

Securities identification code: 9842
May 10, 2022

To our shareholders:

Haruhiko Sakamoto
Representative Director and President
ARCLAND SAKAMOTO CO., LTD.
445 Kamisugoro, Sanjo, Niigata Prefecture

NOTICE OF THE 53RD ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially notified of the 53rd Ordinary General Meeting of Shareholders of Arcland Sakamoto Co., Ltd. (the “Company”), which will be held as described below.

The Company requests that you exercise your voting rights in writing (by postal mail) or via the Internet, etc. to the best of your ability and refrain from attending on the day of the Ordinary General Meeting of Shareholders from the perspective of preventing the spread of novel coronavirus disease (COVID-19).

Please review the attached Reference Documents for the General Meeting of Shareholders and refer to the Introduction on Voting Rights on page 3 (Japanese only), and return the enclosed voting form by postal mail, or exercise your voting rights via the Internet, etc., so that your voting form or electromagnetic vote will reach us by no later than 6 p.m. on Wednesday, May 25, 2022 (Japan Standard Time).

Meeting Details

- 1. Date and time:** Thursday, May 26, 2022 at 10:00 a.m. (Japan Standard Time)
(Registration will start at 9:00 a.m.)
- 2. Venue:** Fourth-floor Hall, the Company Headquarters
445 Kamisugoro, Sanjo, Niigata Prefecture

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 53rd Term (from February 21, 2021 to February 28, 2022), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 53rd Term (from February 21, 2021 to February 28, 2022)

Items to be resolved:

- Proposal 1:** Appropriation of surplus
- Proposal 2:** Amendment to the Articles of Incorporation (1)
- Proposal 3:** Election of eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal 4:** Election of three (3) Directors who are Audit and Supervisory Committee Members
- Proposal 5:** Election of one (1) substitute Director who is an Audit and Supervisory Committee Member
- Proposal 6:** Determination of amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members)
- Proposal 7:** Determination of amount of remuneration for Directors who are Audit and Supervisory Committee Members
- Proposal 8:** Amendment to the Articles of Incorporation (2)
- Proposal 9:** Amendment to the Articles of Incorporation (3)

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of surplus

The Company will place emphasis on the stable provision of dividends over the long term, and it will return profits to shareholders while considering the level of profits and dividend payout ratio guidelines and maintaining a balance with internal reserves for improving corporate value.

The Company proposes the year-end dividend for the 53rd period and the appropriation of surplus as follows:

1. Year-end dividends
 - (i) Type of dividend property
Cash
 - (ii) Allotment of dividend property and their aggregate amount
¥20 per common share of the Company
Total payment: ¥811,152,180
As the Company has already paid an interim dividend of ¥15 per share, the annual dividend for the fiscal year will be ¥35 per share.
 - (iii) Effective date of dividends of surplus
May 27, 2022
2. Other appropriation of surplus
 - (i) Item of surplus to be increased and amount of increase
General reserve: ¥5,000,000,000
 - (ii) Item of surplus to be decreased and amount of decrease
Retained earnings brought forward: ¥5,000,000,000

Proposal 2: Amendment to the Articles of Incorporation

1. Reasons for the proposal

The Company will make the transition to a company with audit and supervisory committee in order to strengthen the supervisory function of the Board of Directors and further enhance the corporate governance system.

Accordingly, the Company intends to make necessary amendments to the Articles of Incorporation, newly establishing provisions related to the Audit and Supervisory Committee and its Members, deleting provisions related to the Audit & Supervisory Board and its Members, and amending the provisions related to Directors and the Board of Directors.

Amendments to the Articles of Incorporation in this proposal shall take effect at the conclusion of this meeting.

2. Details of the amendments

Details of the amendments are as follows:

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">Chapter I. General Provisions</p> <p>(Organs)</p> <p>Article 4.</p> <p>The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs:</p> <p>(1) Board of Directors (2) <u>Audit & Supervisory Board Members</u> (3) <u>Audit & Supervisory Board</u> (4) Accounting Auditor</p>	<p style="text-align: center;">Chapter I. General Provisions</p> <p>(Organs)</p> <p>Article 4.</p> <p>The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs:</p> <p>(1) Board of Directors (2) <u>Audit and Supervisory Committee</u> (Deleted) (3) Accounting Auditor</p>
<p style="text-align: center;">Chapter IV. Directors and Board of Directors</p> <p>(Number of Directors)</p> <p>Article 19.</p> <p>The Company shall have not more than twelve (12) Directors.</p> <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">Chapter IV. Directors and Board of Directors</p> <p>(Number of Directors)</p> <p>Article 19.</p> <p><u>1. The Company shall have not more than twelve (12) Directors (excluding Directors who are Audit and Supervisory Committee Members).</u></p> <p><u>2. The Company shall have not more than five (5) Directors who are Audit and Supervisory Committee Members.</u></p>
<p>(Election)</p> <p>Article 20.</p> <p>1. Directors of the Company shall be elected at a general meeting of shareholders.</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p>	<p>(Election)</p> <p>Article 20.</p> <p>1. Directors of the Company shall be elected at a general meeting of shareholders, <u>with a distinction made between Directors who are Audit and Supervisory Committee Members and other Directors.</u></p> <p>2. (Unchanged)</p> <p>3. (Unchanged)</p>
<p>(Term of Office)</p> <p>Article 21.</p> <p>1. The term of office of a Director shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within <u>two (2) years</u> after the election of the Director.</p> <p>2. <u>The term of office of a Director elected as substitute or additional Director will be until the expiration of the terms of office of the other currently serving Directors.</u></p> <p style="text-align: center;">(Newly established)</p>	<p>(Term of Office)</p> <p>Article 21.</p> <p>1. The term of office of a Director <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within <u>one (1) year</u> after the election of the Director.</p> <p style="text-align: center;">(Deleted)</p> <p><u>2. The term of office of a Director who is an Audit and Supervisory Committee Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within two (2) years after the election of the Director.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p>	<p><u>3. The term of office of a Director who is an Audit and Supervisory Committee Member who is elected as the substitute for a Director who is an Audit and Supervisory Committee Member who retired from office before the expiration of the term of office shall continue until the time the term of office of the Director who is an Audit and Supervisory Committee Member who retired from office is to expire.</u></p>
<p>(Representative Directors and Directors With Special Titles) Article 22.</p> <ol style="list-style-type: none"> The Board of Directors of the Company shall appoint representative Director(s) by its resolution. The Board of Directors may appoint, by its resolution, one (1) Director and Chairman, one (1) Director and President, and one (1) or a small number of other Directors with special titles. 	<p>(Representative Directors and Directors With Special Titles) Article 22.</p> <ol style="list-style-type: none"> <u>From among the Directors (excluding Directors who are Audit and Supervisory Committee Members)</u>, the Board of Directors of the Company shall appoint representative Director(s) by its resolution. <u>From among Directors (excluding Directors who are Audit and Supervisory Committee Members)</u>, the Board of Directors may appoint, by its resolution, one (1) Director and Chairman, one (1) Director and President, and one (1) or a small number of other Directors with special titles.
<p>(Convener and Chairmanship of General Meeting of Shareholders) Article 23.</p> <ol style="list-style-type: none"> Unless otherwise provided for by laws and regulations, <u>the Director and President</u> shall convene meetings of the Board of Directors and chair the meetings. In cases where the <u>Director and President</u> is prevented from so acting, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall act in his/her place. 	<p>(Convener and Chairmanship of General Meeting of Shareholders) Article 23.</p> <ol style="list-style-type: none"> Unless otherwise provided for by laws and regulations, <u>a Director predetermined by the Board of Directors</u> shall convene meetings of the Board of Directors and chair the meetings. In cases where the <u>chairperson of the meeting</u> is prevented from so acting, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall act in his/her place.
<p>(Convening Notice) Article 24.</p> <ol style="list-style-type: none"> When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director <u>and each Audit & Supervisory Board Member</u> at least three (3) days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs. With the consent of all Directors <u>and Audit & Supervisory Board Members</u>, a meeting of the Board of Directors may be held without following the convening procedures. 	<p>(Convening Notice) Article 24.</p> <ol style="list-style-type: none"> When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director at least three (3) days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs. With the consent of all Directors, a meeting of the Board of Directors may be held without following the convening procedures.
<p>(Newly established)</p>	<p><u>(Delegation of Decision-Making on the Execution of Important Operations to Directors)</u> Article 26. <u>Pursuant to the provisions of Article 399-13, paragraph (6) of the Companies Act, the Company may delegate all or part of decision-making on the execution of important operations (excluding matters stipulated in each item of paragraph (5) of the same Article) to Directors by a resolution of the Board of Directors.</u></p>
<p>Article 26. (Omitted) (Remuneration, etc.) Article 27.</p>	<p>Article 27. (Unchanged) (Remuneration, etc.) Article 28.</p>

Current Articles of Incorporation	Proposed Amendments
<p>Remuneration, bonuses, retirement benefits and other economic benefits given by the Company in consideration for the execution of duties (hereinafter referred to as the "Remuneration, Etc.") to Directors shall be determined by resolution of a general meeting of shareholders.</p>	<p>Remuneration, bonuses, retirement benefits and other economic benefits given by the Company in consideration for the execution of duties (hereinafter referred to as the "Remuneration, Etc.") to Directors shall be determined by resolution of a general meeting of shareholders, <u>with a distinction made between Directors who are Audit and Supervisory Committee Members and other Directors.</u></p>
<p>Article <u>28</u>. (Omitted)</p>	<p>Article <u>29</u>. (Unchanged)</p>
<p>Chapter V. <u>Audit & Supervisory Board Members and Audit & Supervisory Board</u> (Number of Audit & Supervisory Board Members)</p>	<p>Chapter V. <u>Audit and Supervisory Committee</u> (Deleted)</p>
<p>Article <u>29</u>. <u>The Company shall have not more than five (5) Audit & Supervisory Board Members.</u></p>	
<p>(Method of Election)</p>	<p>(Deleted)</p>
<p>Article <u>30</u>. <ol style="list-style-type: none"> 1. <u>Audit & Supervisory Board Members of the Company shall be elected at a general meeting of shareholders.</u> 2. <u>Resolutions on the election as prescribed in the preceding paragraph shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes at such meetings are present.</u> 3. <u>Pursuant to the provisions of Article 329, paragraph (2) of the Companies Act, the Company may propose at a general meeting of shareholders the election of substitute Audit & Supervisory Board Members to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations</u> 4. <u>The effective period of the resolution regarding the election of substitute Audit & Supervisory Board Members as prescribed in the preceding paragraph shall expire at the time of commencement of the ordinary general meeting of shareholders for the last business year out of the business years terminating within four (4) years after the resolution, unless otherwise shortened by such resolution.</u> </p>	
<p>(Term of Office)</p>	<p>(Deleted)</p>
<p>Article <u>31</u>. <ol style="list-style-type: none"> 1. <u>The term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four (4) years after the election of the Audit & Supervisory Board Member.</u> </p>	

Current Articles of Incorporation	Proposed Amendments
<p><u>2. The term of office of an Audit & Supervisory Board Member who is elected as the substitute for an Audit & Supervisory Board Member who retired from office before the expiration of the term of office shall continue until the time the term of office of the Audit & Supervisory Board Member who retired from office is to expire; provided, however, that if a substitute Audit & Supervisory Board Member elected pursuant to the provision of paragraph (3) of the preceding Article assumes position as an Audit & Supervisory Board Member, the term of office may not exceed the conclusion of an ordinary general meeting of shareholders for the last business year out of the business years terminating within four (4) years after the election as a substitute Audit & Supervisory Board Member.</u></p>	
<p><u>(Full-Time Audit & Supervisory Board Members)</u> <u>Article 32.</u> <u>The Audit & Supervisory Board shall appoint full-time Audit & Supervisory Board Member(s) by its resolution.</u></p>	(Deleted)
<p><u>(Convening Notice)</u> <u>Article 33.</u> <u>1. When convening a meeting of the Audit & Supervisory Board, a notice shall be dispatched to each Audit & Supervisory Board Member at least three (3) days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</u> <u>2. With the consent of all Audit & Supervisory Board Members, a meeting of the Audit & Supervisory Board may be held without following the convening procedures.</u></p>	(Deleted)
<p><u>(Resolution)</u> <u>Article 34.</u> <u>Resolutions of the Audit & Supervisory Board shall be adopted by a simple majority of the votes cast by the Audit & Supervisory Board Members, unless otherwise provided for by laws and regulations.</u></p>	(Deleted)
<p><u>(Regulations of the Audit & Supervisory Board)</u> <u>Article 35.</u> <u>Matters concerning the Audit & Supervisory Board of the Company shall be as set forth in the Regulations of the Audit & Supervisory Board, unless otherwise provided for by laws and regulations or these Articles of Incorporation.</u></p>	(Deleted)
<p><u>(Remuneration, Etc.)</u> <u>Article 36.</u> <u>The remuneration, etc. and retirement benefits to Audit & Supervisory Board Members shall be determined by resolution of a general meeting of shareholders.</u></p>	(Deleted)
<p><u>(Exemption of Audit & Supervisory Board Members From Liability)</u> <u>Article 37.</u> <u>1. Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt an Audit & Supervisory Board Member (including a person who was formerly an Audit & Supervisory Board Member) from his/her liability for damages arising from neglecting his/her duties to the extent permitted by laws and regulations.</u></p>	(Deleted)

Current Articles of Incorporation	Proposed Amendments
<p><u>2. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with outside Audit & Supervisory Board Members to limit their liability for failure to perform their duties. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.</u></p>	
<p>(Newly established)</p>	<p><u>(Convening Notice)</u></p>
<p>(Newly established)</p>	<p><u>Article 30.</u> <u>1. When convening a meeting of the Audit and Supervisory Committee, a notice shall be dispatched to each Audit and Supervisory Committee Member at least three (3) days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</u> <u>2. With the consent of all Audit and Supervisory Committee Members, a meeting of the Audit and Supervisory Committee may be held without following the convening procedures.</u></p>
<p>(Newly established)</p>	<p><u>(Resolution)</u></p> <p><u>Article 31.</u> <u>Resolutions of the Audit and Supervisory Committee shall be adopted by a simple majority of the votes cast by the Audit and Supervisory Committee Members present at a meeting of the Audit and Supervisory Committee where a majority of the Audit and Supervisory Committee Members entitled to vote are present, unless otherwise provided for by laws and regulations.</u></p>
<p>(Newly established)</p>	<p><u>(Regulations of the Audit and Supervisory Committee)</u></p> <p><u>Article 32.</u> <u>Matters concerning the Audit and Supervisory Committee of the Company shall be as set forth in the Regulations of the Audit and Supervisory Committee, unless otherwise provided for by laws and regulations or these Articles of Incorporation.</u></p>
<p>Chapter VI. Accounts</p> <p>Article <u>38.</u></p> <p>(Omitted)</p>	<p>Chapter VI. Accounts</p> <p>Article <u>33.</u></p> <p>(Unchanged)</p>
<p>(Newly established)</p>	<p><u>(Organizational Body to Determine Dividends of Surplus, Etc.)</u></p> <p><u>Article 34.</u> <u>Unless otherwise provided for by laws and regulations, the Company shall, by resolution of the Board of Directors, determine dividends of surplus and other matters set forth in the items of Article 459, paragraph (1) of the Companies Act.</u></p>
<p>(Record Date for Dividends of Surplus)</p> <p>Article <u>39.</u></p> <p>1. The record date for year-end dividends of the Company shall be the last day of February of each year.</p> <p>2. <u>The Company may distribute an interim dividend, with August 31 of each year as the record date, by a resolution of the Board of Directors.</u></p> <p>3. (Omitted)</p>	<p>(Record Date for Dividends of Surplus)</p> <p>Article <u>35.</u></p> <p>1. The record date for year-end dividends of the Company shall be the last day of February of each year.</p> <p>2. <u>The record date for interim dividends of the Company shall be August 31 of each year.</u></p> <p>3. (Unchanged)</p>
<p>Article <u>40.</u></p> <p>(Omitted)</p>	<p>Article <u>36.</u></p> <p>(Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">Supplementary Provisions (Newly established)</p>	<p style="text-align: center;">Supplementary Provisions <u>(Transitional Measures for the Exemption of Audit & Supervisory Board Members From Liability)</u></p> <p><u>Article 1.</u></p> <p><u>Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt a person who was formerly an Audit & Supervisory Board Member from his/her liability for damages arising from neglecting his/her duties to the extent permitted by laws and regulations.</u></p>

Note: Some underlining does not coincide with the Japanese version because of translation adjustments.

Proposal 3: Election of eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members)

Subject to the approval and adoption of Proposal 2 “Amendment to the Articles of Incorporation (1)” as originally proposed, the Company will make the transition to a company with audit and supervisory committee. At the conclusion of this Ordinary General Meeting of Shareholders, the terms of office of all nine Directors will expire. Therefore, the Company proposes the election of eight Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal).

This proposal can only take effect after the amendment to the Articles of Incorporation as proposed in Proposal No. 2 takes effect.

The candidates for Director are as follows:

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	Katsuji Sakamoto (January 7, 1945) <u>Reelection</u>	<p>July 1970 Managing Director of Sakamoto Sangyo Co., Ltd.</p> <p>Apr. 1978 Established Musashi Co., Ltd., Director</p> <p>Dec. 1987 Senior Managing Director of the Company</p> <p>Feb. 1993 Representative Director and Vice President</p> <p>Feb. 1997 Representative Director and President</p> <p>Feb. 2003 Representative Director and Vice Chairman</p> <p>Sept. 2003 Director and Vice Chairman</p> <p>Feb. 2006 Representative Director and Vice Chairman</p> <p>Jan. 2007 Representative Director, Vice Chairman, Acting President, and COO</p> <p>May 2007 Representative Director, President, and COO</p> <p>Feb. 2010 Representative Director and President</p> <p>Feb. 2013 Representative Director, Chairman, and CEO (current position)</p>	1,508,354 shares
2	Masatoshi Sakamoto (November 3, 1970) <u>Reelection</u>	<p>Feb. 2000 Joined the Company</p> <p>Feb. 2005 Deputy General Manager of Product Department 1, SMD Headquarters</p> <p>Feb. 2007 Head of Block C, Home Center Headquarters</p> <p>June 2008 Head of Block C, Home Center Headquarters, and Head of Kansai Block</p> <p>Feb. 2009 General Manager of Store Operation Department, Home Center Headquarters, and Head of Kansai Block</p> <p>May 2009 Director, General Manager of Store Operation Department, Home Center Headquarters, and Head of Kansai Block</p> <p>Sept. 2009 Director, General Manager of President Office</p> <p>Feb. 2010 Representative Director and Vice President</p> <p>Feb. 2012 Representative Director, Vice President, and General Manager of Administration Headquarters</p> <p>Feb. 2013 Representative Director, President, COO, and General Manager of Administration Headquarters</p> <p>Aug. 2014 Representative Director, President, and COO</p> <p>June 2020 Representative Director and Vice Chairman (current position)</p>	800,990 shares

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	Haruhiko Sakamoto (May 4, 1976) Reelection	<p>Feb. 2003 Joined the Company</p> <p>Feb. 2012 General Manager of Product Department, Home Center Headquarters</p> <p>Feb. 2014 Executive Officer, General Manager of Product Department 3, Home Center Headquarters</p> <p>June 2020 President, Executive Officer, and COO</p> <p>Apr. 2021 Representative Director, President and CEO of VIVA HOME CORPORATION (current position)</p> <p>May 2021 Representative Director, President, and COO of the Company (current position)</p>	1,240,124 shares
4	Toshihiro Someya (January 9, 1959) Reelection	<p>Jan. 2010 Joined AEON Retail Co., Ltd.</p> <p>Dec. 2015 Joined the Company</p> <p>Feb. 2016 Executive Officer, General Manager of Product Department, Home Center Headquarters</p> <p>Feb. 2017 Executive Officer, General Manager of Sales Management Headquarters, and General Manager of Home Center Headquarters</p> <p>May 2017 Managing Director, General Manager of Sales Management Headquarters, and General Manager of Home Center Headquarters</p> <p>Feb. 2020 Senior Managing Director, General Manager of Sales Management Headquarters, and General Manager of Home Center Headquarters</p> <p>Apr. 2021 Senior Managing Director of VIVA HOME CORPORATION (current position)</p> <p>May 2021 Senior Managing Director, General Manager of Sales Management Headquarters of the Company (current position)</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	Mitsuaki Shida (March 17, 1956) <u>Reelection</u>	<p>Apr. 1978 Joined The Daishi Bank, Ltd. (currently Daishi Hokuetsu Bank, Ltd.)</p> <p>Feb. 2013 Joined the Company, General Manager of General Affairs Department, Administration Headquarters</p> <p>May 2013 Adviser of Development Department</p> <p>Aug. 2014 Executive Officer, General Manager of Administration Headquarters, and General Manager of General Affairs Department</p> <p>Feb. 2015 Executive Officer, General Manager of Administration Headquarters, General Manager of Internet Business Department, and General Manager of General Affairs Department</p> <p>May 2015 Director, General Manager of Administration Headquarters, General Manager of Internet Business Department, and General Manager of General Affairs Department</p> <p>Feb. 2017 Director, General Manager of Administration Headquarters, and General Manager of General Affairs Department</p> <p>Feb. 2018 Director, General Manager of Administration Headquarters, General Manager of General Affairs Department, and General Manager of Accounting Department</p> <p>May 2018 Director, General Manager of Administration Headquarters, and General Manager of General Affairs Department</p> <p>Sept. 2020 Senior Managing Director, General Manager of Administration Headquarters, and General Manager of General Affairs Department</p> <p>Apr. 2021 Senior Managing Director of VIVA HOME CORPORATION (current position)</p> <p>May 2021 Senior Managing Director and General Manager of Administration Headquarters of the Company (current position)</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
6	Hiroyuki Hoshino (November 1, 1970) <u>Reelection</u>	Apr. 1994 Joined the Company Feb. 2007 Deputy General Manager of Development Department Feb. 2011 General Manager of Development Department May 2013 Director, General Manager of Development Department Feb. 2018 Managing Director, General Manager of Development Department (current position) Apr. 2021 Managing Director of VIVA HOME CORPORATION (current position)	8,200 shares
7	Toshiyuki Suto (April 16, 1971) <u>Reelection</u>	Apr. 1995 Joined the Company Feb. 2013 Deputy General Manager of Store Operation Department, Home Center Headquarters Aug. 2013 Deputy General Manager of Product Department 1, Home Center Headquarters Aug. 2016 General Manager of Kansai Headquarters of Arc Style Inc. (seconded) Feb. 2017 Representative Director and President (employment transfer) Dec. 2020 Executive Officer, General Manager of Product Department, Home Center Headquarters of the Company (employment transfer) May 2021 Director and General Manager of Home Center Management Department (current position) Mar. 2022 General Manager of Product Management Department of VIVA HOME CORPORATION (current position)	9,300 shares
8	Koichi Omuro (February 6, 1945) <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Apr. 1968 Joined Mitsui Fudosan Co., Ltd. June 1997 Managing Director Apr. 2005 Representative Director, Vice President and Executive Vice President Apr. 2011 Representative Director and Vice President June 2011 Special Adviser Oct. 2015 Auditor of Shibaura Institute of Technology May 2016 Outside Director of the Company (current position) Mar. 2019 Outside Director of Katakura Industries Co., Ltd. (current position) Feb. 2020 Senior Managing Director of Shibaura Institute of Technology (current position)	—

- Notes:
- There is no special interest between any of the candidates for Director and the Company.
 - “Number of the Company’s shares owned” is current as of February 28, 2022.
 - Koichi Omuro is a candidate for outside Director.
 - At the conclusion of this meeting, Koichi Omuro’s tenure as outside Director will have been six years.
 - The Company has submitted notification to Tokyo Stock Exchange that Koichi Omuro has been designated as an independent officer as provided for by the aforementioned exchange. If the reelection of Koichi Omuro is approved, the Company plans for his designation as an independent officer to continue.
 - Reasons for the election of each candidate for Director and the expected roles of outside Directors are as follows:
 - In July 1970, Katsuji Sakamoto was appointed as Managing Director of the Company’s predecessor, Sakamoto Sangyo Co., Ltd., at the time of the its founding. Since then, after serving as Senior Managing Director and as Representative Director and Vice President of the Company and being appointed as Representative Director and President in February 1997, he has pursued structural reforms at the Company. Furthermore, as he has served as Representative Director, Chairman, and CEO of the Company since February 2013, due to his knowledge on the Group’s overall business management, he has again been nominated as candidate for Director.
 - Since joining the Company in 2000, Masatoshi Sakamoto has served as the Deputy General Manager of Product Department 1 and as the General Manager of Store Operation Department. He was appointed as a Director of the

- Company in May 2009, and has served as Representative Director and Vice President, and Representative Director, President, and COO. Since June 2020, he has served as Representative Director and Vice Chairman, providing appropriate oversight of the executive directors, and due to his knowledge of the Group's overall business management, he has again been nominated as candidate for Director.
- (3) Since joining the Company in 2003, Haruhiko Sakamoto has served as General Manager of Product Department and General Manager of Product Department 3. He was appointed as President, Executive Officer, and COO in June 2020. He has served as Representative Director, President, and CEO of VIVA HOME CORPORATION since April 2021, and as Representative Director, President, and COO of the Company since May 2021, engaging in various management issues steadily, with the expectation that he will continue demonstrating strong leadership in the future. For these reasons, he has again been nominated as candidate for Director.
 - (4) Since joining the Company in December 2015, Toshihiro Someya has served as General Manager of Product Department, General Manager of Sales Management Headquarters, and General Manager of Home Center Headquarters. He was appointed as Director of the Company in May 2017, as Senior Managing Director in February 2020, and Senior Managing Director of VIVA HOME CORPORATION in April 2021. Due to his abundant operational experience in the home center business and knowledge of business management, he has again been nominated as candidate for Director.
 - (5) Since joining the Company in 2013, Mitsuaki Shida has mainly served in general affairs, human resources, and management operations. In May 2015, he was appointed as Director of the Company and has served as General Manager of Administration Headquarters and General Manager of General Affairs Department. He was appointed as Senior Managing Director in September 2020, and Senior Managing Director of VIVA HOME CORPORATION in April 2021. Due to his knowledge of executive management operations and business management, he has again been nominated as candidate for Director.
 - (6) Since joining the Company in 1994, Hiroyuki Hoshino has worked in the home center business and the store development business. He was appointed as a Director of the Company in May 2013 and as Managing Director of the Company in February 2018 and works as General Manager of Development Department. He was appointed as Managing Director of VIVA HOME CORPORATION in April 2021, and due to his operational experience in the home center business and knowledge of development operations and business management, he has again been nominated as candidate for Director.
 - (7) Toshiyuki Suto joined the Company in 1995. After serving as Deputy General Manager of Store Operation Department and Deputy General Manager of Product Department 1, he was appointed as Representative Director and President of Arc Style Inc. in February 2017 and involved in the company's management. He has served as Executive Officer and General Manager of Product Department of the Company since December 2020, and as General Manager of Home Center Management Department since May 2021. Due to his abundant operational experience in the retail business and knowledge of business management, he has again been nominated as candidate for Director.
 - (8) Koichi Omuro has many years of real industry experience and strong insight based on his abundant results in overall management. He has provided useful advice regarding management overall, and from an independent and objective standpoint, the Company expects that he can provide advice on the Company's management and oversight of the execution of business. For these reasons, he has again been nominated as candidate for outside Director.
7. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Koichi Omuro to limit his liability for damages under Article 423, paragraph (1) of the Companies Act. The limit of the amount of liability for damages based on the agreement is the minimum liability amount provided for by Article 425, paragraph (1) of the same Act. If the reelection of Mr. Omuro is approved, the Company plans to renew the aforementioned agreement with him.
 8. The Company has entered into a directors' and officers' liability insurance ("D&O insurance") policy with an insurance company. Each of the candidates shall be named as an insured in said policy. For a summary of details of the D&O insurance, etc., see page 15 of the Business Report (Japanese only). In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal 4: Election of three (3) Directors who are Audit and Supervisory Committee Members

Subject to the approval and adoption of Proposal 2 “Amendment to the Articles of Incorporation (1)” as originally proposed, the Company will make the transition to a company with audit and supervisory committee. Therefore, the Company proposes the election of three Directors who are Audit and Supervisory Committee Members. In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal. This proposal can only take effect after the amendment to the Articles of Incorporation as proposed in Proposal No. 2 takes effect.

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

Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company’s shares owned
1	Hidetsugu Onishi (March 7, 1964) <u>New election</u> <u>Outside</u> <u>Independent</u>	<p>Apr. 1986 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>Dec. 1999 Investment Officer of Fuji Capital Management Co., Ltd. (currently Mizuho Capital Partners Co., Ltd.)</p> <p>Feb. 2002 Director and CFO of Link Theory Holdings Co., Ltd. (currently LINK THEORY JAPAN CO., LTD.)</p> <p>Sept. 2009 Executive Officer, CFO of FAST RETAILING CO., LTD.</p> <p>June 2011 Joint Representative of Integrity LLC (current position)</p> <p>Jan. 2012 Representative Director of Avergence Incorporated (current position)</p> <p>Mar. 2016 Outside Director of GungHo Online Entertainment, Inc. (current position)</p> <p>Mar. 2016 Outside Director of Basic Inc.</p> <p>Apr. 2018 Outside Director who is an Audit and Supervisory Committee Member (current position)</p> <p>May 2019 Outside Audit & Supervisory Board Member of the Company (current position)</p> <p>Apr. 2021 Outside Director of CUBE. Inc. (current position)</p> <p>Mar. 2022 Outside Director of b-ex Inc. (current position)</p>	—

Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Yasuyuki Sasaki (June 19, 1963) <u>New election</u> <u>Outside</u> <u>Independent</u>	<p>Apr. 1988 Joined Nomura Research Institute, Ltd.</p> <p>June 1991 Vice Chief Researcher of Osaka Research Department Became an analyst certified by the Securities Analysts Association of Japan</p> <p>Nov. 1993 Chief Researcher of Equity Research Department of Nomura Securities Investment Trust Co., Ltd. (currently Nomura Asset Management Co., Ltd.)</p> <p>Nov. 1995 Chief Researcher of Emerging Corporate Research Department of Nomura Research Institute, Ltd.</p> <p>Apr. 1997 Vice President of Equity Research Department of Tokyo Branch of Merrill Lynch Securities Company (currently BofA Securities Japan Co., Ltd.)</p> <p>June 2000 Director of Equity Research Department of Tokyo Branch of Credit Suisse First Boston Securities (Japan) Ltd. (currently Credit Suisse Securities (Japan) Limited)</p> <p>July 2006 Senior Vice President of Equity Research Department of Lehman Brothers Japan Inc.</p> <p>Oct. 2008 Chief Researcher of Industrial Innovation Research Dept. of Nomura Securities Co., Ltd.</p> <p>Oct. 2015 Chief Researcher of Business Development & IPO Dept.</p> <p>May 2020 Chief Researcher and Researcher Associate Professor of Institute for Business and Finance, Faculty of Commerce, Waseda University (current position)</p>	
3	Masayuki Atsumi (December 14, 1981) <u>New election</u> <u>Outside</u> <u>Independent</u>	<p>Apr. 2006 Joined General Secretariat of Fair Trade Commission</p> <p>Dec. 2009 Registered as an attorney at law</p> <p>Jan. 2010 Lawyer at Mori, Hamada & Matsumoto</p> <p>Aug. 2015 Covington & Burling LLP</p> <p>Jan. 2016 Registered as an attorney of New York State</p> <p>June 2016 U.S. Federal Trade Commission</p> <p>Sept. 2017 Registered as an attorney of the United Kingdom</p> <p>Oct. 2017 General Manager of Compliance Research Department of LIXIL Corporation</p> <p>Jan. 2019 Lawyer at Miura&Partners (current position)</p> <p>Sept. 2019 Part-time Lecturer of Graduate School of Law, Kobe University (current position)</p>	

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. "Number of the Company's shares owned" is current as of February 28, 2022.
 3. Hidetsugu Onishi, Yasuyuki Sasaki and Masayuki Atsumi are candidates for outside Director.
 4. The Company has submitted notification to Tokyo Stock Exchange that Hidetsugu Onishi has been designated as an independent officer as provided for by the aforementioned exchange. If the election of Mr. Onishi is approved, the Company plans for his designation as an independent officer to continue.
Furthermore, Yasuyuki Sasaki and Masayuki Atsumi also satisfy the conditions as independent officers as provided for by the Tokyo Stock Exchange, and if their elections are approved, the Company plans to notify them as independent officers.
 5. Reasons for the election of each candidate for Director and the expected roles of outside Directors are as follows:
 - (1) Hidetsugu Onishi has abundant experience and broad knowledge of the financial field and corporate management. Currently, as an outside Audit & Supervisory Board Member, he is contributing to monitoring decision-makings on

significant management issues and the execution of business, and performing appropriate audits. After the transition to a company with audit and supervisory committee, the Company expects that he continues utilizing his strong insight and supervisory capability related to corporate management for the Company's management, and has nominated him as candidate for outside Director who is an Audit and Supervisory Committee Member. At the conclusion of this meeting, Mr. Onishi's tenure as outside Audit & Supervisory Board Member will have been three years.

- (2) Yasuyuki Sasaki has years of experience as an analyst primarily involved in retail, and broad knowledge of finance and M&A. The Company expects that he will provide useful advice regarding management overall with this abundant experience and broad knowledge, and from an independent and objective standpoint, provide oversight on decision-makings concerning the Company's business strategy and the execution of business. For these reasons, he has been nominated as a candidate for outside Director who is an Audit and Supervisory Committee Member.
 - (3) Masayuki Atsumi has never been directly involved in the management of a company. However, he has abundant operational experience as a lawyer in his areas of expertise, which are the Anti-Monopoly Act and government relations, backed by a spirit of high legal compliance, and the Company judges that he will appropriately fulfill his duties as an outside Director. The Company expects that he can strengthen the audit and oversight functions of the Board of Directors by providing advice from an independent standpoint based on his strong insight. For these reasons, he has been nominated as a candidate for outside Director who is an Audit and Supervisory Committee Member.
6. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Hidetsugu Onishi to limit his liability for damages under Article 423, paragraph (1) of the Companies Act. The limit of the amount of liability for damages based on the agreement is the minimum liability amount provided for by Article 425, paragraph (1) of the same Act. If the election of Mr. Onishi is approved, the Company plans to renew the aforementioned agreement with him. If the elections of Yasuyuki Sasaki and Masayuki Atsumi are approved, the Company plans to enter into the same limited liability agreement with them.
 7. The Company has entered into a directors' and officers' liability insurance ("D&O insurance") policy with an insurance company. Each of the candidates shall be named as an insured in said policy. For a summary of details of the D&O insurance, etc., see page 15 of the Business Report (Japanese only). In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

(Reference) Skill matrix of the Board of Directors after the conclusion of the General Meeting of Shareholders

If Proposal 3 and Proposal 4 are approved at the General Meeting of Shareholders as originally proposed, the candidates for Director (excluding Directors who are Audit and Supervisory Committee Members) and the candidates for Director who is an Audit and Supervisory Committee Member are expected to bring their professional expertise and provide contribution particularly in the following areas:

Candidate No.	Name	Position in the Company	Areas of major professional experience/ Areas where major contributions are expected							
			Corporate management	Industry experience	Financial accounting /M&A	Legal affairs	Marketing	IT/DX	ESG	
Proposal 3	1	Katsuji Sakamoto	Representative Director, Chairman, and CEO	●	●					
	2	Masatoshi Sakamoto	Representative Director and Vice Chairman	●	●					
	3	Haruhiko Sakamoto	Representative Director, President, and COO	●	●					●
	4	Toshihiro Someya	Senior Managing Director General Manager of Sales Management Headquarters		●			●		●
	5	Mitsuaki Shida	Senior Managing Director General Manager of Administration Headquarters			●	●			●
	6	Hiroyuki Hoshino	Managing Director General Manager of Development Department		●			●		●
	7	Toshiyuki Suto	Director General Manager of Home Center Management Department		●			●	●	
	8	Koichi Omuro	Outside Director	●	●					●
Proposal 4	1	Hidetsugu Onishi	Outside Director Audit and Supervisory Committee Member	●		●				●
	2	Yasuyuki Sasaki	Outside Director Audit and Supervisory Committee Member			●			●	●
	3	Masayuki Atsumi	Outside Director Audit and Supervisory Committee Member				●			●

Proposal 5: Election of one (1) substitute Director who is an Audit and Supervisory Committee Member

Subject to the approval and adoption of Proposal 2 “Amendment to the Articles of Incorporation (1)” as originally proposed, the Company will make the transition to a company with audit and supervisory committee. Accordingly, the Company proposes the election of one substitute Director who is an Audit and Supervisory Committee Member in advance to be ready to fill a vacant position should the number of Directors who are Audit and Supervisory Committee Members fall below the number required by laws and regulations.

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

This proposal can only take effect after the amendment to the Articles of Incorporation as proposed in Proposal No. 2 takes effect.

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

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
Motoo Fujimaki (January 1, 1946)	Apr. 1972 Registered as an attorney at law	
	Lawyer at Katagiri Keiichi Law Office	
	Apr. 1975 Lawyer at Fujimaki Motoo Law Office	
	(currently Fujimaki-Inui Law Office (current position))	
	Apr. 1993 Chairman of Niigata Bar Association	
	May 2002 Outside Audit & Supervisory Board Member of	
	Shiun Golf Club Co., Ltd.	
	Nov. 2010 Outside Audit & Supervisory Board Member of	–
Green One Co., Ltd. (current position)		
July 2017 Director of Social Welfare Corporation		
Jyouyoukai (current position)		
Dec. 2018 Outside Audit & Supervisory Board Member of		
Kyowa Industrial Co., Ltd.		
Mar. 2022 Director of General Incorporated Association		
Honma Scholarship Foundation (current position)		

Notes: 1. The Company has entered into a legal advisory contract with Fujimaki-Inui Law Office represented by Motoo Fujimaki. However, as the amount of annual advisory fee paid to the office is less than ¥2 million, the Company has determined that his independence is sufficiently ensured.

2. Motoo Fujimaki is a candidate for substitute outside Director.

3. The Company has nominated Motoo Fujimaki as a candidate for substitute outside Director because he has in-depth insights into corporate legal affairs from a professional perspective as a lawyer, and because it expects that he can provide oversight, advice, etc. related to the execution of duties of Directors from an independent standpoint based on this expertise and insight. Mr. Fujimaki has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director based on the above reasons.

4. If Motoo Fujimaki assumes position as a Director who is an Audit and Supervisory Committee Member, the Company plans to enter into an agreement to limit his liability under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act.

5. The Company has entered into a directors’ and officers’ liability insurance (“D&O insurance”) policy with an insurance company. If Motoo Fujimaki assumes position as a Director who is an Audit and Supervisory Committee Member, he will be included in the insured. For a summary of the D&O insurance, etc., see page 15 of the Business Report (Japanese only).

Proposal 6: Determination of amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members)

Subject to the approval and adoption of Proposal 2 “Amendment to the Articles of Incorporation (1)” as originally proposed, the Company will make the transition to a company with audit and supervisory committee.

The amount of remuneration of Directors of the Company was approved as an amount not exceeding ¥300 million per year (not including salary as employees) at the 32nd Ordinary General Meeting of Shareholders held on May 11, 2001. In line with the transition to a company with audit and supervisory committee, the Company proposes to terminate the existing remuneration scheme and adopt a new scheme to pay remuneration to Directors (excluding Directors who are Audit and Supervisory Committee Members) at an amount not exceeding ¥300 million per year (not including salary as employees).

This proposal has been determined by the Board of Directors based on deliberation at the Nomination and Remuneration Committee, considering the Company’s business scale, economic circumstances and other conditions on a comprehensive basis. Thus, the Company believes the proposal is appropriate.

In addition, the determination policy pertaining to the details of individual remuneration, etc. for Directors of the Company is as described on page 16 of the Business Report (Japanese only).

Currently, the number of Directors is nine (two of which are outside Directors). If Proposal 2 “Amendment to the Articles of Incorporation (1)” and Proposal 3 “Election of eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members)” take effect, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) will be eight, one of which will be an outside Director.

This proposal can only take effect after the amendment to the Articles of Incorporation as proposed in Proposal No. 2 takes effect.

Proposal 7: Determination of amount of remuneration for Directors who are Audit and Supervisory Committee Members

Subject to the approval and adoption of Proposal 2 “Amendment to the Articles of Incorporation (1)” as originally proposed, the Company will make the transition to a company with audit and supervisory committee.

The Company proposes to set the annual amount of remuneration to Directors who are Audit and Supervisory Committee Members at an amount not exceeding ¥30 million, considering the Company’s business scale, economic circumstances and other conditions on a comprehensive basis.

This proposal has been determined at the Board of Directors based on deliberation at the Nomination and Remuneration Committee, considering the duties of Directors who are Audit and Supervisory Committee Members, the level of remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members) and other factors. Thus, the Company believes the proposal is appropriate.

If Proposal 2 “Amendment to the Articles of Incorporation (1)” and Proposal 4 “Election of three (3) Directors who are Audit and Supervisory Committee Members” take effect, the number of Directors who are Audit and Supervisory Committee Members will be three.

This proposal can only take effect after the amendment to the Articles of Incorporation as proposed in Proposal No. 2 takes effect.

Proposal 8: Amendment to the Articles of Incorporation (2)

1. Reasons for the proposal

The Company plans to conduct an absorption-type merger with its wholly owned subsidiary VIVA HOME CORPORATION on September 1, 2022. The Company proposes to add and amend business purposes in Article 2 (Purpose) of the current Articles of Incorporation in order to clarify the scope of business in light of both companies' current business activities and to prepare for the diversification of its business going forward.

2. Details of the amendments

Details of the amendments are as follows:

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">Chapter I. General Provisions</p> <p>(Purpose)</p> <p>Article 2.</p> <p>The purpose of the Company shall be to engage in the following business activities:</p> <ol style="list-style-type: none"> 1. <u>Sale</u> of consumer metal ware, consumer carpentry tools, interior goods, and sundries 2. <u>Sale</u> of hand tools, measuring tools, and construction materials 3. <u>Sale</u> of gardening goods <u>and agricultural materials</u> 4. (Omitted) 5. Sale of clothing and shoes 6. <u>Sale</u> of prefab garages, sheds and storage units, exterior goods 7. Sale of consumer electric appliances, and oil equipment. 8. (Omitted) 9. Sale of pets, pet supplies, and animal medicines 10. Sale of alcoholic beverages, grains, prepared foods, canned foods, dairy products, confectionery, soft beverages, and other foodstuffs 11. <u>Sale</u> of books <u>and</u> stationary; and copying service and printing of documents and posters 12. (Omitted) 13. Sale of cameras and other optical equipment, film and other optical materials 14. Sale and repair of watches, precious metal 15. Sale of computers, and peripheral devices and materials 16. (Omitted) 17. Operation of restaurants and fast food stores 18. Operation of drug stores, and stores for rent 19.- 20. (Omitted) 21. Rental business for electronic equipment, leisure goods, sporting goods, audio/visual equipment, DIY carpentry tools, event equipment, etc. 22. (Omitted) 23. Trading, leasing, brokering, management, <u>construction and piping installation</u> of real estate properties 24. Operation of sports facilities and amusement facilities 	<p style="text-align: center;">Chapter I. General Provisions</p> <p>(Purpose)</p> <p>Article 2.</p> <p>The purpose of the Company shall be to engage in the following business activities:</p> <ol style="list-style-type: none"> 1. <u>Export/import and sale</u> of consumer metal ware, consumer carpentry tools, <u>furniture</u>, interior goods, and sundries 2. <u>Export/import and sale</u> of hand tools, measuring tools, and construction materials 3. <u>Export/import and sale</u> of gardening goods, <u>agricultural materials, agrochemicals, and fertilizers</u> 4. (Unchanged) 5. <u>Export/import and sale</u> of clothing, shoes, accessories, <u>smoking supplies, and sporting goods</u> 6. <u>Export/import and sale</u> of <u>housing equipment, study rooms</u>, prefab garages, sheds and storage units, exterior goods 7. <u>Export/import and sale</u> of consumer electric appliances, <u>information communication equipment, information processing equipment, office equipment, electronic device components</u>, and oil equipment 8. (Unchanged) 9. <u>Export/import and sale</u> of <u>ornamental plants</u>, pets, pet supplies, and animal medicines 10. Sale of alcoholic beverages, grains, prepared foods, canned foods, dairy products, confectionery, soft beverages, <u>salt</u>, and other foodstuffs 11. <u>Export/import and</u> sale of books, <u>stationary, and toys</u>; and copying service and printing of documents and posters 12. (Unchanged) 13. <u>Export/import and</u> sale of cameras, and other optical equipment, film and other optical materials 14. Sale and repair of watches, precious metal <u>and eye glasses</u> 15. Sale <u>and repair</u> of <u>consumer electronics</u>, computers, and peripheral devices and materials 16. (Unchanged) 17. Operation of <u>drinking/dining establishments</u>, restaurants, and fast food stores 18. Operation of drug stores, stores for rent, <u>adult education classes, and parking facilities</u> 19.- 20. (Unchanged) 21. Rental business for electronic equipment, leisure goods, sporting goods, audio/visual equipment, DIY carpentry tools, event equipment, <u>hand tools, utensils, machinery</u>, etc. 22. (Unchanged) 23. Trading, <u>exchanging</u>, leasing, brokering, management, <u>ownership, and use</u> of real estate properties 24. Operation of sports facilities, <u>amusement facilities, public bathhouses and saunas</u>

Current Articles of Incorporation	Proposed Amendments
25. Agent for laundry services	25. Agent for <u>home-delivery operators and</u> laundry services
26. Planning/design, contracting, and sale of home renovation work, and exterior work, and arrangement thereof	26. Planning/design, contracting, and sale of home renovation work, exterior work, <u>property construction, property design, and piping installation</u> , and arrangement thereof
27.-29. (Omitted)	27.-29. (Unchanged)
30. Sale of postage stamps, revenue stamps, lottery tickets, gift certificates, travel coupons, etc.	30. Sale of postage stamps, revenue stamps, lottery tickets, gift certificates, travel coupons, <u>second-hand items, tobacco products</u> , etc.
31.- 32. (Omitted)	31.- 32. (Unchanged)
<u>33. All businesses related to mail-order sales for any of the preceding items</u>	(Deleted)
<u>34. All businesses related to freight forwarding for any of the preceding items</u>	(Deleted)
<u>35. All businesses related to rental services for any of the preceding items</u>	(Deleted)
<u>36. All businesses that are incidental to those mentioned in the preceding items</u>	(Deleted)
(Newly established)	<u>33. Export/import and sale of automotive supplies and spare parts, and bicycles</u>
(Newly established)	<u>34. Sale of cosmetics, quasi-drugs, pharmaceuticals and medical instruments</u>
(Newly established)	<u>35. Sale of poisonous and deleterious substances</u>
(Newly established)	<u>36. Warehousing business</u>
(Newly established)	<u>37. Photographic development and printing, and outsourcing agent for such services</u>
(Newly established)	<u>38. Services related to print publishing and advertising</u>
(Newly established)	<u>39. Leasing business for movables, installment sales business, and financing business</u>
(Newly established)	<u>40. Consultancy service and investment related business for businesses selling various goods</u>
(Newly established)	<u>41. Bicycle maintenance and cleaning, and car wash business</u>
(Newly established)	<u>42. All businesses that are incidental to those mentioned in the preceding items</u>

Note: Some underlining does not coincide with the Japanese version because of translation adjustments.

Proposal 9: Amendment to the Articles of Incorporation (3)

- Reasons for the proposal
Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the necessary changes to its current Articles of Incorporation and establish supplementary provisions as transitional measures in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.
- Details of the amendments
Details of the amendments are as follows:

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>Chapter III. General Meeting of Shareholders <u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>Article 16.</u> <u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>Chapter III. General Meeting of Shareholders (Deleted)</p> <p><u>(Measures, etc. for Providing Information in Electronic Format)</u></p> <p><u>Article 16.</u> <u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u> <u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p><u>Supplementary Provisions</u> <u>(Transitional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</u></p> <p><u>Article 2</u> <u>1. The deletion of Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) in the pre-amended Articles of Incorporation and the establishment of the new Article 16 (Measures, etc. for Providing Information in Electronic Format) in the amended Articles of Incorporation shall be effective from September 1, 2022, the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the "Date of Enforcement").</u> <u>2. Notwithstanding the provisions of the preceding paragraph, Article 16 of the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>3. This Article shall be deleted on the date when six months have elapsed from the Date of Enforcement or three (3) months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>