

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: 3087

May 6, 2022

To Our Shareholders:

Masanori Hoshino  
Representative Director and President  
**DOUTOR·NICHIRE Holdings Co., Ltd.**  
10-11 Sarugakucho, Shibuya-ku, Tokyo

## Notice of the 15th Annual General Meeting of Shareholders

You are cordially invited to the 15th Annual General Meeting of Shareholders of DOUTOR·NICHIRE Holdings Co., Ltd. (the “Company”), which will be held as indicated below.

**If you are unable to attend the meeting, please review the attached “Reference Documents for General Meeting of Shareholders” and exercise your voting rights by one of the methods described in “Information on Exercise of Voting Rights, etc.” on the following page by 5:00 p.m., Tuesday, May 24, 2022.**

- 1. Date and Time:** Wednesday, May 25, 2022, at 10:00 a.m. (Reception starts at 9:00 a.m.)
- 2. Venue:** Ballroom, 2nd basement, Cerulean Tower Tokyo Hotel  
26-1 Sakuragaoka-cho, Shibuya-ku, Tokyo
- 3. Purpose of the Meeting:**  
**Matters to be reported:**
  - The Business Report, the Consolidated Financial Statements, and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Board for the 15th fiscal year (from March 1, 2021 to February 28, 2022)
  - The Non-consolidated Financial Statements for the 15th fiscal year (from March 1, 2021 to February 28, 2022)

**Matters to be resolved:**

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Partial Amendment to the Articles of Incorporation
- Proposal No. 3:** Election of Nine (9) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 4:** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 5:** Election of Two (2) Directors Who Are Substitute Audit and Supervisory Committee Members
- Proposal No. 6:** Setting the Amount of Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 7:** Setting the Amount of Remuneration, etc. for Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 8:** Determination of Remuneration for Granting Restricted Stock to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and Outside Directors)

- ◎ You are kindly requested to arrive early enough at the venue as the reception is very congested just before opening of the meeting every year.
- ◎ If any changes are made to items in the “Reference Documents for General Meeting of Shareholders,” the Business Report, the Non-consolidated Financial Statements and the Consolidated Financial Statements, such changes will be posted on the Company’s website.
- ◎ Pursuant to laws and regulations and the provisions of the Company’s Articles of Incorporation, the Company provides the following matters from the required documents on the Company’s website. Accordingly, these matters are not available in this Notice of the General Meeting of Shareholders.
  - 1) Notes to the Consolidated Financial Statements
  - 2) Notes to the Non-consolidated Financial Statements

<http://www.dnh.co.jp/>

## **Information on Exercise of Voting Rights**

Voting rights at the Company's General Meeting of Shareholders are shareholders' important rights. Please exercise your voting rights after reviewing the attached Reference Documents for General Meeting of Shareholders. There are three methods to exercise your voting rights as indicated below.

### **[Attending the General Meeting of Shareholders]**

Present the enclosed voting form to the reception desk at the meeting.

Date and Time:

Wednesday, May 25, 2022, at 10:00 a.m. (Reception starts at 9:00 a.m.)

### **[Exercising voting rights in writing (by post)]**

Indicate your approval or disapproval of each proposal on the enclosed voting form and return the form.

Deadline for exercising voting rights:

Tuesday, May 24, 2022, at 5:00 p.m.

### **[Exercising voting rights via the Internet]**

Input your approval or disapproval of each proposal following the instructions on the next page.

Deadline for exercising voting rights:

Tuesday, May 24, 2022, at 5:00 p.m.

## **Information on How to Fill Out Your Voting Form**

Please indicate whether you approve or disapprove of each proposal.

### **Proposals No. 1, 2, 6, 7 and 8**

If you approve, put a circle in the box marked 贊 [Approve].

If you disapprove, put a circle in the box marked 否 [Disapprove].

### **Proposals No. 3, 4 and 5**

If you approve the election of all candidates, put a circle in the box marked 贊 [Approve].

If you disapprove the election of all candidates, put a circle in the box marked 否 [Disapprove].

If you disapprove the election of certain candidates, put a circle in the box marked 贊 [Approve], and also write the candidate number for each candidate you disapprove to be elected.

If you exercise your voting rights both in writing (by post) and via the Internet, etc., your voting via the Internet, etc. will be treated as valid. If you exercise your voting rights more than once via the Internet, etc., only the last voting will be treated as valid.

## **Information on Exercise of Voting Rights via the Internet, etc.**

### **Method of Scanning the QR Code “Smart Vote”**

You can log in to the website for exercising voting rights without inputting your voting right exercise code and password.

- 1 Please scan 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 directions that appear on the screen to input approval or disapproval of each proposal.

Note that your voting rights can be exercised only once by using the “Smart Vote” method.  
If you change your votes after exercising your voting rights, please log in to the website for PC by using your voting right exercise code and password printed on the voting form, and exercise your voting rights again.  
\* If you rescan the QR Code, you can access the website for PC.

### **Method of Inputting the voting right exercise code and password**

The website for the exercise of voting rights: <https://soukai.mizuho-tb.co.jp/>

- 1 Please access the website for exercise of voting rights.  
Click “Proceed to the next”
- 2 Please enter the voting right exercise code given on the voting form.  
Input the voting right exercise code  
Click “Next”
- 3 Please input the password given on the voting form.  
Input your password  
Set the new password that you will actually use  
Click “Register”
- 4 Please follow the directions that appear on the screen to input approval or disapproval of each proposal.

In case you need instructions for how to operate your personal computer, smartphone or mobile phone in order to exercise your voting rights via the Internet, please contact:

Internet Help Dial, Securities Agent Department,  
Mizuho Trust & Banking Co., Ltd.  
0120-768-524  
(Business hours: 9:00 – 21:00 (JST))

Institutional investors may use the Electronic Voting Platform for institutional investors operated by ICJ, Inc.

## Reference Documents for General Meeting of Shareholders

### Proposal No. 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

The policy concerning the appropriation of surplus for the fiscal year under review is to uphold the basic policy of distributing dividends commensurate with business performance as well as the basic policy of returning profits to our shareholders with a target dividend payout ratio of 20% to 30% while ensuring sufficient internal reserves are provided for further strengthening the corporate structure and for future business expansion. The Company proposes to increase the year-end dividend for the fiscal year under review by ¥2 per share due to the fact that operating cash flows excluding subsidies, etc. turned positive, while implementing the usual capital investment.

Accordingly, including the interim dividend of ¥12 per share, the annual dividend will be ¥26 per share.

Type of dividend property	Cash
Allotment of dividend property and their aggregate amount	¥14 per common share of the Company Total amount of dividends: ¥619,035,354
Effective date of dividends of surplus	May 26, 2022

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

### **(1) Reasons for the Amendment**

1. The Company is planning to transition from a company with an audit and supervisory board to a company with an audit and supervisory committee to achieve swifter decision-making and to further strengthen corporate governance by enhancing the supervisory function of the Board of Directors. Amendments necessary to transition to a company with an audit and supervisory committee include the establishment of provisions concerning audit and supervisory committee members and the audit and supervisory committee and the deletion of provisions concerning audit and supervisory board members and the audit and supervisory board.
2. With the transition to a company with an audit and supervisory committee, provisions that enable the delegation of all or some decisions concerning important operations to Directors by resolution of the Board of Directors to deal with changing circumstances while aiming for swift decision-making and flexible management. (Proposed Article 28)
3. A new provision is established that enables, by resolution of the Board of Directors, the exemption of Directors liability to the extent permitted by law in accordance with Article 426, paragraph 1 of the Companies Act, for the purpose of securing competent personnel as Directors and to enable them to adequately perform their expected roles. To enable Directors who are not Executive Directors, etc. to adequately perform their expected roles, and to secure competent personnel, the eligibility for entering into an agreement to limit damage compensation liability is amended so that such agreements can be entered into with Directors who are not Executive Directors, etc. (Proposed Article 32). This amendment is proposed with the consent of all Audit and Supervisory Board Members.
4. To enable the flexible distribution of dividends of surplus, etc., a new provision is proposed that enables the dividends of surplus, etc. also by resolution of the Board of Directors in accordance with the provisions of Article 459, paragraph 1 of the Companies Act. (Proposed Article 42)
5. 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 establish provisions concerning measures for providing information in electronic format, delete provision concerning Internet disclosure and deemed provision of reference documents for the general meeting of shareholders, etc. and establish transitional measures. (Proposed Article 16 and Supplementary Provisions)

### **(2) Details of Amendment**

The details of amendments to the Articles of Incorporation are as follows. The amendments to the Articles of Incorporation relating to this proposal are to become effective at the conclusion of this general meeting of shareholders.

(Amended parts are underlined)

Pre-amended	Proposed Amendment
<p>(Newly established)</p> <p>Article 4. (Method of Public Notice)</p> <ol style="list-style-type: none"><li>1. The method of public notices of the Company shall be electronic public notices.</li><li>2. If the Company is unable to give an electronic public notice for any unavoidable reason, public notices of the Company shall be by publication in the “The Nikkei” newspaper.</li></ol> <p>Chapter II Shares</p> <p>Article 5. (Total Number of Shares Authorized to Be Issued)</p> <p>The total number of shares authorized to be issued by the Company shall be 200,000,000.</p> <p>Article 6. (Acquisition of own shares)</p> <p>The Company may acquire its own shares through market transactions, etc. upon resolution of the Board of Directors.</p> <p>Article 7. (Number of Shares per Share Unit)</p> <p>The number of shares constituting one unit of shares of the Company shall be 100.</p> <p>Article 8. (Rights Regarding Shares Less Than One Unit)</p> <p>A shareholder of the Company may not exercise any rights other than the rights listed below with regard to shares less than one unit held by the shareholder:</p> <ol style="list-style-type: none"><li>(1) Rights set forth in items of Article 189, paragraph 2 of the Companies Act;</li><li>(2) Right to make a demand pursuant to the provisions of Article 166, paragraph 1 of the Companies Act;</li><li>(3) Right to receive an allotment of offered shares and offered share acquisition rights in proportion to the number of shares held by the shareholder; and</li><li>(4) The right to make a demand as provided for in the following Article.</li></ol>	<p><u>Article 4. (Organs)</u></p> <p><u>The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs:</u></p> <ol style="list-style-type: none"><li><u>1. Board of Directors</u></li><li><u>2. Audit and Supervisory Committee</u></li><li><u>3. Accounting Auditor</u></li></ol> <p>Article 5. (Method of Public Notice)</p> <ol style="list-style-type: none"><li>1. The method of public notices of the Company shall be electronic public notices.</li><li>2. If the Company is unable to give an electronic public notice for any unavoidable reason, public notices of the Company shall be by publication in the “The Nikkei” newspaper.</li></ol> <p>Chapter II Shares</p> <p>Article 6. (Total Number of Shares Authorized to Be Issued)</p> <p>The total number of shares authorized to be issued by the Company shall be 200,000,000.</p> <p>Article 7. (Acquisition of own shares)</p> <p>The Company may acquire its own shares through market transactions, etc. upon resolution of the Board of Directors.</p> <p>Article 8. (Number of Shares per Share Unit)</p> <p>The number of shares constituting one unit of shares of the Company shall be 100.</p> <p>Article 9. (Rights Regarding Shares Less Than One Unit)</p> <p>A shareholder of the Company may not exercise any rights other than the rights listed below with regard to shares less than one unit held by the shareholder:</p> <ol style="list-style-type: none"><li>(1) Rights set forth in items of Article 189, paragraph 2 of the Companies Act;</li><li>(2) Right to make a demand pursuant to the provisions of Article 166, paragraph 1 of the Companies Act;</li><li>(3) Right to receive an allotment of offered shares and offered share acquisition rights in proportion to the number of shares held by the shareholder; and</li><li>(4) The right to make a demand as provided for in the following Article.</li></ol>

Pre-amended	Proposed Amendment
<p>Article <u>9</u>. (Request by a Shareholder for Sale of Shares Less than One Unit) A shareholder of the Company who holds shares less than one unit may request the Company to sell them such number of shares which will, when combined with the number of shares already held by the shareholder, constitute one share unit (hereinafter, “additional purchase”).</p> <p>Article <u>10</u>. (Shareholder Register Administrator)</p> <ol style="list-style-type: none"> <li>1. The Company shall have a shareholder register administrator.</li> <li>2. The shareholder register administrator and the place of business thereof shall be designated <u>by resolution of the Board of Directors</u> and public notice thereof shall be given.</li> <li>3. The Company’s register of shareholders and register of share acquisition rights shall be located at the place of business of the shareholder register administrator and the entering or recording in the register of shareholders and the register of share acquisition rights, the buyback or additional purchase of shares less than one unit, and any other administration relating to shares or share acquisition rights shall be handled by the shareholder register administrator and not handled by the Company.</li> </ol> <p>Article <u>11</u>. (Share Handling Regulations) Handling of the Company’s shares, share acquisition rights, and fees therefor as well as the procedures for the exercise of rights by shareholder shall be governed by the Share Handling Regulations established by the Board of Directors, in addition to applicable laws and regulations and these Articles of Incorporation.</p> <p>Article <u>12</u>. (Record Date) The Company shall treat the shareholders with voting rights entered or recorded in the last register of shareholders as of the last day of February each year as shareholders entitled to exercise shareholder’s rights at the annual general meeting of shareholders relating to the relevant financial year.</p> <p>Chapter III General Meeting of Shareholders</p> <p>Article <u>13</u>. (Convocation) An annual general meeting of shareholders of the Company shall be convened in May every year. An extraordinary general meeting of shareholders shall be convened whenever necessary.</p>	<p>Article <u>10</u>. (Request by a Shareholder for Sale of Shares Less than One Unit) A shareholder of the Company who holds shares less than one unit may request the Company to sell them such number of shares which will, when combined with the number of shares already held by the shareholder, constitute one share unit (hereinafter, “additional purchase”).</p> <p>Article <u>11</u>. (Shareholder Register Administrator)</p> <ol style="list-style-type: none"> <li>1. The Company shall have a shareholder register administrator.</li> <li>2. The shareholder register administrator and the place of business thereof shall be designated by the Board of Directors <u>or a Director who has been delegated by resolution of the Board of Directors</u> and public notice thereof shall be given.</li> <li>3. The Company’s register of shareholders and register of share acquisition rights shall be located at the place of business of the shareholder register administrator and the entering or recording in the register of shareholders and the register of share acquisition rights, the buyback or additional purchase of shares less than one unit, and any other administration relating to shares or share acquisition rights shall be handled by the shareholder register administrator and not handled by the Company. (Change in Japanese only; English unchanged)</li> </ol> <p>Article <u>12</u>. (Share Handling Regulations) Handling of the Company’s shares, share acquisition rights, and fees therefor as well as the procedures for the exercise of rights by shareholder shall be governed by the Share Handling Regulations established by the Board of Directors <u>or a Director who has been delegated by resolution of the Board of Directors</u>, in addition to applicable laws and regulations and these Articles of Incorporation.</p> <p>Article <u>13</u>. (Record Date) The Company shall treat the shareholders with voting rights entered or recorded in the last register of shareholders as of the last day of February each year as shareholders entitled to exercise shareholder’s rights at the annual general meeting of shareholders relating to the relevant financial year.</p> <p>Chapter III General Meeting of Shareholders</p> <p>Article <u>14</u>. (Convocation) An annual general meeting of shareholders of the Company shall be convened in May every year. An extraordinary general meeting of shareholders shall be convened whenever necessary.</p>



Pre-amended	Proposed Amendment
<p>Article 14. (Convener and Chairman of General Meeting of Shareholders)</p> <ol style="list-style-type: none"> <li>1. Unless otherwise provided in laws and regulations, the Director and President shall convene a general meeting of shareholders in accordance with a resolution of the Board of Directors. When the Director and President 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 convene the general meeting of shareholders.</li> <li>2. The Director and President shall chair the general meetings of shareholders. When the Director and President 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 chair the general meeting of shareholders.</li> </ol> <p><u>Article 15. (Internet Disclosure and Deemed Provision of Reference Documents for General Meeting of Shareholders, Etc.)</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 general meeting of shareholders, business report, non-consolidated financial statements and consolidated financial statements (including Accounting Auditor's report and Audit and Supervisory Board Members' report relating to any such 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>Article 16. (Proxy Voting)</p> <ol style="list-style-type: none"> <li>1. Every shareholder may exercise his/her/its votes by having one other shareholder of the Company with voting rights act as a proxy on his/her/its behalf.</li> <li>2. In the case of the preceding paragraph, a shareholder or a proxy must submit to the Company a document evidencing the proxy's authority to represent at each general meeting of shareholders.</li> </ol>	<p>Article 15. (Convener and Chairman of General Meeting of Shareholders)</p> <ol style="list-style-type: none"> <li>1. Unless otherwise provided in laws and regulations, the Director and President shall convene a general meeting of shareholders in accordance with a resolution of the Board of Directors. When the Director and President 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 convene the general meeting of shareholders.</li> <li>2. The Director and President shall chair the general meetings of shareholders. When the Director and President 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 chair the general meeting of shareholders.</li> </ol> <p>(Deleted)</p> <p><u>Article 16 (Measures, etc. for Providing Information in Electronic Format)</u></p> <ol style="list-style-type: none"> <li>1. <u>The Company shall, when convening a general meeting of shareholders, take measures for providing information that constitutes the content of reference documents for general meeting of shareholders, etc. in electronic format.</u></li> <li>2. <u>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></li> </ol> <p>Article 17. (Proxy Voting)</p> <ol style="list-style-type: none"> <li>1. Every shareholder may exercise his/her/its votes by having one other shareholder of the Company with voting rights act as a proxy on his/her/its behalf.</li> <li>2. In the case of the preceding paragraph, a shareholder or a proxy must submit to the Company a document evidencing the proxy's authority to represent at each general meeting of shareholders.</li> </ol>

Pre-amended	Proposed Amendment
<p>Article 17. (Method for Making Resolutions)</p> <ol style="list-style-type: none"> <li>1. Unless otherwise provided for by laws and regulations, and these Articles of Incorporation, resolutions of a general meeting of shareholders shall be made by a majority of the votes of the shareholders who are present at the meeting and entitled to exercise their votes at such meetings.</li> <li>2. The resolutions of a general meeting of shareholders as prescribed in Article 309, paragraph 2 of the Companies Act shall be made by at least two-thirds of the votes of the shareholders present at such 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.</li> </ol> <p>Article 18. (Minutes) The substance of proceedings and the results of the general meeting of shareholders and other matters provided by laws and regulations shall be entered or recorded in minutes. Chapter IV Director and Board of Directors</p> <p><u>Article 19. (Establishment of the Board of Directors)</u> <u>The Company shall have a Board of Directors.</u></p> <p>Article 20. (Number of Directors) The Company shall have not more than 12 Directors.</p> <p>Article 21. (Election of Directors)</p> <ol style="list-style-type: none"> <li>1. Directors shall be elected at a general meeting of shareholders.</li> <li>2. Resolutions on the election of a Director shall be made by a majority of the votes of the shareholders present at such 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.</li> <li>3. Resolutions for the election of Directors shall not be conducted by cumulative voting.</li> </ol> <p>(Newly established)</p>	<p>Article 18. (Method for Making Resolutions)</p> <ol style="list-style-type: none"> <li>1. Unless otherwise provided for by laws and regulations, and these Articles of Incorporation, resolutions of a general meeting of shareholders shall be made by a majority of the votes of the shareholders who are present at the meeting and entitled to exercise their votes at such meetings.</li> <li>2. The resolutions of a general meeting of shareholders as prescribed in Article 309, paragraph 2 of the Companies Act shall be made by at least two-thirds of the votes of the shareholders present at such 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.</li> </ol> <p>Article 19. (Minutes) The substance of proceedings and the results of the general meeting of shareholders and other matters provided by laws and regulations shall be entered or recorded in minutes. Chapter IV Director and Board of Directors</p> <p>(Deleted)</p> <p>Article 20. (Number of Directors) The Company shall have not more than 12 Directors <u>(excluding Directors who are Audit and Supervisory Committee Members) and not more than five (5) Audit and Supervisory Committee Members.</u></p> <p>Article 21. (Election of Directors)</p> <ol style="list-style-type: none"> <li>1. Directors shall be elected at a general meeting of shareholders, <u>distinguishing between Directors who are Audit and Supervisory Committee Members and other Directors.</u></li> <li>2. Resolutions on the election of a Director shall be made by a majority of the votes of the shareholders present at such 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.</li> <li>3. Resolutions for the election of Directors shall not be conducted by cumulative voting.</li> <li>4. <u>To prepare for cases where there is a vacancy resulting in a shortfall in the number of Directors who are Audit and Supervisory Committee Members stipulated in laws and regulations, the Company may elect Directors who are substitute Audit and Supervisory Committee Members at a general meeting of shareholders.</u></li> </ol>

Pre-amended	Proposed Amendment
<p>Article 22. (Term of Office of Directors)</p> <ol style="list-style-type: none"> <li>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 ending within one (1) year after the election of the Director.</li>   <li>2. <u>The term of office of a Director elected due to an increase in the number of Directors or as a substitute for another Director shall expire at the time of expiration of the term of office of other serving Directors.</u></li> </ol> <p>(Newly established)</p>	<p>Article 22. (Term of Office of Directors)</p> <ol style="list-style-type: none"> <li>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 ending within one (1) year after the election of the Director.</li> </ol> <p>(Deleted)</p> <ol style="list-style-type: none"> <li>2. <u>The term of office of a Director who is an Audit and Supervisory Committee Members shall expire at the conclusion of the annual general meeting of shareholders for the last business year ending within two (2) years from his or her election as Audit and Supervisory Committee Member.</u></li> <li>3. <u>The term of office of a Director who is an Audit and Supervisory Committee Member who is elected as the substitute for 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 Audit and Supervisory Committee Member who retired from office is to expire.</u></li> <li>4. <u>The effective period of the resolution for the election of a substitute Director who is an Audit and Supervisory Committee Member shall expire at the commencement of the annual general meeting of shareholders for the last business year ending within two (2) years from his or her election, unless shortened by such resolution.</u></li> </ol>
<p>Article 23. (Representative Directors and Directors with Specific Titles)</p> <ol style="list-style-type: none"> <li>1. The Company shall appoint representative Director(s) by resolution of the Board of Directors.</li>   <li>2. Representative Directors represent the Company, and execute the business of the Company.</li> <li>3. The Board of Directors may appoint, by its resolution, one Director and Chairman, one Director and President, one or a small number of Director and Vice Chairmen, one or a small number of Director and Vice Presidents, one or a small number of Senior Managing Directors, and one or a small number of Managing Directors.</li> </ol>	<p>Article 23. (Representative Directors and Directors with Specific Titles)</p> <ol style="list-style-type: none"> <li>1. The Company shall appoint representative Director(s) <u>from among the Directors (excluding Directors who are Audit and Supervisory Committee Members)</u> by resolution of the Board of Directors.</li> <li>2. Representative Directors represent the Company, and execute the business of the Company.</li> <li>3. The Board of Directors may appoint, by its resolution, one Director and Chairman, one Director and President, one or a small number of Director and Vice Chairmen, one or a small number of Director and Vice Presidents, one or a small number of Senior Managing Directors, and one or a small number of Managing Directors <u>from among the Directors (excluding Directors who are Audit and Supervisory Committee Members).</u></li> </ol>
<p>Article 24. (Convener and Chairman of Meeting of the Board of Directors)</p> <ol style="list-style-type: none"> <li>1. Unless otherwise provided for by laws and regulations, the Director and Chairman shall convene and chair meetings of the Board of Directors.</li> <li>2. In cases where the post of the Director and Chairman is vacant, or the Director and Chairman is prevented from so acting, another Director, who is designated in accordance with an order of priority determined in advance by the</li> </ol>	<p>Article 24. (Convener and Chairman of Meeting of the Board of Directors)</p> <ol style="list-style-type: none"> <li>1. Unless otherwise provided for by laws and regulations, the Director and Chairman shall convene and chair meetings of the Board of Directors.</li> <li>2. In cases where the post of the Director and Chairman is vacant, or the Director and Chairman is prevented from so acting, another Director, who is designated in accordance with an order of priority determined in advance by the</li> </ol>

Pre-amended	Proposed Amendment
<p data-bbox="300 230 724 282">Board of Directors, shall convene and chair meetings of the Board of Directors.</p> <p data-bbox="204 461 756 488">Article 25. (Notice of Meeting of the Board of Directors)</p> <ol data-bbox="252 490 778 763" style="list-style-type: none"> <li data-bbox="252 490 778 651">1. When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director <u>and each Audit and Supervisory Board Member</u> at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</li> <li data-bbox="252 654 778 763">2. With the consent of all Directors <u>and Audit and Supervisory Board Members</u>, a meeting of the Board of Directors may be held without following the convening procedures.</li> </ol> <p data-bbox="204 772 762 824">Article 26. (Method for Making Resolutions of the Board of Directors)</p> <p data-bbox="204 826 756 909">Resolutions of the Board of Directors shall be made by a majority vote of the Directors who are present where a majority of Directors are present.</p> <p data-bbox="204 922 719 974">Article 27. (Omission of Resolutions of the Board of Directors)</p> <p data-bbox="204 976 778 1144">The Company may, when all of the Directors indicate their consent in writing or by electromagnetic record, deem such indication to be the resolution of the Board of Directors adopting the proposal. <u>However, this shall not apply in the case of an audit &amp; supervisory board member having raised an objection.</u></p> <p data-bbox="204 1158 400 1184">(Newly established)</p> <p data-bbox="204 1391 778 1417">Article <u>28</u>. (Minutes of Meetings of the Board of Directors)</p> <p data-bbox="204 1420 767 1603">An overview of the proceedings at a meeting of the Board of Directors, the results thereof, as well as other matters prescribed in laws and regulations shall be entered or recorded in the minutes, which shall be signed and stamped, or electronically signed by the Directors <u>and Audit and Supervisory Board Members</u> who were in attendance.</p>	<p data-bbox="906 230 1331 282">Board of Directors, shall convene and chair meetings of the Board of Directors.</p> <p data-bbox="810 461 1362 488">Article 25. (Notice of Meeting of the Board of Directors)</p> <ol data-bbox="858 490 1385 736" style="list-style-type: none"> <li data-bbox="858 490 1385 624">1. When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</li> <li data-bbox="858 654 1385 736">2. With the consent of all Directors, a meeting of the Board of Directors may be held without following the convening procedures.</li> </ol> <p data-bbox="810 772 1369 824">Article 26. (Method for Making Resolutions of the Board of Directors)</p> <p data-bbox="810 826 1362 909">Resolutions of the Board of Directors shall be made by a majority vote of the Directors who are present where a majority of Directors are present.</p> <p data-bbox="810 922 1326 974">Article 27. (Omission of Resolutions of the Board of Directors)</p> <p data-bbox="810 976 1385 1088">The Company may, when all of the Directors indicate their consent in writing or by electromagnetic record, deem such indication to be the resolution of the Board of Directors adopting the proposal.</p> <p data-bbox="810 1158 1385 1375"><u>Article 28. (Delegation of a Decision on the Execution of Important Operations)</u> <u>Under Article 399-13, paragraph 6 of the Companies Act, the Company may delegate all or some decisions concerning the execution of important operations (excluding matters listed in the items under paragraph 5 of said article) to Directors by resolution of the Board of Directors.</u></p> <p data-bbox="810 1391 1385 1417">Article <u>29</u>. (Minutes of Meetings of the Board of Directors)</p> <p data-bbox="810 1420 1374 1576">An overview of the proceedings at a meeting of the Board of Directors, the results thereof, as well as other matters prescribed in laws and regulations shall be entered or recorded in the minutes, which shall be signed and stamped, or electronically signed by the Directors who were in attendance.</p>

Pre-amended	Proposed Amendment
<p>Article <u>29</u>. (Regulations of the Board of Directors) Matters concerning the Board of Directors shall be governed by the Regulations of the Board of Directors established by the Board of Directors, in addition to applicable laws and regulations and these Articles of Incorporation.</p> <p>Article <u>30</u>. (Directors' Remuneration, Etc.) The remuneration, bonuses and other monetary benefits to be received by Directors from the Company as consideration for execution of duties (hereinafter, "Remuneration, etc.") shall be determined by resolution of a general meeting of shareholders.</p> <p>Article <u>31</u>. (Exemption of <u>Outside Directors'</u> Liabilities) (Newly established)</p> <p>The Company may, in accordance with Article 427, paragraph 1 of the Companies Act, enter into an agreement with <u>Outside Directors</u> that limits their damage compensation liability in cases where the criteria stipulated by laws and regulations regarding compensation liability pursuant to Article 423, paragraph 1 of the Companies Act apply; provided, however, that the maximum amount of their liabilities based on said agreement shall be the aggregate amount of the amounts stipulated in each item under Article 425, paragraph 1 of the Companies Act.</p> <p><u>Chapter V. Audit and Supervisory Board Members and Audit and Supervisory Board</u></p> <p><u>Article 32. (Establishment of Audit and Supervisory Board Members and Audit and Supervisory Board)</u> <u>The Company shall have Audit and Supervisory Board Members and an Audit and Supervisory Board.</u></p> <p><u>Article 33. (Number of Audit and Supervisory Board Members)</u> <u>The Company shall have not more than six (6) Audit and Supervisory Board Members.</u></p>	<p>Article <u>30</u>. (Regulations of the Board of Directors) Matters concerning the Board of Directors shall be governed by the Regulations of the Board of Directors established by the Board of Directors, in addition to applicable laws and regulations and these Articles of Incorporation.</p> <p>Article <u>31</u>. (Directors' Remuneration, Etc.) The remuneration, bonuses and other monetary benefits to be received by Directors from the Company as consideration for execution of duties (hereinafter, "Remuneration, etc.") shall be determined by resolution of a general meeting of shareholders, <u>distinguishing between Directors who are Audit and Supervisory Committee Members and other Directors.</u></p> <p>Article <u>32</u> (Exemption of <u>Directors'</u> Liabilities)</p> <p><u>1. The Company may, by a resolution of the Board of Directors under Article 426, paragraph 1 of the Companies Act, exempt Directors (including former Directors) from their damage compensation liabilities provided for in Article 423, paragraph 1 of the Companies Act to the extent permitted by law.</u></p> <p><u>2. The Company may, in accordance with Article 427, paragraph 1 of the Companies Act, enter into an agreement with Directors (excluding Executive Directors, etc.) that limits their damage compensation liability in cases where the criteria stipulated by laws and regulations regarding compensation liability pursuant to Article 423, paragraph 1 of the Companies Act apply; provided, however, that the maximum amount of their liabilities based on said agreement shall be the aggregate amount of the amounts stipulated in each item under Article 425, paragraph 1 of the Companies Act.</u></p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>

Pre-amended	Proposed Amendment
<p><u>Article 34. (Election of Audit and Supervisory Board Members)</u></p> <ol style="list-style-type: none"> <li>1. <u>Audit and Supervisory Board Members shall be elected at a general meeting of shareholders.</u></li> <li>2. <u>Resolutions on the election of Audit and Supervisory Board Members shall be made by a majority of the votes of the shareholders present at such 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></li> </ol>	(Deleted)
<p><u>Article 35. (Term of Office of Audit and Supervisory Board Members)</u></p> <ol style="list-style-type: none"> <li>1. <u>The term of office of an Audit and Supervisory Board Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year ending within four (4) years after the election of the Audit and Supervisory Board Member.</u></li> <li>2. <u>The term of office of an Audit and Supervisory Board Member who is elected as the substitute for an Audit and 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 and Supervisory Board Member who retired from office is to expire.</u></li> </ol>	(Deleted)
<p><u>Article 36. (Full-Time Audit and Supervisory Board Members)</u></p> <p><u>The Audit and Supervisory Board shall appoint full-time Audit and Supervisory Board Member(s) from among the Audit and Supervisory Board Members.</u></p>	(Deleted)
<p><u>Article 37. (Notice of Meeting of the Audit and Supervisory Board)</u></p> <ol style="list-style-type: none"> <li>1. <u>When convening a meeting of the Audit and Supervisory Board, a notice shall be dispatched to each Audit and 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></li> <li>2. <u>With the consent of all Audit and Supervisory Board Members, a meeting of the Audit and Supervisory Board may be held without following the convening procedures.</u></li> </ol>	(Deleted)
<p><u>Article 38. (Method for Making Resolutions of the Audit and Supervisory Board)</u></p> <p><u>Unless otherwise provided in laws and regulations, resolutions of the Audit and Supervisory Board shall be made by a majority vote of the Audit and Supervisory Board Members.</u></p>	(Deleted)
<p><u>Article 39. (Minutes of Meetings of the Audit and Supervisory Board)</u></p> <p><u>An overview of the proceedings at a meeting of the Audit and Supervisory Board, the results thereof, as well as other matters prescribed in laws and regulations shall be entered or recorded in the minutes, which shall be signed and stamped, or electronically signed by the Audit and Supervisory Board Members who were in attendance.</u></p>	(Deleted)

Pre-amended	Proposed Amendment
<p><u>Article 40. (Regulations of the Audit and Supervisory Board)</u>  <u>Matters concerning the Audit and Supervisory Board shall be governed by the Regulations of the Audit and Supervisory Board established by the Audit and Supervisory Board, in addition to laws and regulations and these Articles of Incorporation.</u></p>	(Deleted)
<p><u>Article 41. (Audit and Supervisory Board Member' Remuneration, Etc.)</u>  <u>The remuneration, etc. of Audit and Supervisory Board Members shall be determined by resolution of a general meeting of shareholders.</u></p>	(Deleted)
<p><u>Article 42. (Exemption of Outside Audit and Supervisory Board Members' Liabilities)</u>  <u>The Company may, in accordance with Article 427, paragraph 1 of the Companies Act, enter into an agreement with Outside Audit and Supervisory Board Members that limits their damage compensation liability in cases where the criteria stipulated by laws and regulations regarding compensation liability pursuant to Article 423, paragraph 1 of the Companies Act apply; provided, however, that the maximum amount of their liabilities based on said agreement shall be the aggregate amount of the amounts stipulated in each item under Article 425, paragraph 1 of the Companies Act.</u></p>	(Deleted)
(Newly established)	<p><u>Chapter V. Audit and Supervisory Committee</u>  <u>Article 33. (Full-Time Audit and Supervisory Committee Members)</u>  <u>The Audit and Supervisory Committee may appoint, by its resolution, full-time Audit and Supervisory Committee Members.</u></p>
(Newly established)	<p><u>Article 34. (Notice of Meeting of the Audit and Supervisory Committee)</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>
(Newly established)	<p><u>Article 35. (Method for Making Resolutions of the Audit and Supervisory Committee)</u>  <u>Resolutions of the Audit and Supervisory Committee shall be made by a majority vote when the majority of Audit and Supervisory Committee Members entitled to participate in the vote are present.</u></p>

Pre-amended	Proposed Amendment
(Newly established)	<p><u>Article 36. (Minutes of Meetings of the Audit and Supervisory Committee)</u>  <u>An overview of the proceedings at a meeting of the Audit and Supervisory Committee, the results thereof, as well as other matters prescribed in laws and regulations shall be entered or recorded in the minutes, which shall be signed and stamped, or electronically signed by the Audit and Supervisory Committee Members who were in attendance.</u></p>
(Newly established)	<p><u>Article 37. (Regulations of the Audit and Supervisory Committee)</u>  <u>Matters concerning the Audit and Supervisory Committee shall be governed by the Regulations of the Audit and Supervisory Committee established by the Audit and Supervisory Committee, in addition to applicable laws and regulations and these Articles of Incorporation.</u></p>
Chapter VI. Accounting Auditor	Chapter VI. Accounting Auditor
<p><u>Article 43. (Establishment of an Accounting Auditor)</u>  <u>The Company shall have an Accounting Auditor.</u></p>	(Deleted)
<p>Article 44. (Appointment of Accounting Auditor)  The Accounting Auditor shall be appointed by resolution of a general meeting of shareholders.</p>	<p>Article 38. (Appointment of Accounting Auditor)  The Accounting Auditor shall be appointed by resolution of a general meeting of shareholders.</p>
<p>Article 45. (Term of Office of Accounting Auditor)</p> <ol style="list-style-type: none"> <li>1. The term of office of the Accounting Auditor shall expire at the conclusion of the annual general meeting of shareholders for the last business year within one (1) year after the appointment of the Accounting Auditor.</li> <li>2. The Accounting Auditor shall, unless otherwise resolved at the annual general meeting of shareholders referred to in the preceding paragraph, be deemed to have been reappointed at such annual general meeting of shareholders.</li> </ol>	<p>Article 39. (Term of Office of Accounting Auditor)</p> <ol style="list-style-type: none"> <li>1. The term of office of the Accounting Auditor shall expire at the conclusion of the annual general meeting of shareholders for the last business year within one (1) year after the appointment of the Accounting Auditor. (Change in Japanese only; English unchanged)</li> <li>2. The Accounting Auditor shall, unless otherwise resolved at the annual general meeting of shareholders referred to in the preceding paragraph, be deemed to have been reappointed at such annual general meeting of shareholders.</li> </ol>
<p>Article 46. (Accounting Auditor's Remuneration, Etc.)  The remuneration, etc. of the Accounting Auditor shall be determined by the Representative Director with the consent of the <u>Audit and Supervisory Board</u>.</p>	<p>Article 40. (Accounting Auditor's Remuneration, Etc.)  The remuneration, etc. of the Accounting Auditor shall be determined by the Representative Director with the consent of the <u>Audit and Supervisory Committee</u>.</p>
Chapter VII. Accounts	Chapter VII. Accounts
<p>Article 47. (Business Year)  The business year of the Company shall commence on March 1 of each year and end on the last day of February of the following year.</p>	<p>Article 41. (Business Year)  The business year of the Company shall commence on March 1 of each year and end on the last day of February of the following year.</p>



Pre-amended	Proposed Amendment
<p>(Newly established)</p> <p>(Newly established)</p> <p><u>Article 48. (Year-end Dividends)</u>  <u>The Company may, in accordance with a resolution of the general meeting of shareholders, distribute monetary dividends of surplus (hereinafter, "Year-end Dividends") to shareholders or registered share pledgees last entered or recorded in the register of shareholders as of the last day of February each year.</u></p> <p><u>Article 49. (Interim Dividends)</u>  <u>The Company may, in accordance with a resolution of the Board of Directors, distribute dividends of surplus as stipulated in Article 454, paragraph 5 of the Companies Act (hereinafter, "Interim Dividends") to shareholders or registered share pledgees last entered or recorded in the register of shareholders as of August 31 each year.</u></p> <p>Article <u>50.</u> (Prescription Period for Year-End Dividends, etc.)</p> <ol style="list-style-type: none"> <li>1. In cases where the Year-end Dividends and Interim Dividends have not been received after the lapse of three (3) full years from the date of commencement of payment thereof, the Company shall be exempt from the obligation to distribute such dividends.</li> <li>2. No interest shall accrue on unpaid Year-end Dividends and Interim Dividends.</li> </ol>	<p><u>Article 42. (Organizational Body to Determine Dividends of Surplus, Etc.)</u>  <u>Unless otherwise provided for by laws and regulations, the Company may, 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><u>Article 43. (Record Date for Dividends of Surplus)</u></p> <ol style="list-style-type: none"> <li>1. <u>The record date for year-end dividends of the Company shall be the last day of February of each year.</u></li> <li>2. <u>The record date for interim dividends of the Company shall be August 31 of each year.</u></li> <li>3. <u>In addition to the provisions of the preceding two paragraphs, the Company may distribute dividends of surplus by setting a record date.</u></li> </ol> <p>(Deleted)</p> <p>(Deleted)</p> <p>Article <u>44.</u> (Prescription Period for Year-End Dividends, etc.)</p> <ol style="list-style-type: none"> <li>1. In cases where the year-end dividends and interim dividends have not been received after the lapse of three (3) full years from the date of commencement of payment thereof, the Company shall be exempt from the obligation to distribute such dividends.</li> <li>2. No interest shall accrue on unpaid year-end dividends and interim dividends.</li> </ol>

Pre-amended	Proposed Amendment
(Newly established)	<p data-bbox="810 232 1066 259">Supplementary Provisions</p> <ol style="list-style-type: none"> <li data-bbox="858 262 1385 613">1. <u>The deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for General Meeting of Shareholders, Etc.) in the pre-amended Articles of Incorporation and the establishment of new Article 16 (Measures, etc. for Providing Information in Electronic Format) in the amended Articles of Incorporation shall be effective from September 1, 2022, which is the date of enforcement provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></li> <li data-bbox="858 616 1385 779">2. <u>Notwithstanding the provision of the preceding paragraph, Article 15 of the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six (6) months from the Date of Enforcement.</u></li> <li data-bbox="858 781 1385 943">3. <u>These Supplementary Provisions shall be deleted on the date when six (6) 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></li> </ol>

**Proposal No. 3: Election of Nine (9) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

If Proposal No. 2 “Partial Amendment to the Articles of Incorporation” is approved and adopted as submitted, the Company will make the transition to a company with an audit and supervisory committee and the terms of office of all ten (10) Directors will expire when the amendment to the Articles of Incorporation takes effect. Therefore, the Company proposes to elect nine (9) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter, the same shall apply in this Proposal).

The resolution for this proposal can only take effect on the condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Partial Amendment to the Articles of Incorporation” takes effect.

The candidates for Director are as follows:

No.	Name	Position and Responsibility in the Company	Attribute
1	Hirofumi Obayashi	Representative Director and Chairman	Reelection
2	Masanori Hoshino	Representative Director and President	Reelection
3	Motoya Takebayashi	Managing Director	Reelection
4	Yasuyuki Tenma	Managing Director	Reelection
5	Masahiro Kanno	Director	Reelection
6	Tomoyo Goda	Director	Reelection
7	Kazuhiro Sekine	Director	Reelection
8	Masaharu Kohno	Outside Director	Reelection Outside Independent
9	Azuma Ohtsuka	Outside Director	Reelection Outside Independent

**For reference: Policies and procedures for nominating candidates for Director**

Important executives and people in charge of primary business companies, etc. are nominated as candidates for Director based on the assumption that they have extensive experience, professional knowledge, and good managerial judgment and personality.

The Board of Directors has deliberated and decided the nomination of candidates for Director to be proposed at the General Meeting of Shareholders.

<b>1</b>	<b>Hirofumi Obayashi</b>	(Date of Birth: August 4, 1944)	Number of the Company's shares held: 6,779,100 shares
Reelection  Terms of office: 15 years  Number of Board of Directors meetings attended: 11/17	<p>[Career summary, and position and responsibility in the Company]</p> <p>Aug. 1973 Representative Director and President, following establishment of Bolsts Japan Co., Ltd. (The trade name changed to Minami Indo Co., Ltd., which was merged with NIPPON RESTAURANT SYSTEM. INC in June 2001)</p> <p>Oct. 1973 Director, Shosan restaurant planning Co., Ltd. (currently NIPPON RESTAURANT SYSTEM. INC)</p> <p>Feb. 1976 Representative and Senior Managing Director, Shosan restaurant planning Co., Ltd.</p> <p>Aug. 1977 Director, German Restaurant System Co., Ltd. (currently NIPPON RESTAURANT SYSTEM. INC)</p> <p>Jun. 1978 Representative and Senior Managing Director, Shosan restaurant planning Co., Ltd. stated above and German Restaurant System Co., Ltd. stated above were merged into NIPPON RESTAURANT SYSTEM. INC</p> <p>Jul. 1979 Representative Director and President, NIPPON RESTAURANT SYSTEM. INC</p> <p>Aug. 2005 Representative Director and Chairman, NIPPON RESTAURANT SYSTEM. INC</p> <p>Oct. 2007 Representative Director and Chairman, the Company</p> <p>May 2008 Director, the Company</p> <p>May 2016 Representative Director and Chairman, the Company (incumbent)</p> <p>May 2016 Representative Director and Chairman and President, NIPPON RESTAURANT SYSTEM. INC (incumbent)</p> <p>May 2016 Director, Doutor Coffee Co., Ltd.</p> <p>Apr. 2017 Representative Director and Chairman, Doutor Coffee Co., Ltd. (incumbent)</p> <p><b>Significant concurrent positions outside the Company</b>  Representative Director and Chairman and President, NIPPON RESTAURANT SYSTEM. INC  Representative Director and Chairman, Doutor Coffee Co., Ltd.  Representative Director and Chairman, SUNMERRY'S INC.  Representative Director and Chairman, Premium Coffee &amp; Tea Co., Ltd.</p> <p><b>Reasons for nomination as candidate for Director</b>  Hirofumi Obayashi has been Director since the establishment of the Company in October 2007, and as Representative Director and Chairman of the Company, he has exhibited strong leadership with the aim of enhancing corporate value since May 2016. He has developed new brands proactively and contributed to improvement of the Group's profitability. Therefore, the Company believes that he is a qualified person and has nominated him as a candidate to continue serving as Director.</p>		
<b>2</b>	<b>Masanori Hoshino</b>	(Date of Birth: October 22, 1959)	Number of the Company's shares held: 17,300 shares
Reelection  Terms of office: 15 years  Number of Board of Directors meetings attended: 17/17	<p>[Career summary, and position and responsibility in the Company]</p> <p>Apr. 1983 Joined Doutor Coffee Co., Ltd.</p> <p>Jun. 2000 Director, Doutor Coffee Co., Ltd.</p> <p>Jun. 2002 Managing Director, Doutor Coffee Co., Ltd.</p> <p>Jun. 2004 Senior Executive Director, Doutor Coffee Co., Ltd.</p> <p>Jul. 2005 Vice President and Director, Doutor Coffee Co., Ltd.</p> <p>Oct. 2007 Director, the Company</p> <p>May 2008 Representative Director and President, the Company (incumbent)</p> <p>May 2011 Representative Director and Chairman, Doutor Coffee Co., Ltd.</p> <p>May 2013 Director, NIPPON RESTAURANT SYSTEM. INC (incumbent)</p> <p>Apr. 2017 Representative Director and President, Doutor Coffee Co., Ltd. (incumbent)</p> <p><b>Significant concurrent positions outside the Company</b>  Representative Director and President, Doutor Coffee Co., Ltd.  Representative Director and President, D&amp;N International Co., Ltd.  Director, NIPPON RESTAURANT SYSTEM. INC</p> <p><b>Reasons for nomination as candidate for Director</b>  Masanori Hoshino was appointed as Representative Director and President in May 2008 and has exhibited strong organizational operating expertise from a Group-wide perspective in his execution of operations with the aim of enhancing corporate value. The Company believes that he is a qualified person to execute business operations with the aim of enhancing the corporate value and ensuring sustainable growth of the Group and has therefore nominated him as a candidate to continue serving as Director.</p>		

<b>3</b>	<b>Motoya Takebayashi</b>	(Date of Birth: May 26, 1966)	Number of the Company's shares held: 5,700 shares
Reelection  Terms of office: 5 years  Number of Board of Directors meetings attended: 17/17	[Career summary, and position and responsibility in the Company] Oct. 1997    Joined Doutor Coffee Co., Ltd. Mar. 2010    Senior Executive Officer, General Manager of Business Management Division, Doutor Coffee Co., Ltd. May 2014    Director, Doutor Coffee Co., Ltd. May 2016    Managing Director, Doutor Coffee Co., Ltd. May 2017    Director, the Company May 2018    Managing Director, the Company (incumbent) May 2018    Senior Executive Director, Doutor Coffee Co., Ltd. (incumbent)		
<b>Significant concurrent positions outside the Company</b> Senior Executive Director, Doutor Coffee Co., Ltd.			
<b>Reasons for nomination as candidate for Director</b> Motoya Takebayashi worked to expand the Company's sales channels as a sales manager in the Group. The Company believes that he is a qualified person to execute business operations utilizing his experiences up to now with the aim of ensuring sustainable growth of the Group and has therefore nominated him as a candidate to continue serving as Director.			
<b>4</b>	<b>Yasuyuki Tenma</b>	(Date of Birth: April 28, 1960)	Number of the Company's shares held: 24,137 shares
Reelection  Terms of office: 2 years  Number of Board of Directors meetings attended: 17/17	[Career summary, and position and responsibility in the Company] Jan. 1994    Joined NIPPON RESTAURANT SYSTEM. INC Apr. 2003    General Manager of Location Development Division, NIPPON RESTAURANT SYSTEM. INC Aug. 2005    Director, General Manager of Location Development Division, NIPPON RESTAURANT SYSTEM. INC May 2018    Managing Director, General Manager of Location Development Division, NIPPON RESTAURANT SYSTEM. INC (incumbent) May 2020    Managing Director, the Company (incumbent) May 2020    Senior Managing Director, NIPPON RESTAURANT SYSTEM. INC (incumbent)		
<b>Significant concurrent positions outside the Company</b> Senior Managing Director, NIPPON RESTAURANT SYSTEM. INC			
<b>Reasons for nomination as candidate for Director</b> Yasuyuki Tenma worked to expand business operations in his work opening many new stores as a store development manager in the Group. The Company believes that he is a qualified person to execute business operations of the Group utilizing his experiences up to now and has therefore nominated him as a candidate to continue serving as Director.			
<b>5</b>	<b>Masahiro Kanno</b>	(Date of Birth: January 23, 1959)	Number of the Company's shares held: 7,200 shares
Reelection  Terms of office: 6 years  Number of Board of Directors meetings attended: 17/17	[Career summary, and position and responsibility in the Company] Aug. 1979    Joined Doutor Coffee Co., Ltd. Mar. 2008    Senior Executive Officer, General Manager of Merchandise Production Division, Doutor Coffee Co., Ltd. May 2014    Director, Doutor Coffee Co., Ltd. Dec. 2015    Representative Director and President, Premium Coffee & Tea Co., Ltd. (incumbent) May 2016    Director, the Company (incumbent) May 2018    Representative Director and President, SUNMERRY'S INC. (incumbent) May 2018    Managing Director, Doutor Coffee Co., Ltd. (incumbent)		
<b>Significant concurrent positions outside the Company</b> Representative Director and President, SUNMERRY'S INC. Representative Director and President, Premium Coffee & Tea Co., Ltd. Managing Director, Doutor Coffee Co., Ltd.			
<b>Reasons for nomination as candidate for Director</b> Masahiro Kanno has worked for coffee procurement, roasting and production, and improvement of quality management in the Group. The Company believes that he is a qualified person to execute business operations as a director responsible for coffee procurement and roasting and production of the Group and has therefore nominated him as a candidate to continue serving as Director.			

<b>6</b>	<b>Tomoyo Goda</b>	(Date of Birth: September 8, 1970)	Number of the Company's shares held: 10,017 shares
Reelection  Terms of office: 6 years  Number of Board of Directors meetings attended: 17/17	<p>[Career summary, and position and responsibility in the Company]</p> <p>Apr. 1994    Joined NIPPON RESTAURANT SYSTEM. INC</p> <p>Aug. 2005    Director, NIPPON RESTAURANT CONFECTIONERY Co., Ltd. (merged with NIPPON RESTAURANT SYSTEM. INC in February 2009)</p> <p>Apr. 2008    Managing Director, NIPPON RESTAURANT CONFECTIONERY Co., Ltd.</p> <p>Aug. 2008    Director, D&amp;N CONFECTIONERY Co., Ltd</p> <p>May 2013    Director, NIPPON RESTAURANT SYSTEM. INC</p> <p>May 2016    Director, the Company (incumbent)</p> <p>May 2016    Managing Director, D&amp;N CONFECTIONERY Co., Ltd</p> <p>May 2018    Representative Director and President, D&amp;N CONFECTIONERY Co., Ltd (incumbent)</p> <p>May 2018    Managing Director, NIPPON RESTAURANT SYSTEM. INC (incumbent)</p> <p><b>Significant concurrent positions outside the Company</b>  Representative Director and President, D&amp;N CONFECTIONERY Co., Ltd  Managing Director, NIPPON RESTAURANT SYSTEM. INC</p> <p><b>Reasons for nomination as candidate for Director</b>  Tomoyo Goda worked to improve profitability as the person in charge of Western confectionery manufacturing and product development in the Group. The Company believes that she is a qualified person to execute business operations, utilizing her experiences up to now as well as her perspective and sensibilities as a woman, and has therefore nominated her as a candidate to continue serving as Director.</p>		
<b>7</b>	<b>Kazuhiro Sekine</b>	(Date of Birth: November 17, 1965)	Number of the Company's shares held: 4,100 shares
Reelection  Terms of office: 4 years  Number of Board of Directors meetings attended: 17/17	<p>[Career summary, and position and responsibility in the Company]</p> <p>Jan. 2007    Joined Doutor Coffee Co., Ltd.</p> <p>Apr. 2010    General Manager of Public Relations, Management Control Division, Doutor Coffee Co., Ltd.</p> <p>Dec. 2010    General Manager of Public and Investor Relations, the Company</p> <p>Mar. 2015    General Manager of Management Control Division, Doutor Coffee Co., Ltd. (incumbent)</p> <p>May 2017    Director, Doutor Coffee Co., Ltd. (incumbent)</p> <p>May 2018    Director, the Company (incumbent)</p> <p><b>Significant concurrent positions outside the Company</b>  Director, Doutor Coffee Co., Ltd.</p> <p><b>Reasons for nomination as candidate for Director</b>  Kazuhiro Sekine has worked to promote continued enhancement of corporate value as the person in charge of Public and Investor Relations in the Company and the Group. In addition, he has worked for strengthening the management system of Doutor Coffee Co., Ltd. as Director and General Manager of Management Control Division. The Company believes that he is a qualified person to execute business operations utilizing his experiences up to now and has therefore nominated him as a candidate to continue serving as Director.</p>		

<b>8</b>	<b>Masaharu Kohno</b>	(Date of Birth: December 21, 1948)	Number of the Company's shares held: 1,200 shares
<p>Reelection</p> <p>Candidate for Outside Director</p> <p>Candidate for Independent Director</p> <p>Terms of office: 7 years</p> <p>Number of Board of Directors meetings attended: 16/17</p>	<p>[Career summary, and position and responsibility in the Company]</p> <p>Apr. 1973    Joined the Ministry of Foreign Affairs of Japan</p> <p>Apr. 2001    Consul General, the Consulate-General of Japan in Los Angeles</p> <p>Aug. 2005    Director-General of Foreign Policy Bureau, the Ministry of Foreign Affairs of Japan</p> <p>Jan. 2007    Deputy Minister for Foreign Affairs (in charge of economy), the Ministry of Foreign Affairs of Japan</p> <p>Apr. 2009    Ambassador of Japan to Russia</p> <p>Mar. 2011    Ambassador of Japan to Italy</p> <p>Mar. 2014    Executive Board Member, the Tokyo Organising Committee of the Olympic and Paralympic Games</p> <p>Sep. 2014    Special Representative of the Government of Japan</p> <p>May 2015    Outside Director, the Company (incumbent)</p> <p>Jun. 2015    Outside Director, Sumitomo Mitsui Financial Group, Inc. (incumbent)</p>		
	<p><b>Significant concurrent positions outside the Company</b>  Outside Director, Sumitomo Mitsui Financial Group, Inc.</p>		
	<p><b>Reasons for nomination as candidate for Outside Director and overview of the role expected to be fulfilled if elected as Outside Director</b></p> <p>Although Masaharu Kohno has not been involved in corporate management other than having served as an outside officer, he has extensive experiences as diplomat, and broad professional knowledge about international affairs, and has expressed his opinions and provided proposals at meetings of the Board of Directors in a timely and appropriate manner. The Company believes that he is a qualified person to supervise management of the Company and has nominated him as a candidate to continue serving as Outside Director.</p> <p>The Company expects that he will contribute to enhancing and strengthening the Group governance and supervisory function in the Company with his global perspective, and that he will monitor and supervise the Company's management from an independent standpoint.</p>		
<b>9</b>	<b>Azuma Ohtsuka</b>	(Date of Birth: March 8, 1945)	Number of the Company's shares held: 1,400 shares
<p>Reelection</p> <p>Candidate for Outside Director</p> <p>Candidate for Independent Director</p> <p>Terms of office: 5 years</p> <p>Number of Board of Directors meetings attended: 17/17</p>	<p>[Career summary, and position and responsibility in the Company]</p> <p>Apr. 1968    Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>Jun. 1993    General Manager, Shimbashi Branch, The Mitsubishi Bank, Limited</p> <p>Apr. 1995    General Manager, Public Institutions Division, The Mitsubishi Bank, Limited</p> <p>Apr. 1997    Joined JEOL Ltd.</p> <p>Jun. 1997    Managing Director, JEOL Ltd.</p> <p>Jun. 2001    Senior Managing Director, JEOL Ltd.</p> <p>Jun. 2005    Director, Executive Vice President, JEOL Ltd.</p> <p>Jun. 2006    Representative Director &amp; Executive Vice President, JEOL Ltd.</p> <p>May 2009    Director and Chairman, JEOL TECHNICS LTD.</p> <p>May 2017    Outside Director, the Company (incumbent)</p>		
	<p><b>Significant concurrent positions outside the Company</b>  -</p>		
	<p><b>Reasons for nomination as candidate for Outside Director and overview of the role expected to be fulfilled if elected as Outside Director</b></p> <p>Azuma Ohtsuka built a strong track record while at a financial institution, and has extensive experience and broad insight as a corporate manager. He has been providing opinions and suggestions at meetings of the Board of Directors from a broad perspective based on his experiences up to now. The Company believes that he is a qualified person to supervise management of the Company and has nominated him as a candidate to continue serving as Outside Director.</p> <p>In light of his track record while at a financial institution and his broad experience and knowledge regarding management, the Company expects that he will contribute to enhancing and strengthening the corporate governance in the Company, and that he will monitor and supervise the Company's management from an independent standpoint.</p>		

Notes:

- There is no special interest between the candidates and the Company.
- Masaharu Kohno and Azuma Ohtsuka are currently Outside Directors of the Company. The Company has submitted notification to the Tokyo Stock Exchange, Inc. that they have been designated as independent directors as provided for by the aforementioned exchange. If they are reelected, the Company plans for their appointment as independent directors to continue.

3. The outline of the limited liability agreement with Outside Director is as follows: The Company has entered into the aforementioned agreement with Masaharu Kohno and Azuma Ohtsuka. If their reelection is approved, the Company plans to renew the aforementioned agreement with them.  
The outline of the agreement is as follows:
  - In the case of falling under the requirements specified in laws and regulations, the liability for damages stipulated in Article 423, paragraph 1 of the Companies Act shall not exceed the total of the amounts specified in each item of Article 425, paragraph 1 of the Act.
4. The Company has entered into a directors and officers liability insurance (“D&O insurance”) policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company, thereby covering losses and costs incurred by Directors, Audit and Supervisory Board Members and/or certain others in cases where they are liable for damages arising from their performance of duties (unless a coverage exclusion in the insurance policy is applied). The full amount of the insurance premiums for D&O insurance is borne by the Company. If each candidate is elected and assumes the office as Director, the Company plans to include every such Director as an insured in the D&O insurance policy. The term of the D&O insurance policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.



**Proposal No. 4: Election of Three (3) Directors Who Are Audit and Supervisory Committee Members**

If Proposal No. 2 “Partial Amendment to the Articles of Incorporation” is approved and adopted as submitted, the Company will make the transition to a company with an audit and supervisory committee.

Accordingly, the Company proposes to elect three (3) Directors who are Audit and Supervisory Committee Members. This proposal has obtained the consent of the Audit and Supervisory Board.

The resolution for this proposal can only take effect on the condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Partial Amendment to the Articles of Incorporation” takes effect.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

No.	Name	Position and Responsibility in the Company	Attribute
1	Kunio Hashimoto	Director	New candidate
2	Hiroshi Asai	Outside Audit and Supervisory Board Member	New candidate Outside Independent
3	Seizo Matsumoto	Outside Audit and Supervisory Board Member	New candidate Outside Independent

<b>1</b>	<b>Kunio Hashimoto</b>	(Date of Birth: November 16, 1947)	Number of the Company’s shares held: 9,505 shares
	[Career summary, and position and responsibility in the Company]		
	Apr. 1973	Joined Japan Airlines Co., Ltd.	
	Feb. 2000	General Manager, Mileage Center Department, Japan Airlines Co., Ltd.	
	Jul. 2002	Representative Staff in Australia, Japan Airlines Co., Ltd.	
	Jul. 2006	Representative Director and President, JAL Sales Hokkaido Co., Ltd.	
	Oct. 2007	Corporate Auditor, NIPPON RESTAURANT SYSTEM. INC	
New candidate	Jan. 2010	General Manager, International Business Division, NIPPON RESTAURANT SYSTEM. INC (incumbent)	
Terms of office:	May 2013	Director, the Company (incumbent)	
-	May 2013	Director, D&N International Co., Ltd. (incumbent)	
	<b>Significant concurrent positions outside the Company</b>		
Number of Board of Directors meetings attended: 17/17	Director, D&N International Co., Ltd.		
	<b>Reasons for nomination as candidate for Director who is Audit and Supervisory Committee Member</b>		
	Kunio Hashimoto has experience in business expansion and as a corporate manager overseas regions and has executed business operations as a Director of the Company. The Company believes he is qualified to audit the execution of Directors’ duties from an objective and fair standpoint by utilizing his extensive knowledge and experience in corporate management and has therefore nominated him as a candidate for Director who is an Audit and Supervisory Committee Member. The Company expects that he will contribute to enhancing and strengthening the corporate governance in the Company from a global perspective, and that he will monitor and supervise the Company’s management.		

<b>2</b>	<b>Hiroshi Asai</b>	(Date of Birth: June 10, 1947)	Number of the Company's shares held: 1,687 shares
New candidate Candidate for Outside Director Candidate for Independent Director	<p>[Career summary, and position and responsibility in the Company]</p> <p>Jul. 1971    Joined the Ministry of Transport (currently the Ministry of Land, Infrastructure, Transport and Tourism)</p> <p>Jul. 1991    Manager of Consumer Administration Division, Transport Policy Bureau, the Ministry of Transport</p> <p>Jul. 1994    General Manager of General Affair Division, Japan Railway Construction Public Corporation</p> <p>Jun. 2000    Deputy General Manager, Japan Coast Guard</p> <p>Jun. 2006    Senior Managing Director, Japan Freight Railway Company</p> <p>Jun. 2009    Representative Director and President, Japan Freight Liner Company</p> <p>Jun. 2015    Corporate Advisor, Asai Co., Ltd. (incumbent)</p> <p>May 2017    Outside Audit and Supervisory Board Member, the Company (incumbent)</p> <p><b>Significant concurrent positions outside the Company</b></p> <p>-</p> <p><b>Reasons for nomination as candidate for Director who is Audit and Supervisory Committee Member and overview of the role expected to be fulfilled if elected Outside Director</b></p> <p>Hiroshi Asai has served in a succession of important posts in various areas in the Ministry of Transport (currently the Ministry of Land, Infrastructure, Transport and Tourism). He also has abundant experience as a corporate manager and has expressed his opinions and provided suggestions at meetings of the Board of Directors. The Company believes he will realize accurate auditing of the lawfulness and suitability of the execution of business operations, and has therefore nominated him as a candidate for a Director who is an Audit and Supervisory Committee Member. In light of his abundant experience as a corporate manager, the Company expects that he will contribute to strengthening the corporate governance in the Company, and that he will monitor and supervise the Company's management from an independent standpoint.</p>		

<b>3</b>	<b>Seizo Matsumoto</b>	(Date of Birth: January 10, 1947)	Number of the Company's shares held: 600 shares
New candidate Candidate for Outside Director Candidate for Independent Director	<p>[Career summary, and position and responsibility in the Company]</p> <p>Apr. 1970    Joined the Ministry of Health and Welfare (currently the Ministry of Health, Labour and Welfare)</p> <p>Aug. 1985    Director of Public Relations Office, Minister's Secretariat, the Ministry of Health and Welfare</p> <p>Jun. 1990    Director of the Facilities Division, Social Affairs Bureau, the Ministry of Health and Welfare</p> <p>Sep. 1994    Director, Personal Division, Director-General's Secretariat, the Environment Agency (currently the Ministry of the Environment)</p> <p>Jul. 1996    Deputy Director-General (in charge of Pensions), the Ministry of Health and Welfare</p> <p>Jul. 2001    Deputy Vice-Minister, the Ministry of the Environment</p> <p>Jul. 2004    Vice-Minister for Global Environmental Affairs</p> <p>Sep. 2009    Chairman of the Board, National Pension Fund Association</p> <p>May 2019    Outside Audit and Supervisory Board Member, the Company (incumbent)</p> <p><b>Significant concurrent positions outside the Company</b></p> <p>-</p> <p><b>Reasons for nomination as candidate for Director who is Audit and Supervisory Committee Member and overview of the role expected to be fulfilled if elected Outside Director</b></p> <p>Seizo Matsumoto has accumulated years of experience through working for the Ministry of Health, Labour and Welfare and the Ministry of the Environment. He possesses knowledge on labor issues, environmental issues, and SDGs issues and has expressed his opinions and provided suggestions at meetings of the Board of Directors. The Company believes he will realize accurate auditing of the lawfulness and suitability of the execution of business operations, and has therefore nominated him as a candidate for a Director who is an Audit and Supervisory Committee Member. In light of his abundant experience with SDGs, the Company expects that he will contribute to strengthening the corporate governance in the Company, and that he will monitor and supervise the Company's management from an independent standpoint.</p>		

Notes:

1. There is no special interest between the candidates and the Company.
2. Hiroshi Asai and Seizo Matsumoto are candidates for Outside Directors of the Company.
3. Both Hiroshi Asai and Seizo Matsumoto meet the requirements to be designated independent directors as provided for by the Tokyo Stock Exchange, Inc. If they are elected, the Company plans to appoint them as independent directors.

4. The outline of the limited liability agreement with Outside Director is as follows: The Company plans to enter into the aforementioned agreement with Hiroshi Asai and Seizo Matsumoto if both are elected. The outline of the agreement is as follows:
  - In the case of falling under the requirements specified in laws and regulations, the liability for damages stipulated in Article 423, paragraph 1 of the Companies Act shall not exceed the total of the amounts specified in each item of Article 425, paragraph 1 of the Act.
5. The Company has entered into a directors and officers liability insurance (“D&O insurance”) policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company, thereby covering losses and costs incurred by Directors in cases where they are liable for damages arising from their performance of duties (unless a coverage exclusion in the insurance policy is applied). The full amount of the insurance premiums for D&O insurance is borne by the Company. If each candidate is elected and assumes the office as Director, the Company plans to include every such Director as an insured in the D&O insurance policy. The term of the D&O insurance policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.

**Proposal No. 5: Election of Two (2) Directors Who Are Substitute Audit and Supervisory Committee Members**

If Proposal No. 2 “Partial Amendment to the Articles of Incorporation” is approved and adopted as submitted, the Company will make the transition to a company with an audit and supervisory committee.

Accordingly, the Company proposes to elect two (2) Directors who are substitute Audit and Supervisory Committee Members, in preparation for a case where there is a vacancy resulting in a shortfall in the number of Directors who are Audit and Supervisory Committee Members stipulated in laws and regulations. The order of appointment is that Azuma Ohtsuka is ranked number first and Masaharu Kohno is ranked second. In addition, the election may be cancelled by the resolution of the Board of Director with the consent of the Audit and Supervisory Committee only before the appointment.

This proposal has obtained the consent of the Audit and Supervisory Board.

The resolution for this proposal can only take effect on the condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Partial Amendment to the Articles of Incorporation” takes effect.

The candidates for Directors who are substitute Audit and Supervisory Committee Members are as follows:

<b>1</b>	<b>Azuma Ohtsuka</b>	(Date of Birth: March 8, 1945)	Number of the Company's shares held: 1,400 shares
	[Career summary, and position and responsibility in the Company]		
	Apr. 1968	Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)	
	Jun. 1993	General Manager, Shimbashi Branch, The Mitsubishi Bank, Limited	
	Apr. 1995	General Manager, Public Institutions Division, The Mitsubishi Bank, Limited	
	Apr. 1997	Joined JEOL Ltd.	
	Jun. 1997	Managing Director, JEOL Ltd.	
	Jun. 2001	Senior Managing Director, JEOL Ltd.	
	Jun. 2005	Director, Executive Vice President, JEOL Ltd.	
	Jun. 2006	Representative Director & Executive Vice President, JEOL Ltd.	
	May 2009	Director and Chairman, JEOL TECHNICS LTD.	
	May 2017	Outside Director, the Company (incumbent)	
	<b>Significant concurrent positions outside the Company</b>		
	-		
Terms of office:	<b>Reasons for nomination as candidate for Outside Director who is a substitute Audit and Supervisory Committee Member and overview of the role expected to be fulfilled if elected Outside Director</b>		
-	Azuma Ohtsuka built a strong track record while at a financial institution, and has extensive experience and broad insight as a corporate manager. He has been providing opinions and suggestions at meetings of the Board of Directors from a broad perspective based on his experiences up to now. The Company believes that he is a qualified person to supervise management of the Company and has nominated him as a candidate to continue serving as Outside Director.		
Number of Board of Directors meetings attended: 17/17	In light of his track record while at a financial institution and his broad experience and knowledge regarding management, the Company expects that he will contribute to enhancing and strengthening the corporate governance in the Company, and that he will monitor and supervise the Company's management from an independent standpoint.		

<b>2</b>	<b>Masaharu Kohno</b>	(Date of Birth: December 21, 1948)	Number of the Company's shares held: 1,200 shares
New candidate	[Career summary, and position and responsibility in the Company]		
	Apr. 1973	Joined the Ministry of Foreign Affairs of Japan	
Candidate for Outside Director	Apr. 2001	Consul General, the Consulate-General of Japan in Los Angeles	
	Aug. 2005	Director-General of Foreign Policy Bureau, the Ministry of Foreign Affairs of Japan	
Candidate for Independent Director	Jan. 2007	Deputy Minister for Foreign Affairs (in charge of economy), the Ministry of Foreign Affairs of Japan	
	Apr. 2009	Ambassador of Japan to Russia	
Terms of office: -	Mar. 2011	Ambassador of Japan to Italy	
	Mar. 2014	Executive Board Member, the Tokyo Organising Committee of the Olympic and Paralympic Games	
	Sep. 2014	Special Representative of the Government of Japan	
Number of Board of Directors meetings attended: 16/17	May 2015	Outside Director, the Company (incumbent)	
	Jun. 2015	Outside Director, Sumitomo Mitsui Financial Group, Inc. (incumbent)	
	<b>Significant concurrent positions outside the Company</b>		
Outside Director, Sumitomo Mitsui Financial Group, Inc.			
<b>Reasons for nomination as candidate for Outside Director who is a substitute Audit and Supervisory Committee Member and overview of the role expected to be fulfilled if elected as Outside Director</b>			
Although Masaharu Kohno has not been involved in corporate management other than having served as an outside officer, he has extensive experiences as diplomat, and broad professional knowledge about international affairs, and has expressed his opinions and provided proposals at meetings of the Board of Directors in a timely and appropriate manner. The Company believes that he is a qualified person to supervise management of the Company and has nominated him as a candidate to continue serving as Outside Director.			
The Company expects that he will contribute to enhancing and strengthening the Group governance and supervisory function in the Company with his global perspective, and that he will monitor and supervise the Company's management from an independent standpoint.			

Notes:

1. There is no special interest between the candidates and the Company.
2. Azuma Ohtsuka plans to assume office as a Director (excluding Directors who are Audit and Supervisory Committee Members) if Proposal No. 3 "Election of Nine (9) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)" is approved as submitted. However, in the event there is a vacancy resulting in a shortfall in the number of Directors who are Audit and Supervisory Committee Members stipulated in laws and regulations, he plans to retire as a Director (excluding Directors who are Audit and Supervisory Committee Members) and assume the office of a Director who is an Audit and Supervisory Committee Member.
3. Masaharu Kohno plans to assume office as a Director (excluding Directors who are Audit and Supervisory Committee Members) if Proposal No. 3 "Election of Nine (9) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)" is approved as submitted. However, in the event there is a vacancy resulting in a shortfall in the number of Directors who are Audit and Supervisory Committee Members stipulated in laws and regulations, he plans to retire as a Director (excluding Directors who are Audit and Supervisory Committee Members) and assume the office of a Director who is an Audit and Supervisory Committee Member.
4. Masaharu Kohno and Azuma Ohtsuka are both currently Outside Directors of the Company. The Company has submitted notification to the Tokyo Stock Exchange, Inc. that they have been designated as independent directors as provided for by the aforementioned exchange. If both are elected Outside Directors who are Audit and Supervisory Committee Members, the Company plans for their appointment as independent directors to continue.
5. The Company has entered into limited liability agreements with Masaharu Kohno and Azuma Ohtsuka. If both are elected Directors who are Audit and Supervisory Committee Members, the Company plans to continue the aforementioned agreement with them.  
The outline of the agreement is as follows:
  - In the case of falling under the requirements specified in laws and regulations, the liability for damages stipulated in Article 423, paragraph 1 of the Companies Act shall not exceed the total of the amounts specified in each item of Article 425, paragraph 1 of the Act.
6. The Company has entered into a directors and officers liability insurance ("D&O insurance") policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company, thereby covering losses and costs incurred by Directors in cases where they are liable for damages arising from their performance of duties (unless a coverage exclusion in the insurance policy is applied). The full amount of the insurance premiums for D&O insurance is borne by the Company. If each candidate is elected and assumes the office as Directors who are Audit and Supervisory Committee Member, the Company plans to include every such Director as an insured in the D&O insurance policy. The term of the D&O insurance policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.

**Proposal No. 6: Setting the Amount of Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

If Proposal No. 2 “Partial Amendment to the Articles of Incorporation” is approved and adopted as submitted, the Company will make the transition to a company with an audit and supervisory committee.

The amount of remuneration for the Company’s Directors was approved at the 1st Annual General Meeting of Shareholders held on May 29, 2008 as not more than ¥360 million per year (of which the annual amount for Outside Directors is not more than ¥20 million), which has continued up until to date. With the transition to a company with an audit and supervisory committee, the Company proposes this to be repealed and, in light of the previously approved amount, to newly establish the amount of remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members) as not more than ¥360 million per year (of which the annual amount for Outside Directors is not more than ¥20 million yen). The amount of remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members) excluding employee salaries of Directors concurrently serving as employees.

The details of this proposal are consistent with the policy concerning the determination of content of remuneration, etc. for individual Directors (excluding Directors who are Audit and Supervisory Committee Members) planned to be determined by resolution of the Board of Directors in accordance with the provisions of Article 361, paragraph 7 of the Companies Act following the transition to a company with an audit and supervisory committee. The Company has made the determination upon the advice of the remuneration committee, which has been voluntarily established by the Company, and judges the details to be appropriate. There are currently ten (10) Directors (including two (2) Outside Directors). If Proposal No. 2 “Partial Amendment to the Articles of Incorporation” and Proposal No. 3 “Election of Nine (9) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” are approved and adopted as submitted, there will be nine (9) Directors (excluding Directors who are Audit and Supervisory Committee Members) (including two (2) Outside Directors).

The resolution for this proposal can only take effect on the condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Partial Amendment to the Articles of Incorporation” takes effect.

**Proposal No. 7: Setting the Amount of Remuneration, etc. for Directors Who Are Audit and Supervisory Committee Members**

If Proposal No. 2 “Partial Amendment to the Articles of Incorporation” is approved and adopted as submitted, the Company will make the transition to a company with an audit and supervisory committee.

With the transition to a company with an audit and supervisory committee, and considering the previously approved remuneration of Audit and Supervisory Board Members, the Company proposes the amount of remuneration, etc. for Directors who are Audit and Supervisory Committee Members) to be not more than ¥120 million per year.

This proposal sets the framework of remuneration for Directors who are Audit and Supervisory Committee Members giving comprehensive consideration to the duties and responsibilities of Directors who are Audit and Supervisory Committee Members and the level of the amount of remuneration for Directors who are Audit and Supervisory Committee Members, etc., and the Company judges the details to be appropriate.

If Proposal No. 2 “Partial Amendment to the Articles of Incorporation” and Proposal No. 4 “Election of Three (3) Directors Who Are Audit and Supervisory Committee Members” are approved and adopted as submitted, there will be three (3) Directors who are Audit and Supervisory Committee Members.

The resolution for this proposal can only take effect on the condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Partial Amendment to the Articles of Incorporation” takes effect.

**Proposal No. 8: Determination of Remuneration for Granting Restricted Stock to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and Outside Directors)**

The Company resolved that separate from the amount of remuneration for the Company's Directors approved at the 1st Annual General Meeting of Shareholders held on May 29, 2008 of not more than ¥360 million per year (not more than ¥20 million of which may be paid to Outside Directors and which excludes employee salaries of Directors concurrently serving as employees) to award monetary receivables to pay for the granting of restricted stock to Directors (excluding Outside Directors) of not more than ¥200 million per year (however, excluding employee salaries of Directors concurrently serving as employees).

If Proposal No. 2 "Partial Amendment to the Articles of Incorporation" is approved and adopted as submitted, the Company will make the transition to a company with an audit and supervisory committee. Accordingly, the Company once again requests the approval to grant restricted stock to Directors (Directors who are Audit and Supervisory Committee Members and excluding Outside Directors; hereinafter, "Eligible Directors") separate from the amount in Proposal No. 6 "Setting the Amount of Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)" for the purpose of creating a remuneration system that provides an incentive for Directors to sustainably increase the Company's corporate value and shareholder value in the medium to long term and further enhances the alignment of interests with shareholders.

The total amount of monetary receivables paid to Eligible Directors as remuneration for granting restricted stock under this proposal shall be not more than ¥200 million per year (however, excluding employee salaries of Directors concurrently serving as employees) with the specific timing and allotment of the payment for each Director decided by the Board of Directors. Note, however, that remuneration for granting restricted stock shall not be provided to Directors who are Audit and Supervisory Committee Members and Outside Directors.

The details of this proposal are consistent with the policy concerning the determination of content of remuneration, etc. for individual Directors (excluding Directors who are Audit and Supervisory Committee Members) planned to be determined by resolution of the Board of Directors in accordance with the provisions of Article 361, paragraph 7 of the Companies Act following the transition to a company with an audit and supervisory committee. In addition, the Company has made the determination in light of the aforementioned objectives and the amount approved at the 13th Annual General Meeting of Shareholders, and upon the advice of the remuneration committee, which has been voluntarily established by the Company, and judges the details to be appropriate.

The Company currently has eight (8) Directors excluding Outside Directors before transitioning to a company with an audit and supervisory committee. If Proposal No. 2 "Partial Amendment to the Articles of Incorporation" and Proposal No. 3 "Election of Nine (9) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)" are approved and adopted as submitted, there will be seven (7) Eligible Directors following the transition to a company with an audit and supervisory committee. In addition, Eligible Directors shall pay in all of the monetary receivables provided under this proposal, as property contributed in kind, in accordance with a resolution of the Board of Directors of the Company, and subscribe for the Company's common shares to be issued or disposed of. The total number of the Company's common shares subject to said issuance or disposition shall be not more than 110,000 shares (however, the total number shall be adjusted within a reasonable range if either a share split of the Company's common shares (including the allotment of the Company's common shares without contribution) or a share consolidation of the Company's common shares is carried out, or if any other event where the total number of the Company's common shares to be issued or disposed of as restricted stock needs to be adjusted occurs on or after the day this proposal is approved).

The relevant paid-in amount per share will be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding each date of resolution of the Board of Directors (if no transaction is made on the said date, the closing price of the most recent trading day preceding the said date) to the extent that it will not be particularly advantageous for Eligible Directors who subscribe for such common shares. Moreover, when issuing or disposing of the Company's common shares, a restricted stock allotment agreement including the following provisions (hereinafter, the "Allotment Agreement") shall be concluded between the Company and Eligible Directors.

The resolution for this proposal can only take effect on the condition that the amendment to the Articles of Incorporation of Proposal No. 2 "Partial Amendment to the Articles of Incorporation" takes effect.



(1) Transfer Restriction Period

During the period from the date on which the shares are granted through the Allotment Agreement to the date of resignation or retirement from the position determined by the Company's Board of Directors (hereinafter, the "Transfer Restriction Period"), the Eligible Directors shall be prohibited from transfers, creation of security interest on, or otherwise dispose of the Company's common shares granted through the Allotment Agreement (hereinafter, the "Allotted Shares") (hereinafter, the "Transfer Restrictions").

(2) Treatment on resignation or retirement from the position

If an Eligible Director resigns or retires from the position specified by the Company's Board of Directors before the expiration of a period as determined by the Company's Board of Directors (hereinafter, the "Service Provision Period"), the Company will automatically acquire the Allotted Shares without contribution immediately upon the resignation or retirement, unless the reason for resignation or retirement is death or other justifiable reason.

(3) Lifting of the Transfer Restrictions

Notwithstanding the provision of item (1) above, the Company shall lift the Transfer Restrictions on all Allotted Shares when the Transfer Restriction Period expires, provided the Eligible Director has been in the position specified by the Company's Board of Directors continuously for the Service Provision Period. However, if the Eligible Director resigns or retires from the position specified by the Company's Board of Directors before the expiration of the Service Provision Period due to death or other justifiable reason, the Company shall reasonably adjust, as needed, the number of the Allotted Shares on which the Transfer Restrictions are to be lifted and the timing of lifting the Transfer Restrictions. Moreover, the Company will automatically acquire the Allotted Shares without contribution on which the Transfer Restrictions have not been lifted immediately after the Transfer Restrictions have been lifted in accordance with the above provisions.

(4) Treatment in case of reorganization, etc.

Notwithstanding the provision in (1) above, if a merger agreement in which the Company becomes the disappearing company, a share exchange agreement or a share transfer plan under which the Company becomes a wholly-owned subsidiary of another company, or any other matters related to reorganization, etc. is approved at a General Meeting of Shareholders of the Company (provided, however, that approval at a meeting of the Board of Directors of the Company shall suffice if approval of the General Meeting of Shareholders for the relevant reorganization, etc. is not required) during the Transfer Restriction Period, the Company shall, prior to the effective date of such reorganization, etc., lift the Transfer Restrictions on a number of Allotted Shares determined in a reasonable manner by resolution of the Board of Directors of the Company based on the period from the date of commencement of the Transfer Restriction Period until the date of approval of such reorganization, etc. In addition, for the case specified above, the Company will automatically acquire the Allotted Shares without contribution on which the Transfer Restrictions have not been lifted immediately after the Transfer Restrictions have been lifted.

(5) Other matters

Other matters concerning the Allotment Agreement shall be determined by the Board of Directors of the Company.

Reference: Skills Matrix

The skills matrix that lists the knowledge, experience and skills of candidates for Director is as follows:

Name	Position/ Role	Attributes							
		Corporate management	Sales & marketing	Location development	Menu development	Finance & Accounting M&A	Legal & governance	International experience	ESG & Sustainability
Hirofumi Obayashi	Representative Director and Chairman	●	●	●	●	●		●	
Masanori Hoshino	Representative Director and President	●		●	●		●	●	●
Motoya Takebayashi	Managing Director	●	●		●				
Yasuyuki Tenma	Managing Director	●		●				●	
Masahiro Kanno	Director				●			●	●
Tomoyo Goda	Director		●		●				●
Kazuhiro Sekine	Director					●	●		●
Masaharu Kohno	Outside Director							●	●
Azuma Ohtsuka	Outside Director	●				●			
Kunio Hashimoto	Director (Audit and Supervisory Committee Member)						●	●	
Hiroshi Asai	Outside Director (Audit and Supervisory Committee Member)	●				●			
Seizo Matsumoto	Outside Director (Audit and Supervisory Committee Member)						●		●

Note. The chart does not list all the skills possessed by the candidates.