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Securities code: 2726

May 9, 2023

(Start date of electronic provision measures: May 2, 2023)

## To Shareholders with Voting Rights:

Ryuta Inoue  
President and Representative Director  
PAL GROUP Holdings CO., LTD.  
3-6-1 Doshomachi, Chuo-ku, Osaka-shi,  
Osaka, Japan

## Notice of the 51st Ordinary General Meeting of Shareholders

We are pleased to inform you that the 51st Ordinary General Meeting of Shareholders (the “Meeting”) of PAL GROUP Holdings CO., LTD. (the “Company,” together with its subsidiaries, the “Group”) will be held for the purposes below.

In convening this General Meeting of Shareholders, the Company has taken measures to provide information electronically. Matters for Electronic Provision are posted on the following website.

The Company’s website: <https://www.palgroup.holdings/irinfo/>

In addition to the above, information is also posted on the Tokyo Stock Exchange, Inc. website as follows. Please enter and search for either the company name, “PAL GROUP Holdings CO., LTD.,” or the code, “2726,” and select “Basic information,” followed by “Documents for public inspection/PR information” in order to view the information provided.

TSE website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

**Instead of attending the Meeting in person, you can exercise your voting rights in writing or via the Internet, etc., so please review the Reference Documents for the General Meeting of Shareholders described in the Matters for Electronic Provision, and exercise your voting rights by 6:30 p.m. Japan time, Tuesday May 23, 2023 (closing of the Company’s business hours).**

1. **Date and time** Wednesday, May 24, 2023 at 10 a.m. Japan time (reception opens at 9:15 a.m.)
2. **Venue** AP Osaka Ekimae, Umeda 1-chome, B2F, Tokyo Tatemono Umeda Building located at 1-12-12 Umeda, Kita-ku, Osaka-shi, Osaka, Japan
3. **Purposes of the Meeting:**
  - Matters to be reported:** 51st fiscal year (March 1, 2022 - February 28, 2023)  
Business report, consolidated and non-consolidated financial statements and results of audits of the consolidated financial statements by the accounting auditor and the Audit & Supervisory Board
  - Matters to be resolved:**
    - Proposal 1:** Distribution of Surplus
    - Proposal 2:** Election of Six (6) Directors
    - Proposal 3:** Election of One (1) Audit & Supervisory Board Member
    - Proposal 4:** Election of One (1) Substitute Audit & Supervisory Board Member

- Since it is possible that COVID-19 infections will further spread on the day of the General Meeting of Shareholders, **the Company asks that shareholders exercise their voting rights in writing or via the**

- Internet, etc. where possible**, to ensure the safety of shareholders and prevent the spread of infection.
- If you are attending the Meeting, please hand in the enclosed Voting Rights Exercise Form at the reception.
  - Any revisions to the Matters for Electronic Provision will be posted on each of the designated websites.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Distribution of Surplus

The Company's basic policy is to distribute dividends commensurate with its business performance. While striving to maintain a stable payment of dividends, the Company determines dividend of surplus taking into account enhancement of internal reserves to further strengthen its corporate standing and prepare for active future business development. The Company proposes the following year-end dividend based on this policy.

#### Year-end dividend

- (1) Type of dividend property  
Cash
- (2) Allotment of dividend property to shareholders and its total amount  
75 yen per common share of the Company at a total of 3,294,381,450 yen
- (3) Effective date of the dividend of surplus (date when the payment of year-end dividend for the 51st fiscal year begins)  
May 25, 2023

**Proposal 2: Election of Six (6) Directors**

The terms of office of all the six (6) incumbent Directors will expire at the close of this Meeting. Therefore, the Company proposes the election of six (6) Directors.

The candidates for Director are as follows:

No.	Name	Position at the Company	Attendance at the Board of Directors meetings	Knowledge, experience and skills particularly expected				
				Corporate management	Industry knowledge	SDGs, etc.	Administration / finance	Risk management
1	Hidetaka Inoue	Chairman and Representative Director	13/14 (93%)	○	○		○	○
2	Ryuta Inoue	President and Representative Director	14/14 (100%)	○	○	○		○
3	Yasuji Arimitsu	Vice President, Director and Executive Officer	14/14 (100%)	○			○	○
4	Takayo Watanabe	Director	14/14 (100%)	○		○	○	○
5	Hisayuki Higuchi	Outside Director	14/14 (100%)	○			○	○
6	Kensaku Teranishi	Outside Director	13/14 (93%)	○			○	○

No.	Name (Date of birth)	Career summary, positions, responsibilities at the Company and significant concurrent positions	Number of the Company's shares held
1	Hidetaka Inoue (September 13, 1935) (Male)	October 1973      Established the Company, President and Representative Director May 2008          Chairman and Representative Director of the Company (to present)	1,034,072
		Significant concurrent positions <ul style="list-style-type: none"> <li>• Chairman and Representative Director of PAL CO., LTD., KURASHIKI STYLE CO., LTD. and LOCUSTco., Ltd.</li> <li>• President and Representative Director of Scotch Yofukuten K.K.</li> <li>• Chairman and Director of NICE CLAUP Co., LTD.</li> <li>• Director of MAG STYLE Co., LTD. and PAL HOLDINGS (SINGAPORE) PTE. LTD.</li> <li>• Director of PAL (Shanghai) Trading Co., Ltd.</li> </ul>	
Reason for candidacy as Director Ever since taking office as the Company's Representative Director in 1973, Hidetaka Inoue has led the Company's management for 50 years and has always demonstrated outstanding foresight and strong leadership to achieve the Company motto of "Contributing to society by constantly proposing new fashionable ways of life" and build the PAL Group it is today. The Company nominated him as a candidate for Director expecting that he will further contribute to the sustainable growth and improvement of corporate value of the Group by leading the Group's overall management in the future.			
2	Ryuta Inoue (June 8, 1965) (Male)	April 1989          Joined TEIJIN LIMITED May 1995          Joined the Company May 1995          Director March 2007        Senior Managing Director May 2008          President and Representative Director (to present)	3,649,336
		Significant concurrent positions <ul style="list-style-type: none"> <li>• President and Representative Director of NICE CLAUP Co., LTD., MAG STYLE Co., LTD. and R Scotch Co., Ltd.</li> <li>• Director of PAL CO., LTD. and PAL HOLDINGS (SINGAPORE) PTE. LTD.</li> <li>• Director of PAL (Shanghai) Trading Co., Ltd.</li> </ul>	
Reason for candidacy as Director Ever since joining the Company in May 1995, Ryuta Inoue accumulated a broad range of operational experience including store operations, product development, e-commerce operations and in the Administrative Division. Also, after taking office as the President in 2008, he has substantially contributed to expanding business performance. The Company nominated him as a candidate for Director expecting that he will further contribute to the sustainable growth and improvement of corporate value of the Group by leading the Group's overall management in the future.			

No.	Name (Date of birth)	Career summary, positions, responsibilities at the Company and significant concurrent positions	Number of the Company's shares held
3	Yasuji Arimitsu (April 23, 1934) (Male)	<p>April 1953      Joined TEIJIN LIMITED</p> <p>August 1972      Seconded to TEIJIN WINKLE Limited Director, General Manager, Administrative Unit</p> <p>December 1986      Seconded to Teijin WOW Limited Director, General Manager, Administrative Unit</p> <p>December 1994      Joined Teijin Central Kosan Co., Ltd.</p> <p>March 1998      Joined the Company</p> <p>April 1998      Director</p> <p>March 2007      Managing Director</p> <p>May 2011      Vice President and Director</p> <p>May 2013      Vice President, Director and Executive Officer (General Manager, Administrative Division and General Manager, Internal Audit Office) (to present)</p>	73,968
		<p>Significant concurrent positions</p> <ul style="list-style-type: none"> <li>• Vice President, Director and Executive Officer of PAL CO., LTD.</li> </ul>	
<p>Reason for candidacy as Director</p> <p>Yasuji Arimitsu has abundant experience mainly in administrative operations at the Company. He also has extensive experience and insight in management, serving as the Company's Vice President, Director and Executive Officer. The Company nominated him as a candidate for Director expecting that he will further contribute to the sustainable growth and improvement of corporate value of the Group supporting the Group's overall management in the future.</p>			
4	Takayo Watanabe (February 9, 1962) (Female)	<p>April 1984      Joined Daido Sanso K.K. (currently AIR WATER INC.)</p> <p>April 1987      Left Daido Sanso K.K.</p> <p>February 2003      Audit &amp; Supervisory Board Member, Scotch Yofukuten K.K.</p> <p>January 2011      Director (to present)</p> <p>July 2014      Representative Director, T Scotch Co., Ltd. (to present)</p> <p>May 2018      Director, PAL CO., LTD. (to present)</p> <p>May 2019      Director of the Company (to present)</p>	352,480
		<p>Significant concurrent positions</p> <ul style="list-style-type: none"> <li>• Representative Director of T Scotch Co., Ltd.</li> <li>• Director of PAL CO., LTD. and Scotch Yofukuten K.K.</li> </ul>	
<p>Reason for candidacy as Director</p> <p>As the eldest daughter of founder Hidetaka Inoue, Takayo Watanabe has a profound understanding of the essence of the Company's management philosophy and corporate culture. The Company nominated her as a candidate for Director expecting her to keep on fulfilling her duties as a Director to improve corporate value from a long-term perspective in the future.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities at the Company and significant concurrent positions	Number of the Company's shares held
5	Hisayuki Higuchi (August 18, 1939) (Male)	<p>April 1958      Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 1990      General Manager, Umeda Branch</p> <p>August 1994    Retired from Sumitomo Mitsui Banking Corporation</p> <p>Senior Managing Director, REX INDUSTRIES CO., LTD.</p> <p>April 1995      CEO, REX INTERNATIONAL U.S.A., INC.</p> <p>March 1996     Chairman, SUZHOU REX ELECTRO MACHINERY CO., LTD.</p> <p>May 2000       Outside Audit &amp; Supervisory Board Member of the Company</p> <p>June 2004      Chairman and Representative Director, REX INDUSTRIES CO., LTD.</p> <p>May 2008       Outside Director of the Company (to present)</p> <p>July 2010       Director and Advisor, REX INDUSTRIES CO., LTD.</p> <p>June 2014      Retired from REX INDUSTRIES CO., LTD.</p> <p>Significant concurrent positions</p> <ul style="list-style-type: none"> <li>• Director of PAL CO., LTD.</li> </ul>	-
<p>Reason for candidacy as Outside Director and overview of expected roles</p> <p>After serving at a financial institution, Hisayuki Higuchi has long been engaged in the management of a company operating in Japan and globally. He has deep insight in finance and corporate management and is giving input and guidance based on his experience as an incumbent Outside Director. The Company nominated him as a candidate for Outside Director because it expects him to contribute to improving corporate value by providing advice on the Group's overall management based on his insight and knowledge, and fulfill a supervisory function from a neutral and objective standpoint.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities at the Company and significant concurrent positions	Number of the Company's shares held
6	Kensaku Teranishi (November 28, 1951) (Male)	<p>April 1975      Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>May 1997        General Manager, Tamatsukuri Branch</p> <p>October 1998    General Manager, Underwriting Department, Osaka Branch, Sumitomo Capital Securities Co., Ltd.</p> <p>April 2001       General Manager, Assistant to Officer in charge of Osaka Branch, Daiwa Securities SMBC Co., Ltd.</p> <p>April 2004       Retired from Daiwa Securities SMBC Co., Ltd.</p> <p>May 2004        Standing Advisor, Konoike Construction Co., Ltd.</p> <p>October 2016    Representative Director, Vice President</p> <p>November 2017 Retired from Konoike Construction Co., Ltd.</p> <p>December 2017 Senior Advisor, Osaka Branch, Yamada Consulting Group Co., Ltd.</p> <p>May 2019        Outside Director of the Company (to present)</p> <p>December 2021 Retired as Senior Advisor, Osaka Branch, Yamada Consulting Group Co., Ltd.</p> <p>January 2022    Director, Shinwa Holdings, Co., Ltd. (to present)</p> <p>Significant concurrent positions</p> <ul style="list-style-type: none"> <li>• Director of Shinwa Holdings, Co., Ltd.</li> </ul>	-
<p>Reason for candidacy as Outside Director and overview of expected roles</p> <p>After serving at a financial institution, Kensaku Teranishi has long been engaged in corporate management. He has deep insight in finance and corporate management. The Company nominated him as a candidate for Outside Director because it expects him to contribute to improving corporate value by providing advice on the Group's overall management based on his insight and knowledge, and fulfill a supervisory function from a neutral and objective standpoint.</p>			

Notes:

1. There are no special interests between any of the candidates and the Company.
2. Hisayuki Higuchi is a candidate for Outside Director, as well as an independent director as stipulated by the financial instruments exchange (Tokyo Stock Exchange, Inc.). He has served as the Company's Outside Audit & Supervisory Board Member for eight (8) years since May 2000. He will also have served as the Company's Outside Director as well since May 2008, for 15 years at the close of this Meeting.  
Although Hisayuki Higuchi was formerly affiliated with the Company's main bank, in light of the Company's current financial status where its deposits significantly exceed its borrowings, and the absence of a transactional relationship with the said financial institution that will affect the Company's decision-making, as well as the fact that a substantial amount of time has passed since he retired from the said financial institution, the Company deems him to be sufficiently independent.
3. Kensaku Teranishi is a candidate for Outside Director, as well as an independent director as stipulated by the financial instruments exchange (Tokyo Stock Exchange, Inc.). He will have served as the Company's Outside Director since May 2019, for four (4) years at the close of this Meeting.



Although Kensaku Teranishi was formerly affiliated with the Company's main bank, in light of the Company's current financial status where its deposits significantly exceed its borrowings, and the absence of a transactional relationship with the said financial institution that will affect the Company's decision-making, as well as the fact that a substantial amount of time has passed since he retired from the said financial institution, the Company deems him to be sufficiently independent.

4. Summary of the content of the directors and officers liability insurance contract

The Company has entered into a directors and officers liability insurance contract with an insurance company to insure its Directors, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The contract covers damages that may arise due to insured parties assuming liability for their execution of duties, or receiving claims associated with the pursuit of such liability. The Company intends to continue and renew this contract. If the election of each candidate is approved, the candidates will become insured parties under this insurance contract.

**Proposal 3:** Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Yukio Utsunomiya will expire at the close of this Meeting. Therefore, the Company proposes the election of one (1) Audit & Supervisory Board Member.

The Audit & Supervisory Board has given its consent to this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, positions at the Company and significant concurrent positions	Number of the Company's shares held
Toshio Fujii (December 15, 1957)	April 1976      Joined Nichimen Co., Ltd. (currently Sojitz Corporation) May 2003      General Manager, Accounting Department, Nichimen Corporation (currently Sojitz Corporation) July 2011      Managing Director (General Manager, Business Administrative Headquarters), SOJITZ BUILDING MATERIALS CORPORATION July 2014      Internal Audit Dept., Sojitz Corporation January 2018    Joined the Company May 2019      Executive Officer (General Manager, Finance and Accounting Department)	-
Reason for candidacy as Outside Audit & Supervisory Board Member In addition to his extensive experience in administrative departments at other companies, Toshio Fujii has led the accounting & finance department ever since joining the Company in 2018. The Company believes he is suitable for the position of Audit & Supervisory Board Member of the Company in view of his abundant experience and a broad range of insight, and proposes him as a candidate for Audit & Supervisory Board Member.		

Notes:

1. There are no special interests between the candidate and the Company.
2. Summary of the content of the directors and officers liability insurance contract  
The Company has entered into a directors and officers liability insurance contract with an insurance company to insure its Audit & Supervisory Board Members, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The contract covers damages that may arise due to insured parties assuming liability for their execution of duties, or receiving claims associated with the pursuit of such liability. The Company intends to continue and renew this contract. If the election of the candidate is approved, the candidate will become an insured party under this insurance contract.

**Proposal 4:** Election of One (1) Substitute Audit & Supervisory Board Member

At the start of this Meeting, the effect of election will expire for Norihisa Ogawa, substitute Audit & Supervisory Board Member, elected at the 50th Ordinary General Meeting of Shareholders held on May 25, 2022. Therefore, the Company proposes the election of Norihisa Ogawa as a substitute Audit & Supervisory Board Member to prepare for contingencies where the number of Audit & Supervisory Board Members falls below the statutory requirement.

The effective period for the resolution of this proposal is up to the beginning of the next ordinary general meeting of shareholders. The election may be cancelled by resolution of the Board of Directors subject to the consent of the Audit & Supervisory Board provided that it is before the candidate takes office.

The Audit & Supervisory Board has given its consent to this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and significant concurrent positions	Number of the Company's shares held
Norihisa Ogawa (January 7, 1951)	April 1979 Registered as attorney-at-law (Daini Tokyo Bar Association) Joined Kashiwagi & Kiyozuka Law Office	-
	October 1987 Established Ogawa Norihisa Law Office	
	December 1994 Joined Kioizaka Themis General Law Office, Partner (to present)	
	April 1998 Corporate Auditor, NICE CLAUP Co., LTD.	
	April 2016 Retired as Corporate Auditor, NICE CLAUP Co., LTD.	

Notes:

- There are no special interests between the candidate and the Company.
- Norihisa Ogawa is a candidate for substitute Outside Audit & Supervisory Board Member, and fulfills the requirements for an independent auditor as stipulated by the financial instruments exchange (Tokyo Stock Exchange, Inc.).  
Norihisa Ogawa contributed to the audit of NICE CLAUP Co., LTD., a subsidiary of the Company, for a total of eighteen (18) years from April 1998 to April 2016 as its Outside Corporate Auditor. He also served as an outside corporate auditor of listed companies including Sankyu Inc. (TSE Prime Market) and Saison Information Systems Co., Ltd. (TSE Standard Market) as well as other companies. Although he has never been involved in the management of a company in any way other than serving as an outside officer in the past, the Company believes that he will provide timely and appropriate advice as he has a wealth of experience.
- Summary of the content of the directors and officers liability insurance contract  
The Company has entered into a directors and officers liability insurance contract with an insurance company to insure its Audit & Supervisory Board Members, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The contract covers damages that may arise due to insured parties assuming liability for their execution of duties, or receiving claims associated with the pursuit of such liability. The Company intends to continue and renew this contract. If the election of the candidate as a substitute Audit & Supervisory Board Member is approved, and he subsequently takes office as an Audit & Supervisory Board Member, then he will become an insured party under this insurance contract.