

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 3397

Date issued: June 14th, 2023

Start date of measures for electronic provision: May 31st, 2023

To Our Shareholders:

Takaya AWATA (Mr.)
President (CEO)
TORIDOLL Holdings Corporation
1-21-1 Dogenzaka, Shibuya-ku, Tokyo

Notice of the 33rd Annual General Meeting of Shareholders

You are hereby notified of the convocation of the 33rd Annual General Meeting of Shareholders of TORIDOLL Holdings Corporation (the “Company”) to be held as described below.

When convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the contents of the reference documents for the General Meeting of Shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, which are posted on the various websites listed below, so please access any of these websites to review the information.

Company’s website:

<https://www.toridoll.com/ir/stock/meeting/> (in Japanese)

Website for the General Meeting of Shareholders materials:

<https://d.sokai.jp/3397/teiji/> (in Japanese)

Tokyo Stock Exchange website (TSE Listed Company Information Service):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the above TSE website, enter “TORIDOLL Holdings” in the “Issue name (company name)” or the Company’s securities code “3397” in “Code,” and click “Search.” Then, click “Basic Information” and select “Documents for public inspection/PR Information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting].”)

In consideration of the safety of our shareholders, we would appreciate your cooperation in preventing COVID-19 at the venue of the General Meeting of Shareholders. Please note that individuals exhibiting a fever or looking unwell may be refused entry.

Instead of attending on the day of the Meeting you may exercise your voting rights via the Internet or in writing, etc., so we recommend that shareholders take the above into consideration when deciding whether or not to attend in person.

In this case, please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights no later than 6:00 p.m. on Wednesday, June 28, 2023 (JST).

(Note) Please note that the wearing of masks in the venue shall be at one’s own discretion.

1. Date and Time: Thursday, June 29, 2023, at 10:00 a.m. (JST) (reception begins at 9:00 a.m.)

2. Venue: Bellesalle Shibuya Garden
1F, Sumitomo Fudosan Garden Tower,
16-17, Nampeidaicho, Shibuya-ku, Tokyo

3. Purpose of Meeting

Matters to be reported:

1. The business report, consolidated financial statements and the results of the audit of consolidated financial statements by Financial Auditor and the Audit & Supervisory Committee for the 33rd fiscal year (from April 1, 2022 to March 31, 2023)
2. Non-consolidated financial statements for the 33rd fiscal year (from April 1, 2022 to March 31, 2023)

Matters to be resolved:

- | | |
|-----------------------|--|
| Proposal No. 1 | Election of Five Directors (Excluding Directors who are Audit & Supervisory Committee Members) |
| Proposal No. 2 | Election of Three Directors Who Are Audit & Supervisory Committee Members |
| Proposal No. 3 | Election of One Substitute Director who is an Audit & Supervisory Committee Member |

Please be aware that no gifts will be prepared for the Meeting. In addition, please note that no social event for shareholders will be held. Your kind understanding is appreciated.

Procedures for Exercising Voting Rights

When not attending the Meeting in person

Exercising your voting rights via the Internet, etc.

Please log into the website as specified by the Company and indicate your approval or disapproval of the agenda by 6:00 p.m. on Wednesday, June 28, 2023 (JST).

Exercising your voting rights in writing (Voting Right Exercise Form)

Please indicate your vote of approval or disapproval of each proposal in the enclosed voting form and return this form for receipt by 6:00 p.m. on Wednesday, June 28, 2023 (JST).

When attending the Meeting in person

Please present the enclosed voting form at the reception desk on the day of the Meeting.

Please bring this notice with you in order to save resources.

If no indication of approval or disapproval is made for each proposal in the returned voting form, it will be treated as an indication of approval.

- Among items for which measures for providing information in electronic format are to be taken, the following documents are not provided in the documents delivered to shareholders who have requested the delivery of paper-based documents in accordance with Paragraph 2 of Article 14 of the Articles of Incorporation and government regulations - “The Company’s Criteria for the Independence of Outside Directors,” “Share Acquisition Rights, etc. of the Company,” “Summary of Details of Indemnity Agreement,” “Summary of Details of Directors and Officers Liability Insurance Policy,” “Financial Auditor,” “Systems to Ensure That Directors Perform Their Duties in Compliance With Relevant Laws and Regulations and the Articles of Incorporation, and Other Systems to Ensure Propriety of Operations of the Company, and Operational Status of These Systems” “Consolidated Statements of Changes in Equity,” “Notes to Consolidated Financial Statements,” “Statements of Changes in Equity,” and “Notes to Non-consolidated Financial Statements.” Furthermore, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements which are included in the documents attached to this notice of Annual General Meeting of Shareholders are (i) part of the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements that are audited when the Audit & Supervisory Committee creates its audit report, and (ii) also a part of the Consolidated Financial Statements and Non-consolidated Financial Statements that are audited when the Financial Auditor creates its accounting audit report.
- If any changes have been made to items subject to measures for electronic provision arise, a notice of the changes and details of the items before and after the changes will be posted online on the Company’s aforementioned website and other websites listed on page 1.

Instructions on Exercising Voting Rights via the Internet, Etc.

“Smart Exercise[®]” by scanning the login QR Code

You can log into the website for exercising voting rights without entering the voting right exercise code and password.

1 Please scan the QR Code provided at the bottom right of the voting form.

* QR Code is a registered trademark of DENSO WAVE INCORPORATED.

2 Please follow the instructions on the screen and indicate your approval or disapproval.

“Smart Exercise[®]” can be used to exercise your voting rights one time only.

After exercising your voting rights, in order to change your initial vote, please access the desktop website and enter the voting right exercise code and password printed on the voting form to log in, then exercise your voting rights again.

* Scanning the QR Code again will take you to the desktop website.

By entering the voting right exercise code and password

Website for exercising voting rights: <https://soukai.mizuho-tb.co.jp/> (in Japanese)

1 Please access the website for exercising voting rights.

Click “Continue”

2 Enter the voting right exercise code given on the voting form.

Enter the voting right exercise code

Click “Next”

3 Enter the password given on the voting form.

Enter the password

Please set a new password to use in the future

Click “Enter”

4 Please follow the instructions on the screen and indicate your approval or disapproval.

*Operating screenshots are for reference only.

If you have any queries regarding how to operate your PC, smartphone or cell phone to exercise your voting rights via the Internet, please contact the support desk shown below.

Internet Help Hotline, Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.

0120-768-524

(Hours: 9:00 a.m. to 9:00 p.m., excluding year end and new year holidays)

Institutional investors can use the electronic voting platform for institutional investors operated by ICJ, Inc.

Notes:

- Shareholder shall bear the expenses for connection to the Internet.
- The password is a means to verify the identity of the person exercising voting rights as a shareholder. Please keep the password safe until the end of this General Meeting of Shareholders. The Company will not be able to respond to inquiries about the password by telephone. The Company will not contact you to ask for your password.
- If the password is entered incorrectly for a certain number of times, the account will be locked and unusable. If this occurs, please complete the procedures as indicated by the guidance shown on-screen.
- Although operational checks have been carried out on the website for exercising voting rights on most devices that connect to the Internet, please note, there is a possibility that the site may be unable to be used on the shareholder’s device.
- If a shareholder exercises their voting rights both in writing and via the Internet, etc., only the exercise of voting rights via the Internet, etc. will be accepted.
- If voting rights are exercised more than once via the Internet, etc., only the last exercise shall be accepted.

Reference Documents for General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Election of Five Directors (Excluding Directors who are Audit & Supervisory Committee Members)

At the conclusion of this meeting, the term of office for all three Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire. Therefore, the Company proposes the election of five Directors, increasing the number of Directors by two to further enhance the management system.

When selecting the Director candidates, the Nomination Committee, members of which include all three Independent Outside Directors (Audit & Supervisory Committee Members) who constitute a majority, has been consulted. Furthermore, taking into account deliberations by the Nomination Committee, the Audit & Supervisory Committee has determined that the proposal is appropriate, based on the judgment that the election of each candidate will contribute to the improvement of the Company's corporate value.

The candidates for Director are as follows:

Candidate no.	Name	Current position and responsibility in the Company	Attendance at Board of Directors meetings
1	Takaya Awata Reelection	President (CEO)	100% (15/15)
2	Takashi Sugiyama Reelection	Executive Vice President (COO) General Manager of International Business Division	100% (15/15)
3	Masatoshi Kamihara Reelection	Director (CSCO) General Manager of Supply Chain Management Division	100% (15/15)
4	Satoshi Yamaguchi New election	Executive Officer (CFO) General Manager of Finance Division and Finance Department	—
5	Rieko Shofu New election Candidate for Outside Director/Independent Director	—	—

(Note) Ms. Rieko Shofu's legal name is Rieko Fujino. However, she is referred to by the name she uses during her professional duties.

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Takaya Awata October 28, 1961 (61 years old) Reelection Attendance at Board of Directors meetings: 100% (15/15) Length of tenure at the conclusion of this meeting: 33 years	Aug. 1985 June 1990 Oct. 1995	Self-employed (opened Toridoll Sanban-Kan) Established Toridoll Ltd., President The Company changed its organizational structure to Toridoll corporation (currently, TORIDOLL Holdings Corporation), President (CEO) (current position)	27,578,662 shares
Reasons for nomination as candidate for Director: The Company has once again nominated Mr. Takaya Awata as a candidate for Director based on its judgment that he is necessary for the sustainable growth and medium to long-term improvement of the Company's corporate value in the future as he possesses a deep understanding of the Company's business gained through consistent involvement in the Company's operations since its establishment as well as swift and accurate decision-making skills and excellent risk management capabilities.				
2	Takashi Sugiyama May 23, 1977 (46 years old) Reelection Attendance at Board of Directors meetings: 100% (15/15) Length of tenure at the conclusion of this meeting: 2 years	Apr. 2001 Oct. 2006 July 2015 June 2017 Feb. 2019 July 2019 Oct. 2019 Feb. 2020 June 2021 June 2022	Joined Deloitte Tohmatsu Consulting Co., Ltd. (currently ABeam Consulting Ltd.) Joined ABeam M&A Consulting Ltd. (currently PwC Advisory LLC) Joined Deloitte Tohmatsu Consulting LLC. Executive Officer and Partner Joined the Company General Manager of International Business Preparation Office, International Business Division General Manager of International Business Planning Department, International Business Division Executive Officer and General Manager of International Business Division Managing Director and General Manager of International Business Division Executive Vice President (COO) and General Manager of International Business Division (current position)	4,651 shares
Role in the Company General Manager of International Business Division Significant concurrent positions outside the Company Director of Tam Jai International Co. Limited				
Reasons for nomination as candidate for Director: The Company has once again nominated Mr. Takashi Sugiyama as a candidate for Director based on its judgment that his capabilities are necessary for the future management of the Company as he possesses experience and insight related to international business that he has developed through work at management consulting firms, and has utilized this experience and insight to contribute to the advancement of our international business since joining the Company.				

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p>Masatoshi Kamihara January 30, 1959 (64 years old) Reelection</p> <p>Attendance at Board of Directors meetings: 100% (15/15) Length of tenure at the conclusion of this meeting: 5 years</p>	<p>Apr. 1981 Joined Wenco Japan Co., Ltd. (a group company of The Daiei, Inc.)</p> <p>June 2003 Self-employed (Founded Food Business Consulting)</p> <p>July 2013 General Manager of Food Hygiene Control Department of the Company</p> <p>Sept. 2013 General Manager of Merchandising Department</p> <p>Jan. 2015 General Manager of Merchandising Department and Product Department</p> <p>Feb. 2016 Executive Officer, General Manager of Merchandising Department and Product Department</p> <p>Apr. 2016 Executive Officer, General Manager of Product Division</p> <p>June 2018 Director, General Manager of Product Division</p> <p>Apr. 2019 Director, General Manager of Supply Chain Management Division</p> <p>Jan. 2020 Director, General Manager of Supply Chain Management Division and General Manager of Product Development Department</p> <p>Aug. 2022 Director (CSCO) and General Manager of Supply Chain Management Division (current position)</p> <p>Role in the Company General Manager of Supply Chain Management Division</p>	11,181 shares
<p>Reasons for nomination as candidate for Director: The Company has once again nominated Mr. Masatoshi Kamihara as a candidate for Director based on its judgment that his capabilities are necessary for the management of the Company in the future as he possesses comprehensive knowledge of products through his experience in a major distribution company and as an independent consultant, and by utilizing such experience and insight since joining the company, he has contributed to the expansion of food procurement routes and cost reduction.</p>			
4	<p>Satoshi Yamaguchi October 7, 1974 (48 years old) New election</p>	<p>Apr. 1997 Joined Japan Leasing Corporation (currently Sumitomo Mitsui Finance and Leasing Company, Limited)</p> <p>Apr. 2002 Joined M.P.Technologies, Inc (Ascentech K.K.)</p> <p>May 2007 Joined J-payment Company</p> <p>May 2008 Joined P&E Directions, Inc.</p> <p>Nov. 2012 Joined Japan Display Inc.</p> <p>Feb. 2020 Joined the Company as General Manager of Finance Department, Administration Division</p> <p>Oct. 2020 General Manager of Finance Division and Finance Department of the Company</p> <p>July 2022 Executive Officer (CFO), General Manager of Finance Division and Finance Department (current position)</p> <p>Role in the Company General Manager of Finance Division and Finance Department</p>	579 shares
<p>Reasons for nomination as candidate for Director: The Company has nominated Mr. Satoshi Yamaguchi as a candidate for Director based on its judgment that his capabilities are necessary for the future management of the Company as he possesses experience and insight related to financial operations and management planning, including fund management and procurement that he has developed through work at financial institutions, information communication companies, management consulting firms and electrical equipment manufacturers, and has utilized this experience and insight to contribute to supervision of finance operations of the Company, formulation of financial policies and strategies, and establishment and enhancement of the financial base since joining the Company.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	Rieko Shofu July 13, 1967 (55 years old) Candidate for Outside Director/Independent Director New election	<p>Apr. 1990 Joined Hakuhold Inc.</p> <p>June 2007 General Manager of the Corporate Design Department of Hakuhold Inc.</p> <p>Aug. 2011 Executive Officer and Executive Manager of Hakuhold Consulting Inc.</p> <p>May 2015 President and CEO of Sensing Asia Ltd. (current position)</p> <p>Apr. 2016 Deputy Director of Corporate Planning Headquarters and Director of Corporate Planning Department of POKKA SAPPORO Food & Beverage Ltd.</p> <p>Mar. 2017 Director of Corporate Planning Headquarters and Director of Corporate Planning Department of POKKA SAPPORO Food & Beverage Ltd.</p> <p>Mar. 2018 Group CEO of POKKA CORPORATION (SINGAPORE) PTE. LTD.</p> <p>Jan. 2020 Group CEO of POKKA PTE. LTD.</p> <p>Jul. 2020 Director and Senior Executive Managing Director of Sapporo Group Foods Ltd.</p> <p>Mar. 2022 Director of Sapporo Holdings Limited and Director of POKKA SAPPORO Food & Beverage Ltd.</p> <p>Jan. 2023 Director of Sapporo Holdings Limited, Vice President and Representative Director of POKKA SAPPORO Food & Beverage Ltd., President and Representative Director of Sapporo Group Foods Ltd. (current position)</p> <p>Significant concurrent positions outside the Company Director of Sapporo Holdings Limited, Vice President and Representative Director of POKKA SAPPORO Food & Beverage Ltd., President and Representative Director of Sapporo Group Foods Ltd.</p>	- shares
<p>Reasons for nomination as candidate for Outside Director and overview of expected role: The Company nominated Ms. Rieko Shofu as a candidate for Outside Director based on its judgment that her capabilities are necessary for the Company as she possesses extensive experience, track record, and knowledge in global business management, marketing, and accounting and finance and that she can provide accurate proposals and advice to the Company's management from an objective and professional perspective. Furthermore, if she is elected, she will serve as a member of the Nomination Committee and the Remuneration Committee and will be involved in the selection of candidates for the Company's Board of Directors and the determination of remuneration from an independent perspective.</p>			

- Notes:
1. There is no special interest between any of the candidates for Director and the Company.
 2. The age listed for each candidate for Director is their age as of the dispatch date of this notice of the Annual General Meeting of Shareholders.
 3. Ms. Rieko Shofu is a candidate for Outside Director.
 4. Pursuant to Paragraph 1 of Article 427 of the Companies Act, the Company intends to enter into a contract with Ms. Rieko Shofu, if her election is approved, to limit her liability for damages as stipulated in Paragraph 1 of Article 423 of the same Act. The limitation of liability for damages under the relevant agreement is expected to be the minimum liability amount set forth in Paragraph 1 of Article 425 of the Companies Act.
 5. In the event that Ms. Rieko Shofu is approved for appointment, the Company plans to submit a notification to Tokyo Stock Exchange, Inc. as an Independent Director who is obliged by said exchange to be designated as one not having the potential to cause conflicts of interest against general shareholders.
 6. Pursuant to the provisions of Paragraph 1 of Article 430-2 of the Companies Act, the Company has entered into an indemnity agreement with Mr. Takaya Awata, Mr. Takashi Sugiyama and Mr. Masatoshi Kamihara under which the Company agrees to indemnify costs and losses, as provided for in Item 1 and Item 2, respectively, of said Paragraph, within the range prescribed by laws and regulations. In the event that the reelection of Mr. Takaya Awata, Mr. Takashi Sugiyama and Mr. Masatoshi Kamihara is approved, the Company plans to renew the respective indemnity agreements

with each of them. In the event that the election of Mr. Satoshi Yamaguchi and Ms. Rieko Shofu is approved, the Company plans to enter into similar indemnity agreements with each of them.

7. The Company has entered into a directors and officers liability insurance policy as provided for in Paragraph 1 of Article 430-3 of the Companies Act with an insurance company. The policy will cover the amount of indemnification and court costs incurred in cases where a Director who is an insured receives a claim for damages arising from their performance of duties. The full amount of the insurance premiums for this insurance policy is borne by the Company. If the election of each candidate for Director is approved, each of them will be included as an insured in the insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal No. 2 Election of Three Directors Who Are Audit & Supervisory Committee Members

At the conclusion of this meeting, the term of office for all three Directors who are Audit & Supervisory Committee Members will expire. Therefore, the Company proposes the election of three Directors who are Audit & Supervisory Committee Members.

The Audit & Supervisory Committee has consented to this proposal. Candidates for the role of Director who is an Audit & Supervisory Committee Member are as follows:

Candidate no.	Name	Current position and responsibility in the Company	Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Committee meetings
1	Toshiyasu Umeki	Reelection Candidate for Outside Director/Independent Director Director (Audit & Supervisory Committee Member)	100% (15/15)	100% (15/15)
2	Hiroaki Umeda	Reelection Candidate for Outside Director/Independent Director Director (Audit & Supervisory Committee Member)	100% (15/15)	100% (15/15)
3	Maki Kataoka	Reelection Candidate for Outside Director/Independent Director Director (Audit & Supervisory Committee Member)	100% (15/15)	100% (15/15)

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p>Toshiyasu Umeki August 11, 1961 (61 years old) Candidate for Outside Director/Independent Director Reelection</p> <p>Attendance at Board of Directors meetings: 100% (15/15)</p> <p>Attendance at Audit & Supervisory Committee meetings: 100% (15/15)</p> <p>Length of tenure at the conclusion of this meeting: As Audit and Supervisory Board Member: 4 years As Audit & Supervisory Committee Member: 8 years</p>	<p>Oct. 1992 Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC)</p> <p>Apr. 1997 Registered as certified public accountant</p> <p>Oct. 2003 Director of Hino General Accounting Office (current position)</p> <p>Nov. 2003 Registered as certified tax accountant</p> <p>Sept. 2008 Representative Director of Hino Business Consulting Inc. (currently SFC Brain Consulting Inc.) (current position)</p> <p>June 2011 Audit and Supervisory Board Member of the Company</p> <p>June 2015 Director (Audit & Supervisory Committee Member) (current position)</p> <p>June 2016 Partner, IPO Audit & Co.</p> <p>June 2019 Representative Partner, IPO Audit & Co. (current position)</p> <p>Significant concurrent positions outside the Company Director of Hino General Accounting Office Representative Director of SFC Brain Consulting Inc., Representative Partner, IPO Audit & Co.</p>	9,800 shares
<p>Reasons for nomination as candidate for Outside Director and overview of expected role: The Company has once again nominated Mr. Toshiyasu Umeki as a candidate for Outside Director based on its judgment that he possesses both expertise and experience obtained as a certified public accountant and is capable of appropriately fulfilling the duties of Outside Director. Following his election, he is expected to provide supervision and advice for management based on his expert knowledge and experience, and to play a leading role in improving corporate governance of the Company as the Chair of the Audit & Supervisory Committee, Nomination Committee and Remuneration Committee.</p>			
2	<p>Hiroaki Umeda December 13, 1966 (56 years old) Candidate for Outside Director/Independent Director Reelection</p> <p>Attendance at Board of Directors meetings: 100% (15/15)</p> <p>Attendance at Audit & Supervisory Committee meetings: 100% (15/15)</p> <p>Length of tenure at the conclusion of this meeting: As Audit and Supervisory Committee Member: 6 years</p>	<p>Oct. 1994 Joined Asahi & Co. (currently KPMG AZSA LLC)</p> <p>Apr. 1998 Registered as certified public accountant</p> <p>Aug. 2004 Director of Hiroaki Umeda Certified Public Accountant Office (current position)</p> <p>Sept. 2004 Registered as certified tax accountant</p> <p>Mar. 2011 Outside Audit and Supervisory Board Member of Fujiseiki Co., Ltd. (current position)</p> <p>Apr. 2013 Representative Director of E-serve Co., Ltd. (current position)</p> <p>June 2017 Partner, IPO Audit & Co. (current position)</p> <p>June 2017 Director (Audit & Supervisory Committee Member) of the Company (current position)</p> <p>Significant concurrent positions outside the Company Director of Hiroaki Umeda Certified Public Accountant Office Outside Audit and Supervisory Board Member of Fujiseiki Co., Ltd. Representative Director of E-serve Co., Ltd. Partner, IPO Audit & Co.</p>	1,100 shares
<p>Reasons for nomination as candidate for Outside Director and overview of expected role: The Company has once again nominated Mr. Hiroaki Umeda as a candidate for Outside Director based on its judgment that he possesses both expertise and experience obtained as a certified public accountant and is capable of appropriately fulfilling the duties of Outside Director. Following his election, he is expected to provide supervision and advice for management based on his expert knowledge and experience, and to work for improving corporate governance of the Company as a member of the Audit & Supervisory Committee, Nomination Committee and Remuneration Committee.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p>Maki Kataoka February 24, 1971 (52 years old) Candidate for Outside Director/Independent Director Reelection</p> <p>Attendance at Board of Directors meetings: 100% (15/15) Attendance at Audit & Supervisory Committee meetings: 100% (15/15)</p> <p>Length of tenure at the conclusion of this meeting: As Audit and Supervisory Committee Member: 6 years</p>	<p>Dec. 2009 Registered as attorney at law Joined Dojima Law Office</p> <p>June 2014 Seconded to Regional Economy Vitalization Corporation of Japan (REVIC)</p> <p>Sept. 2016 Returned to Dojima Law Office</p> <p>June 2017 Director (Audit & Supervisory Committee Member) of the Company (current position)</p> <p>Significant concurrent positions outside the Company Attorney at law at Dojima Law Office</p>	1,100 shares
<p>Reasons for nomination as candidate for Outside Director and overview of expected role: Ms. Maki Kataoka has never been directly involved in the management of a company. However, the Company has once again nominated her as a candidate for Outside Director based on its judgment that she possesses expert knowledge and vast experience developed as an attorney at law and is capable of appropriately fulfilling the duties of Outside Director. Following her election, she is expected to provide supervision and advice for management based on her expert knowledge and experience, and to work for improving corporate governance of the Company as a member of the Audit & Supervisory Committee, Nomination Committee and Remuneration Committee.</p>			

- Notes:
1. There is no special interest between any of the candidates for Director who is an Audit & Supervisory Committee Member and the Company.
 2. The age listed for each candidate for Director who is an Audit & Supervisory Committee Member is their age as of the dispatch date of this notice of the Annual General Meeting of Shareholders.
 3. Mr. Toshiyasu Umeki, Mr. Hiroaki Umeda and Ms. Maki Kataoka are candidates for Outside Director.
 4. Pursuant to Paragraph 1 of Article 427 of the Companies Act, the Company has concluded contracts with Mr. Toshiyasu Umeki, Mr. Hiroaki Umeda and Ms. Maki Kataoka to limit their liability for damages as stipulated in Paragraph 1 of Article 423 of the same Act. The limitation of the liability for damages under the relevant agreement is the minimum liability amount set forth in Paragraph 1 of Article 425 of the Companies Act. In the event that the reelection of Mr. Toshiyasu Umeki, Mr. Hiroaki Umeda and Ms. Maki Kataoka is approved, the Company plans to renew the respective agreements with each of them.
 5. The Company has submitted notification to the Tokyo Stock Exchange, Inc. that Mr. Toshiyasu Umeki, Mr. Hiroaki Umeda and Ms. Maki Kataoka have been designated as Independent Directors who are obliged by said exchange to be designated as those not having the potential to cause conflict of interests against general shareholders. In the event that the reelection of Mr. Toshiyasu Umeki, Mr. Hiroaki Umeda and Ms. Maki Kataoka is approved, the Company plans to submit notification of their continued status as Independent Directors to said exchange.
 6. Pursuant to the provisions of Paragraph 1 of Article 430-2 of the Companies Act, the Company has entered into an indemnity agreement with Mr. Toshiyasu Umeki, Mr. Hiroaki Umeda and Ms. Maki Kataoka under which the Company agrees to indemnify costs and losses, as provided for in Item 1 and Item 2, respectively, of said Paragraph, within the range prescribed by laws and regulations. In the event that the reelection of Mr. Toshiyasu Umeki, Mr. Hiroaki Umeda and Ms. Maki Kataoka is approved, the Company plans to renew the respective indemnity agreements with each of them.
 7. The Company has entered into a directors and officers liability insurance policy as provided for in Paragraph 1 of Article 430-3 of the Companies Act with an insurance company. The policy will cover the amount of indemnification and court costs incurred in cases where a Director who is an insured receives a claim for damages arising from their performance of duties. The full amount of the insurance premiums for this insurance policy is borne by the Company. If the election of each candidate for Director who is an Audit & Supervisory Committee Member is approved, each of them will continue to be included as an insured in the insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal No. 3 Election of One Substitute Director who is an Audit & Supervisory Committee Member

The Company proposes the election of one substitute Director who is an Audit & Supervisory Committee Member in advance in case the number of Directors who are Audit & Supervisory Committee Members falls below the number required by laws and regulations.

The Audit & Supervisory Committee has consented to this proposal.

The candidate for the role of substitute Director who is an Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company's shares owned
<p style="text-align: center;">Koji Toyoda February 3, 1968 (55 years old) Candidate for Outside Director/Independent Director</p>	<p>Apr. 1991 Joined Meiji Life Insurance Company (currently Meiji Yasuda Life Insurance Company)</p> <p>Oct. 1996 Joined Asahi & Co. (currently KPMG AZSA LLC)</p> <p>Oct. 2004 Registered as attorney at law Joined Miyake & Partners</p> <p>Nov. 2004 Registered as certified public accountant</p> <p>Apr. 2012 Director of AXIA Law and Accounting Office (current position)</p> <p>Dec. 2013 Outside Audit & Supervisory Board Member of Taiyo Machinery Co., Ltd.</p> <p>Nov. 2015 Auditor of Osaka University of Economics</p> <p>Mar. 2017 Outside Director of Daisan Co., Ltd. (Audit & Supervisory Committee Member, current position)</p> <p>Significant concurrent positions outside the Company Director of AXIA Law and Accounting Office, Outside Director of Daisan Co., Ltd. (Audit & Supervisory Committee Member)</p>	<p>- shares</p>
<p>Reasons for nomination as candidate for substitute Outside Director and overview of expected role: The Company has nominated Mr. Koji Toyoda as a candidate for substitute Outside Director based on its judgment that he possesses both expertise and experience obtained as a certified public accountant and an attorney at law, and is capable of appropriately fulfilling the duties of Outside Director if he were to assume the position. In the event that he assumes a position as a Director who is an Audit & Supervisory Committee Member, he is expected to provide supervision and advice for management based on his expert knowledge and experience, and to work for improving corporate governance of the Company as a member of the Audit & Supervisory Committee, Nomination Committee and Remuneration Committee.</p>		

- Notes:
1. There is no special interest between Mr. Koji Toyoda, a candidate for substitute Director who is an Audit and Supervisory Committee Member, and the Company.
 2. The age listed for the candidate for substitute Director who is an Audit & Supervisory Committee Member, Mr. Koji Toyoda, is his age as of the dispatch date of this notice of the Annual General Meeting of Shareholders.
 3. Mr. Koji Toyoda is a candidate for substitute Outside Director.
 4. In the event that Mr. Koji Toyoda assumes a position as a Director who is an Audit & Supervisory Committee Member, the Company plans to execute a contract for limitation of liability with him to limit his liability as stipulated in Paragraph 1 of Article 423 of the Companies Act up to the total sum stipulated in Paragraph 1 of Article 425 of the Companies Act.
 5. In the event that Mr. Koji Toyoda assumes a position as a Director who is an Audit & Supervisory Committee Member, the Company plans to submit a notification to Tokyo Stock Exchange, Inc. as an Independent Director who is obliged by said exchange to be designated as one not having the potential to cause conflicts of interest against general shareholders.
 6. In the event that Mr. Koji Toyoda assumes a position as a Director who is an Audit & Supervisory Committee Member, the Company plans, pursuant to the provisions of Paragraph 1 of Article 430-2 of the Companies Act, to enter into an indemnity agreement with him under which the Company agrees to indemnify costs and losses, as provided for in Item 1 and Item 2, respectively, of said Paragraph, within the range prescribed by laws and regulations.
 7. The Company has entered into a directors and officers liability insurance policy as provided for in Paragraph 1 of Article 430-3 of the Companies Act with an insurance company. The policy will cover the amount of indemnification and court costs incurred in cases where a Director who is an insured receives a claim for damages arising from their performance of duties. The full amount of the insurance premiums for this insurance policy is borne by the Company. In the event that Mr. Koji Toyoda assumes a position as a Director who is an Audit & Supervisory Committee Member, he will be included as an insured under this insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Reference: Skills Matrix

The following table shows the particular expertise and experiences of the Directors and Executive Officers to be appointed at the Board of Directors meeting after the conclusion of the Annual General Meeting of Shareholders in the event that this proposal is approved.

	Position in the Company	Corporate management	Global	Accounting and finance	Capital policy M&A	Legal Compliance	ESG	Food service business	Marketing Store and facilities development	Food hygiene control	DX Innovation	Digital technology ICT
Takaya Awata	Representative Director, President	●					●	●			●	
Takashi Sugiyama	Executive Vice President	●	●	●	●	●			●		●	●
Masatoshi Kamihara	Director	●	●				●	●		●		
Satoshi Yamaguchi	Director		●	●	●		●					
Rieko Shofu	Outside Director	●	●	●	●		●	●	●			
Toshiyasu Umeki	Outside Director (Audit & Supervisory Committee Member)			●	●		●					
Hiroaki Umeda	Outside Director (Audit & Supervisory Committee Member)			●	●		●					
Maki Kataoka	Outside Director (Audit & Supervisory Committee Member)				●	●	●					
Yasunori Isomura	Executive Officer	●			●						●	●
Atsushi Kusano	Executive Officer		●				●	●		●		
Koji Hayashi	Executive Officer		●				●	●	●			
Katsuaki Nagumo	Executive Officer	●						●	●		●	
Michisuke Takesue	Executive Officer	●	●	●	●							

(Note) The above table does not include all of the expertise or experiences of each person.

Attached Documents Business Report (From April 1, 2022 to March 31, 2023)

1 Status of the corporate group

1 Progress and results of operations

During the consolidated fiscal year under review ended March 31, 2023, the business environment surrounding the Group in Japan was characterized by a dramatic increase in the number of people out and about and a recovery in the number of restaurant customers compared to the previous year, when a state of emergency was declared to prevent the spread of COVID-19 and COVID-19 quasi-emergency measures were implemented. Overseas, we saw a recovery in business conditions as restrictions on activities were largely eliminated in Europe and the U.S., and restrictions were eased in Asia as well.

Given this environment, the Group has made efforts in Japan to develop highly appealing products, design stores, and motivate customers to visit our stores. Abroad, in addition to aggressively opening new stores mainly in Asia, Europe, and North America, we have focused on rebranding and developing new business partners (local buddies (Note 1)) with an eye toward global expansion.

Total trading transactions	¥188,320 million (up 22.8% year-on-year)
Operating profit	¥7,466 million (down 47.6% year-on-year)
Profit before tax	¥7,726 million (down 44.6% year-on-year)
Profit for the year attributable to owners of the parent	¥3,827 million (down 57.4% year-on-year)

As a result, Marugame Seimen, an authentic Sanuki udon chain, and overseas businesses achieved record-high revenues, and all segments, including Other, recorded an increase in revenues, hitting a record-high revenue increase of 22.8% year-on-year to ¥188,320 million.

Profits were impacted by the global rise in raw material, labor, and utilities costs, but this was absorbed by the increase in sales, and in addition to Marugame Seimen and Overseas, Other segments, which reached record highs, recorded increased profits, and despite the increase in adjustments of Group expenses, business profit (Note 2) increased significantly by 28.6% year-on-year to ¥6,984 million.

Meanwhile, COVID-related subsidy income (which includes a government subsidy provided in return for complying with the request to shorten operating hours) totaled just ¥4,403 million for the current fiscal year, compared to ¥12,866 million last year. As a result, other operating revenues decreased by ¥9,966 million year-on-year. Also, a one-time business liquidation cost of ¥1,227 million related to the China business was recorded as other operating expenses. As a result, operating income (Note 3) and current fiscal year income attributable to owners of the parent decreased by 47.6% year-on-year to ¥7,466 million and by 57.4% year-on-year to ¥3,827 million, respectively.

Note 1: Comrades around the world who have special knowledge and know-how that works toward exciting experiences

Note 2: Business profit is calculated by deducting the cost of goods sold and selling, general and administrative expenses from revenue.

Note 3: Operating profit is calculated by adding other operating income to and deducting impairment losses and other operating expenses from business

Results of operations by segment are as follows:

Marugame Seimen

Main businesses

Marugame Seimen is a restaurant chain specializing in “Sanuki” udon. Noodles machines are installed at each restaurant for a “freshly kneaded” and “freshly boiled” taste. By cooking in front of our customers in an open kitchen, we aim to create an authentic restaurant where customers can enjoy “freshness,” “hand-made style,” and “comfort.”

Marugame Seimen performed well throughout the year due to the success of integrated communication that merges offline (stores) and online (TV commercials, digital marketing, social media, etc.), combining the brand strategy and product strategy in a hybrid form.

From June 15, 2022, the Group launched a new brand campaign with the key message “We’ll amaze you with udon!” to promote the delicious taste of freshly made udon and the value of handmade udon by artisans, while also enhancing brand empathy and favorability through stronger communication efforts.

In our product strategy, we not only further improved and enhanced the quality of our popular seasonal fair items, which were well received by our customers, but also introduced new offerings so that customers could enjoy a variety of ingredients and tastes. This not only promoted repeat purchases but also enhanced awareness of the series.

New products “Oretachi (our) Udon with Tonjiru (pork and vegetable soup)” and “Oretachi Udon with Tonjiru with butter and chives” which were jointly developed with Mr. Masahiro Matsuoka of TOKIO.inc, a co-creation partner, were the result of the pursuit of a unique pork soup that best suits udon noodles and the fusion of Mr. Matsuoka’s unique ideas and Marugame Seimen’s product development and marketing capabilities. As a result, it became a big hit and sold 2.55 million units by January 23, 2023. The next product, “Ankake Udon with Double Meat and Egg,” also became a winter hit, selling 1.63 million units by March 6, 2023.

In this fiscal year, to cope with soaring costs of raw materials, utilities, and labor, the Group implemented price revisions for a portion of our products on October 25, 2022, and further revised prices on March 7, 2023, including for our signature product, Kamaage Udon. We also renovated and remodeled aging stores at 70 existing locations.

In the area of customer service, the Group also focused on improving the customer experience (CX) with its “Osekkaai Strategy (Note),” which resulted in an increase in the number of compliments received from customers.

Thanks to these initiatives, revenue reached a record high, up by 10.8% year-on-year to ¥102,100 million. Cost of sales, labor costs, electricity rates, and advertising expenses also increased but were absorbed by the increase in revenue, resulting in a business profit increase of 9.8% year-on-year to ¥11,624 million.

(Note) A strategy to increase revenue by focusing on delighting customers and improving the in-store customer experience

Overseas (all overseas restaurant businesses)

Main businesses

The Company opened company-owned stores and franchise restaurants in 30 or more countries and regions.

As countries around the world continue to see a recovery in human mobility, the elimination of the COVID-19-related restrictions in China in January 2023 are expected to have a ripple effect on the economy in neighboring countries as well. In this environment, Tam Jai, a Hong Kong-based spicy noodle restaurant business, increased its number of locations by 40 in Asia, resulting in a significant increase in sales. Profitability recovered gradually in the fourth quarter of this fiscal year but was strongly affected by China’s COVID-19-related restrictions through the third quarter of this fiscal year, resulting in a decline in profits.

Marugame Udon reported a significant increase in sales in the U.S., thanks to the continued strong performance of its Hawaii stores as well as new stores. In Taiwan, revenue and profit increased dramatically owing to the success of focused efforts on human resource training despite COVID-19 restrictions, as well as its successful promotions. In the U.K., six new stores were opened during the current fiscal year, bringing the total number of locations to 10, and the recognition of the company, has increased with coverage in the local media and its selection for awards.

As a result of the above, revenue saw a significant increase of 49.7% year-on-year to ¥61,483 million, partly due to the impact of foreign exchange rates, and reached a record high. In terms of profit, soaring raw material prices, rising labor costs, and anticipatory investments such as marketing expenses for global expansion in multiple business

categories were absorbed by the increase in revenue, resulting in an increase in business profit of 24.9% year-on-year to ¥1,809 million.

Other

Main businesses

This segment includes “Kona’s Coffee,” “Nikuno Yamaki Shoten,” “Butaya Ton-Ichi,” “Toridoll,” “Nagata Honjyouken,” “Tempura Makino,” “Ramen Zundo-Ya,” and “Banpai-ya.”

Other segment include Kona’s Coffee, Nikuno Yamaki Shoten, Butaya Ton-Ichi, Toridoll, Nagata Honjyouken, Tempura Makino, Ramen Zundo-ya, Banpai-ya among others.

Both revenue and profit increased due to an improved business environment for Ramen Zundo-ya, Banpai-ya, and Toridoll compared to the previous fiscal year, when they were forced to close or shorten their business hours due to the declaration of a state of emergency to prevent the spread of COVID-19 and COVID-19 quasi-emergency measures were implemented. Ramen Zundo-ya, a thick tonkotsu (pork bone) ramen noodle restaurant business, achieved a dramatic increase in revenue by opening 19 new locations this fiscal year. In addition, the business profit margin rose significantly due to a decline in the ratio of cost and labor expenses, driving revenue and profit in this business segment.

Kona’s Coffee, a coffee chain with the concept of Hawaiian dining experience “closest to you,” achieved increased revenue and profit thanks to the success of limited-time fair menus, events, and other measures, as well as strong sales at the Tama New Town branch, which opened in October 2022.

Toridoll achieved a substantial increase in revenue and profit due to a considerable increase in the number of customers as a result of the successful launch of its signature product, Momo Ichimai Yaki Bento.

Butaya Ton-Ichi focused on creating restaurants that emphasize elaborate artisan techniques, such as cutting meat to order and coating it with breadcrumbs made in the establishment, while at the same time, it made progress in liquidating unprofitable restaurants, resulting in a significant increase in profit.

Nikuno Yamaki Shoten’s product strategy of offering handmade, freshly prepared yakiniku donburi and side dishes at everyday prices gained the support of customers, and the new location opened in November 2022 performed well by quickly establishing a grocerant model, resulting in an increase in revenue and profit.

As a result of the above, revenue saw an increase of 22.7% year-on-year to ¥24,737 million, and business profit increased significantly by 264.2% year-on-year to a record high of ¥3,044 million, thanks to an increase in revenue and a decrease in both the cost ratio and SG&A ratio due to optimization of the deployment of personnel, etc.

2 Capital expenditures

The Group has continued to enact capital expenditures in order to grow sales by opening new stores. In this fiscal year, the Group opened 14 Marugame Seimen stores and 29 stores of other brands in Japan, resulting in a total of 43 company-owned stores being newly opened.

The Group opened 76 company-owned overseas stores in Hong Kong, Taiwan, Singapore, the US, etc.

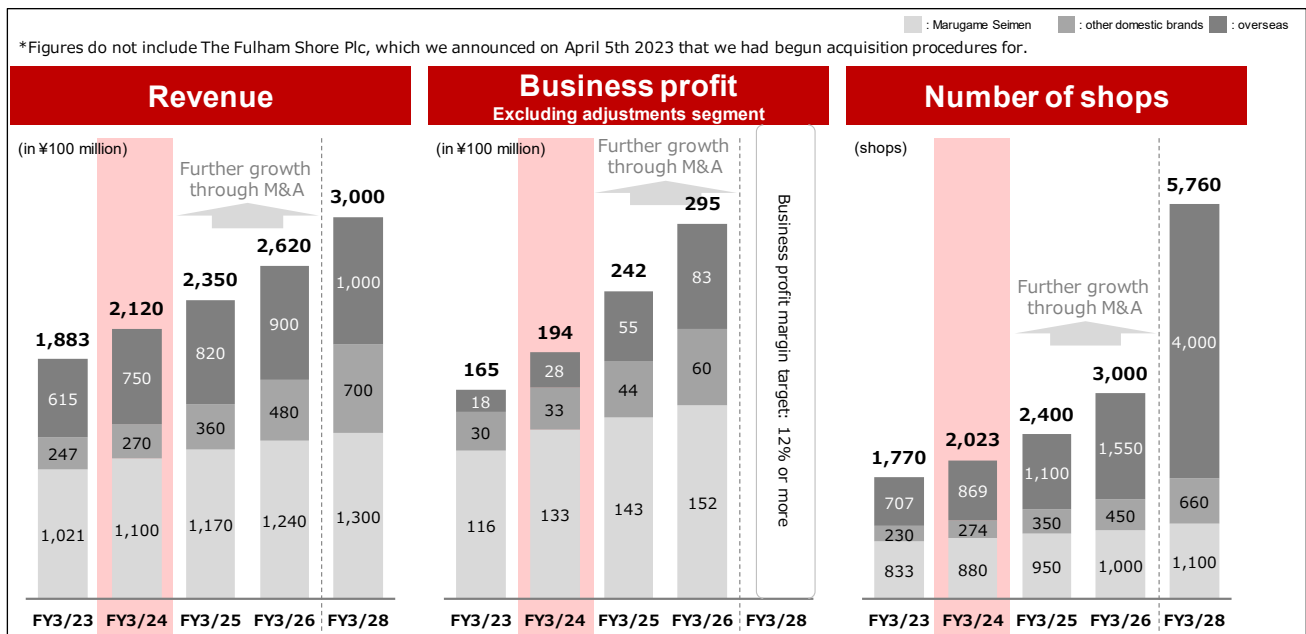
3 Financing activities

In this fiscal year, the Group raised funds of ¥21.0 billion from long-term loans from financial institutions and ¥4.0 billion from the issuance of bonds payable, in addition to funds on hand, and allocated them to operating funds.

4 Challenges to be addressed

Medium to Long-term Management Plan for FY3/23 to FY3/28

Aspiring to become a global food company in both name and substance, in May 2022, the Group established the “Medium- to Long-Term Management Plan for FY3/28,” targeting revenue of ¥300 billion and business profit margin of 12% or more for FY3/28. During the first year of the plan, in the fiscal year, FY3/23, Marugame Seimen and the Overseas business exceeded the revenue targets for FY3/24, while Marugame Seimen, Domestic and other businesses exceeded the business profit targets for FY3/24; thus the Company has formulated a new three-year plan for FY3/26, raising consolidated revenue and business profit in the fiscal years of FY3/24 to FY3/25



For details, please refer to the financial results for FY3/23 (<https://pdf.irpocket.com/C3397/CaoZ/ljZ6/s9zj.pdf>).

5 Assets, Profits, and Losses

(Amounts shown in millions of yen)

Category	International Financial Reporting Standards (IFRS)			
	30th Fiscal year ended March 31, 2020	31st Fiscal year ended March 31, 2021	32nd Fiscal year ended March 31, 2022	33rd Fiscal year ended March 31, 2023 (current fiscal year under review)
Total trading transactions	156,478	134,760	153,355	188,320
Profit (loss) before tax	2,837	(9,119)	13,935	7,726
Profit (loss) for the year attributable to owners of the parent	1,956	(5,456)	8,979	3,827
Comprehensive income (loss) for the year attributable to owners of the parent	1,626	(4,702)	13,599	8,511
Basic earnings (losses) per share (yen)	21.21	(67.71)	99.25	39.58
Total assets	209,978	209,411	240,840	266,235
Equity attributable to owners of the parent	45,427	39,461	62,024	69,566
Profit ratio to equity attributable to owners of the parent (%)	4.9	(12.9)	17.7	5.8

- Notes:
1. The Company conducted a 2-for-1 stock split of common shares on April 1, 2020. The Company calculated basic earnings (losses) per share based on the hypothetical premise that this stock split occurred at the beginning of the fiscal year ended March 31, 2020.
 2. At the end of current fiscal year under review, total assets increased by ¥25,395 million from the end of the previous fiscal year to ¥266,235 million, an increase of 10.5% year-on-year. This increase mainly reflected a ¥13,993 million increase in cash and cash equivalents, and a ¥2,874 million increase in intangible assets and goodwill, compared with the previous consolidated fiscal year.
 3. “Basic earnings (losses) per share” are calculated by deducting the amount not attributable to the Company’s common shareholders from “Profit (loss) for the year attributable to owners of the parent.”

6 Parent company and major subsidiaries

(i) Status of the parent company

Not applicable.

(ii) Status of major subsidiaries

Company name	Capital stock	Ratio of ownership of the Company	Major businesses
TORIDOLL HOLDING LIMITED	HKD \$2,452,338 thousand	100%	Administration and management of overseas business
TORIDOLL TAIWAN CORPORATION	NT \$52,500 thousand	100%	Restaurant management, etc.
Marugame Udon, Inc.	JPY ¥10 million	100%	Restaurant management, etc.
ACTIVE SOURCE Inc.	JPY ¥10 million	100%	Restaurant management, etc.
ZUND, Inc.	JPY ¥30 million	100%	Restaurant management, etc.
Tam Jai International Co. Limited	HKD \$1,116,189 thousand	75%	Restaurant management, etc.
Wok to Walk Franchise B.V.	EUR 18 thousand	80%	Franchise restaurant operations, etc.
TORIDOLL Global Foods Co., Ltd.	JPY ¥10 million	59%	Sales of agricultural products, etc.
TORIDOLL DINING CORPORATION	USD \$142	100%	Holding company
MARUGAME UDON USA, LLC	USD \$11,587 million	75%	Restaurant management, etc.
MC GROUP PTE. LTD.	SGD \$300,000	70%	Restaurant management, etc.
MARUGAME UDON (EUROPE) LIMITED	GBP 2,017 thousand	99%	Restaurant management, etc.
Toridoll and Heyi Holding Limited	HKD \$216,702 thousand	100%	Restaurant management, etc.

7 Principal Business Offices

(i) The Company

Headquarters 1-21-1 Dogenzaka, Shibuya-ku, Tokyo

(ii) Business offices of main subsidiaries

Marugame Udon, Inc.

Headquarters 1-21-1 Dogenzaka, Shibuya-ku, Tokyo

Yamaki, Inc.

Headquarters 1-21-1 Dogenzaka, Shibuya-ku, Tokyo

Toridoll Japan Inc.

Headquarters 1-21-1 Dogenzaka, Shibuya-ku, Tokyo

ZUND, Inc.

Headquarters 4-8-13 Tenjimbashi, Kita-ku, Osaka-shi, Osaka

ACTIVE SOURCE Inc.

Headquarters 3-24-10 Koyama, Shinagawa-ku, Tokyo

The number of stores by segment is as follows.

Marugame Seimen	Overseas		Others (Note 1)		Total number of stores
	Company-owned	Franchise restaurants (Note 2)	Company-owned	Franchise restaurants (Note 2)	
833	316	391	226	4	1,770

- Notes: 1 The "Others" segment includes "Kona's Coffee," "Nikuno Yamaki Shoten," "Butaya Ton-Ichi," "Toridoll," "Nagata Honjyouken," "Tempura Makino," "Ramen Zundo-Ya," and "Banpai-ya."
- 2 Formats other than those directly operated, such as franchises and joint ventures.

8 Employees

Number of employees	Changes from the end of the previous fiscal year
5,795	+867
[12,134]	[-1,329]

- Notes:
1. Number of employees excludes employees transferred from inside the Group to outside the Group.
 2. The number of employees in brackets [] is the average number of yearly temporary employees (average number of workers per month based on the eight hour working day conversion).
 3. Temporary employees include part-time workers, and dispatched employees are excluded.

9 Major lenders

Lender	Loan balance (millions of yen)
Development Bank of Japan Inc.	18,058
Sumitomo Mitsui Banking Corporation	16,218
Mizuho Bank, Ltd.	11,567
MUFG Bank, Ltd.	7,953
Sumitomo Mitsui Trust Bank, Limited	6,642
The Minato Bank, Ltd.	2,900
JA Hyogo Shinren	2,896

2 Shares of the Company

1 Number of Shares Authorized for Issue:

Common shares 230,400,000 shares

2 Total number of issued shares:

Common shares 87,920,752 shares (including 844,025 treasury shares)

Note: The total number of issued shares increased 257,400 shares by exercising stock options.

3 Number of shareholders

158,391

4 Major Shareholders

Shareholder name	No. of shares owned (shares)	Ratio of ownership (%)
Takaya Awata	27,578,662	31.67
T&T inc.	11,160,000	12.82
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,827,300	5.54
SMBC Trust Bank Ltd., Designated Securities Trust	3,738,000	4.29
Custody Bank of Japan, Ltd. (Trust Account)	864,700	0.99
STATE STREET BANK WEST CLIENT – TREATY 505234	605,500	0.70
ARIAKE JAPAN Co., Ltd.	600,000	0.69
SMBC Nikko Securities Inc.	253,600	0.29
J. P. MORGAN BANK LUXEMBOURG S. A. 381593	250,700	0.29
CGMI RETAIL CLEARANCE ACCOUNT	231,222	0.27

Notes: 1. The Company holds 844,025 shares of treasury shares, but these are not included in the above major shareholders.

2. Ratio of ownership is calculated excluding treasury shares.

5 Status of shares granted to Company Executives as remuneration during their duties this fiscal year

	Number of shares	Number of grantees (persons)
Directors (excluding Directors who are Audit & Supervisory Committee Members)	3,474	3

Note: A description of share-based remunerations of the Company is provided in “3-3 Amount of remuneration of Directors” of the Business Report.

6 Other important matters relating to shares

Not applicable.

3 Officers

1 Directors

Position in the Company	Name	Role in the Company and significant concurrent positions outside the Company
President (CEO)	Takaya Awata	Chair of the Board of Directors, Member of the Nomination Committee and Member of the Remuneration Committee
Executive Vice President (COO)	Takashi Sugiyama	General Manager of International Business Division Director of Tam Jai International Co. Limited
Director (CSCO)	Masatoshi Kamihara	General Manager of Supply Chain Management Division
Director (Audit & Supervisory Committee Member)	Toshiyasu Umeki	Chair of the Nomination Committee and Chair of the Remuneration Committee Director of Hino General Accounting Office, Certified Public Accountant Representative Director of SFC Brain Consulting Inc. Representative Partner, IPO Audit & Co.
Director (Audit & Supervisory Committee Member)	Hiroaki Umeda	Member of the Nomination Committee and Member of the Remuneration Committee Director of Hiroaki Umeda Certified Public Accountant Office, Certified Public Accountant Outside Audit & Supervisory Board Member of Fujiseiki Co., Ltd. Representative Director of E-serve Co., Ltd. Partner, IPO Audit & Co.
Director (Audit & Supervisory Committee Member)	Maki Kataoka	Member of the Nomination Committee and Member of the Remuneration Committee Attorney at law at Dojima Law Office

- Notes:
1. Directors (Audit & Supervisory Committee Members) Toshiyasu Umeki, Hiroaki Umeda, and Maki Kataoka are Outside Directors.
 2. Directors (Audit & Supervisory Committee Members) Toshiyasu Umeki and Hiroaki Umeda hold qualifications as certified public accountants and possess substantial insight in finance and accounting.
 3. The Company has submitted notification to the Tokyo Stock Exchange, Inc. that Directors (Audit & Supervisory Committee Members) Toshiyasu Umeki, Hiroaki Umeda, and Maki Kataoka have been designated as Independent Directors who are obliged by said exchange to be designated as those not having the potential to cause conflict of interests against general shareholders.
 4. The Company has not selected full-time Audit & Supervisory Committee Members because of the system of the Audit & Supervisory Committee that conducts audits by utilizing the internal controls system. In addition, the administrative office of the Audit & Supervisory Committee has been established in the Legal Compliance Department and assists in the duties of the Audit & Supervisory Committee.
 5. Managing Director Kimihiro Tanaka retired upon the expiry of his term of office at the conclusion of the 32nd Annual General Meeting of Shareholders held on June 29, 2022.

2 Summary of details of limited liability agreement

The Company has executed contracts with Directors (Audit & Supervisory Committee Members) Toshiyasu Umeki, Hiroaki Umeda, and Maki Kataoka to limit their liability for damages as stipulated in Paragraph 1 of Article 427 of the Companies Act, excluding cases of malicious intent or material negligence by the Director, to the amount of double the highest annual amount of proprietary benefits received or planned to be received from the Company as remuneration during their term as an entrusted Director or as remuneration for the execution of other duties.

3 Amount of remuneration of Directors

(i) Policy for determining the details of remuneration for Directors

By resolution of the Board of Directors meeting held on May 31, 2017, the Company has adopted a policy to determine details of remuneration for each Director, which was revised by resolution of the Board of Directors meeting held on February 22, 2021. When adopting the resolutions at the Board of Directors meeting held on February 22, 2021, the Remuneration Committee was consulted in advance regarding the contents of the resolutions. The policy to determine details of remuneration for each Director is as described below.

a. Basic approach

In order to give incentives to Directors (excluding Directors who are Audit & Supervisory Committee Members) to achieve sustainable improvement of the Group's corporate value and promote the sharing of value with shareholders at an early stage by increasing the proportion of remuneration linked to medium- to long-term business performance and the proportion of remuneration as company stock, remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) shall consist of basic remuneration, short-term incentive remuneration (performance-linked remuneration) and long-term incentive remuneration (stock options and restricted shares).

Remuneration for Directors (Audit & Supervisory Committee Members) shall consist of basic remuneration and long-term incentive remuneration (stock options).

b. Procedures for the determination of remuneration

In determining the remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members), the Company guarantees objectivity in the level of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) by obtaining advice based on survey data on officer remuneration (including the proportion of each type of remuneration) from an external specialized organization. In addition, remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) (including the proportion for each type of remuneration) was determined after consultation with the Remuneration Committee, members of which include all three Independent Outside Directors (Audit & Supervisory Committee Members) who constitute a majority. Taking into account deliberations by the Remuneration Committee, the Audit & Supervisory Committee will also deliberate whether the remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) was appropriate in light of business performance and the performance of duties when determining whether to exercise the right to express opinions (Paragraph 6 of Article 361 of the Companies Act).

Remuneration for Directors (Audit & Supervisory Committee Members) is determined through discussion of the Audit & Supervisory Committee Members.

c. Overview of short-term incentive remuneration (performance-linked remuneration)

The upper limit of the total amount of performance-linked remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) shall be the total amount to be paid for the relevant fiscal year, which is set in advance by the Board of Directors, and shall be determined in accordance with the achievement of budget targets set in advance by the Board of Directors based on the consolidated total trading transactions and profit for the year attributable to owners of the parent for the relevant fiscal year of the Group. The Company uses consolidated total trading transactions and profit for the year attributable to owners of the parent as indicators for short-term incentive remuneration (performance-linked remuneration) because they are publicly available figures and are clear criteria for demonstrating corporate size and profitability.

In addition, each Director (excluding Directors who are Audit & Supervisory Committee Members) shall be paid an amount obtained by proportionally dividing the total amount of performance-linked remuneration presented above by figures by position set in advance by the Board of Directors for each position.

d. Details of long-term incentive remuneration (non-monetary remuneration)

Long-term incentive remuneration (non-monetary remuneration) shall consist of the Company's shares (restricted shares) and the Company's share acquisition rights (stock options).

Of the long-term incentive remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members), the amount of individual monetary remuneration claims pertaining to restricted shares shall be determined by the Board of Directors. The Company may, by resolution of the Board of Directors, delegate this authority to the Representative Director & President.

Of the long-term incentive remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members), the granting of stock options shall be determined at the General Meeting of Shareholders. The Company may, by resolution of the Board of Directors, delegate authority regarding the number of individual share acquisition rights to the Representative Director & President.

Long-term incentive remuneration (stock options) for Directors (Audit & Supervisory Committee Members) shall be determined at the General Meeting of Shareholders. The number of individual share acquisition rights shall be determined through discussion of the Audit & Supervisory Committee Members.

(ii) Total amount of remuneration for this fiscal year

The total payment amount and budget targets for short-term incentive remuneration (performance-linked remuneration) within the individual remuneration, etc. for Directors this fiscal year were set at the Board of Directors meeting held on June 29, 2022. Consolidated total trading transactions and profit for the year attributable to owners of the parent this fiscal year are as stated in "1 Status of the corporate group" above, and the amounts of remuneration below were calculated based on the achievement of these performance indicators.

Furthermore, the Company resolved to delegate the determination of both the specific details of the amount of basic remuneration and the amount of monetary remuneration claims pertaining to long-term incentive remuneration (restricted shares) to the Representative Director & President Takaya Awata at the Board of Directors meetings held on June 29, 2022 and July 12, 2022, respectively, and Mr. Awata determined the specific details of both. The reason for the delegating this to the Representative Director & President is that the Company has judged that he is most familiar with the status of management of the entire Group and the status of business performance by each Director, and can determine the most appropriate amount in consideration of the performance and targets of each Director. Furthermore, prior to the decision, the Company passed a resolution on the details of the report on individual remuneration at the Remuneration Committee meeting held on May 13, 2022, and the decision was made with the utmost respect for the report.

As the amount of individual remuneration for Directors was determined after the procedures stated above, the Board of Directors judged that these details, including short-term incentive remuneration (performance-linked remuneration), are in line with the determination policy.

Category	Total amount of remuneration (millions of yen)	Total amount of remuneration by type (millions of yen)			Number of recipient directors
		Basic remuneration	Performance-linked remuneration	Non-monetary remuneration	
Directors (excluding Directors who are Audit & Supervisory Committee Members) (of which, Outside Directors)	150 (-)	117 (-)	12 (-)	21 (-)	4 (0)
Directors (Audit & Supervisory Committee Member) (of which, Outside Directors)	21 (21)	19 (19)	- (-)	2 (2)	3 (3)
Total (Outside Directors)	171 (21)	136 (19)	12 (-)	23 (2)	7 (3)

- Notes:
1. One Director (excluding Directors who are Audit & Supervisory Committee Members) who retired at the conclusion of the 32nd Annual General Meeting of Shareholders held on June 29, 2022, is included in the table above.
 2. The amount of non-monetary remuneration listed above includes the expenses incurred during this fiscal year related to share acquisition rights issued as stock options (¥7 million for Directors (excluding Audit & Supervisory Committee Members) and ¥2 million for Directors (Audit & Supervisory Committee Members)) that were approved at the General Meeting of Shareholders and Board of Directors meeting held on June 29, 2021. Furthermore, this includes the expenses incurred during this fiscal year related to shares granted as restricted shares (¥14 million for Directors (excluding Audit & Supervisory Committee Members)) that were approved at the Board of Directors meetings held on July 9, 2019, the Board

of Directors meeting held on July 14, 2020, the Board of Directors meeting held on July 13, 2021, and the Board of Directors meeting held on July 12, 2022.

3. Non-monetary remuneration for this fiscal year was the Company's shares (restricted shares) and share acquisition rights issued as stock options, the status of the Company's shares (restricted shares) is presented in "2.5 Status of shares granted to Company Executives as remuneration during their duties this fiscal year" in the Business Report and the status of held share acquisition rights granted as stock options as of March 31, 2023 is posted in the "Share Acquisition Rights, etc. of the Company" of the Business Report.
4. The total amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) was resolved to be not more than ¥500 million per year at the 25th Annual General Meeting of Shareholders held on June 26, 2015. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) at the conclusion of that General Meeting of Shareholders was three (of which, none were Outside Directors).
5. The amount of remuneration for Directors (Directors who are Audit & Supervisory Committee Members) was resolved to be not more than ¥100 million per year at the 25th Annual General Meeting of Shareholders held on June 26, 2015. The number of Directors (Directors who are Audit & Supervisory Committee Members) at the conclusion of that Annual General Meeting of Shareholders was three (of which, three were Outside Directors).
6. At the 27th Annual General Meeting of Shareholders held on June 29, 2017, the total amount of monetary remuneration claims for the granting of restricted shares to Directors (excluding Directors who are Audit & Supervisory Committee Members) was resolved to be not more than ¥36 million per year, which is within the scope of the total amount of remuneration of ¥500 million per year stated above, and the total number of the Company's common shares to grant was resolved to be not more than 29,460 shares (number of shares after the stock split on April 1, 2020). The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) at the conclusion of that General Meeting of Shareholders was four (of which, none were Outside Directors).
7. At the 31st Annual General Meeting of Shareholders held on June 29, 2021, the total amount of the Company's share acquisition rights to be granted as stock options to Directors (excluding Directors who are Audit & Supervisory Committee Members) was resolved to be not more than 150, which is within the scope of the total amount of remuneration of ¥500 million per year stated above, and the total number of shares underlying the share acquisition rights was resolved to be not more than 30,000 shares. Furthermore, at that meeting, the total amount of the Company's share acquisition rights to be granted as stock options to Directors (Directors who are Audit & Supervisory Committee Members) was resolved to be not more than 45, which is within the scope of the total amount of remuneration of ¥100 million per year stated above, and the total number of shares underlying the share acquisition rights was resolved to be not more than 9,000 shares. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) at the conclusion of that General Meeting of Shareholders was four (three eligible for the granting of shares) (of which, none were Outside Directors), and the number of Directors (Directors who are Audit & Supervisory Committee Members) was three (of which, three were Outside Directors).

4 Matters concerning Outside Directors and Outside Audit & Supervisory Board Members

(i) Significant concurrent positions held at other organizations and the relationships between these organizations and the Company

Category	Name	Name of corporation or organization	Details
Director (Audit & Supervisory Committee Member)	Toshiyasu Umeki	Hino General Accounting Office	Director
		SFC Brain Consulting Inc.	Representative Director
		IPO Audit & Co.	Representative Partner
Director (Audit & Supervisory Committee Member)	Hiroaki Umeda	Hiroaki Umeda Certified Public Accountant Office	Director
		Fujiseiki Co., Ltd.	Outside Audit & Supervisory Board Member
		E-serve Co., Ltd.	Representative Director
		IPO Audit & Co.	Partner
Director (Audit & Supervisory Committee Member)	Maki Kataoka	Dojima Law Office	Attorney at law

Note: There is no special relationship between each of the above entities and the Company.

(ii) Status of principal activities during this fiscal year

Category	Name	Overview of attendance, participation and duties carried out in relation to expected role of an Outside Director
Director (Audit & Supervisory Committee Member)	Toshiyasu Umeki	<p>During this fiscal year, Mr. Toshiyasu Umeki attended 15 of 15 Board of Directors meetings and 15 of 15 Audit & Supervisory Committee meetings. He made appropriate and necessary statements during proposal deliberations, etc., utilizing his deep insight as a certified public accountant.</p> <p>Furthermore, as the Chair of the Audit & Supervisory Committee, he planned and led the Audit & Supervisory Committee's audits, and as Chair of the Nomination Committee and the Remuneration Committee, he led the deliberations at both committees.</p>
Director (Audit & Supervisory Committee Member)	Hiroaki Umeda	<p>During this fiscal year, Mr. Hiroaki Umeda attended 15 of 15 Board of Directors meetings and 15 of 15 Audit & Supervisory Committee meetings. He made appropriate and necessary statements during proposal deliberations, etc., utilizing his deep insight as a certified public accountant.</p> <p>Furthermore, as a member of the Audit & Supervisory Committee, he vigorously carried out the Audit & Supervisory Committee's audits, and as a member of the Nomination Committee and the Remuneration Committee, he proactively made statements at both committees.</p>
Director (Audit & Supervisory Committee Member)	Maki Kataoka	<p>During this fiscal year, Ms. Maki Kataoka attended 15 of 15 Board of Directors meetings and 15 of 15 Audit & Supervisory Committee meetings. She made appropriate and necessary statements during proposal deliberations, etc., utilizing her deep insight as an attorney.</p> <p>Furthermore, as a member of the Audit & Supervisory Committee, she vigorously carried out the Audit & Supervisory Committee's audits, and as a member of the Nomination Committee and the Remuneration Committee, she proactively made statements at both committees.</p>

4 Policy to Determine Dividends of Surplus, etc.

The Group places one of the highest priorities on the appropriate distribution of profits to shareholders. Guided by this principle, we strive to provide steady shareholder returns reflecting the profitability and performance of the business while maintaining efforts to maximize retained earnings to make the investment required for the Group's growth. To ensure stable and constant dividend payment, our sustainable dividend policy sets the adjusted dividend payout ratio (Note) to be at least 2% while targeting the dividend payout ratio of 20%.

(Note) The adjusted dividend payout ratio is calculated by dividing dividends paid by (net income attributable to owners of the parent + depreciation and amortization + other operating expenses - other operating income + impairment losses + non-recurring expenses) and multiplying the result by 100.

For this fiscal year, the Company passed a resolution related to appropriation of surplus as follows at the Board of Directors meeting held on May 15, 2023.

Year-end dividends

- (i) Type of dividend property
Cash

- (ii) Allotment of dividend property to shareholders and their aggregate amount
Dividend per share of common share of the Company
¥7.50
Total payment
¥653 million

- (iii) Effective date of dividends of surplus
June 15, 2023

Note: The figures presented in this Business Report are rounded numbers.

Consolidated Financial Statements

Consolidated Statement of Financial Position (as of March 31, 2023)

(Amounts shown in millions of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	77,801	Current liabilities	59,470
Cash and cash equivalents	67,456	Trade and other payables	13,223
Trade and other receivables	7,578	Short-term loans payable	4,028
Inventories	759	Current portion of long-term loans payable	16,802
Other current assets	2,008	Lease liabilities	16,722
Non-current assets	188,434	Income taxes payable	644
Property, plant and equipment	36,143	Provisions	1,423
Right-of-use assets	82,759	Other current liabilities	6,627
Intangible assets and goodwill	45,712	Non-current liabilities	128,608
Investments accounted for using the equity method	4,336	Bonds payable	3,184
Other financial assets	13,103	Long-term loans payable	46,629
Deferred tax assets	4,953	Lease liabilities	69,214
Other non-current assets	1,428	Provisions	5,336
		Deferred tax liabilities	1,558
		Other non-current liabilities	2,687
		Total liabilities	188,078
		Equity	
		Equity attributable to owners of the parent	69,566
		Capital stock	4,673
		Capital surplus	11,575
		Other equity instruments	10,847
		Retained earnings	34,207
		Treasury shares	(1,003)
		Other components of equity	9,267
		Non-controlling interests	8,592
		Total equity	78,158
Total assets	266,235	Total liabilities and equity	266,235

Consolidated Statement of Income (From April 1, 2022 to March 31, 2023)

(Amounts shown in millions of yen)

Item	Amount	
Revenue		188,320
Cost of sales		(47,817)
Gross profit		140,503
Selling, general and administrative expenses	(133,519)	
Impairment loss	(2,348)	
Other operating income	5,525	
Other operating expenses	(2,695)	(133,037)
Operating profit		7,466
Finance income	1,234	
Finance costs	(1,096)	138
Share of profit (loss) of investments accounted for using the equity method		122
Profit before tax		7,726
Income tax expense		(3,271)
Profit for the year		4,456
Profit for the year attributable to		
Owners of the parent		3,827
Non-controlling interests		628

Non-consolidated Financial Statements
Balance Sheet (as of March 31, 2023)

(Amounts shown in millions of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	37,662	Current liabilities	31,270
Cash and deposits	26,340	Accounts payable - trade	2,806
Trade accounts receivable	3,935	Short-term borrowings	4,000
Raw materials and supplies	17	Current portion of long-term borrowings	16,200
Prepaid expenses	1,047	Current portion of bonds payable	800
Short-term loans receivable	579	Lease obligations	258
Accounts receivable - other	5,186	Accounts payable - other	4,509
Other	718	Accrued expenses	352
Allowance for doubtful accounts	(160)	Income taxes payable	354
Non-current assets	102,480	Deposits received	75
Property, plant and equipment	26,552	Provision for bonuses	44
Buildings	18,361	Provision for loss on store closings	64
Structures	1,415	Accounts payable - facilities	1,581
Vehicles	18	Asset retirement obligations	198
Tools, furniture and fixtures	5,168	Other	29
Leased assets	1,316	Non-current liabilities	64,107
Construction in progress	273	Long-term borrowings	55,080
Intangible assets	77	Bonds payable	3,200
Software	74	Lease obligations	1,920
Telephone subscription right	1	Asset retirement obligations	3,770
Trademark rights	1	Other	136
Investments and other assets	75,852	Total liabilities	95,377
Shares of subsidiaries and associates	55,249	Net assets	
Investments in capital of subsidiaries and associates	0	Shareholders' equity	44,158
Investment securities	286	Capital stock	4,693
Long-term loans receivable	7,482	Capital surplus	4,771
Long-term prepaid expenses	99	Legal capital surplus	465
Leasehold and guarantee deposits	5,624	Other capital surplus	4,306
Construction assistance fund receivables	3,454	Retained earnings	35,676
Deferred tax assets	4,198	Legal retained earnings	73
Other	1,006	Other retained earnings	35,604
Allowance for doubtful accounts	(1,546)	General reserve	13,379
		Retained earnings brought forward	22,225
		Treasury shares	(982)
		Share acquisition rights	607

Item	Amount	Item	Amount
		Total net assets	44,765
Total assets	140,142	Total liabilities and net assets	140,142

Statement of Income (From April 1, 2022 to March 31, 2023)

(Amounts shown in millions of yen)

Item	Amount	
Net sales		81,557
Cost of sales		45,494
Gross profit		36,063
Selling, general and administrative expenses		32,740
Operating profit		3,323
Non-operating revenue		
Interest income	133	
Government grants	5	
Dividend income	86	
Foreign exchange gain	743	
Other	126	1,093
Non-operating expenses		
Interest expenses	925	
Other	138	1,063
Ordinary profit		3,353
Extraordinary income		
Gain on reversal of allowance for doubtful accounts for subsidiaries and associates	252	
Other	147	399
Extraordinary losses		
Impairment loss	1,149	
Provision of allowance for doubtful accounts for subsidiaries and associates	149	
Other	178	1,476
Profit before income taxes		2,275
Income taxes - current	704	
Income taxes - deferred	365	1,069
Profit		1,206

Audit Report

Certified Copy of Audit Report of Financial Auditor on the Consolidated Financial Statements (TRANSLATION)

Independent Auditor's Report

May 25, 2023

TORIDOLL Holdings Corporation
To the Board of Directors

KPMG AZSA LLC
Tokyo Office

Designated Limited Liability Partner, Engagement Partner
Takaki Okano
Certified Public Accountant

Designated Limited Liability Partner, Engagement Partner
Yoichi Ueno
Certified Public Accountant

Audit Opinion

Pursuant to Paragraph 4 of Article 444 of the Companies Act, we have audited the consolidated financial statements of TORIDOLL Holdings Corporation (the "Company") for the fiscal year from April 1, 2022 to March 31, 2023, which comprises the consolidated statements of financial position, consolidated statements of income, consolidated statements of changes in equity, important materials which were the foundation for preparing the consolidated financial statements, and other notes.

We acknowledge that the above consolidated financial statements, prepared with the omission of a part of the disclosures required under International Financial Reporting Standards pursuant to the provisions of the latter part of the Paragraph 1 of Article 120 of the Regulation on Corporate Accounting, fairly present, in every material aspect, the financial position and results of operations of the corporate group composed of the Company and its consolidated subsidiaries for the relevant term of the consolidated financial statements.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the Japan GAAP are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and the supporting schedules. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the Group's reporting process of the other information.

Our audit opinion on the consolidated financial statements does not cover the other information, and we do not provide an opinion on the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, and aside from such material inconsistencies, we also pay attention as to whether there are any indications in the other information of material misstatements.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and appropriate disclosure of consolidated financial statements

pursuant to the provisions of the latter part of Paragraph 1 of Article 120 of the Regulation on Corporate Accounting, which approves preparing consolidated financial statements while omitting certain items required to be disclosed by the International Financial Reporting Standards. Management also bears a responsibility to establish and operate such internal control as management determines is necessary in order to enable the preparation and appropriate disclosure of consolidated financial statements that are free from material misrepresentation(s), whether fraudulent or negligent.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of a going concern, and for disclosing, as necessary, matters related to going concern pursuant to the provisions of the latter part of Paragraph 1 of Article 120 of the Regulation on Corporate Accounting, which approves preparing consolidated financial statements while omitting certain items required to be disclosed by the International Financial Reporting Standards.

The Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance that the consolidated financial statements as a whole are free from any material misrepresentation, whether fraudulent or negligent, and to issue an auditor's report with our opinion on the consolidated financial statements based on our audit from an independent point of view. Misrepresentation(s) can arise from fraud or negligence and are considered material if, one could reasonably expect the consolidated financial statements in part or as a whole, to influence the decisions of users of these consolidated financial statements.

In accordance with the Japan GAAP, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of any fraudulent or negligent material misrepresentation, and design and perform audit procedures responsive to those risks. Audit procedures are selected and applied at the discretion of the auditor. Furthermore, auditors must obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the consolidated financial statements, obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate for the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the efficacy of the entity's internal controls.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of the preparation of the consolidated financial statements with the assumption of a going concern by management, and based on the obtained audit evidence, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and notes to the consolidated financial statements are pursuant to the provisions of the latter part of Paragraph 1 of Article 120 of the Regulation on Corporate Accounting, which approves preparing consolidated financial statements while omitting certain items required to be disclosed by the International Financial Reporting Standards, as well as evaluate the presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We report to the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also report to the Audit & Supervisory Committee that we have complied with relevant ethical requirements in Japan regarding independence, and other matters reasonably expected to influence our independence, and any related safeguards in order to eliminate or reduce impediments if prepared.

Conflicts of Interest

In compliance with the Certified Public Accountants Act, we declare that neither we nor our engagement partners have any interests in the Company and its consolidated subsidiaries.

Independent Auditor's Report

May 25, 2023

TORIDOLL Holdings Corporation
To the Board of Directors

KPMG AZSA LLC
Tokyo Office

Designated Limited Liability Partner, Engagement Partner
Takaki Okano
Certified Public Accountant

Designated Limited Liability Partner, Engagement Partner
Yoichi Ueno
Certified Public Accountant

Audit Opinion

Pursuant to Item 1, Paragraph 2 of Article 436 of the Companies Act, we have conducted an audit of the financial statements of TORIDOLL Holdings Corporation (the "Company"), that is, the balance sheet, statement of income, statements of changes in equity, important accounting policies, other notes, and supplementary schedules (hereinafter referred to as the "Financial Statements"), for the 33rd fiscal year from April 1, 2022 to March 31, 2023.

In our opinion, the Financial Statements referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period for which the Financial Statements were prepared, in accordance with the Japan GAAP.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and the supporting schedules. Management is responsible for the preparation and disclosure of the other information. In addition, the Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the Company's reporting process of the other information.

Our audit opinion on the non-consolidated financial statements, etc. does not cover the other information, and we do not provide an opinion on the other information.

In connection with our audit of the non-consolidated financial statements, etc., our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements, etc. or our knowledge obtained in the audit, and aside from such material inconsistencies, we also pay attention as to whether there are any indications in the other information of material misstatements.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit & Supervisory Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the Financial Statements that are free from any fraudulent or negligent material misrepresentations.

In preparing the Financial Statements, management is responsible for assessing whether it is appropriate to prepare the Financial Statements with the assumption of a going concern, and in accordance with Japan GAAP, for disclosing, as necessary, matters related to going concern.

The Audit & Supervisory Committee is responsible for overseeing the Directors' performance of duties within

the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or negligence, and to issue an auditor's report that expresses our opinion on the Financial Statements based on our audit from an independent point of view. Misrepresentations can arise from fraud or negligence and are considered material if, one reasonably expects the Financial Statements in part or as a whole to influence the decisions of users of these Financial Statements.

In accordance with the Japan GAAP, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of any fraudulent or negligent material misrepresentation, and design and perform audit procedures responsive to those risks. Audit procedures are selected and applied at the discretion of the auditor. Furthermore, auditors must obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the Financial Statements, obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate for the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the efficacy of the entity's internal controls.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of the preparation of the Financial Statements with the assumption of a going concern by management, and based on the obtained audit evidence, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the Financial Statements or, if the notes to the Financial Statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the Financial Statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation of the Financial Statements and notes to the Financial Statements are in accordance with Japan GAAP, as well as evaluate the presentation, structure, and content of the Financial Statements, including the related notes thereto, and whether the Financial Statements fairly present the underlying transactions and accounting events.

We report to the Audit & Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also report to the Audit & Supervisory Committee that we have complied with relevant ethical requirements in Japan regarding independence, and other matters reasonably expected to influence our independence, and any related safeguards in order to eliminate or reduce impediments if prepared.

Conflicts of Interest

In compliance with the Certified Public Accountants Act, we declare that neither we nor our engagement partners have any interests in the Company.

Audit Report

The Audit & Supervisory Committee audited the execution of Director roles for the 33rd fiscal year, from April 1, 2022 to March 31, 2023. We report the method and content of audits as follows.

1. Method and Content of Audits

The Audit & Supervisory Committee receives regular reports from Directors and employees regarding the details of decisions of the Board of Directors pursuant to Item 1-(b) and (c), Paragraph 1 of Article 399-13 of the Companies Act and the development and operation of systems organized based on such decisions (internal control system), requests explanations as necessary, and expresses opinions. We conducted an audit based on the below method.

(i) Corresponding to the Audit & Supervisory Committee Auditing Standards set by the Audit & Supervisory Committee, auditing policies for the fiscal year and the division of roles, we emphasized the application of the Corporate Governance Code, cooperated with the Internal Audit Division, attended important meetings of the Risk Management Committee, received reports on matters related to the execution of duties of Directors and employees, requested explanations as needed, viewed important documents related to decision-making, and surveyed the status of operations and finance at headquarters and main business offices. Regarding the Company's subsidiaries, we communicated and shared information with the Directors and the Audit & Supervisory Board Members, etc. of the subsidiaries, and received reports on their business as necessary from them.

(ii) We monitored and verified that the Financial Auditor remained independent and performed audits appropriately, received reports on the execution of its duties from the Financial Auditor and requested explanations as necessary. We were also notified from Financial Auditor that a "system for ensuring the proper execution of duties" (as per Article 131 of the Regulation on Corporate Accounting) was organized in accordance with "Quality Control Standards for Auditing" (October 28, 2005, Business Accounting Council), and requested explanations as necessary.

Based on the above method, we examined business reports and its supplementary schedules for this fiscal year, non-consolidated financial statements (balance sheet, statement of income, statements of changes in shareholders' equity, important accounting policies, and other notes) and its supplementary schedules, and consolidated financial statements (the consolidated statements of financial position, consolidated statements of income, consolidated statements of changes in equity, important materials which were the foundation for preparing the consolidated financial statements, and other notes).

2. Results of the Audit

(1) Audit Results of business reports, etc.

(i) We confirm that the business reports and its supplementary schedules fairly represent the condition of the Company and are in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.

(ii) We confirm that, with respect to the execution of duties by Directors, there are no fraudulent acts, or material facts that violate applicable laws and regulations or the Articles of Incorporation.

(iii) We confirm that the decisions made by the Board of Directors with regard to internal control systems are proper. We recognize that there is nothing to be cited with respect to the description of those internal control systems in the business reports and the execution of duties by Directors.

(2) Audit Result of non-consolidated financial statements and their supplementary schedules.

We confirm that the methods and the results of the audit by KPMG AZSA LLC, the Financial Auditor of the Company, are appropriate.

(3) Audit Result of consolidated financial statements

We confirm that the methods and the results of the audit by KPMG AZSA LLC, the Financial Auditor of the Company, are appropriate.

May 25, 2023

Audit & Supervisory Committee, TORIDOLL Holdings Corporation

Toshiyasu Umeki, Audit & Supervisory Committee Member

Hiroaki Umeda, Audit & Supervisory Committee Member

Maki Kataoka, Audit & Supervisory Committee Member

(Note) Audit & Supervisory Committee Members Toshiyasu Umeki, Hiroaki Umeda, and Maki Kataoka are outside Directors pursuant to Paragraph 15 of Article 2 and Paragraph 6 of Article 331 of the Companies Act.