

Accordingly, pursuant to Article 361, paragraphs 1 and 2 of the Companies Act, the Company proposes to set remuneration for Directors who are Audit and Supervisory Committee Members at 50 million yen or less per year to reflect the circumstances, such as economic conditions. The Company also proposes that matters, such as the specific amount and the timing to pay each Director who is an Audit and Supervisory Committee Member be resolved through deliberation by Directors who are Audit and Supervisory Committee Members.

The Company regards this proposal as reasonable as a result of taking into comprehensive consideration aspects including the business size of the Company, the officer remuneration structure, levels of the amount to pay and the number of officers after the Company becomes a company with an Audit and Supervisory Committee as well as future trends.

The number of Directors who are Audit and Supervisory Committee Members concerning this proposal will be four (4) if Proposals 1 and 3 are approved as originally proposed and take effect.

This proposal will take effect on the condition that Proposal 1: Partial Amendments to the Articles of Incorporation is approved as originally proposed, and the resolution of the proposal makes the amendments to the Articles of Incorporation effective.