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Securities Code: 3054

June 6, 2022

To our shareholders:

Makiko Mochizuki  
Representative Director and President  
**HYPER Inc.**  
2-9-6, Nihonbashi-horidomecho, Chuo-ku, Tokyo

## Notice of the 32nd Annual General Meeting of Shareholders

You are cordially notified of the 32nd Annual General Meeting of Shareholders of HYPER Inc. (the “Company”). The meeting will be held as described below.

If you are unable to attend the meeting in person, you can exercise your voting rights in writing, via the Internet or other means. Please review the Reference Documents for the General Meeting of Shareholders set forth below and exercise your voting rights in line with the guidance as described later by 6:00 p.m. on Monday, June 20, 2022 (JST). We ask that you exercise your voting rights for this general meeting in advance using the enclosed document, via the Internet or other means wherever possible.

- 1. Date and Time:** Tuesday, June 21, 2022, at 10:00 a.m. (JST) (Opening at 9:00 a.m.)  
(There is a large gap between the day of this Annual General Meeting of Shareholders and the day of the previous Annual General Meeting of Shareholders. This is because there were delays with the settlement operations needed for the preparation of the matters to be reported due to the confirmation of facts and identification of causes by the Special Investigation Committee as suspicions that there had been improper sales processing came to light for the service provision transactions for office design while settlement operations were proceeding. For details, please refer to “Notice Concerning Announcement of the Investigation Report by the Special Investigation Committee,” which was posted to the Company’s website on April 25, 2022.)
- 2. Venue:** Hall, 8th Floor, The Tokyo Shoken Building  
1-5-8, Nihonbashi-kayabacho, Chuo-ku, Tokyo
- 3. Meeting Agenda:**  
**Matters to be reported:**
  1. Business Report and Consolidated Financial Statements for the 32nd Fiscal Year (from January 1, 2021 to December 31, 2021) and results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
  2. Non-consolidated Financial Statements for the 32nd Fiscal Year (from January 1, 2021 to December 31, 2021)**Matters to be resolved:**
  - Proposal No. 1:** Appropriation of Surplus
  - Proposal No. 2:** Amendment to the Articles of Incorporation
  - Proposal No. 3:** Election of Eight Directors
  - Proposal No. 4:** Election of Two Audit & Supervisory Board Members

When attending the meeting in person, please submit the enclosed Voting Rights Exercise Form at the reception.

Of the documents to be provided to shareholders with this notice of general meeting, “Status of Share Acquisition Rights, Etc.,” “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements” will be posted on the Company’s online website (<https://www.hyperpc.co.jp/>) in accordance with applicable laws and regulations and Article 13 of the Articles of Incorporation of the Company, and thus are not described in this notice of general meeting. Therefore, the documents attached to this notice of general meeting are part of the documents audited by the Audit & Supervisory Board and the Financial Auditor in preparing audit reports.

If there are any amendments to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and/or Non-consolidated Financial Statements, such amendments will be posted on the Company’s online website (<https://www.hyperpc.co.jp/>).

**The Company does not offer souvenir gifts to shareholders attending the meeting in person. The Company asks for your kind understanding.**

<Requests to Shareholders>
<p>The Company requests that you exercise your voting rights in advance by voting in writing (by mail) or electronic voting wherever possible and refrain from attending the meeting in person from the perspective of preventing the spread of the novel coronavirus disease (COVID-19) and ensuring the safety of shareholders. If there are any changes in the operation of this general meeting, including the venue and time, such changes will be posted on the Company's website (<a href="https://www.hyperpc.co.jp/">https://www.hyperpc.co.jp/</a>). Please check the latest information.</p>

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

1. Year-end dividends

The Company has given consideration to matters including the business performance of the fiscal year under review and future business development, and it proposes to pay year-end dividends for the 32nd fiscal year as follows:

- (1) Type of dividend property  
To be paid in cash.
- (2) Allotment of dividend property and their aggregate amount  
The Company proposes to pay a dividend of ¥4.50 per common share of the Company.  
In this event, the total dividends will be ¥44,213,814.
- (3) Effective date of dividends of surplus  
The effective date of dividends will be June 22, 2022.

2. Other appropriation of surplus

None.

**Proposal No. 2:** Amendment to the Articles of Incorporation

1. Reasons for the proposal

The Company proposes the following amendments to its Articles of Incorporation, taking into account the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format accompanied by the enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) on September 1, 2022.

- (1) The Company proposes newly establishing Article 13 (Measures for Providing Information in Electronic Format, Etc.), paragraph 1 in the proposed amendments, taking into account that it will become mandatory to prescribe in its Articles of Incorporation that the Company shall take measures for providing information that constitutes the content of the Reference Documents for the General Meeting of Shareholders, etc. in electronic format.
- (2) Among the matters for which measures are to be taken for providing information that constitutes the content of the Reference Documents for the General Meeting of Shareholders, etc. in electronic format, the Company proposes newly establishing Article 13 (Measures for Providing Information in Electronic Format, Etc.), paragraph 2 in the proposed amendments in order to limit the scope of matters stated in paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents, to the scope prescribed by the Ministry of Justice Order.
- (3) The Company proposes deleting the provisions of Article 13 of the current Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.) because those provisions will become unnecessary after the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.
- (4) The Company proposes newly establishing supplementary provisions regarding the effect of the aforementioned newly established and deleted provisions. These supplementary provisions shall be deleted after the due dates elapse.

2. Details of the amendments

Details of the amendments are as follows:

(Underlined parts are to be amended.)

Current Articles of Incorporation	Proposed amendments
<p><del>(Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.)</del>  <u>Article 13.</u>  <u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or indicated in the reference documents of the general meeting of shareholders, business report, non-consolidated financial statements and/or consolidated financial statements through the Internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u>                      (Newly established)</p>	<p>(Deleted)</p> <p><u>(Measures for Providing Information in Electronic Format, Etc.)</u>  <u>Article 13.</u>                      1. <u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u>                      2. <u>Among the matters for which measures are to be taken for providing information in electronic format, the Company shall not be required to state all or part of matters designated by the Ministry of Justice Order in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>

Current Articles of Incorporation	Proposed amendments
(Newly established)	<p><u>Supplementary Provisions</u>  <u>(Transitional Measures Regarding Provision of Informational Materials for the General Meeting of Shareholders in Electronic Format)</u></p> <p><u>Article 1.</u></p> <ol style="list-style-type: none"> <li><u>1. The deletion of Article 13 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.) and new establishment of Article 13 of the Articles of Incorporation (Measures for Providing Information in Electronic Format, Etc.) shall be effective from September 1, 2022, which is the date of enforcement of the revision provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></li> <li><u>2. Notwithstanding the provision of the preceding paragraph, Article 13 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></li> <li><u>3. These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></li> </ol>

**Proposal No. 3:** Election of Eight Directors

The terms of office of all eight Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of eight Directors.

The candidates for Director are as follows:

Director candidate list

Candidate No.	Name	Current position and responsibility in the Company	Candidate attributes
1	<input type="checkbox"/> Reelection Hirokazu Tamada	Representative Director and Chairman	
2	<input type="checkbox"/> Reelection Makiko Mochizuki	Representative Director and President	
3	<input type="checkbox"/> Reelection Hiroki Emori	Director General Manager of Administration Division Head of Business Planning Office	
4	<input type="checkbox"/> Reelection Masahiro Matsumura	Director	
5	<input type="checkbox"/> Reelection Hiroaki Tanabe	Director General Manager of Sales Promotion Division	
6	<input type="checkbox"/> Reelection Satoru Miyazawa	Outside Director	<input type="checkbox"/> Outside Director <input type="checkbox"/> Independent officer
7	<input type="checkbox"/> Reelection Keiichi Kuwabara	Outside Director	<input type="checkbox"/> Outside Director <input type="checkbox"/> Independent officer
8	<input type="checkbox"/> Reelection Shinji Nasu	Outside Director	<input type="checkbox"/> Outside Director <input type="checkbox"/> Independent officer

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<div style="border: 1px solid black; display: inline-block; padding: 2px;">Reelection</div> Hirokazu Tamada (February 26, 1964)	Apr. 1986      Joined Shin Nihon Kohan Co., Ltd. (currently FORVAL CORPORATION) Jan. 1992      Joined the Company Apr. 1992      Director Apr. 1996      Managing Director Mar. 2008      Director and Vice President Apr. 2009      Representative Director and President Apr. 2012      Representative Director of RESTEC Co., Ltd. Mar. 2013      Representative Director of Luksa Co., Ltd. Jan. 2016      Director of Mirakuru Co., Ltd. July 2017      Director of Multinet Corporation Japan (current position) Jan. 2018      Representative Director of SECURITIER Co., Ltd. Mar. 2018      Director of RESTEC Co., Ltd. May 2018      Director and Chairman of RESTEC Co., Ltd. (current position) Aug. 2018      Director of TMD Co., Ltd. (current position) Mar. 2021      Representative Director and Chairman (current position) Representative Director and President of Mirakuru Co., Ltd. (current position) [Significant concurrent positions outside the Company] Director and Chairman of RESTEC Co., Ltd. Representative Director and President of Mirakuru Co., Ltd. Director of Multinet Corporation Japan Director of TMD Co., Ltd.	1,309,000
(Reasons for nomination as candidate for Director) Hirokazu Tamada has led the management of the overall Group for many years as Director of the Company and the Company Group (the "Group") and contributed to the enhancement of corporate value. The Company proposes his reelection as a candidate for Director in light of his achievements, capabilities, long years of experience in the computer industry and extensive experience as a corporate manager, as well as his excellent personality and discernment.			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	<p data-bbox="277 495 384 524"><u>Reelection</u></p> <p data-bbox="331 533 544 591">Makiko Mochizuki (September 24, 1971)</p>	<p data-bbox="612 262 1240 824"> Nov. 1995    Joined the Company  Jan. 2007    General Manager of Sales Planning Department  May 2008    General Manager of Sales Promotion Division  Jan. 2011    General Manager of Purchasing Department  Apr. 2013    Executive Officer  Mar. 2014    Director  July 2015    General Manager of Sales Division  July 2017    General Manager of Sales Promotion Division  Mar. 2018    Managing Director  Mar. 2020    Representative Director and Vice President  Mar. 2021    Representative Director and President (current position)  Mar. 2022    Director of Mirakuru Co., Ltd. (current position)  [Significant concurrent positions outside the Company]  Director of Mirakuru Co., Ltd. </p>	125,600
<p data-bbox="277 833 772 862">(Reasons for nomination as candidate for Director)</p> <p data-bbox="277 864 1441 1019">Makiko Mochizuki has extensive experience and broad discernment through her activities such as serving as the person responsible for sales promotion and sales departments. She assumed office as Director of the Company in March 2014 and has been serving as Director and President since March 2021. The Company judges that Ms. Mochizuki is an appropriate person for vigorously promoting the further enhancement of the corporate value of the Group for the medium to long term and thus proposes her reelection as Director.</p>			



Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	<div data-bbox="277 801 386 837" style="border: 1px solid black; padding: 2px;">Reelection</div> <p data-bbox="347 842 529 904">Hiroki Emori (August 26, 1972)</p>	<p data-bbox="612 264 1225 1442"> Mar. 1995    Joined the Company  May 2008    Head of Corporate Planning Office  July 2010    General Manager of General Affairs and Corporate Planning Division  Apr. 2011    Executive Officer  Jan. 2012    General Manager of Administration Division  Mar. 2012    Director (current position)  Mar. 2013    Audit &amp; Supervisory Board Member of Luksa Co., Ltd.  Apr. 2013    Head of Corporate Planning Office  July 2014    General Manager of Accounting Department  Mar. 2015    Audit &amp; Supervisory Board Member of RESTEC Co., Ltd.  May 2015    Head of Business Planning Office (current position)  Jan. 2016    Representative Director of Mirakuru Co., Ltd.  Mar. 2021    Director of Mirakuru Co., Ltd.  Apr. 2021    Deputy General Manager of Administration Division  Jan. 2022    Head of Corporate Planning Office  Jan. 2022    General Manager of Administration Division (current position)  Mar. 2022    Audit &amp; Supervisory Board Member of Multinet Corporation Japan (current position)  Audit &amp; Supervisory Board Member of RESTEC Co., Ltd. (current position)  Audit &amp; Supervisory Board Member of Mirakuru Co., Ltd. (current position)  [Significant concurrent positions outside the Company]  Audit &amp; Supervisory Board Member of Multinet Corporation Japan  Audit &amp; Supervisory Board Member of RESTEC Co., Ltd.  Audit &amp; Supervisory Board Member of Mirakuru Co., Ltd. </p>	26,700
<p data-bbox="277 1460 1449 1639"> (Reasons for nomination as candidate for Director)  Hiroki Emori has extensive experience, achievements and discernment through his activities such as serving in the sales department and as the person responsible for the general affairs and corporate planning department and the accounting department, and has been serving as Director of the Company since March 2012. The Company judges that Mr. Emori will help establish the medium- to long-term management base of the Group utilizing his extensive practical experience and contribute to the enhancement of corporate value, and thus proposes his reelection as a candidate for Director. </p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	<p><b>Reelection</b></p> <p>Masahiro Matsumura (January 1, 1974)</p>	<p>May 1995      Joined the Company</p> <p>May 2008      Executive Officer General Manager of Special Sales Division</p> <p>Apr. 2009      General Manager of Regional Sales Division</p> <p>Jan. 2012      General Manager of ASKUL Sales Division</p> <p>Mar. 2012      Director (current position)</p> <p>July 2012      General Manager of Sales Division</p> <p>Mar. 2013      Director of Luksa Co., Ltd.</p> <p>July 2015      General Manager of Sales Promotion Division</p> <p>July 2017      General Manager of Sales Division</p> <p>July 2018      General Manager of DS Sales Department</p>	23,200
<p>(Reasons for nomination as candidate for Director)</p> <p>Masahiro Matsumura has extensive experience and broad discernment through his activities such serving as the person responsible for sales and sales promotion departments, and has been serving as Director of the Company since March 2012. The Company judges that Mr. Matsumura is an appropriate person for vigorously promoting the further enhancement of the corporate value of the Company for the medium to long term and thus proposes his reelection as Director.</p>			
5	<p><b>Reelection</b></p> <p>Hiroaki Tanabe (April 2, 1976)</p>	<p>Aug. 2002      Joined the Company</p> <p>Jan. 2012      General Manager of Business Department</p> <p>July 2014      Executive Officer</p> <p>Oct. 2014      Deputy General Manager of Administration Division Head of Corporate Planning Office General Manager of Business Department</p> <p>Jan. 2016      General Manager of Administration Division</p> <p>Jan. 2016      Audit &amp; Supervisory Board Member of Mirakuru Co., Ltd. (current position)</p> <p>Mar. 2016      Audit &amp; Supervisory Board Member of RESTEC Co., Ltd. (current position)</p> <p>Mar. 2017      Director (current position)</p> <p>July 2017      Audit &amp; Supervisory Board Member of Multinet Corporation Japan (current position)</p> <p>Jan. 2018      Audit &amp; Supervisory Board Member of SECURITIER Co., Ltd.</p> <p>July 2019      Head of Information System Office</p> <p>Jan. 2022      General Manager of Sales Promotion Division (current position)</p>	8,600
<p>(Reasons for nomination as candidate for Director)</p> <p>Hiroaki Tanabe has extensive experience, achievements and discernment through his activities such as serving in sales and purchasing departments and as the person responsible for corporate planning and administration departments, and has been serving as Director of the Company since March 2017. The Company judges that Mr. Tanabe will help establish the medium- to long-term business base of the Group utilizing his long years of experience, achievements and extensive knowledge and contribute to the enhancement of corporate value, and thus proposes his reelection as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	<p><b>Reelection</b></p> <p>Satoru Miyazawa (February 7, 1964)</p>	<p>Mar. 1985      Joined Shin Nihon Kohan Co., Ltd. (currently FORVAL CORPORATION)</p> <p>Feb. 1993      Representative Director of KOUSHIN CO., LTD. (current position)</p> <p>Mar. 1995      Director and Chairman of the Company</p> <p>Dec. 1997      Outside Director of Paldia Co., Ltd. (current position)</p> <p>June 2002      Representative Director of DOMCOS INC.</p> <p>Dec. 2006      CEO of KOUSHIN VIET NAM Co., LTD (current position)</p> <p>Mar. 2015      Outside Director of OPRO Japan Co., Ltd (currently OPRO Co., Ltd.) (current position)</p> <p>Mar. 2016      Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>Representative Director of KOUSHIN CO., LTD.</p> <p>Outside Director of Paldia Co., Ltd.</p> <p>CEO of KOUSHIN VIET NAM Co., LTD</p> <p>Outside Director of OPRO Co., Ltd.</p>	30,000
<p>(Reasons for nomination as candidate for outside Director and overview of expected roles)</p> <p>The Company expects that Satoru Miyazawa will contribute to the enhancement of the transparency and accountability of its Board of Directors through supervisory functions on Directors and advice on overall management utilizing his excellent discernment and specialized experience as a corporate manager in the information and communications industries. In addition, the Company judges that he will appropriately fulfill his duties as outside Director in light of his experience and discernment and thus proposes his reelection as a candidate for outside Director.</p>			
7	<p><b>Reelection</b></p> <p>Keiichi Kuwabara (July 14, 1962)</p>	<p>Apr. 1986      Joined IBM Japan, Ltd.</p> <p>July 2000      AT&amp;T Japan KK.</p> <p>General Manager in charge of Marketing, Alliance and Strategy</p> <p>General Manager of Business Promotion Department</p> <p>Sept. 2010      IJ Global Solutions Inc.</p> <p>General Manager of Solution Sales Promotion Department</p> <p>Deputy General Manager in charge of Corporate Strategy Department</p> <p>Jan. 2020      Representative of Certified Administrative Procedures Legal Specialist Kuwabara Keiichi Office (current position)</p> <p>Mar. 2021      Outside Director of the Company (current position)</p>	—
<p>(Reasons for nomination as candidate for outside Director and overview of expected roles)</p> <p>Keiichi Kuwabara has extensive experience, broad discernment and other skills in the computer industry. The Company expects that he will offer guidance on the promotion of sound and efficient management utilizing his achievements of assisting executive officers and smoothly accomplishing business activities from a company-wide perspective. In addition, the Company judges that he will appropriately fulfill his duties as outside Director in light of his abundant experience and discernment and thus proposes his reelection as a candidate for outside Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
8	Reelection Shinji Nasu (September 28, 1976)	Apr. 1996      Joined Mitsubishi Electric Business Systems Co., Ltd. Aug. 1997      Joined Epson Sales Japan Corporation Feb. 2009      Joined Funai Consulting Incorporated Jan. 2018      Group Manager of Office IT Group July 2018      Established CISO Co., Ltd. Representative Director (current position) Mar. 2021      Outside Director of the Company (current position) [Significant concurrent positions outside the Company] Representative Director of CISO Co., Ltd.	—
(Reasons for nomination as candidate for outside Director and overview of expected roles) Shinji Nasu has excellent discernment and experience as a corporate manager in the security consulting industry. The Company expects that he will offer guidance on the promotion of sound and transparent management utilizing his sense of proportion as a corporate manager. In addition, the Company judges that he will appropriately fulfill his duties as outside Director in light of his abundant experience and discernment and thus proposes his reelection as a candidate for outside Director.			

- Notes:
1. The candidate Satoru Miyazawa serves as Representative Director of KOUSHIN CO., LTD., and the Company has business relationships, including the sale of products, with KOUSHIN CO., LTD. There is no special interest between any other candidates and the Company.
  2. Satoru Miyazawa, Keiichi Kuwabara and Shinji Nasu are candidates for outside Director.
  3. Satoru Miyazawa, Keiichi Kuwabara and Shinji Nasu are currently serving as outside Director of the Company. At the conclusion of this meeting, the tenure of each candidate, Mr. Miyazawa, Mr. Kuwabara and Mr. Nasu, as outside Director, will have been six years and three months, one year and three months, and one year and three months, respectively.
  4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Satoru Miyazawa, Keiichi Kuwabara and Shinji Nasu to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under such agreement shall be either ¥5 million or an amount provided for by laws and regulations, whichever is higher. If the reelection of each candidate is approved, the Company plans to renew such agreements with each of them.
  5. The Company has entered into a liability insurance contract with an insurance company for directors and officers, etc. as provided for in Article 430-3, paragraph (1) of the Companies Act to cover the damages that the insured may bear in action for damages by such insurance contract. If each candidate is elected and assumes office as Director, they will be included as the insured under such insurance contract. In addition, the Company plans to renew such insurance contract with the same content at the next renewal time.
  6. The Company has submitted notification to the Tokyo Stock Exchange that Satoru Miyazawa, Keiichi Kuwabara and Shinji Nasu have been designated as independent officers as provided for by the aforementioned exchange. If the reelection of each candidate is approved, the Company plans for their designation as independent officers to continue. The Company has transactions, including the sale of products, with KOUSHIN CO., LTD. in which Satoru Miyazawa serves as Representative Director, but taking into account that net sales of such transactions to KOUSHIN CO., LTD. amount to ¥1 million (less than 0.04% of the consolidated net sales in the most recent fiscal year), the Company judges that there would be no possibility for such transactions to influence managerial decisions regarding business operations of the Company or raise a conflict of interest with shareholders.
  7. The Company established the Special Investigation Committee and carried out investigations as there was some improper sales processing while Satoru Miyazawa, Keiichi Kuwabara and Shinji Nasu were in office as outside Directors. Although they had not been aware of this improper sales processing until it came to light, they have constantly called attention to the importance of legal compliance at meetings of the Board of Directors and other venues. After confirming the facts of this improper sales processing, they performed their duties, such as giving appropriate advice concerning thorough legal compliance and initiatives to prevent recurrence.

**Proposal No. 4:** Election of Two Audit & Supervisory Board Members

At the conclusion of this meeting, the term of office of Audit & Supervisory Board Member Kazuko Wakabayashi will expire and Audit & Supervisory Board Member Masato Tani will resign. Therefore, the Company proposes the election of two Audit & Supervisory Board Members.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for Audit & Supervisory Board Member are as follows:

**Audit & Supervisory Board Member candidate list**

Candidate No.	Name	Current position in the Company	Candidate attributes
1	<input type="checkbox"/> Reelection Kazuko Wakabayashi	Outside Audit & Supervisory Board Member	<input type="checkbox"/> Outside Audit & Supervisory Board Member <input type="checkbox"/> Independent officer
2	<input type="checkbox"/> New election Hiromi Horikawa	—	<input type="checkbox"/> Outside Audit & Supervisory Board Member <input type="checkbox"/> Independent officer

Note: Hiromi Horikawa's name on her family register is Hiromi Matsumoto.

Candidate No.	Name (Date of birth)	Career summary and position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Kazuko Wakabayashi (December 11, 1953)	<p>Nov. 1976      Joined Chuo Audit Corporation</p> <p>Feb. 1987      Established Management Clinic Co., Ltd. (currently MINATO ADVISORS CO., LTD.) Representative Director (current position)</p> <p>Jan. 1988      Established Wakabayashi and Nakagawa Certified Public Accountant Office (currently MINATO C.P.A. OFFICE) Representative (current position)</p> <p>Sept. 2000     Outside Audit &amp; Supervisory Board Member of the Company (current position) [Significant concurrent positions outside the Company] Representative Director of MINATO ADVISORS CO., LTD.</p>	20,500
<p>Reasons for nomination as candidate for outside Audit &amp; Supervisory Board Member</p> <p>Kazuko Wakabayashi has a high level of specialized knowledge obtained as a certified public accountant and tax accountant. In addition, she has appropriately fulfilled her duties for many years through her activities such as expressing her objective opinions from a specialist viewpoint as outside Audit &amp; Supervisory Board Member of the Company. The Company judges that she will reflect her high level of specialized knowledge on the audit system of the Company and thus proposes her reelection as outside Audit &amp; Supervisory Board Member.</p>			
2	Hiromi Horikawa (May 10, 1979)	<p>Nov. 2006      Passed the National Bar Examination Started the training of a Legal Apprentice</p> <p>Dec. 2007      Registered as an attorney at law (Tokyo Bar Association) Joined Hibiya Mitsuke Office (Associate)</p> <p>Apr. 2008      Member of Special Committee on Labor Law of Tokyo Bar Association (current position)</p> <p>Apr. 2011      Consultant of Tokyo Labor Consultation Center</p> <p>Jan. 2013      Partner of Hibiya Mitsuke Office (current position)</p> <p>Apr. 2020      Member of Tokyo Dispute Settlement Committee, Tokyo Labor Bureau (current position)</p> <p>Apr. 2021      Consultant of Tokyo Labor Consultation Center (current position) [Significant concurrent positions outside the Company] Partner of Hibiya Mitsuke Office</p>	-
<p>Reasons for nomination as candidate for outside Audit &amp; Supervisory Board Member</p> <p>Although Hiromi Horikawa has never been directly involved in the management of a company, she has abundant experience and broad discernment as an attorney at law and is well versed in corporate legal affairs. The Company judges that she can utilize this to strengthen the Company's audit system and thus proposes her election as outside Audit &amp; Supervisory Board Member.</p>			

- Notes:
1. There is no special interest between Kazuko Wakabayashi or Hiromi Horikawa and the Company.
  2. Kazuko Wakabayashi and Hiromi Horikawa are candidates for outside Audit & Supervisory Board Member.
  3. Kazuko Wakabayashi is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, her tenure as Audit & Supervisory Board Member will have been 21 years and nine months.
  4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Kazuko Wakabayashi to limit her liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under such agreement shall be either ¥5 million or an amount provided for by laws and regulations, whichever is higher. If the reelection of the candidate is approved, the Company plans to renew such

agreement with her. If the election of Hiromi Horikawa is approved, the Company plans to enter into the same limited liability agreement with her.

5. The Company has entered into a liability insurance contract with an insurance company for directors and officers, etc. as provided for in Article 430-3, paragraph (1) of the Companies Act to cover the damages that the insured may bear in action for damages by such insurance contract. If each candidate is elected as Audit & Supervisory Board Member, they will be included as the insured of such insurance contract. In addition, the Company also plans to renew such insurance contract with the same content at the next renewal time.
6. The Company has submitted notification to the Tokyo Stock Exchange concerning Kazuko Wakabayashi's designation as an independent officer as provided for by the aforementioned exchange. If Ms. Wakabayashi's reelection is approved, the Company plans to continue to designate her as independent officer. Furthermore, Hiromi Horikawa satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange, and if Ms. Horikawa's election is approved, the Company plans to designate her as independent officer.
7. The Company established the Special Investigation Committee and carried out investigations as there was some improper sales processing while Kazuko Wakabayashi was in office as outside Audit & Supervisory Board Member. Although she had not been aware of this improper sales processing until it came to light, she has constantly called attention to the importance of legal compliance at meetings of the Board of Directors and other venues. After confirming the facts of this improper sales processing, she performed her duties, such as giving appropriate advice concerning thorough legal compliance and initiatives to prevent recurrence.

(Reference)

Skills matrix of Directors and Audit & Supervisory Board Members at the conclusion of this meeting

Note: The following chart shows the skills matrix of each Director and Audit & Supervisory Board Member in the event that all candidates stated in this notice of general meeting are elected as proposed.

Name	Position in the Company	Skills and experience							
		Corporate management	Finance	Accounting	Legal affairs Compliance	Governance Risk management	Sales Marketing	IT Security DX	MD
Makiko Mochizuki	Representative Director and President	●							●
Hirokazu Tamada	Representative Director and Chairman	●					●		
Hiroki Emori	Director		●					●	
Masahiro Matsumura	Director						●		●
Hiroaki Tanabe	Director					●			●
Satoru Miyazawa	Director (outside) Independent officer	●							
Keiichi Kuwabara	Director (outside) Independent officer					●			
Shinji Nasu	Director (outside) Independent officer							●	
Akira Sato	Audit & Supervisory Board Member (full-time and outside) Independent officer				●	●			
Kazuko Wakabayashi	Audit & Supervisory Board Member (outside) Independent officer		●	●					
Hiromi Horikawa	Audit & Supervisory Board Member (outside) Independent officer				●				

- Notes:
1. The above chart does not represent all the skills and experience possessed by Directors and Audit & Supervisory Board Members.
  2. MD stands for merchandising, refers to “commercialization plans” and “merchandising,” and plays a role in deciding and implementing the activities ranging from an assortment of merchandise, pricing to sales methods for the target customers.