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(Stock Exchange Code 3048)

November 4, 2021

**To Shareholders with Voting Rights:**

Kazuyoshi Kimura  
Representative Director and President  
BIC CAMERA INC.  
3-23-23, Takada, Toshima-ku, Tokyo

**NOTICE OF  
THE 41ST ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We are pleased to announce the 41st Annual General Meeting of Shareholders of BIC CAMERA INC. (the “Company”). The meeting will be held for the purposes as described below.

**Considering the current impact of the novel coronavirus disease (COVID-19), we kindly ask you to refrain from attending the meeting in person, regardless of your health condition. Please review the attached “Reference Documents for the General Meeting of Shareholders” and exercise your voting rights via the Internet or in writing (via postage) by 6:00 p.m. on Thursday, November 18, 2021 (JST).**

**1. Date and Time:** Friday, November 19, 2021, at 10:00 a.m. (JST)

**2. Venue:** Large Hall, Itabashi Culture Hall  
51-1, Oyama-higashicho, Itabashi-ku, Tokyo

**3. Meeting Agenda:**

**Matters to be reported:**

- (1) The Business Report, Consolidated Financial Statements for the Company’s 41st Fiscal Year (September 1, 2020 - August 31, 2021) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee regarding the Consolidated Financial Statements
- (2) Non-consolidated Financial Statements for the Company’s 41st Fiscal Year (September 1, 2020 - August 31, 2021)

**Matters to be resolved:**

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of 11 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 3:** Election of 1 Substitute Director Who Is an Audit and Supervisory Committee Member
- Proposal 4:** Determination of Amount of Remuneration, Etc. in the Form of Share Remuneration-type Stock Options for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and Outside Directors) and Specific Details Thereof

**4. Guidance on the Exercise of Voting Rights**

Please refer to Guidance on the Exercise of Voting Rights on pages 3 to 6.

## 5. Other Matters regarding This Notice of Convocation

Among the documents to be provided with this notice of convocation, “Major Business Offices” and “Systems for Ensuring Appropriate Business Operations and Operational Status Thereof” of the Business Report, “Consolidated Statement of Changes in Shareholders’ Equity” and “Notes to Consolidated Financial Statements” of the Consolidated Financial Statements, and “Non-consolidated Statement of Changes in Shareholders’ Equity” and “Notes to Non-consolidated Financial Statements” of the Non-consolidated Financial Statements are not enclosed herewith but provided separately at the Company’s website (<https://www.biccamera.co.jp/ir/english/download.html>) in accordance with laws and regulations and Article 14 of the Company’s Articles of Incorporation. Consequently, the Attached Documents to this notice of convocation are part of the documents that were audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing the Audit Reports.

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- Any changes in Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements will be posted on the Company’s website (<https://www.biccamera.co.jp/ir/english/download.html>) on the Internet.
  - Upon attending the meeting, please present the enclosed Voting Rights Exercise Form to the receptionist at the venue of the meeting.
  - **If the venue becomes unavailable due to the future status of the COVID-19 infection or other reasons, we will hold the General Meeting of Shareholders at the Auditorium, Head Office 13th floor, Nippon BS Broadcasting Corporation (2-5, Kanda-Surugadai, Chiyoda-ku, Tokyo) from 11:00 a.m. (JST). Any changes to the operation of the General Meeting of Shareholders, including the change of venue or start time, will be notified on the Company’s website (<https://www.biccamera.co.jp/ir/>). Please make sure to check the information in advance.**

## **Guidance on the Exercise of Voting Rights**

You may exercise your voting rights using one of the following three methods.

### **Exercising Your Voting Rights via the Internet**

Please follow the instructions on pages 4 to 5 to log into the Website for Exercise of Voting Rights from your smartphone or computer and input approval or disapproval for proposals.

Deadline:

Must be completed by Thursday, November 18, 2021, at 6:00 p.m. (JST)

### **Exercising Voting Rights in Writing (via Postage)**

Please indicate your votes of approval or disapproval for proposals on the enclosed Voting Rights Exercise Form and return the form to the Company. You do not need to affix a stamp.

Deadline:

Must be received by Thursday, November 18, 2021, at 6:00 p.m. (JST)

### **Attending the General Meeting of Shareholders**

Please present the enclosed Voting Rights Exercise Form to the receptionist at the venue of the meeting.

Date and Time:

Friday, November 19, 2021, at 10:00 a.m. (JST) (Reception opens at 9:00 a.m.)

\* If you exercise your voting right in duplicate both via the Internet and in writing (via postage), the Company will only deem your exercise via the Internet valid.

\* If you exercise your voting rights via the Internet, etc. more than once, the latest vote shall be accepted as the valid exercise of your voting rights.

## Exercising Your Voting Rights via the Internet

Deadline: Must be completed by Thursday, November 18, 2021, at 6:00 p.m. (JST)

### **“Smart Vote” method Scanning the login QR Code**

You can simply log in to the website for exercising voting rights without entering your voting code and password.

#### **1. Please scan QR Code provided at the bottom right of the Voting Rights Exercise Form.**



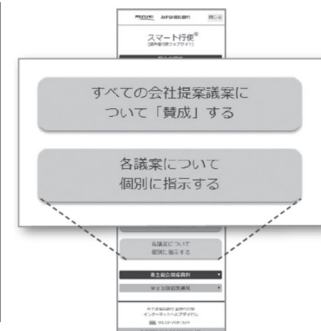
- \* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
- \* The actual Voting Rights Exercise Form may differ from the image.

#### **2. Please enter your approval or disapproval according to the guidance given on the screen.**

Note that your voting rights can be exercised only once by using the “Smart Vote” method.

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering the “voting right exercise code” and “password” printed on the Voting Rights Exercise Form, and exercise your voting rights again.

\* You can access the website for personal computer by scanning the QR Code again.



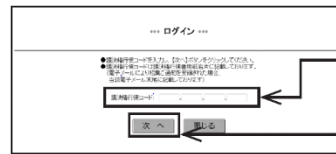
## Entering the Code and Password for Exercising Voting Rights

Website for Exercise of Voting Rights: <https://soukai.mizuho-tb.co.jp/>

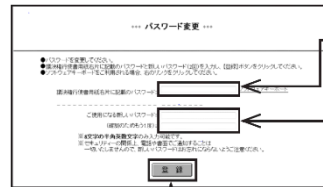
1. Please access the Website for Exercise of Voting Rights.



2. Please enter the "voting right exercise code" printed on the enclosed Voting Rights Exercise Form.



3. Please enter the "initial password" printed on the enclosed Voting Rights Exercise Form.



4. Please enter your approval or disapproval according to the guidance given on the screen.

\* The actual screen displayed to you may differ from the image.

(Please note)

- The password (including the password changed by the shareholder) is valid only for this General Meeting of Shareholders. New passwords will be issued for the next General Meeting of Shareholders.
- The password is a tool to identify the person who is voting as the shareholder himself/herself. Please note that the Company will not contact shareholders regarding their passwords.
- If you enter an incorrect password more than a certain number of times, the password will be locked and become invalid. If it is locked, please follow the guidance on the screen.
- The cost for the Internet connection is to be borne by the shareholders.
- Depending on the Internet usage environment, etc. of your computer or smartphone, etc. you might not be able to use the Website for Exercise of Voting Rights.

<p>In case you need instructions for how to operate your computer, smartphone, etc. in order to exercise your voting rights via the Internet, please contact:</p>	<p>Mizuho Trust &amp; Banking Co., Ltd., Stock Transfer Agency Department Internet Help Dial 0120-768-524 (Operating Hours: 9:00 a.m. through 9:00 p.m. (JST) on business days, only in Japan)</p>
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Institutional investors may use the Electronic Voting Platform for institutional investors operated by ICJ, Inc.

## Exercising Voting Rights in Writing (via Postage)

Please indicate your votes of approval or disapproval for proposals on the enclosed Voting Rights Exercise Form and return the form to the Company. You do not need to affix a stamp.

Deadline: Must be received by Thursday, November 18, 2021, at 6:00 p.m. (JST)

### Guidance on Filling out Voting Rights Exercise Form

Please input your approval or disapproval of the proposals here.

#### Proposals 1, 3 and 4

- If you approve >> Write a circle in the “Approve” column.
- If you disapprove >> Write circle in the “Disapprove” column.

#### Proposal 2

- If you approve of all the candidates >> Write a circle in the “Approve” column.
- If you disapprove of all the candidates >> Write a circle in the “Disapprove” column.
- If you disapprove of some of the candidates >> Write a circle in the “Approve” column, and fill the candidate number of the candidate(s) you disapprove of.

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### Proposal 1: Appropriation of Surplus

The Company considers the distribution of profits to shareholders as one of the most important management issues, and has its basic policy to pay appropriate dividends according to its performance.

For the year-end dividend for the current fiscal year, we propose a payment of ¥10 per share given the current business performance, future business development, and other factors.

As the Company has already paid an interim dividend of ¥5 per share in May 2021, the annual dividend for the current fiscal year, including said interim dividend, will be ¥15 per share, an increase of ¥2 from the previous fiscal year.

(1) Type of dividend property

Cash

(2) Matters concerning allocation of dividend property to shareholders and its total amount

The Company proposes to pay a dividend of ¥10 per common share of the Company.

In this event, the total dividends will be ¥1,759,385,040.

(3) Effective date of the distribution of surplus

November 22, 2021

**Proposal 2:** Election of 11 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all 10 Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this Annual General Meeting of Shareholders. In that regard, the Company proposes the election of 11 Directors, increasing the number of Directors by 1 to further strengthen and enhance the management base.

In regard to this proposal, the Company's Audit and Supervisory Committee verified and examined the ideal approach to supervision and execution of duties by the Board of Directors, the nomination criteria of candidates for Director and other factors. As a result, after giving consideration to the status of business execution, performance, and other qualities of the candidates in the current fiscal year, all candidates were deemed to be suitable.

The candidates for Director (excluding Director who is an Audit and Supervisory Committee Member) are as follows:

New candidates for Director are indicated by an asterisk (\*).

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Kazuyoshi Kimura (November 12, 1943)	<p>April 1967      Joined Nikko Securities Co., Ltd. (currently SMBC Nikko Securities Inc.)</p> <p>March 2000     Director and Vice President, Nikko Securities Co., Ltd.</p> <p>June 2001      Director and President, Nikko Asset Management Co., Ltd.</p> <p>June 2005      Director and Chairman, Nikko Cordial Securities Inc. (currently SMBC Nikko Securities Inc.)</p> <p>April 2012      Joined the Company, Advisor</p> <p>June 2012      Outside Director, DAIWA HOUSE INDUSTRY CO., LTD. (to present)</p> <p>June 2012      Outside Corporate Auditor, SPARX Group Co., Ltd.</p> <p>November 2012   Director of the Company</p> <p>February 2013   Representative Director and Chairman, Kojima Co., Ltd.</p> <p>September 2013 Representative Director, Chairman, President; Representative Executive Officer, Kojima Co., Ltd.</p> <p>June 2020      Outside Director (Audit and Supervisory Committee Member), SPARX Group Co., Ltd. (to present)</p> <p>August 2020    Director, Kojima Co., Ltd. (to present)</p> <p>September 2020 Representative Director and President; President Executive Officer of the Company (to present)</p> <p>[Reasons for nomination] Mr. Kimura has gained abundant experience and great insight acting as a business manager of major securities firms, and since joining the Group in February 2013, he has also served in such positions as Representative Director and Chairman of a Group company, Kojima Co., Ltd. Since September 2020, he has led the management of the Group with his strong leadership as Representative Director and President. Based on these achievements, we have nominated him as a candidate for Director for further growth and development of the Group.</p>	11,000



No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	Hitoshi Kawamura (September 3, 1955)	<p>April 1976      Joined Bic Color Inc.</p> <p>February 1989      Representative Director and President, Bic Camera (Takasaki) Inc.</p> <p>November 2008      Director of the Company (in charge of General Affairs)</p> <p>January 2013      Director and Vice President</p> <p>November 2015      Director, Nippon BS Broadcasting Corporation</p> <p>December 2015      Director and Vice President; Vice President Executive Officer; Director General, General Affairs, and General Manager, General Affairs Department and Legal Affairs Department of the Company</p> <p>November 2016      Representative Director and Vice President; Vice President Executive Officer</p> <p>November 2018      Corporate Auditor, Nippon BS Broadcasting Corporation (to present)</p> <p>September 2020      Representative Director and Vice President; Vice President Executive Officer, Supervising Internal Audit &amp; Internal Control of the Company</p> <p>September 2021      Representative Director and Vice President; Vice President Executive Officer, Supervising Internal Control, Director General, Internal Control (to present)</p> <p>[Reasons for nomination] Mr. Kawamura has long acted as a manager with responsibilities in the realms of general affairs and store development, and accordingly has amassed abundant connections, experience, achievements, and insight across different industries. As such, we have judged that he is well-qualified to contribute to the improvement of the Company's corporate value by continuing to draw upon his insight, etc. in the management, and have nominated him as a candidate for Director.</p>	186,600
3	Toru Abe (June 16, 1961)	<p>July 2005      Joined the Company</p> <p>November 2009      Director; General Manager, Corporate Planning Department</p> <p>November 2010      Representative Director, Tokyo Camera Distribution Cooperative (to present)</p> <p>September 2012      Director and Managing Director; Director General, Corporate Planning, and General Manager, Corporate Planning Department of the Company</p> <p>January 2013      Representative Director and President, Tokyo Keikaku Co., Ltd. (to present)</p> <p>February 2017      Director and Senior Executive Officer; Director General, Corporate Planning Department of the Company</p> <p>September 2020      Director and Senior Executive Officer; Supervising Business Management, Director General, Finance &amp; Accounting</p> <p>December 2020      Director and Senior Executive Officer; Supervising Business Management, Director General, Business Management (to present)</p> <p>[Reasons for nomination] Mr. Abe has long served the Group as a manager with responsibility in the corporate planning realm. While holding positions such as Representative Director of a Group company, he has amassed abundant experience, achievements, and insight over the time. As such, we have judged that he is well-qualified to contribute to the improvement of the Company's corporate value by continuing to draw upon his insight, etc. in the management, and have nominated him as a candidate for Director.</p>	13,100

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Eiji Tamura (January 19, 1960)	<p>June 2010      Joined the Company</p> <p>September 2011      Executive Officer; General Manager, Human Resources Department</p> <p>November 2016      Director and Executive Officer; Director General, General Affairs, and General Manager, Human Resources Department</p> <p>February 2017      Director and Managing Director; Director General, General Affairs, and General Manager, Human Resources Department</p> <p>September 2018      Director and Senior Executive Officer; Director General, General Affairs, and General Manager, Human Resources Department</p> <p>September 2020      Director and Senior Executive Officer; Supervising Management Strategy, Director General, Corporate Planning, and General Manager, Corporate Planning Department</p> <p>September 2021      Director and Senior Executive Officer; Supervising Management Strategy, Director General, Corporate Planning (to present)</p> <p>[Reasons for nomination] Mr. Tamura has long acted as a manager with responsibilities in realms of the human resources, corporate planning and general affairs, and accordingly has amassed abundant experience, achievements, and insight over the time. As such, we have judged that he is well-qualified to contribute to the improvement of the Company's corporate value by continuing to draw upon his insight, etc. in the management, and have nominated him as a candidate for Director.</p>	42,300
5	Toru Akiho (December 11, 1974)	<p>March 1997      Joined the Company</p> <p>September 2012      Executive Officer; General Manager, Second Merchandise Department</p> <p>October 2013      Executive Officer; General Manager, Merchandise Department</p> <p>October 2015      Executive Officer; General Manager, EC Business Department</p> <p>February 2017      Managing Director; Director General, EC Business</p> <p>April 2018      Representative Director and President, Bic Camera Rakuten Inc. (to present)</p> <p>August 2019      Director and Managing Director; Director General, Merchandise and EC Headquarters of the Company</p> <p>September 2020      Director and Senior Executive Officer; Supervising Business Promotion, Director General, Merchandise</p> <p>December 2020      Director and Senior Executive Officer; Supervising Business Promotion, Director General, Marketing (to present)</p> <p>[Reasons for nomination] Mr. Akiho has long acted as a manager with responsibilities in the realms of merchandise procurement and EC, and accordingly has amassed abundant experience, achievements, and insight over the time. As such, we have judged that he is well-qualified to contribute to the improvement of the Company's corporate value by continuing to draw upon his insight, etc. in the management, and have nominated him as a candidate for Director.</p>	1,100

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	Keiju Nakagawa (July 17, 1975)	<p>August 2002      Joined the Company</p> <p>August 2002      Director, RANET Co., Ltd.</p> <p>February 2009    Representative Director and President, RANET Co., Ltd. (to present)</p> <p>September 2018   Executive Officer of the Company</p> <p>November 2018   Director and Executive Officer</p> <p>December 2018   Director and Executive Officer; Director General, Digital Communication</p> <p>September 2020   Director and Executive Officer; Director General, DX/DC</p> <p>February 2021    Representative Director and President, Arrow-Japan Corporation (to present)</p> <p>September 2021   Director and Managing Director; Deputy Director General, Corporate Planning, and General Manager, Business Development Department (to present)</p> <p>[Reasons for nomination] Mr. Nakagawa has served the Group as Representative Director and President of a Group company which develops sales distributor business for mobile phone, and accordingly has amassed abundant experience, achievements, and insight over the time. As such, we have judged that he is well-qualified to contribute to the improvement of the Company's corporate value by continuing to draw upon his insight, etc. in the management, and have nominated him as a candidate for Director.</p>	800
7	Yuji Nakazawa (December 28, 1973)	<p>June 1995        Joined Kojima Co., Ltd.</p> <p>July 2000        Store Manager, NEW Aobadai Store, Kojima Co., Ltd.</p> <p>April 2010       Manager, Marketing Planning Office, Kojima Co., Ltd.</p> <p>February 2012   Manager, Merchandising Department, Kojima Co., Ltd.</p> <p>September 2014   Executive Officer; General Manager, Sales Planning Management Support Office, Sales Department, Sales Division, Kojima Co., Ltd.</p> <p>September 2016   Executive Officer; General Manager, Sales Planning and Management Department, Sales Division, Kojima Co., Ltd.</p> <p>September 2018   Managing Executive; General Manager, Sales Planning and Management Department, Sales Division, Kojima Co., Ltd.</p> <p>September 2020   President and Executive Officer, Kojima Co., Ltd.</p> <p>November 2020   Representative Director and President; President Executive Officer, Kojima Co., Ltd. (to present)</p> <p>November 2020   Director of the Company (to present)</p> <p>June 2021        Outside Director, Tochigi Television Corporation (to present)</p> <p>[Reasons for nomination] Mr. Nakazawa has long served the Group as a manager with responsibilities in the merchandise and sales realms of a Group company, Kojima Co., Ltd. and was appointed as the company's Representative Director and President in November 2020. Accordingly, he has amassed abundant experience, achievements, and insight over the time. As such, we have nominated him as a candidate for Director, with expectations that he will draw particularly on such expertise in taking on the task of management.</p>	100

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	*Nachika Nemoto (September 24, 1974)	<p>April 1997      Joined the Company</p> <p>September 2009      Deputy Store Manager, Ikebukuro Main Store</p> <p>September 2012      Executive Officer; Store Manager, Seiseki-sakuragaoka Station Store</p> <p>April 2013      Executive Officer; General Manager in charge of Human Resources</p> <p>September 2021      Executive Officer; Deputy Director General, Corporate Planning, and General Manager, Sustainability Promotion Department (to present)</p> <p>[Reasons for nomination] Ms. Nemoto long played active roles in the Company's sales and store operations and later worked in the human resource realm, focusing her efforts on promoting the active role of women in the Company, etc., and accordingly has amassed abundant experience, achievements, and insight over the time. As such, we believe that she is well-qualified to contribute to the improvement of the Company's corporate value by drawing upon her insight, etc. in the management, and have nominated her as a new candidate for Director.</p>	1,300
9	Masaaki Sato (July 27, 1942)	<p>April 2002      Director and Vice President, Mizuho Bank, Ltd.</p> <p>July 2003      Advisor, Nihonbashi Kogyo Co., Ltd.</p> <p>March 2004      Director, Shoei Co., Ltd.</p> <p>June 2004      Company Auditor, NICHIREI CORPORATION</p> <p>March 2005      Director and Chairman, Shoei Co., Ltd.</p> <p>March 2010      Senior Advisor, Shoei Co., Ltd.</p> <p>November 2010      Director of the Company (to present)</p> <p>June 2016      Advisor, TOKAI Holdings Corporation (to present)</p> <p>[Reasons for nomination and overview of expected role] Mr. Sato maintains a wealth of experience and extensive insight as a business manager. Drawing on that wide-ranging point of view, he furnishes sound advice to management of the Company. In addition, he makes use of his wealth of experience and insight to contribute to the maintenance and strengthening of the Company's governance, particularly through his role as chairperson of the Nominating Committee and the Compensation Committee, which are advisory bodies to the Board of Directors. Going forward, we expect to receive his advice and suggestions from an objective and neutral viewpoint, and have again nominated him as a candidate for Outside Director.</p>	41,900

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
10	Takeshi Uemura (January 19, 1947)	<p>April 1972      Joined The Yomiuri Shimbun</p> <p>January 2002    General Manager, Politics Department, Tokyo Head Office, The Yomiuri Shimbun</p> <p>June 2003      Deputy General Manager, Editorial Bureau, Tokyo Head Office, The Yomiuri Shimbun</p> <p>September 2003   Deputy Chief, Editorial Board, The Yomiuri Shimbun</p> <p>June 2008      Chairman, Yomiuri Institute of Technology</p> <p>June 2011      Chairman, Bunka Gakuin</p> <p>June 2014      Representative Director and President, YOMIURI LAND CO., LTD.</p> <p>June 2017      Director and Senior Advisor, YOMIURI LAND CO., LTD.</p> <p>June 2020      Senior Advisor, YOMIURI LAND CO., LTD. (to present)</p> <p>November 2020   Director of the Company (to present)</p> <p>[Reasons for nomination and overview of expected role] Mr. Uemura maintains a wealth of experience and extensive insight as a business manager. Drawing on that wealth or experience and extensive insight, he furnishes sound advice to management of the Company. In addition, he contributes to the maintenance and strengthening of the Company's governance, particularly through his role as member of the Nominating Committee and the Compensation Committee, which are advisory bodies to the Board of Directors. Going forward, we expect to receive his advice and suggestions from an objective and neutral viewpoint, and have again nominated him as a candidate for Outside Director.</p>	600
11	Kiyoshi Tokuda (June 7, 1954)	<p>April 1977      Joined Nikkei Inc.</p> <p>September 1994    Seconded to Nikkei Business Publications, Inc. Deputy Editor of Nikkei Business</p> <p>January 2005      Editor-in-Chief, The Nikkei MJ (Marketing Journal)</p> <p>March 2008      Secretary General, General Affairs of Editorial Bureau; Electronic Newspaper Development Division, Nikkei Inc.</p> <p>March 2013      Senior Managing Director, Nikkei Digital Media, Inc.</p> <p>July 2015      Senior Managing Executive Officer, Nikkei Inc.</p> <p>June 2016      Senior Executive Officer, TV TOKYO Corporation</p> <p>July 2020      Commissioned to TV TOKYO Holdings Corporation (to present)</p> <p>November 2020    Director of the Company (to present)</p> <p>[Reasons for nomination and overview of expected role] Mr. Tokuda maintains a wealth of experience and extensive insight as a business manager. Drawing on that wealth or experience and extensive insight, he furnishes sound advice to management of the Company. In addition, he contributes to the maintenance and strengthening of the Company's governance, particularly through his role as member of the Nominating Committee and the Compensation Committee, which are advisory bodies to the Board of Directors. Going forward, we expect to receive his advice and suggestions from an objective and neutral viewpoint, and have again nominated him as a candidate for Outside Director.</p>	100

(Notes)

1. Candidate for Director, Mr. Toru Akiho, is the Representative Director of Bic Camera Rakuten Inc. with which the Company has a franchise agreement. Furthermore, Bic Camera Rakuten Inc. and the Company are competitors in the business regarding sales of home appliances.  
Mr. Toru Akiho will retire from the position of Representative Director of Bic Camera Rakuten Inc. at the Board of Directors after the conclusion of the General Meeting of Shareholders of the company to be held on November 17, 2021.
2. Candidate for Director, Mr. Yuji Nakazawa, is the Representative Director of Kojima Co., Ltd. with which the Company has transactions such as merchandise ordering and receiving outsource of payment operations. Furthermore, Kojima Co., Ltd. and the Company are competitors in the business regarding sales of home appliances.

3. There are no special interests between each candidate for Director and the Company other than the above.
4. Mr. Masaaki Sato, Mr. Takeshi Uemura and Mr. Kiyoshi Tokuda are candidates for Outside Director.
5. Mr. Masaaki Sato, Mr. Takeshi Uemura and Mr. Kiyoshi Tokuda are Outside Directors. As of the conclusion of the meeting, the term of office as Outside Director of Mr. Masaaki Sato will have been 11 years, and the terms of office as Outside Director of Mr. Takeshi Uemura and Mr. Kiyoshi Tokuda will have been 1 year, respectively.
6. Limitation of Liability Agreements with Directors (excluding executive Directors, etc.)  
Based on Article 427, paragraph 1 of the Companies Act and Article 31 of the Company's Articles of Incorporation, the Company has entered into an agreement with Mr. Yuji Nakazawa, Mr. Masaaki Sato, Mr. Takeshi Uemura and Mr. Kiyoshi Tokuda to limit the liability for damages under Article 423, paragraph 1 of the Companies Act, to the minimum liability amount provided by laws and regulations. If their reelection is approved, the Company plans to continue the above Limitation of Liability Agreement with them.
7. Overview of details of Directors and Officers Liability Insurance Policy, etc.  
The Company has entered into a Directors and Officers Liability Insurance Policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company. Under the policy, all Directors and Executive Officers of the Company are included as insureds, and the insurance premiums will be fully borne by the Company. If each candidate is elected and assumes the office as Director, each candidate will be included in the policy as an insured.  
With regard to the overview of the contents of the policy, an insurance company covers the insureds under this insurance policy for their liability borne from performance of their duties or for their liability arising from claims in pursuit of that liability, and the policy will be renewed every year.
8. Independent Officers  
The Company has designated Mr. Masaaki Sato, Mr. Takeshi Uemura and Mr. Kiyoshi Tokuda as independent officers pursuant to the provisions of the Tokyo Stock Exchange and has registered them to the Tokyo Stock Exchange. If they are reelected at the meeting and assume the office of Outside Directors, the Company will continue their registration as independent officers.

**Proposal 3:** Election of 1 Substitute Director Who Is an Audit and Supervisory Committee Member

To prepare for a case in which the number of Audit and Supervisory Committee Members falls short of the number provided by laws and regulations, the Company again proposes the election of Mr. Takeshi Toshimitsu as Substitute Director who is an Audit and Supervisory Committee Member.

The effectiveness of the election under this proposal may be cancelled on the basis of resolution of the Board of Directors with approval of the Audit and Supervisory Committee; provided, however, that it is only in a time before assuming office. Furthermore, the Audit and Supervisory Committee has previously given its approval to this proposal.

The candidate for Substitute Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
Takeshi Toshimitsu (May 30, 1972)	March 2000 Completed Doctoral Program of Ph.D. (Physics), Graduate School of Science and Technology, Keio University	-
	March 2000 Established Asagao System Co., Ltd, Director	
	October 2002 Joined MTB Investment Technology Institute Co., Ltd. (currently Mitsubishi UFJ Trust Investment Technology Institute Co., Ltd.)	
	December 2011 Registered as an attorney at law, Joined Matsuda & Partners	
	July 2014 Established Seven Lights Law Firm, Co-Representative Partner (to present)	
	April 2017 Auditor, Social Welfare Corporation Keishoukai (to present)	
	November 2017 Director, Intense Project Co, Ltd. (to present)	
[Reasons for nomination and overview of expected role] Mr. Toshimitsu has abundant experience and broad-ranging insight as a business manager and an attorney at law. We have nominated him as a candidate for Substitute Outside Director as we expect that he may apply such experience and insight to strengthen the Company's audit framework and to provide advice and suggestions from a broad perspective and an objective and neutral viewpoint.		

(Notes)

1. There are no special interests between Mr. Takeshi Toshimitsu and the Company.
2. Mr. Takeshi Toshimitsu is a candidate for Substitute Outside Director.
3. Limitation of Liability Agreements with Directors (excluding executive Directors, etc.)  
If Mr. Takeshi Toshimitsu is elected as Director who is an Audit and Supervisory Committee Member and assumes the office of Outside Director, based on Article 427, paragraph 1 of the Companies Act and Article 31 of the Company's Articles of Incorporation, the Company will enter into an agreement with him to limit the liability for damages under Article 423, paragraph 1 of the Companies Act, to the minimum liability amount provided by laws and regulations.
4. Overview of details of Directors and Officers Liability Insurance Policy, etc.  
The Company has entered into a Directors and Officers Liability Insurance Policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company. Under the policy, all Directors and Executive Officers of the Company are included as insureds, and the insurance premiums will be fully borne by the Company. If the candidate is elected and assumes the office as Director, the candidate will be included in the policy as an insured.  
With regard to the overview of the contents of the policy, an insurance company covers the insureds under this insurance policy for their liability borne from performance of their duties or for their liability arising from claims in pursuit of that liability, and the policy will be renewed every year.

**Proposal 4:** Determination of Amount of Remuneration, Etc. in the Form of Share Remuneration-type Stock Options for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and Outside Directors) and Specific Details Thereof

Based on the approval of Proposal 8 “Determination of Amount of Remuneration, Etc. in the Form of Share Remuneration-type Stock Options for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and Outside Directors) and Specific Details Thereof” at the 40th Annual General Meeting of Shareholders held on November 19, 2020, share remuneration-type stock options for Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) of the Company has been granted within the maximum annual amount of ¥100 million by a resolution of the Board of Directors.

The Company once again requests approval for the continuation of the current share remuneration-type stock option plan within the maximum annual amount of ¥100 million in light of the further clarification of matters related to resolution proposals for General Meetings of Shareholders when granting share remuneration-type stock options as remuneration for Directors, based on the enforcement of the Act Partially Amending the Companies Act (Act No. 70 of 2019) and the Ministerial Order for Partial Amendment of the Regulations, Etc. for Enforcement of the Companies Act (Ministry of Justice Order No. 52 of 2020).

The overview of the Company’s policy for determining the details of individual remuneration, etc. for Directors is set out in the Business Report (in Japanese only). The Company believes that these details will continue to be a reasonable policy for determining such issues if this proposal is approved, and thus it has no intention of changing the policy. Moreover, the share remuneration-type stock options of the Company are designed to provide the Company’s officers and employees greater motivation to improve business performance and increase corporate value in the medium to long term, and they have been introduced as a performance-achievement type of incentive system, whereby the stock options are granted on the conditions of achievement of predetermined performance targets. Moreover, the amount to be paid for the share acquisition rights shall be calculated using fair value as the standard. Accordingly, the Company has judged this proposal to be appropriate.

Under this proposal, no substantial changes are being made to the current details of the share remuneration-type stock options to be granted to the Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company. There are currently 7 Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors), and if Proposal 2 “Election of 11 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” is approved as originally proposed, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) will be 8.

The amount of remuneration, etc. in the form of stock options will be obtained by multiplying the fair value of each share acquisition right calculated on the date of allotment of the right, by the number of share acquisition rights to be allotted.

The details of share acquisition rights to be allotted to Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) are as follows:

(1) Class and number of shares to be issued for share acquisition rights

The class of shares subject to share acquisition rights shall be common shares of the Company, and the number of such shares (hereinafter the “Number of Granted Shares”) shall be 100 per 1 share acquisition right.

Provided that, if the Company splits its common shares (including an allotment of common shares of the Company without contribution; hereinafter the same shall apply to the following description of the share split) or consolidates its common shares after the date on which the share acquisition rights are allotted (hereinafter, the “Allotment Date”), the Number of Granted Shares shall be adjusted in regard to the share acquisition rights that have not yet been exercised at the time of such share split or consolidation according to the following calculation.

Number of Granted Shares after adjustment = Number of Granted Shares before adjustment × Ratio of split or consolidation



In the event of unavoidable circumstances that require an adjustment of the Number of Granted Shares in addition to the above, the Company may make an adjustment to the Number of Granted Shares that the Board of Directors of the Company deems necessary.

Any fraction less than 1 share arising as a result of the above adjustment shall be rounded off.

(2) Total number of share acquisition rights

The number of share acquisition rights to be allotted within 1 year from the date of the Annual General Meeting of Shareholders for each fiscal year shall be up to 800.

(3) Amount to be paid for share acquisition rights

The amount to be paid for each share acquisition right shall be determined by the Board of Directors on the basis of the fair value of the share acquisition right at the time of its allotment as calculated by a fair calculation method, such as the Black-Scholes model.

An individual who has received share acquisition rights (hereinafter, the “Holder of Share Acquisition Rights”) shall offset the payment of the amount to be paid with the remuneration claims against the Company and accordingly shall not be required to make any monetary payment.

(4) Amount of assets to be paid upon exercise of share acquisition rights

The amount of the assets to be paid upon the exercise of the share acquisition rights shall be calculated by multiplying the price of ¥1 per share to be delivered through the exercise of the share acquisition rights by the Number of Granted Shares.

(5) Exercise period

The exercise period shall be determined by the Board of Directors of the Company up to a maximum of 50 years starting on the day immediately following the Allotment Date.

(6) Conditions for exercise of share acquisition rights

The Holder of Share Acquisition Rights may only exercise his/her share acquisition rights in a lump, during a period until the day on which 10 days have elapsed from the day immediately following the day on which a Director, Executive Officer, or Corporate Auditor of the Company or its subsidiary ceases to hold any such positions (if the 10th day falls on a holiday, the following business day). Other conditions for the exercise of the share acquisition rights shall be determined by the Board of Directors, which determines terms for offering share acquisition rights.

(7) Restrictions on acquisition of share acquisition rights by transfer

Acquisition of the share acquisition rights by means of transfer shall be subject to the approval of the Board of Directors of the Company.

(8) Matters regarding acquisition of share acquisition rights

(i) In the event that share acquisition rights can no longer be exercised under the provisions stipulated in (6) above or the provisions of the share acquisition rights allotment agreement before the Holder of Share Acquisition Rights exercises such rights, the Company may acquire share acquisition rights without contribution on a date specified separately by the Board of Directors of the Company.

(ii) When any proposal in 1), 2), 3), 4) or 5) below is approved at the Annual General Meeting of Shareholders of the Company (if resolution at the General Meeting of Shareholders is not required, when approval of the Board of Directors of the Company is adopted), the Company may acquire share acquisition rights without contribution on a date specified separately by the Board of Directors of the Company.

1) Proposal for approval of a merger agreement pursuant to which the Company will become a disappearing company

2) Proposal for approval of a corporate split agreement or a corporate split plan pursuant to which the Company will become a splitting company

3) Proposal for approval of a share exchange agreement or a share transfer plan pursuant to which the Company will become a wholly owned subsidiary

4) Proposal for approval of an amendment to the Articles of Incorporation to provide that, as the content of all shares issued by the Company, the acquisition by transfer of such shares is subject to the approval of the Company

5) Proposal for approval of an amendment to the Articles of Incorporation to provide that, as the content of shares in the class that is the subject of share acquisition rights, the acquisition by transfer of such a class of shares is subject to the approval of the Company, or the Company acquires all shares in that class by resolution at the General Meeting of Shareholders

(9) Overview of conditions for allotting share acquisition rights

Share acquisition rights are allotted when the achievement of the performance targets for the fiscal year corresponding to the first day of the period from the day immediately following the Annual General Meeting of Shareholders to the day of the next Annual General Meeting of Shareholders. However, this does not apply to cases recognized separately by the Board of Directors as being necessary.

(10) Other details of share acquisition rights

Other details concerning the share acquisition rights shall be determined by the Board of Directors, which determines terms for offering share acquisition rights.