

**FOR IMMEDIATE RELEASE**

July 4, 2022

Company Name: **Leopalace21 Corporation**  
Representative: Bunya Miyao, President and CEO  
Code Number: 8848 (Tokyo Stock Exchange, Prime Market)  
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### **Comments on Certain Media Report on June 30, 2022**

Leopalace21 (Headquarters: Nakano-ku, Tokyo; President and CEO: Bunya Miyao; the “Company”) recognized that a certain media reported an article about the Company’s handling issue of the waste household electric appliances on June 30, 2022.

The 49th Ordinary General Shareholders’ Meeting was held on June 29, 2022 where the matter was raised and the Company confirmed that it needs to rectify the unsuitable handling of the waste household electric appliances in light of the Act on Recycling of Specified Kinds of Home Appliances (hereinafter “Home Appliance Recycling Act”).

When the Company determined to recycle the home appliances in the leasing business, it transferred the ownership of appliances to the third party operators with relevant payment so that they could hand over the waste appliances to the appliances manufacturers or did some other things. The Ministry of Environment indicated to the Company that it could not be seen satisfying the responsibility of a retailer which has obligations to receive waste appliances from generators and to deliver to the appliances manufacturers as stated in the Home Appliance Recycling Act. The Company has confirmed that the third party operators have been paying the recycling fees in question.

The Company has been investigating the cases including the procedure to confirm the facts and has consulted the Ministry of Environment and other competent ministries. The Company is discussing the best way of rectification with the competent ministries in parallel to continuing the investigation and preparing the corrective measures so that the Company should deal with the matter properly.

The matter will not have an impact on the Company’s consolidated business performance.

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