

(English Translation)

This English translation is an abridged version of the original document in Japanese. In the event of any discrepancy, the Japanese version prevails.

Securities Code: 8214

June 7, 2023

(Start of electronic distribution: May 31, 2023)

To Our Shareholders:

Haruo Tamura, President

AOKI Holdings Inc.

6-56 Kuzugaya, Tsuzuki-ku, Yokohama

Notice of Convocation of the 47th Annual General Meeting of Shareholders

We are pleased to announce the 47th Annual General Meeting of Shareholders of AOKI Holdings (the “Company”), which will be held as indicated below.

You may submit your votes in writing or electronically by using the Internet, etc. instead of attending this meeting. Please review the attached Reference Documents for General Meeting of Shareholders and submit your votes no later than 5:00 p.m., Wednesday, June 28, 2023 (JST).

Meeting Details

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|---|------------------------|--|
| 1 | Date and Time | Thursday, June 29, 2023, at 10:00 a.m. |
| 2 | Venue | Hotel New Otani Tokyo
Banquet Room Hō, Garden Tower Banquet Floor
4-1, Kioi-cho, Chiyoda-ku, Tokyo |
| 3 | Purpose of the Meeting | Matters to be reported <ol style="list-style-type: none">1. The Business Report and the Consolidated Financial Statements for the 47th fiscal year (from April 1, 2022 to March 31, 2023), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors2. The Non-consolidated Financial Statements for the 47th fiscal year (from April 1, 2022 to March 31, 2023) Matters to be resolved <ol style="list-style-type: none">Proposal No. 1: Partial Amendments to Articles of IncorporationProposal No. 2: Election of Ten (10) Directors (Excluding Directors who Are Members of the Supervisory Committee)Proposal No. 3: Election of Three (3) Directors who Are Members of the Supervisory CommitteeProposal No. 4: Election of One (1) Substitute Director and Supervisory Committee MemberProposal No. 5: Remuneration, etc. for Directors (Excluding Directors who Are Members of the Supervisory Committee)Proposal No. 6: Remuneration, etc. for Directors who Are Members of the Supervisory CommitteeProposal No. 7: Determination of Remuneration, etc. for the Stock Compensation Plan with Transfer Restrictions for Directors (Excluding Directors who Are Members of the Supervisory Committee and External Directors) |

4 Electronic Distribution of Reference Materials and Other Information for the Shareholders Meeting

Documents concerning this shareholders meeting are distributed electronically. Information distributed electronically is posted on the following websites.

AOKI Holdings website

<https://ir.aoki-hd.co.jp/ja/ir/stock/meeting.html>

Tokyo Stock Exchange website

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

After accessing the Tokyo Stock Exchange website, enter 8214 (the AOKI Holdings securities code) in the code box and click search. Then select Basic Information and then Documents for public inspection/PR information. Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting are in the filed information available for public inspection section.

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- * If information distributed electronically is revised, the revised information will be posted on the Company's website and the Tokyo Stock Exchange website.
 - * In accordance with laws and regulations and Article 15, Paragraph 2 of the Company's Articles of Incorporation, the following items are not included in the paper documents provided to shareholders who ask to receive electronically distributed information as paper documents. Consequently, shareholders who ask to receive paper documents will receive only part of the documents that are subject to examinations for the preparation of audit reports by the Corporate Auditors and the Accounting Auditor.
 - Business Report: Item concerning share acquisition rights, system for ensuring proper business operations and the operation of this system
 - Consolidated Financial Statements: Consolidated Statement of Changes in Shareholders' Equity, Notes to the Consolidated Financial Statements
 - Non-consolidated Financial Statements: Non-consolidated Statement of Changes in Shareholders' Equity, Notes to the Non-consolidated Financial Statements
 - * If no voting instructions are submitted, the voting rights will be counted as approval of the corresponding proposals.

AOKI Holdings website

<https://www.aoki-hd.co.jp/>



Reference Documents for General Meeting of Shareholders

Proposal No. 1: Partial Amendments to Articles of Incorporation

1. Reason for amendments

- (1) The Company changed its corporate governance system to the company with supervisory committee system. The purposes of this change are to strengthen the supervisory function of the Board of Directors and make the framework for corporate governance even stronger. The goals are to increase the transparency of management and to make management decisions and the operation of businesses even faster and more efficient by delegating authority for decisions regarding business operations. In conjunction with these changes, amendments are required for new provisions about the Supervisory Committee and the Directors who are the members of this committee and the delegation to Directors of authority to make decisions about important matters involving business operations, for the deletion of provisions about Corporate Auditors and the Board of Corporate Auditors, and for other revisions.
- (2) A business is added to the current Article 2 (Purposes) in order to clarify the business activities of the Company.
- (3) Other amendments are needed due to the amendments in (1) and (2), such as for renumbering articles and other purposes.

2. Description of proposed changes

The proposed amendments are as follows. If approved by shareholders, the amendments to the Articles of Incorporation in this proposal will become effective at the conclusion of this General Meeting of Shareholders.

(Revised sections are underlined.)

Current	Proposed changes
Chapter 1. General Provisions	Chapter 1. General Provisions
Article 1 (Omitted) (Purposes)	Article 1 (Unchanged) (Purposes)
Article 2 The Company operates the following businesses and, by owning the stock of companies that operate the following businesses, controls and administers the business activities of these companies.	Article 2 (Unchanged)
(1) – (30) (Omitted) [New addition]	(1) – (30) (Unchanged) (31) <u>Activities for the operation of stores and maintenance of store facilities at companies where the Company has acquired stock or some other ownership interest.</u>
(31) – (32) (Omitted) 2 (Omitted)	(32) – (33) (Unchanged) 2 (Unchanged)
Article 3 (Omitted) [New addition]	Article 3 (Unchanged) <u>(Organization Elements)</u> <u>Article 4 The Company shall have a General Meeting of Shareholders, Directors, and the following entities.</u>
	<u>(1) Board of Directors</u> <u>(2) Supervisory Committee</u> <u>(3) Accounting Auditor</u>

Current	Proposed changes
<p>Article 4 (Omitted)</p> <p>Chapter 2. Shares</p> <p>Article 5 – Article 9 (Omitted) (Administrator of Shareholder Registry)</p> <p>Article 10 The Company shall appoint an administrator of shareholder registry.</p> <p>2 The administrator of shareholder registry and its administration office shall be designated by a resolution of the Board of Directors and this information will be announced.</p> <p>3 (Omitted) (Share Handling Regulations)</p> <p>Article 11 The handling of the Company’s stock shall be governed by laws, regulations or the Articles of Incorporation as well as by the Share Handling Regulations established by the Board of Directors.</p> <p>Chapter 3. Shareholders Meetings</p> <p>Article 12 – Article 18 (Omitted)</p> <p>Chapter 4. Directors and Board of Directors (Establishment of the Board of Directors)</p> <p>Article 19 <u>The Company shall establish the Board of Directors.</u> (Number of Directors)</p> <p>Article 20 The Company shall have no more than <u>twenty (20)</u> Directors.</p> <p>[New addition]</p> <p>(Appointment of Directors)</p> <p>Article 21 Directors shall be elected by a resolution of the General Meeting of Shareholders.</p> <p>2 – 3 (Omitted) (Term of Office of Directors)</p> <p>Article 22 The term of office of a Director shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within one (1) year after the election.</p>	<p>Article 5 (Unchanged)</p> <p>Chapter 2. Shares</p> <p>Article 6 – Article 10 (Unchanged) (Administrator of Shareholder Registry)</p> <p>Article 11 The Company shall appoint an administrator of shareholder registry.</p> <p>2 The administrator of shareholder registry and its administration office shall be designated by a resolution of the Board of Directors <u>or by a Director delegated by a resolution of the Board of Directors</u> and this information will be announced.</p> <p>3 (Unchanged) (Share Handling Regulations)</p> <p>Article 12 The handling of the Company’s stock shall be governed by laws, regulations or the Articles of Incorporation as well as by the Share Handling Regulations established by the Board of Directors <u>or by a Director delegated by a resolution of the Board of Directors.</u></p> <p>Chapter 3. Shareholders Meetings</p> <p>Article 13 – Article 19 (Unchanged)</p> <p>Chapter 4. Directors and Board of Directors [Deleted]</p> <p>(Number of Directors)</p> <p>Article 20 The Company shall have no more than <u>fifteen (15) Directors (excluding Directors who are members of the Supervisory Committee).</u></p> <p>2 <u>The Company shall have no more than four (4) Directors who are members of the Supervisory Committee (hereinafter, the “Supervisory Committee members”).</u></p> <p>(Appointment of Directors)</p> <p>Article 21 Directors shall be elected by a resolution of the General Meeting of Shareholders <u>separately as either a Supervisory Committee member or other Director.</u></p> <p>2 – 3 (Unchanged) (Term of Office of Directors)</p> <p>Article 22 The term of office of a Director <u>(excluding Directors who are Supervisory Committee members)</u> shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within one (1) year after the election.</p>

Current	Proposed changes
[New addition]	2 <u>The term of office of a Supervisory Committee member shall continue until the conclusion of the Annual General Meeting of Shareholders for the last business year which ends within two (2) years after the election.</u>
[New addition]	3 <u>The term of office of a Supervisory Committee member who is elected as the substitute for a Supervisory Committee member who retired from office before the expiration of her/his term of office shall expire at the expiration of the term of office of the retired Supervisory Committee member.</u>
[New addition]	4 <u>Pursuant to the provisions of Article 329, Paragraph 3 of the Companies Act, the effectiveness of a resolution electing a substitute Supervisory Committee member ends at the beginning of the Annual General Meeting of Shareholders for the last business year ending within two (2) years of the substitute's election unless abridged by the resolution.</u>
(Representative Directors and Directors with Specific Titles)	(Representative Directors and Directors with Specific Titles)
Article 23 The Representative Directors shall be appointed by the resolution of the Board of Directors.	Article 23 The Representative Directors shall be appointed by the resolution of the Board of Directors, <u>from among Directors (excluding Directors who are Supervisory Committee members).</u>
2 The Board of Directors may, by its resolution, elect one (1) President, and one (1) Chairman, one (1) Vice Chairman and one (1) or more Vice Presidents, Senior Managing Directors and Managing Directors as necessary.	2 The Board of Directors may, by its resolution, elect one (1) President <u>from among Directors (excluding Directors who are Supervisory Committee members)</u> , and one (1) Chairman, one (1) Vice Chairman and one (1) or more Vice Presidents, Senior Managing Directors and Managing Directors as necessary.
Article 24 (Omitted)	Article 24 (Unchanged)
(Convocation Notice for the Board of Directors Meeting)	(Convocation Notice for the Board of Directors Meeting)
Article 25 The convocation notice of a meeting of Board of Directors shall be dispatched to each Director <u>and Corporate Auditor</u> no later than three (3) days prior to the date of such meeting; provided, however, that such period may be shortened in case of emergency.	Article 25 The convocation notice of a meeting of Board of Directors shall be dispatched to each Director no later than three (3) days prior to the date of such meeting; provided, however, that such period may be shortened in case of emergency.

Current	Proposed changes
<p>2 The Board of Directors meetings may be convened without using the procedure for calling these meetings only if all Directors <u>and Corporate Auditors</u> agree.</p> <p>Article 26 (Omitted) (Omission of Resolution of Board of Directors)</p> <p>Article 27 The Company shall deem that a resolution of the Board of Directors to approve the matters to be resolved at a meeting of the Board of Directors has been passed if all Directors agree in writing or by electromagnetic record to the matters to be resolved at such meeting. <u>However, this shall not apply if a Corporate Auditor objects to the resolution.</u> [New addition]</p> <p>(Minutes of the Board of Directors Meetings)</p> <p>Article 28 Minutes of the Board of Directors meetings shall be prepared as prescribed by laws and regulations. Directors <u>and Corporate Auditors</u> who attended a meeting affix their personal seals to the minutes or sign the minutes electronically.</p> <p>Article 29 (Omitted) (Remuneration, etc. for Directors)</p> <p>Article 30 The remunerations and other property interests as consideration for the execution of duties paid by the Company (hereinafter, the “Remuneration”) to Directors shall be determined by a resolution of the General Meeting of Shareholders.</p> <p>Article 31 (Omitted)</p> <p>Chapter 5. <u>Corporate Auditors and Board of Corporate Auditors</u> (Establishment of Board of Corporate Auditors)</p> <p>Article 32 <u>The Company shall appoint Corporate Auditors and establish the Board of Corporate Auditors.</u> (Number of Corporate Auditors)</p>	<p>2 The Board of Directors meetings may be convened without using the procedure for calling these meetings only if all Directors agree.</p> <p>Article 26 (Unchanged) (Omission of Resolution of Board of Directors)</p> <p>Article 27 The Company shall deem that a resolution of the Board of Directors to approve the matters to be resolved at a meeting of the Board of Directors has been passed if all Directors agree in writing or by electromagnetic record to the matters to be resolved at such meeting.</p> <p><u>(Delegation of Business Execution Decisions to Directors)</u></p> <p>Article 28 Pursuant to Article 399-13, Paragraph 6 of the Companies Act, the Company may, by resolution of the Board of Directors, <u>delegate all or part of the decisions on the execution of important operations to the Directors (excluding the matters listed in each item of Paragraph 5 of the same Article).</u></p> <p>(Minutes of the Board of Directors Meetings)</p> <p>Article 29 Minutes of the Board of Directors meetings shall be prepared as prescribed by laws and regulations. Directors who attended a meeting affix their personal seals to the minutes or sign the minutes electronically.</p> <p>Article 30 (Unchanged) (Remuneration, etc. for Directors)</p> <p>Article 31 The remunerations and other property interests as consideration for the execution of duties paid by the Company (hereinafter, the “Remuneration, etc.”) to Directors shall be determined by a resolution of the General Meeting of Shareholders <u>separately for Supervisory Committee members and other Directors.</u></p> <p>Article 32 (Unchanged)</p> <p>Chapter 5. <u>Supervisory Committee</u> [Deleted]</p> <p>[Deleted]</p>

Current	Proposed changes
<p><u>Article 33</u> The Company shall have no more than <u>four (4) Corporate Auditors.</u></p>	
<p><u>(Appointment of Corporate Auditors)</u></p>	<p>[Deleted]</p>
<p><u>Article 34</u> Corporate Auditors shall be elected by a <u>resolution of the General Meeting of Shareholders.</u></p>	
<p><u>2</u> A resolution for the election of Corporate Auditors shall require the presence of <u>shareholders holding not less than one-third of the voting rights of all shareholders entitled to exercise their voting rights, and it shall be adopted by a majority vote of the shareholders present.</u></p>	
<p><u>(Term of Office of Corporate Auditors)</u></p>	<p>[Deleted]</p>
<p><u>Article 35</u> The term of office of a Corporate Auditor shall expire at the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within four (4) years after the election.</p>	
<p><u>2</u> The term of office of a Corporate Auditor who is elected as the substitute for a Corporate Auditor who retired from office before the expiration of her/her term of office shall expire at the expiration of the term of office of the retired Corporate Auditor.</p>	
<p><u>(Full-time Corporate Auditors)</u></p>	<p><u>(Full-time Supervisory Committee Members)</u></p>
<p><u>Article 36</u> The Board of Corporate Auditors shall elect full-time Corporate Auditors from among the Corporate Auditors.</p>	<p><u>Article 33</u> The Supervisory Committee may elect full-time Supervisory Committee members from among the members by its resolution.</p>
<p><u>(Convocation Notice for the Meeting of Board of Corporate Auditors)</u></p>	<p><u>(Convocation Notice for the Meeting of Supervisory Committee)</u></p>
<p><u>Article 37</u> The convocation notice of a meeting of Board of Corporate Auditors shall be dispatched to each Corporate Auditor no later than three (3) days prior to the date of such meeting; provided, however, that such period may be shortened in case of emergency.</p>	<p><u>Article 34</u> The convocation notice of a meeting of Supervisory Committee shall be dispatched to each Supervisory Committee member no later than three (3) days prior to the date of such meeting; provided, however, that such period may be shortened in case of emergency.</p>
<p>[New addition]</p>	<p><u>2</u> The Supervisory Committee meetings may be convened without using the procedure for calling these meetings only if all members of the Supervisory Committee agree.</p>
<p><u>(Method of Resolution of the Board of Corporate Auditors)</u></p>	<p><u>(Method of Resolution of the Supervisory Committee)</u></p>

Current	Proposed changes
<p>Article 38 <u>Except as otherwise provided by laws and regulations</u>, resolutions of the <u>Board of Corporate Auditors</u> shall be adopted by a majority vote of the <u>Corporate Auditors</u>.</p>	<p>Article 35 Resolutions of the <u>Supervisory Committee</u> shall be adopted by a majority vote of the <u>Supervisory Committee members present at the meeting where a majority of the Supervisory Committee members are present</u>.</p>
<p>(Minutes of the Meetings of the <u>Board of Corporate Auditors</u>)</p>	<p>(Minutes of the Meetings of the <u>Supervisory Committee</u>)</p>
<p>Article 39 Minutes of meetings of the <u>Board of Corporate Auditors</u> are prepared as prescribed by laws and regulations. <u>Corporate Auditors</u> who attended a meeting affix their personal seals to the minutes or sign the minutes electronically.</p>	<p>Article 36 Minutes of meetings of the <u>Supervisory Committee</u> are prepared as prescribed by laws and regulations. <u>Supervisory Committee members</u> who attended a meeting affix their personal seals to the minutes or sign the minutes electronically.</p>
<p>(Regulations of the <u>Board of Corporate Auditors</u>)</p>	<p>(Regulations of the <u>Supervisory Committee</u>)</p>
<p>Article 40 Matters concerning the <u>Board of Corporate Auditors</u> shall be in accordance with the Regulations of the <u>Board of Corporate Auditors</u> established by the <u>Board of Corporate Auditors</u>, in addition to those provided by laws, regulations or the Articles of Incorporation.</p>	<p>Article 37 Matters concerning the <u>Supervisory Committee</u> shall be in accordance with the Regulations of the <u>Supervisory Committee</u> established by the <u>Supervisory Committee</u>, in addition to those provided by laws, regulations or the Articles of Incorporation.</p>
<p>(Remuneration, etc. for Corporate Auditors)</p>	<p>[Deleted]</p>
<p>Article 41 <u>Remuneration, etc. for Corporate Auditors shall be determined by a resolution of the General Meeting of Shareholders</u>.</p>	<p>[Deleted]</p>
<p>(Exemption from Liability of Corporate Auditors)</p>	<p>[Deleted]</p>
<p>Article 42 Pursuant to the provision of Article 426, <u>Paragraph 1 of the Companies Act, the Company may exempt the liabilities of Corporate Auditors (including former Corporate Auditors) provided in Article 423, Paragraph 1 of the Companies Act by a resolution of the Board of Directors and to the extent allowed by laws and regulations</u>.</p>	<p>[Deleted]</p>
<p>2 Pursuant to the provision of Article 427, <u>Paragraph 1 of the Companies Act, the Company may enter into an agreement with External Corporate Auditors for limiting their liability under Article 423, Paragraph 1 of the Companies Act; provided, however, that the maximum amount of liability under the said agreement shall be the greater of (a) the amount predetermined, which shall be 5 million yen or more, or (b) the statutory minimum amount of liability</u>.</p>	<p>[Deleted]</p>
<p>Chapter 6. Accounting Auditor</p>	<p>Chapter 6. Accounting Auditor</p>
<p>(Appointment of Accounting Auditor)</p>	<p>[Deleted]</p>

Current	Proposed changes
<p><u>Article 43</u> The Company shall appoint an Accounting Auditor.</p> <p>Article <u>44</u> – Article <u>45</u> (Omitted) (Remuneration, etc. for Accounting Auditor)</p> <p>Article <u>46</u> Remuneration, etc. for an Accounting Auditor shall be determined by the Representative Director by obtaining the approval of the <u>Board of Corporate Auditors</u>.</p> <p style="text-align: center;">Chapter 7. Accounts</p> <p>Article <u>47</u> – Article <u>50</u> (Omitted) [New addition]</p>	<p>Article <u>38</u> – Article <u>39</u> (Unchanged) (Remuneration, etc. for Accounting Auditor)</p> <p>Article <u>40</u> Remuneration, etc. for an Accounting Auditor shall be determined by the Representative Director by obtaining the approval of the <u>Supervisory Committee</u>.</p> <p style="text-align: center;">Chapter 7. Accounts</p> <p>Article <u>41</u> – Article <u>44</u> (Unchanged) <u>Supplementary Provisions</u> (<u>Transitional Measures Concerning Exemption from Liability of Corporate Auditors</u>)</p> <p><u>Article 1</u> Pursuant to Article 426, Paragraph 1 of the <u>Companies Act, the Company may exempt the liabilities of Corporate Auditors (including former Corporate Auditors), by a resolution of the Board of Directors and to the extent allowed by laws and regulations, for losses resulting from negligence concerning duties prior to the approval of the partial amendments to the Articles of Incorporation at the 47th Annual General Meeting of Shareholders.</u> (<u>Transitional Measures Concerning Liability Limitation Agreement with External Corporate Auditors</u>)</p> <p><u>Article 2</u> With respect to the agreement to limit the liability for damages under Article 423, Paragraph 1 of the Companies Act with respect to the acts of External Corporate Auditors (including former External Corporate Auditors) prior to the conclusion of the 47th Annual General Meeting of Shareholders, the provisions prior to the amendment by the resolution of the said Annual General Meeting of Shareholders shall still apply.</p>

Proposal No. 2: Election of Ten (10) Directors (Excluding Directors who Are Members of the Supervisory Committee)

The Company will shift to a company with a Supervisory Committee, subject to the approval of Proposal No. 1, Partial Amendments to Articles of Incorporation. The terms of office of all eleven (11) Directors will expire at the conclusion of this meeting. Shareholders are asked to approve the election of ten (10) Directors (excluding Directors who are members of the Supervisory Committee). The contents of this proposal shall become effective subject to the amendments to the Articles of Incorporation in Proposal No. 1, Partial Amendments to Articles of Incorporation.

The candidates for Directors (excluding Directors who are members of the Supervisory Committee) are as follows:

No.	Name		Current Positions and Responsibilities	Attendance at the Board of Directors Meetings
1	Akihiro Aoki	Reelection	Chairman and Representative Director	83.3% (15/18 times)
2	Haruo Tamura	Reelection	President and Representative Director	100% (18/18 times)
3	Norio Terui	Reelection	Executive Vice President in charge of Group Human Resources and Systems	94.4% (17/18 times)
4	Masamitsu Aoki	Reelection	Senior Managing Director in charge of Group Branding	100% (18/18 times)
5	Keita Nagemoto	Reelection	Senior Managing Director in charge of Group Strategy and Compliance	100% (18/18 times)
6	Yoshiko Kawaguchi	New Female	Executive Officer in charge of Group Human Resources	-
7	Yoko Ohara	Reelection External Independent Female	Director	100% (18/18 times)
8	Mitsuo Takahashi	Reelection External Independent	Director	100% (18/18 times)
9	Eiichi Nakamura	Reelection External Independent	Director	93.3% (14/15 times)
10	Sonoko Sugano	Reelection External Female	Director	100% (15/15 times)

Notes:

- Mr. Masamitsu Aoki is the Representative Director of ANNIVERSAIRE HOLDINGS INC., which is an other related company of the Company due to the ownership of 39.3% of the voting rights of the Company.
- None of the other candidates for Directors has any special conflicts of interest with the Company.
- Ms. Yoko Ohara, Mr. Mitsuo Takahashi, Mr. Eiichi Nakamura and Ms. Sonoko Sugano are the candidates for election as External Directors.
- Matters concerning candidates for External Directors
 - In the past, Mr. Takahashi has been a Director of the Company.
 - The Company has designated Ms. Ohara, Mr. Takahashi and Mr. Nakamura as Independent Directors according to the rules of the Tokyo Stock Exchange.
 - Number of years since the candidates for External Directors were appointed as External Directors of the Company
Ms. Ohara, Mr. Takahashi, Mr. Nakamura and Ms. Sugano will have served as External Directors for eight (8) years, two (2) years, one (1) year and one (1) year respectively at the conclusion of this General Meeting of Shareholders.
- The Company has entered into liability limitation agreement with Ms. Ohara, Mr. Takahashi, Mr. Nakamura and Ms. Sugano in accordance with Article 427, Paragraph 1 of the Companies Act. The limit of the liability under such agreement is the minimum liability amount stipulated by laws and regulations. If the reappointment of the candidates is approved, the Company will continue this agreement. An overview of liability limitation agreement is in “Status of Corporate Officers, (5) Overview of Liability Limitation Agreement” of the Business Report.
- The Company has purchased a liability insurance policy from an insurance company for Directors. If elected, the Director candidates will be covered by this policy. An overview of liability insurance agreement for Directors is in “Overview of Liability Insurance Agreement for Executives” of the Business Report. The insurance policy is scheduled to be renewed with the same terms and conditions at the next renewal.
- Director candidate Ms. Sonoko Sugano’s name on her family register is Sonoko Mori.

1

Akihiro Aoki

Reelection

Date of Birth
May 20, 1970

Current Positions and Responsibilities
Chairman and Representative Director

Number of the Company shares held
2,573,400 shares

Attendance at the Board of Directors
Meetings
83.3% (15/18 times)

■ Brief career history

Apr. 1994	Joined the Company
May 2003	Launched the ORIHICA business
Apr. 2008	President and Representative Director of ORIHICA Inc.
Jun. 2009	Managing Director of the Company
Apr. 2010	Executive Vice Chairman of AOKI Inc.
Jun. 2010	President and Representative Director of the Company Executive Vice President of ANNIVERSAIRE HOLDINGS INC. (current position)
Jun. 2017	Chairman of AOKI Inc.
Oct. 2018	Chairman and Representative Director of AOKI Inc.
Jun. 2022	Chairman and Representative Director of the Company (current position)

■ Significant concurrent positions

Executive Vice President of ANNIVERSAIRE HOLDINGS INC.

■ Reasons for nomination as candidate for Director

Mr. Akihiro Aoki has been involved with the management of ORIHICA since this business started in 2003 and has overseen the management of the Company since becoming President and Representative Director in 2010, and he became Chairman and Representative Director in 2022. Shareholders are asked to reelect Mr. Aoki in order to use his experience and accomplishments involving management for the oversight of the management of the AOKI Group and the growth of the group's corporate value.

2

Haruo Tamura

Reelection

Date of Birth
February 21, 1957

Current Positions and Responsibilities
President and Representative Director

Number of the Company shares held
72,000 shares

Attendance at the Board of Directors
Meetings
100% (18/18 times)

■ Brief career history

Apr. 1980	Joined The Bank of Yokohama, Ltd.
Jul. 1999	Yokohama City Branch Manager of The Bank of Yokohama, Ltd.
Apr. 2003	Joined ANNIVERSAIRE INC. Director, General Manager of Administration Division of ANNIVERSAIRE INC.
Oct. 2004	Executive Managing Director of ANNIVERSAIRE INC.
Jun. 2006	Joined the Company Executive Officer of the Company in charge of Group Finance
Jun. 2007	Director of the Company
Apr. 2008	Managing Director of the Company
Apr. 2010	Director of the Company in charge of Group Administration and Finance
Jun. 2010	Executive Vice President of the Company
Dec. 2022	President and Representative Director of the Company (current position)

■ Reasons for nomination as candidate for Director

Mr. Haruo Tamura joined the AOKI Group in 2003 and was involved primarily with finance and administration. He has overseen the management of the Company since becoming President and Representative Director in December 2022. Shareholders are asked to reelect Mr. Tamura in order to use this experience and accomplishments at the group as well as his experience at financial institutions for the oversight of the management of the AOKI Group and the growth of the group's corporate value.

Norio Terui

Reelection

Date of Birth
April 4, 1957

Current Positions and Responsibilities
Executive Vice President in charge of
Group Human Resources and Systems

Number of the Company shares held
15,100 shares

Attendance at the Board of Directors
Meetings
94.4% (17/18 times)

■ Brief career history

Apr. 1980	Joined Skylark Co., Ltd. (now SKYLARK HOLDINGS CO., LTD.)
May 1996	Joined McDonald's Japan Ltd. (now McDonald's Holdings Company (Japan), Ltd.)
Jul. 2002	Manager of IT System Planning Department of McDonald's Japan Ltd.
Feb. 2003	Joined Starbucks Coffee Japan, Ltd.
Apr. 2008	Vice President, General Manager of IT System Division of Starbucks Coffee Japan, Ltd.
Nov. 2015	Joined the Company Executive Officer, Deputy General Manager of IT System Division of the Company
Jun. 2018	Managing Director of the Company
Dec. 2018	Director in charge of Group Digital/IT Systems and General Manager of Digital/CRM Promotion Office of the Company
Jun. 2019	Director of the Company in charge of Group IT Systems
Jun. 2022	Executive Vice President of the Company (current position)
Jan. 2023	Director of the Company in charge of Group Human Resources and Systems (current position)

■ Reasons for nomination as candidate for Director

Mr. Norio Terui joined the Company in 2015 and has been in charge of information systems since becoming a Director in 2018. Since January 2023, he has also been in charge of general human resources. Shareholders are asked to reelect Mr. Terui in order to use this experience and knowledge as well as his broad range of experience from working for many years at other companies for important management decisions and the oversight of the management of business operations.

Masamitsu Aoki

Reelection

Date of Birth
April 21, 1969

Current Positions and Responsibilities
Senior Managing Director in charge of
Group Branding

Number of the Company shares held
2,554,000 shares

Attendance at the Board of Directors
Meetings
100% (18/18 times)

■ Brief career history

Apr. 1993	Joined the Company
Jun. 2004	Executive Vice President of ANNIVERSAIRE INC.
Apr. 2008	Executive Vice President of ANNIVERSAIRE HOLDINGS INC.
Jun. 2010	Managing Director of the Company President and Representative Director of ANNIVERSAIRE HOLDINGS INC. (current position)
Apr. 2017	Chairman of ANNIVERSAIRE INC.
Jun. 2020	Director of the Company in charge of Group Branding
Jun. 2022	Senior Managing Director of the Company in charge of Group Branding (current position)

■ Significant concurrent positions

President and Representative Director of ANNIVERSAIRE HOLDINGS INC.

■ Reasons for nomination as candidate for Director

Mr. Masamitsu Aoki has experience at the Company and in the bridal business. Since becoming a Director in 2010, he was a Representative Director of an AOKI Group company. Shareholders are asked to reelect Mr. Aoki in order to use his experience and knowledge for important management decisions and the oversight of the management of business operations as well as to be the Director in charge of increasing the value of the AOKI Group's brands.

■ Special notes regarding candidate for Director

Mr. Masamitsu Aoki is the Representative Director of ANNIVERSAIRE HOLDINGS INC., which is an other related company of the Company due to the ownership of 39.3% of the voting rights of the Company.

5

Keita Nagemoto

Reelection

Date of Birth
May 26, 1961

Current Positions and Responsibilities
Senior Managing Director in charge of Group Strategy and Compliance

Number of the Company shares held
11,900 shares

Attendance at the Board of Directors Meetings
100% (18/18 times)

■ Brief career history

Apr. 1985	Joined the Company
Jun. 2007	Executive Officer, General Manager of Strategic Planning Office of the Company
Oct. 2010	Director of ANNIVERSAIRE INC.
Sep. 2016	Executive Officer, General Manager of President's Office of the Company
Apr. 2017	Managing Executive Officer of the Company
Jun. 2019	Managing Director in charge of Group Strategy and General Manager of President's Office of the Company
Jun. 2020	Chairman and Representative Director of ANNIVERSAIRE INC.
Jun. 2022	Senior Managing Director in charge of Group Strategy and General Manager of President's Office of the Company
Nov. 2022	Senior Managing Director of the Company in charge of Group Strategy and Compliance (current position)

■ Reasons for nomination as candidate for Director

Mr. Keita Nagemoto has a broad range of business experience encompassing sales, management strategies, public relations, President's Office and other fields as well as in the bridal and other businesses. Since becoming a Director in 2019, he has been in charge of management strategies and the President's Office. Shareholders are asked to reelect Mr. Nagemoto in order to use his experience and knowledge for important management decisions and the oversight of the management of business operations.

6

Female

Yoshiko Kawaguchi

New

Date of Birth
November 3, 1961

Current Positions and Responsibilities
Executive Officer in charge of Group Human Resources

Number of the Company shares held
-

Attendance at the Board of Directors Meetings
-

■ Brief career history

Apr. 1985	Joined Fukutake Publishing Co., Ltd. (now Benesse Corporation)
Apr. 2008	Seconded to Tokyo Individualized Educational Institute, Inc. Deputy General Manager of Human Resources Division of Tokyo Individualized Educational Institute, Inc.
Mar. 2011	Seconded to Berlitz Japan, Inc. General Manager of Service Development Office of Berlitz Japan, Inc.
Apr. 2013	Joined Samantha Thavasa Japan Limited General Manager of Human Resources Planning Department of Samantha Thavasa Japan Limited
Jun. 2016	Executive Officer of Samantha Thavasa Japan Limited
May 2019	Joined The Global Ltd. General Manager of Human Resources Department of The Global Ltd.
Sep. 2022	Joined the Company Executive Officer of the Company in charge of Group Human Resources (current position)

■ Reasons for nomination as candidate for Director

Ms. Yoshiko Kawaguchi has many years of experience involving human resources and has accomplishments at an AOKI Group company as general manager of the Service Development Office for building a sound base for new businesses. Shareholders are asked to elect Ms. Kawaguchi who will help establish a new personnel system for the AOKI Group and play a leading role in the advancement of women at group companies.

Yoko Ohara

Reelection External Independent

Date of Birth
October 7, 1938

Current Positions and Responsibilities
Director

Number of the Company shares held
-

Attendance at the Board of Directors
Meetings
100% (18/18 times)

■ Brief career history

Apr. 1962	Joined Asahi Chemical Industry Co., Ltd. (now Asahi Kasei Corporation)
Jun. 1994	Director of Asahi Research Center Co., Ltd.
Mar. 1999	President of IFI (the Institute for the Fashion Industries) Business School
Mar. 2000	Director of Avon Products Co., Ltd.
May 2008	Director of Ryohin Keikaku Co., Ltd.
Apr. 2009	Honorary President of IFI Business School
Jun. 2015	Director of the Company (current position)
Jul. 2018	Founder & Honorary Chair of Women's Empowerment in Fashion

■ Reasons for nomination as candidate for External Director and summary of expected roles

Shareholders are asked to reelect Ms. Yoko Ohara in order to use her many years of experience in corporate management and other fields for the oversight of the management of business operations by using an objective and independent perspective. In addition, she is expected to use her extensive knowledge and experience about the fashion industry, backed by more than 50 years of experience in this industry and insight regarding changes in the retail industry, to provide valuable advice.

A bribery scandal involving a former AOKI executive and others occurred during her term as an External Director of the Company. Ms. Ohara had no knowledge of this incident until it was discovered. Ms. Ohara has always made statements concerning strict compliance with laws and regulations and has raised awareness of the importance of compliance. Following the discovery of this incident, Ms. Ohara properly performed her duties, including by asking at Board of Directors meetings and other times for suitable measures to prevent this type of incident from happening again.

Mitsuo Takahashi

Reelection External Independent

Date of Birth
March 10, 1955

Current Positions and Responsibilities
Director

Number of the Company shares held
35,000 shares

Attendance at the Board of Directors Meetings
100% (18/18 times)

■ Brief career history

Apr. 1977	Joined the Company
Jun. 1990	Director of the Company
Jul. 1997	Joined Don Quijote Co., Ltd. (now Pan Pacific International Holdings Corporation) General Manager of Administration Headquarters of Don Quijote Co., Ltd.
Sep. 1997	Director of Don Quijote Co., Ltd.
Sep. 2005	Senior Managing Director and CFO of Don Quijote Co., Ltd.
Sep. 2019	Senior Managing Executive Officer and CFO of Pan Pacific International Holdings Corporation
Oct. 2020	Advisory Member of Pan Pacific International Holdings Corporation
Jun. 2021	Director of the Company (current position)

■ Reasons for nomination as candidate for External Director and summary of expected roles

Mr. Mitsuo Takahashi has many years of experience and extensive knowledge involving the Company's fashion business and business operations at other companies. Shareholders are asked to reelect Mr. Takahashi for the oversight of the management of business operations by using an objective and independent perspective. In addition, he is expected to use his broad experience at other companies to provide valuable advice concerning corporate organizational reforms, the growth of corporate value and other subjects.

A bribery scandal involving a former AOKI executive and others occurred during his term as an External Director of the Company. Mr. Takahashi had no knowledge of this incident until it was discovered. Mr. Takahashi has always made statements concerning strict compliance with laws and regulations and has raised awareness of the importance of compliance. Following the discovery of this incident, Mr. Takahashi properly performed his duties, including by asking at Board of Directors meetings and other times for suitable measures to prevent this type of incident from happening again. Furthermore, as a member of the Governance Examination and Reform Committee, Mr. Takahashi participated in the investigation to obtain facts about the incident, analysis of the causes and determination of preventive measures.

Eiichi Nakamura

Reelection External Independent

Date of Birth
January 17, 1956

Current Positions and Responsibilities
Director

Number of the Company shares held

-

Attendance at the Board of Directors Meetings
93.3% (14/15 times)

■ Brief career history

Apr. 1979	Joined Itoman Co., Ltd. (now NIPPON STEEL TRADING CORPORATION)
Apr. 2005	Executive Officer, General Manager of Men's Wear Department 2 of Sumikin Bussan Corporation (now NIPPON STEEL TRADING CORPORATION)
Apr. 2010	Managing Executive Officer, Representative in China, Sumikin Bussan Corporation
Jun. 2015	Director and Managing Executive Officer of NIPPON STEEL & SUMIKIN BUSSAN CORPORATION (now NIPPON STEEL TRADING CORPORATION)
Apr. 2018	Director and Senior Managing Executive Officer of NIPPON STEEL & SUMIKIN BUSSAN CORPORATION
Jun. 2020	Advisor of NIPPON STEEL TRADING CORPORATION
Jun. 2021	Resigned from Advisor of NIPPON STEEL TRADING CORPORATION
Jun. 2022	Director of the Company (current position)
Mar. 2023	Task Force Manager of SCM Reform of BAROQUE JAPAN LIMITED
May 2023	Executive Director and Deputy Chief Executive Officer of BAROQUE JAPAN LIMITED (current position)

■ Significant concurrent positions

Executive Director and Deputy Chief Executive Officer of BAROQUE JAPAN LIMITED

■ Reasons for nomination as candidate for External Director and summary of expected roles

Mr. Eiichi Nakamura has many years of experience as an executive in the apparel industry and at other companies and extensive knowledge about this industry. Shareholders are asked to elect Mr. Nakamura for the oversight of the management of business operations by using an objective and independent perspective. In addition, he is expected to use his broad experience at other companies to provide valuable advice concerning reforms of the Company's businesses, measures for the growth of corporate value and other subjects.

A bribery scandal involving a former AOKI executive and others occurred during his term as an External Director of the Company. Mr. Nakamura had no knowledge of this incident until it was discovered. Mr. Nakamura has always made statements concerning strict compliance with laws and regulations and has raised awareness of the importance of compliance. Following the discovery of this incident, Mr. Nakamura properly performed his duties, including by asking at Board of Directors meetings and other times for suitable measures to prevent this type of incident from happening again.

Sonoko Sugano

Reelection

External

Date of Birth

November 26, 1978

Current Positions and Responsibilities

Director

Number of the Company shares held

-

Attendance at the Board of Directors Meetings

100.0% (15/15 times)

■ Brief career history

Oct. 2004 Registered as an attorney at law
 Oct. 2004 Joined Tokyo Godo Law Office
 Apr. 2010 Joined Toyonaka Law Office (current position)
 Jun. 2022 Director of the Company (current position)

■ Significant concurrent positions

Attorney

■ Reasons for nomination as candidate for External Director

and summary of expected roles

Ms. Sonoko Sugano is an attorney with extensive knowledge and insight concerning legal matters, which gives her the skills required to properly perform the duties of an External Director. Although she has had no direct involvement with corporate management, shareholders are asked to elect Ms. Sugano because she can use her knowledge and experience as an attorney for the oversight of the management of business operations from an objective perspective. In addition, by providing advice as needed concerning corporate governance and the growth of corporate value, Ms. Sugano is expected to further increase the thoroughness of discussions at meetings of the Board of Directors.

A bribery scandal involving a former AOKI executive and others occurred during her term as an External Director of the Company. Ms. Sugano had no knowledge of this incident until it was discovered. Ms. Sugano has always made statements concerning strict compliance with laws and regulations and has raised awareness of the importance of compliance. Following the discovery of this incident, Ms. Sugano properly performed her duties, including by asking at Board of Directors meetings and other times for suitable measures to prevent this type of incident from happening again.

Note: Ms. Sonoko Sugano's name on her family register is Sonoko Mori.

■ Policy and procedure for the selection of candidates

Director candidates are selected by using two standards that take into consideration the need for the proper overall balance of knowledge, experience and skills for the Board of Directors. The first is the selection of individuals who excel in terms of professional knowledge and corporate ethics and are able to reach decisions with speed and accuracy. The second is the selection of individuals who will have a firm commitment to the management philosophy of the AOKI Group. The procedure for the selection of candidates begins when the Nomination and Remuneration Committee is asked to provide advice concerning proposed candidates. The recommendations of this committee are then submitted to the Board of Directors for final decisions.

Proposal No. 3: Election of Three (3) Directors who Are Members of the Supervisory Committee

The Company will shift to a company with a Supervisory Committee, subject to the approval of Proposal No. 1, Partial Amendments to Articles of Incorporation. Shareholders are asked to approve the election of three (3) Directors who are members of the Supervisory Committee.

We have obtained the consent of the Board of Corporate Auditors for the submission of this proposal.

The contents of this proposal shall become effective subject to the amendments to the Articles of Incorporation in Proposal No. 1, Partial Amendments to Articles of Incorporation.

The candidates for Directors who are members of the Supervisory Committee are as follows:

No.	Name	Current Positions and Responsibilities	Attendance at the Board of Directors Meetings
1	Mitsuji Minemura New	General Manager of Compliance Office	-
2	Yosuke Uehira New External Independent	-	-
3	Satoru Kanai New External Independent	-	-

Notes:

1. None of candidates for Directors who are members of the Supervisory Committee has any special conflicts of interest with the Company.
2. Mr. Yosuke Uehira and Mr. Satoru Kanai are the candidates for election as External Directors who are members of the Supervisory Committee.
3. The Company has designated Mr. Uehira and Mr. Kanai as Independent Directors according to the rules of the Tokyo Stock Exchange.
4. If the appointment of Mr. Uehira and Mr. Kanai is approved, the Company will enter into liability limitation agreement with them in accordance with Article 427, Paragraph 1 of the Companies Act. The limit of the liability under such agreement is the minimum liability amount stipulated by laws and regulations. An overview of liability limitation agreement is in “Status of Corporate Officers, (5) Overview of Liability Limitation Agreement” of the Business Report.
5. The Company has purchased a liability insurance policy from an insurance company for Directors. If elected, the candidates will be covered by this policy. An overview of liability insurance agreement for Directors is in “Overview of Liability Insurance Agreement for Executives” of the Business Report. The insurance policy is scheduled to be renewed with the same terms and conditions at the next renewal.

1	
Mitsuji Minemura New	<ul style="list-style-type: none">■ Brief career history<ul style="list-style-type: none">Apr. 1983 Joined the CompanyApr. 2010 General Manager of Business Management Office of the CompanyNov. 2022 General Manager of Compliance Office of the Company (current position)■ Reasons for nomination as candidate for Director and Supervisory Committee member<ul style="list-style-type: none">Mr. Mitsuji Minemura has many years of experience involving risk, compliance and legal affairs at the Company in legal affairs posts and as general manager of the Business Management Office. He also has 19 years of experience in sales operations. Mr. Minemura has a thorough understanding of front-line businesses and issues and excellent communication skills. Shareholders are asked to elect Mr. Minemura to enable him to strengthen corporate governance by using his experience and accomplishments in many fields for audits and supervision concerning the compliance and suitability of businesses activities.
Date of Birth December 21, 1960	
Current Positions and Responsibilities General Manager of Compliance Office	
Number of the Company shares held 7,000 shares	
Attendance at the Board of Directors Meetings -	

2

Yosuke Uehira

New External Independent

Date of Birth
January 14, 1982

Current Positions and Responsibilities

-

Number of the Company shares held

-

Attendance at the Board of Directors Meetings

-

■ Brief career history

Nov. 2008 Passed the Certified Public Accountant Examination
 Dec. 2008 Joined PricewaterhouseCoopers Arata (now PricewaterhouseCoopers Arata LLC)
 Sep. 2012 Registered as a certified public accountant
 Jul. 2014 Joined PricewaterhouseCoopers Tax Corporation (now PwC Tax Japan)
 Oct. 2014 Registered as a certified tax accountant

■ Significant concurrent positions

Certified Public Accountant, Certified Tax Accountant

■ Reasons for nomination as candidate for External Director and Supervisory

Committee member and summary of expected roles

Mr. Yosuke Uehira has extensive accounting knowledge and expertise in many fields due to his experience as a certified public accountant and tax accountant. The Company believes this makes him capable of performing the duties of a Director and Supervisory Committee member. Although Mr. Uehira has never been directly involved with corporate management, shareholders are asked to elect him because he is expected to perform supervisory, advisory and other roles involving the suitability of the governance framework and activities concerning the framework for conducting business operations and measures for resolving management issues.

3

Satoru Kanai

New External Independent

Date of Birth
May 17, 1976

Current Positions and Responsibilities

-

Number of the Company shares held

-

Attendance at the Board of Directors Meetings

-

■ Brief career history

Oct. 2003 Registered as an attorney at law
 Oct. 2003 Joined Asahi Koma Law Offices (now Nishimura & Asahi)
 May 2012 Founded Shinju Law Offices
 May 2013 Founded Daichi Law Offices
 Representative of Daichi Law Offices (current position)
 Apr. 2016 Supervisory Director of Nippon Life Private REIT Inc. (current position)

■ Significant concurrent positions

Attorney

■ Reasons for nomination as candidate for External Director and Supervisory

Committee member and summary of expected roles

Mr. Satoru Kanai has an extensive knowledge of the law and expertise in many fields due to his experience as an attorney. The Company believes this makes him capable of performing the duties of a Director and Supervisory Committee member. Although Mr. Kanai has never been directly involved with corporate management, shareholders are asked to elect him because his legal knowledge is expected to enable him to use a standpoint independent of management to make the decision-making function and management oversight function of the Board of Directors more effective.

■ Policy and procedure for the selection of candidates

Director candidates are selected by taking into account a broad range of perspectives including knowledge and experience involving the AOKI Group, knowledge of finance and accounting, and other considerations. The procedure for the selection of candidates begins when the Nomination and Remuneration Committee is asked to provide advice concerning proposed candidates. The recommendations of this committee are then submitted to the Board of Directors for final decisions.

Skill Matrix

Name	Current position	Expected areas of expertise				
		Corporate management	Sales/ Marketing/ Industry expertise	IT/Digital	Finance/ Accounting	Legal
Akihiro Aoki	Chairman and Representative Director	●	●			
Haruo Tamura	President and Representative Director	●			●	
Norio Terui	Executive Vice President	●		●		
Masamitsu Aoki	Senior Managing Director	●	●			
Keita Nagemoto	Senior Managing Director	●	●			
Yoshiko Kawaguchi	Executive Officer		●			
Yoko Ohara	Director		●			
Mitsuo Takahashi	Director	●			●	
Eiichi Nakamura	Director	●	●			
Sonoko Sugano	Director					●
Mitsuji Minemura	General Manager of Compliance Office					●
Yosuke Uehira	-				●	
Satoru Kanai	-					●

Note: This skill matrix covers skills and experience where individuals can utilize their professional knowledge and is not intended to encompass all of the knowledge of these individuals.

Proposal No. 4: Election of One (1) Substitute Director and Supervisory Committee Member

The Company will shift to a company with a Supervisory Committee, subject to the approval of Proposal No. 1, Partial Amendments to Articles of Incorporation. To be prepared for an insufficient number of Directors who are members of the Supervisory Committee as prescribed by laws and regulations, shareholders are asked to approve the election of one (1) substitute Director and Supervisory Committee Member. In accordance with the Article 22, Paragraph 4 of the amended Articles of Incorporation, the resolution concerning the election of a substitute Director and Supervisory Committee member is effective until the beginning of the Annual General Meeting of Shareholders for the last business year ending within two (2) years of the date of this resolution. However, as long as this substitute Director has not become a Director and Supervisory Committee member, an individual’s position as a substitute Director who is a member of the Supervisory Committee can be canceled by a resolution of the Board of Directors and with the consent of the Supervisory Committee.

We have obtained the consent of the Board of Corporate Auditors for the submission of this proposal.

The contents of this proposal shall become effective subject to the amendments to the Articles of Incorporation in Proposal No. 1, Partial Amendments to Articles of Incorporation.

The candidate for substitute Director and Supervisory Committee member is as follows:

**Yoshiyuki
Tanaka**

External Independent

Date of Birth
June 28, 1982

Current Positions and Responsibilities
-

Number of the Company shares held
-

- Brief career history
 - Sep. 2007 Registered as an attorney at law
 - Sep. 2009 Joined Tonica Law Office (current position)
 - Jun. 2019 External Director of Dainikka Co., Ltd. (current position)
 - Apr. 2023 Professor of Legal Training and Research Institute of Supreme Court of Japan (current position)

- Significant concurrent positions
Attorney

- Matters concerning candidate for substitute Director and Supervisory Committee member
 1. Mr. Yoshiyuki Tanaka has no special conflicts of interest with the Company.
 2. Mr. Tanaka is a candidate for election as a substitute External Director. If he assumes the office of External Director, the Company plans to designate him as an Independent Director according to the rules of the Tokyo Stock Exchange.
 3. If Mr. Tanaka assumes the office of Director and Supervisory Committee member, the Company will enter into liability limitation agreement with him in accordance with Article 427, Paragraph 1 of the Companies Act. The limit of the liability under such agreement is the minimum liability amount stipulated by laws and regulations. An overview of liability limitation agreement is in “Status of Corporate Officers, (5) Overview of Liability Limitation Agreement” of the Business Report.
 4. The Company has purchased a liability insurance policy from an insurance company for Directors. If Mr. Tanaka assumes the office of External Director and Supervisory Committee member, he will be covered by this policy. An overview of liability insurance agreement for Directors is in “Overview of Liability Insurance Agreement for Executives” of the Business Report. The insurance policy is scheduled to be renewed with the same terms and conditions at the next renewal.

- Reasons for nomination as candidate for substitute Director and Supervisory Committee member and summary of expected roles
 Mr. Yoshiyuki Tanaka has an extensive knowledge of the law and expertise in many fields due to his experience as an attorney. Although Mr. Tanaka has never been directly involved with corporate management, the Company believes this background makes him capable of performing the duties of a Director and Supervisory Board member in the event that there is an opening.

Reasons for nomination and summary of expected roles

■ Policy and procedure for the selection of candidates

Director candidates are selected by taking into account a broad range of perspectives including knowledge and experience involving the AOKI Group, knowledge of finance and accounting, and other considerations. The procedure for the selection of candidates begins when the Nomination and Remuneration Committee is asked to provide advice concerning proposed candidates. The recommendations of this committee are then submitted to the Board of Directors for final decisions.

Proposal No. 5: Remuneration, etc. for Directors (Excluding Directors who Are Members of the Supervisory Committee)

The Company will shift to a company with a Supervisory Committee, subject to the approval of Proposal No. 1, Partial Amendments to Articles of Incorporation.

At the 32nd Annual General Meeting of Shareholders held on June 20, 2008, shareholders approved that the amount of remuneration for Directors of the Company shall be limited to 450 million yen per year (not including the amount of employee salaries for Directors who also serve as employees). In accordance with Article 361, Paragraphs 1 and 2 of the Companies Act, the Company proposes to abolish the current provision following the transition to a company with a Supervisory Committee, and newly set the amount of remuneration for Directors (excluding Directors who are members of the Supervisory Committee, the same shall apply hereinafter in this proposal) limited to 400 million yen per year (including 80 million yen for External Directors), taking into consideration various circumstances including economic conditions, and requests your approval. Director remuneration amounts are not inclusive of the amount of employee salaries for Directors who also serve as employees.

The Company believes that the amount of remuneration, etc. for this proposal is necessary and appropriate as a remuneration framework in accordance with the purpose of the proposal and the policy for determining the content of remuneration, etc. for each individual Director, and that it is reasonable because it has been deliberated by the Nomination and Remuneration Committee, which is chaired by an Independent External Director and composed of External Directors in the majority.

Currently, the number of Directors are eleven (11) (including four (4) External Directors). If Proposal No. 1, Partial Amendments to Articles of Incorporation, and Proposal No. 2, Election of Ten (10) Directors (Excluding Directors who Are Members of the Supervisory Committee), are approved and adopted as proposed, the number of Directors will be ten (10) (including four (4) External Directors).

The contents of this proposal shall become effective subject to the amendments to the Articles of Incorporation in Proposal No. 1, Partial Amendments to Articles of Incorporation.

Proposal No. 6: Remuneration, etc. for Directors who Are Members of the Supervisory Committee

The Company will shift to a company with a Supervisory Committee, subject to the approval of Proposal No. 1, Partial Amendments to Articles of Incorporation. Therefore, shareholders are asked to approve setting the amount of remuneration for Directors who are members of the Supervisory Committee at no more than 100 million yen per year in accordance with the provisions of Article 361, Paragraphs 1 and 2 of the Companies Act, taking into consideration the duties and responsibilities of Directors who are members of the Supervisory Committee.

The Company believes that the amount of remuneration, etc. for this proposal is necessary and appropriate as a remuneration framework in accordance with the purpose of the proposal and the policy for determining the content of remuneration, etc. for each individual Director, and that it is reasonable because it has been deliberated by the Nomination and Remuneration Committee, which is chaired by an Independent External Director and composed of External Directors in the majority.

If Proposal No. 1, Partial Amendments to Articles of Incorporation, and Proposal No. 3, Election of Three (3) Directors who Are Members of the Supervisory Committee, are approved and adopted as proposed, the number of Directors who are members of the Supervisory Committee will be three (3).

The contents of this proposal shall become effective subject to the amendments to the Articles of Incorporation in Proposal No. 1, Partial Amendments to Articles of Incorporation.

Proposal No. 7: Determination of Remuneration, etc. for the Stock Compensation Plan with Transfer Restrictions for Directors (Excluding Directors who Are Members of the Supervisory Committee and External Directors)

If Proposal No. 5, Remuneration, etc. for Directors (Excluding Directors who Are Members of the Supervisory Committee), which accompanies the Company's transition to a company with a Supervisory Committee, is approved, the amount of remuneration, etc. for the Company's Directors (excluding Directors who are members of the Supervisory Committee) will be limited to 400 million yen per year (including 80 million yen for External Directors) (However, this does not include the amount of employee salaries for Directors who also serve as employees).

The restricted stock compensation plan related to this proposal is the same plan approved at the 42nd Annual General Meeting of Shareholders held on June 27, 2018. The Company has obtained approval for the total amount of restricted stock compensation of up to 150 million yen per year, which is separate from the total amount of remuneration of up to 450 million yen per year for Directors (excluding External Directors). The purpose is to increase the incentive to contribute to sustained growth of corporate value and to further align the interests of eligible Directors with the interests of shareholders.

If Proposal No. 1, Partial Amendments to Articles of Incorporation, is approved as proposed, the Company will shift to a company with a Supervisory Committee, which will increase the incentive to contribute to sustained growth of corporate value. In addition, for the purpose of aligning the interests of eligible Directors with the interests of shareholders, the Company's Directors (excluding Directors who are members of the Supervisory Committee and External Directors: hereinafter referred to as "Eligible Directors") shall be compensated in the form of monetary compensation claims ("Monetary Compensation Claims") for the purpose of the distribution of restricted stock. The total amount is to be limited to 150 million yen per year (not including the amount of employee salaries for Directors who also serve as employees), which is separate from the total amount of remuneration to be approved under Proposal No. 5.

The Company believes that the amount of remuneration, etc. for this proposal is necessary and appropriate as a remuneration framework in accordance with the purpose of the proposal and the policy for determining the content of remuneration, etc. for each individual Director, and that it is reasonable because it has been deliberated by the Nomination and Remuneration Committee, which is chaired by an Independent External Director and composed of External Directors in the majority.

The Board of Directors will determine the specific timing and allocation of payments to each Eligible Directors. Currently, the number of Directors is eleven (11) (including four (4) External Directors). If Proposal No. 1, Partial Amendments to Articles of Incorporation, and Proposal No. 2, Election of Ten (10) Directors (Excluding Directors who Are Members of the Supervisory Committee), are approved as proposed, the number of Eligible Directors will be six (6).

In addition, the Eligible Directors shall, based on the resolution of the Company's Board of Directors, pay all of the Monetary Compensation Claims to be paid under this proposal as assets contributed in kind and receive the issuance or disposal of the Company's common stock. The maximum number of shares of common stock that is issued or disposed of as restricted stock is 180,000 per year. (However, if, after the date of approval of this proposal, there is a common stock split (including a gratis allocation of stock without consideration) or a stock consolidation or any other event requiring adjustment of the total number of shares of the Company's common stock to be issued or disposed of as restricted stock, the maximum number of shares will be adjusted within a reasonable range as needed)

The amount to be paid per share shall be determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors resolution (or the closing price of the immediately preceding trading day if no trading was effected on that date) to the extent not particularly favorable to the Eligible Directors who will subscribe for such common stock. The issuance or disposal of shares of the Company's common stock shall be subject to the execution

of an allotment agreement of restricted stock (“Allotment Agreement”) between the Company and the Eligible Directors that includes the following details.

(1) Restriction Period

The Eligible Director may not transfer, grant a security interest in, or otherwise dispose of the shares for a period of three (3) years from the date of payment for the shares (“Restricted Period”).

(2) Lifting of the transfer restrictions

The transfer restriction shall be cancelled upon expiration of the Restricted Period on the condition that the Eligible Director continuously holds the position of Director, Corporate Auditor, Executive Officer or employee of the Company or any of its subsidiaries. However, if he retires from any of the above positions due to the expiration of his term of office or mandatory retirement age, or if the Company’s Board of Directors recognizes other justifiable reasons, the number of shares to be released from the transfer restriction and the timing of release of the transfer restriction shall be reasonably adjusted as necessary.

(3) Acquisition of restricted stock by the Company without consideration

- i) If an Eligible Director resigns from any position of Director, Corporate Auditor, Executive Officer or employee of the Company or any of its subsidiaries (including the case where he/she resigns due to death) by the expiration date of the Restricted Period, the Company shall acquire all of the shares without consideration, unless the Company’s Board of Directors deems that there is a justifiable reason such as expiration of term of office or retirement.
- ii) Other reasons for acquiring the shares without consideration shall be as set forth in the Allotment Agreement based on a resolution of the Company’s Board of Directors.

(4) Treatment in organizational restructuring, etc

Notwithstanding the provisions of (1) above, if, during the Restricted Period, the Company’s General Meeting of Shareholders (However, in cases where such reorganization, etc. does not require the approval of the Company’s General Meeting of Shareholders, the Company’s Board of Directors) approves a merger agreement in which the Company becomes a dissolving company, a share exchange agreement or a share transfer plan in which the Company becomes a wholly owned subsidiary, or any other matter relating to organizational restructuring, etc., the Company shall, by resolution of the Company’s Board of Directors, lift the transfer restrictions of the shares in a number reasonably determined based on the period from the commencement date of the Restricted Period to the date of approval of such organizational restructuring, etc., prior to the effective date of such organizational restructuring, etc. In addition, in the case specified above, the Company shall naturally acquire, without consideration, the shares for which the transfer restrictions have not been lifted at the time immediately after the transfer restrictions are lifted.

(5) Other matters

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