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(Securities Code: 9869)
December 1, 2020

To our shareholders:

Kazuya Kato, President and Director
KATO SANGYO CO., LTD.
9-20, Matsubara-cho, Nishinomiya, Hyogo

Notice of the 74th Annual General Meeting of Shareholders

We are pleased to announce the 74th Annual General Meeting of Shareholders of KATO SANGYO CO., LTD. (the "Company"), which will be held as indicated below.

However, in order to prevent the spread of the novel coronavirus disease (COVID-19), we strongly recommend that you refrain from attending the meeting in person and exercise your voting rights in writing or via the internet instead. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights before Thursday, December 17, 2020, at 5:30 p.m. (JST).

1. Date and Time: Friday, December 18, 2020, at 10:00 a.m. (JST)

2. Venue: Conference room, 5th Floor, Head Office of the Company
9-20, Matsubara-cho, Nishinomiya, Hyogo

3. Purpose of the Meeting

Matters to be reported

1. The Business Report and the Consolidated Financial Statements for the 74th fiscal year (from October 1, 2019 to September 30, 2020), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 74th fiscal year (from October 1, 2019 to September 30, 2020)

Matters to be resolved

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Election of Ten (10) Directors

Proposal No. 3: Election of Three (3) Audit & Supervisory Board Members

Proposal No. 4: Payment of Retirement Benefits to Retiring Audit & Supervisory Board Members

- When you attend the meeting, you are kindly requested to present the enclosed voting form at the reception.
- If future developments necessitate a major change regarding specific measures to prevent the spread of COVID-19 or the way the General Meeting of Shareholders shall be run, shareholders will be informed via the Company's website, so we sincerely request that you check the website in advance.

  The Company website http://www.katosangyo.co.jp/

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1: Appropriation of Surplus

We recognize that returning our profits to our shareholders is an important policy of management and have the basic policy of maintaining a fair dividend that is stable and commensurate with business performance while improving our earning capacity and enhancing our financial structure. In addition, with respect to internal reserves, we will proactively utilize them for enrichment of logistics function, information system upgrade, as well as the investment in new businesses for further strengthening our management base.

In accordance with this policy, the Company proposes the appropriation of surplus for the 74th fiscal year as follows:

1. Year-end dividends
   (1) Type of dividend property
   To be paid in cash.
   (2) Allotment of dividend property to shareholders and their aggregate amount
   ¥33 per common share of the Company
   Total payment: ¥1,176,449,538
   (Note) As the Company has already paid an interim dividend of ¥33 per share, the annual dividend will be ¥66 per share.
   (3) Effective date of dividends of surplus
   The effective date of dividends will be December 21, 2020.

2. Other appropriation of surplus
   (1) Item of surplus to be increased and amount of increase
   General reserve: ¥6,200,000,000
   (2) Item of surplus to be decreased and amount of decrease
   Retained earnings brought forward: ¥6,200,000,000

Proposal No. 2: Election of Ten (10) Directors

The terms of office of all ten (10) Directors will expire at the conclusion of this meeting.

Therefore, we propose to elect ten (10) Directors, including two (2) Outside Directors, to enhance the corporate governance.

The candidates for Director are as follows:

Candidate No.	Name		Current position and responsibilities in the Company
1	[Reelection]	Kazuya Kato	President and Representative Director
2	[Reelection]	Kenichi Yamanaka	Senior Managing Director Chief of Sales Headquarters, Responsible for Group Sales
3	[Reelection]	Takashi Ota	Managing Director Vice Chief of Sales Headquarters, Responsible for operations in East Japan
4	[Reelection]	Toshinao Nakamura	Managing Director Vice Chief of Sales Headquarters, Responsible for Wide-Area Distribution, Private Label Business, and International Business
5	[Reelection]	Kimihiro Suga	Managing Director Division Manager of Minami Kinki Division
6	[Reelection]	Keisuke Hibi	Director Chief of Logistics Headquarters, Responsible for Logistics Business
7	[Reelection]	Masatoshi Uchita	Director Division Manager of Higashi Kanto Division
8	[Reelection]	Shigenori Tsuguie	Director Chief of Administration Headquarters, Responsible for Group Administration
9	[Reelection]	Yusuke Yasokawa	Outside Director [Outside Officer] [Independent Officer]
10	[Reelection]	Ayako Kaiho	Outside Director [Outside Officer] [Independent Officer]

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	[Reelection] Kazuya Kato (July 10, 1969)	Mar. 1994 Joined the Company Dec. 1995 Director, General Manager of Presidential Affairs Office Oct. 1996 Director, General Manager of Distribution Department Dec. 1997 Director, Responsible for Logistics, General Manager of Sales Planning Department Apr. 1999 Director, Responsible for Logistics, Assistant of Sales Division Dec. 1999 Managing Director, Responsible for Logistics, Assistant of Sales Division Mar. 2000 Managing Director, Chief of Systems Headquarters, Assistant Chief of Sales Headquarters Dec. 2001 Senior Managing Director, Chief of Administration Headquarters, Systems Headquarters and Related Operations Headquarters Dec. 2003 President and Representative Director Dec. 2012 President and Representative Director, Chief of Systems Headquarters Dec. 2016 President and Representative Director, Responsible for Information Systems Dec. 2019 President and Representative Director (present position) (Significant concurrent positions outside the Company) None	953,388

[Reasons for nomination as a candidate for Director]

Kazuya Kato has extensive contacts in the food distribution industry and abundant experience as a corporate manager, with both outstanding personality and insight. Serving as the President and Representative Director of the Company since December 2003, he has been leading the Group-wide management and contributing to improving the Company's corporate value. Accordingly, the Company has judged that Kazuya Kato is well-qualified to contribute to the continuous improvement of the Company's corporate value, and has nominated him as a candidate to continue serving as Director.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	[Reelection] Kenichi Yamanaka (March 30, 1960)	Apr. 1982 Joined the Company Dec. 2005 Branch Manager of Kita Osaka Branch Oct. 2007 Branch Manager of Takamatsu Branch, Chushikoku Division Oct. 2009 Division Manager of Chushikoku Division Dec. 2012 Director, Division Manager of Chushikoku Division Dec. 2015 Director, Division Manager of Minami Kanto Division Dec. 2016 Managing Director, Division Manager of Minami Kanto Division Dec. 2017 Managing Director, Vice Chief of Sales Headquarters, Responsible for operations in East Japan Dec. 2018 Senior Managing Director, Chief of Sales Headquarters Dec. 2019 Senior Managing Director, Chief of Sales Headquarters, Responsible for Group Sales (present position) (Significant concurrent positions outside the Company) President and Representative Director, Kato Syuhan Co., Ltd.	15,000

[Reasons for nomination as a candidate for Director]

Kenichi Yamanaka has been mainly engaged in sales-related business and has developed broad range of customer relationship. He has also been contributing to reinforcing sales capabilities and securing stable income. Accordingly, the Company has judged that Kenichi Yamanaka is well-qualified to contribute to the continuous improvement of the Company's corporate value, and has nominated him as a candidate to continue serving as Director.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	[Reelection] Takashi Ota (April 26, 1961)	Apr. 1984 Joined the Company Feb. 2006 Branch Manager of Akita Branch Dec. 2007 Deputy Division Manager of Hokkaido Division, Branch Manager of Sapporo Branch Apr. 2010 Division Manager of Hokkaido Division, Branch Manager of Sapporo Branch Oct. 2010 Division Manager of Hokkaido Division Dec. 2012 Executive Officer, Division Manager of Tohoku Division Apr. 2013 Executive Officer, Division Manager of Tohoku Division, Branch Manager of Sendai Branch Dec. 2013 Director, Division Manager of Tohoku Division, Branch Manager of Sendai Branch Dec. 2016 Director, Division Manager of Higashi Kanto Division Dec. 2018 Managing Director, Vice Chief of Sales Headquarters, Division Manager of Higashi Kanto Division Dec. 2019 Managing Director, Vice Chief of Sales Headquarters, Responsible for operations in East Japan (present position) (Significant concurrent positions outside the Company) None	7,000

[Reasons for nomination as a candidate for Director]

Takashi Ota has abundant business experience and insight in the sales area and has been contributing to reinforcing sales capabilities and securing stable income. Accordingly, the Company has judged that Takashi Ota is well-qualified to contribute to the continuous improvement of the Company's corporate value, and has nominated him as a candidate to continue serving as Director.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	[Reelection] Toshinao Nakamura (September 7, 1967)	Apr. 1991 Joined the Company Oct. 2008 Branch Manager of Nagoya Branch, Chubu Division Apr. 2011 General Manager of Wide-Area Distribution Department Dec. 2013 Executive Officer, General Manager of Wide-Area Distribution Department Dec. 2014 Executive Officer, General Manager of Wide-Area Distribution Department and Private Label Division Dec. 2015 Director, Assistant Chief of Sales Headquarters, General Manager of Wide-Area Distribution Department and Private Label Division Aug. 2017 Director, Assistant Chief of Sales Headquarters, Responsible for Wide-Area Distribution, General Manager of Private Label Division Dec. 2018 Managing Director, Assistant Chief of Sales Headquarters, Responsible for Wide-Area Distribution, General Manager of Private Label Division, Responsible for Private Label Business and International Business Apr. 2019 Managing Director, Assistant Chief of Sales Headquarters, Responsible for Wide-Area Distribution, Private Label Business, and International Business Dec. 2019 Managing Director, Vice Chief of Sales Headquarters, Responsible for Wide-Area Distribution, Private Label Business, and International Business (present position) (Significant concurrent positions outside the Company) None	13,600
[Reasons for nomination as a candidate for Director] Toshinao Nakamura has abundant business experience and insight in the sales area. He has been contributing to reinforcing private label products and securing stable income as a person responsible for the Private Label Business and International Business. Accordingly, the Company has judged that Toshinao Nakamura is well-qualified to contribute to the continuous improvement of the Company's corporate value, and has nominated him as a candidate to continue serving as Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	[Reelection] Kimihiro Suga (January 21, 1963)	Apr. 1981 Joined the Company Sept. 2007 Branch Manager of Fukuoka Branch, Kyushu Division Dec. 2008 Branch Manager of Fukuoka and Yamaguchi Branch, Kyushu Division Oct. 2009 Branch Manager of Fukuoka Branch, Kyushu Division Apr. 2013 Division Manager of Kyushu Division, Branch Manager of Fukuoka Branch Dec. 2013 Executive Officer, Division Manager of Kyushu Division, Branch Manager of Fukuoka Branch Feb. 2015 Executive Officer, Division Manager of Kyushu Division, Branch Manager of Fukuoka and Yamaguchi Branch Oct. 2015 Executive Officer, Division Manager of Kyushu Division, Branch Manager of Fukuoka Branch Dec. 2016 Executive Officer, Division Manager of Minami Kinki Division Dec. 2016 Director, Division Manager of Minami Kinki Division Dec. 2019 Managing Director, Division Manager of Minami Kinki Division (present position) (Significant concurrent positions outside the Company) None	7,500
[Reasons for nomination as a candidate for Director] Kimihiro Suga has been mainly engaged in sales-related business and has abundant business experience and insight. He has also developed broad range of customer relationship and has been contributing to securing stable income. Accordingly, the Company has judged that Kimihiro Suga is well-qualified to contribute to the continuous improvement of the Company's corporate value, and has nominated him as a candidate to continue serving as Director.			
6	[Reelection] Keisuke Hibi (December 28, 1965)	Apr. 1989 Joined the Company Oct. 2010 General Manager of Logistics Department Dec. 2014 Executive Officer, Vice Chief of Systems Headquarters, General Manager of Logistics Department Dec. 2016 Director, Chief of Logistics Headquarters, General Manager of Logistics Department Dec. 2018 Director, Chief of Logistics Headquarters, General Manager of Logistics Department, Responsible for Logistics Business Jan. 2019 Director, Chief of Logistics Headquarters, Responsible for Logistics Business (present position) (Significant concurrent positions outside the Company) None	5,200
[Reasons for nomination as a candidate for Director] Keisuke Hibi has abundant experience and insight in the logistics departments and presently leads the Company in the area of logistics as Director, the Chief of the Logistics Headquarters, and a person responsible for the Logistics Business. Accordingly, the Company has judged that Keisuke Hibi is well-qualified to contribute to the continuous improvement of the Company's corporate value, and has nominated him as a candidate to continue serving as Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	[Reelection] Masatoshi Uchita (March 4, 1963)	Apr. 1985 Joined the Company June 2006 Branch Manager of Hanwa Branch, Minami Kinki Division Apr. 2011 Branch Manager of Kita Osaka Branch, Kita Kinki Division Nov. 2011 Division Manager of Kita Kinki Division, Branch Manager of Kita Osaka Branch Dec. 2013 Executive Officer, Division Manager of Kita Kinki Division, Branch Manager of Kita Osaka Branch Oct. 2016 Executive Officer, Division Manager of Kita Kinki Division Dec. 2017 Director, Division Manager of Kita Kinki Division Dec. 2019 Director, Division Manager of Higashi Kanto Division (present position) (Significant concurrent positions outside the Company) None	5,100
[Reasons for nomination as a candidate for Director] Masatoshi Uchita has been mainly engaged in sales-related business and has developed broad range of customer relationship. He has also been contributing to reinforcing sales capabilities and securing stable income. Accordingly, the Company has judged that Masatoshi Uchita is well-qualified to contribute to the continuous improvement of the Company's corporate value, and has nominated him as a candidate to continue serving as Director.			
8	[Reelection] Shigenori Tsuguie (September 24, 1972)	Apr. 1995 Joined the Company Apr. 2012 Assigned to General Manager of General Affairs Department (temporarily transferred to K-Teion Foods Co., Ltd.) Dec. 2015 General Manager of General Affairs Department and Environmental Management Department Dec. 2016 Executive Officer, General Manager of General Affairs Department and Environmental Management Department Dec. 2017 Director, Vice Chief of Administration Headquarters, General Manager of General Affairs Department and Environmental Management Department Apr. 2018 Director, Vice Chief of Administration Headquarters, General Manager of General Affairs Department Dec. 2018 Director, Chief of Administration Headquarters, Responsible for Group Administration (present position) (Significant concurrent positions outside the Company) President and Representative Director, Kato SC Asia Investment Co., Ltd.	182,681
[Reasons for nomination as a candidate for Director] Shigenori Tsuguie has been mainly engaged in business in the administration departments and has abundant experience and insight. He also leads the Company in areas of corporate governance and business management through institutional reforms. Accordingly, the Company has judged that Shigenori Tsuguie is well-qualified to contribute to the continuous improvement of the Company's corporate value, and has nominated him as a candidate to continue serving as Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
9	[Reelection] [Outside Officer] [Independent Officer] Yusuke Yasokawa (October 22, 1965)	Apr. 1989 Joined NIPPON TELEGRAPH AND TELEPHONE CORPORATION Jan. 1999 Joined The Boston Consulting Group May 2013 Joined P&E Directions, Inc. Director Aug. 2015 Founded Y-Knot Inc. Representative Director (present position) Dec. 2015 Outside Director, the Company (present position) Sept. 2018 Outside Director, unerry Inc. (present position) Feb. 2019 CEO, MYCARE Hawaii Inc. (present position) (Significant concurrent positions outside the Company) Representative Director, Y-Knot Inc. CEO, MYCARE Hawaii Inc.	–
[Reasons for nomination as a candidate for Outside Director] Yusuke Yasokawa has abundant and significant experience in company management including the development and implementation support of growth strategies and medium-term business plans, development of financial strategies and capitalization policies, and group company management in various firms such as consulting firms. For the aforementioned reasons, the Company has nominated him as a candidate to continue serving as Outside Director to have him offer objective advice on management in general from a broad perspective, unconstrained by the industry to which the Company belongs, and contribute to improving corporate governance.			
10	[Reelection] [Outside Officer] [Independent Officer] Ayako Kaiho (January 29, 1962)	Sept. 2000 Joined Fidelity Securities K.K. Director, Online Trade & New Business Development Sept. 2006 Joined Hitachi Consulting Co., Ltd. Senior Director, Financial Service May 2010 Joined IBM Japan, Ltd. Partner, Global Business Services June 2015 Joined EY Advisory & Consulting Co., Ltd. Director, Life Science Oct. 2017 Founded Office Kaiho Representative Director (present position) Dec. 2018 Outside Director, the Company (present position) July 2020 Senior Director, Service Delivery, Suvoda Software G.K. (present position) (Significant concurrent positions outside the Company) Representative Director, Office Kaiho Senior Director, Service Delivery, Suvoda Software G.K.	–
[Reasons for nomination as a candidate for Outside Director] Ayako Kaiho has experience in important business execution including promoting new businesses and executing global businesses in the financial and consulting industries, etc. In regard to the Company's future growth strategies, the Company has judged that she will contribute to improving corporate governance from an objective, neutral, and professional standpoint concerning general management, which is facilitated by her broad perspective, unconstrained by the industry to which the Company belongs and, therefore, has nominated her as a candidate to continue serving as Outside Director.			

Notes: 1. There is no special interest between any of the candidates and the Company.

2. Yusuke Yasokawa and Ayako Kaiho are candidates for Outside Director.

3. (1) Yusuke Yasokawa is currently an Outside Director of the Company, and at the conclusion of this meeting, his tenure as Outside Director will have been five years.

(2) Ayako Kaiho is currently an Outside Director of the Company, and at the conclusion of this meeting, her tenure as Outside Director will have been two years.

4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and Article 26 of the Company's Articles of Incorporation, the Company has entered into an agreement with the candidates for Outside Director Yusuke Yasokawa and Ayako Kaiho to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under the said agreement is the minimum liability amount provided for under laws and regulations, and if Yusuke Yasokawa and Ayako Kaiho are reelected, the Company will continue the said agreement.
5. Yusuke Yasokawa and Ayako Kaiho satisfy the requirements for an independent officer as provided for by the Tokyo Stock Exchange, and the Company has submitted notification to the aforementioned exchange concerning their appointment as independent officers.

Proposal No. 3: Election of Three (3) Audit & Supervisory Board Members

The terms of office of Audit & Supervisory Board Members Hiroki Sagara, Koji Yamamura and Shigeyuki Moriuchi will expire and Audit & Supervisory Board Member Yutaka Kozuki will resign at the conclusion of this meeting.

Therefore, we propose to elect three (3) Audit & Supervisory Board Members, including two (2) Outside Audit & Supervisory Board Members, in order to continue maintaining an appropriate and effective audit system.

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

The candidates for Audit & Supervisory Board Member are as follows:

Candidate No.	Name		Current position at the Company	
1	[New election]	Yoshiyuki Nakajima	Assigned to General Manager of General Affairs Department (temporarily transferred to K-Teion Foods Co., Ltd.)	
2	[Reelection]	Koji Yamamura	Outside Audit & Supervisory Board Member	[Outside Officer] [Independent Officer]
3	[Reelection]	Shigeyuki Moriuchi	Outside Audit & Supervisory Board Member	[Outside Officer] [Independent Officer]

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary and position in the Company
(Significant concurrent positions outside the Company)</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">1</td><td rowspan="2">[New election]

Yoshiyuki Nakajima
(December 27, 1962)</td><td>Apr. 1985</td><td>Joined the Company</td><td rowspan="2">3,000</td></tr>
<tr><td>Dec. 2008

Dec. 2015</td><td>General Manager of General Affairs Department and Environmental Management Department

Assigned to General Manager of General Affairs Department (temporarily transferred to K-Teion Foods Co., Ltd.) (present position)

(Significant concurrent positions outside the Company)
None</td></tr>
<tr><td colspan="5">[Reasons for nomination as a candidate for Audit & Supervisory Board Member]
Yoshiyuki Nakajima has many years of experience and abundant knowledge in the administration departments of the Company, as well as variety of other experience, having served as Director, Chief of Business Administration Division and General Manager of Strategic Planning Division at a subsidiary of the Company. Accordingly, the Company has judged that he will be able to utilize this experience to appropriately carry out the duties of an Audit & Supervisory Board Member, and has nominated him as a candidate for Audit & Supervisory Board Member.</td></tr>
<tr><td rowspan="2">2</td><td rowspan="2">[Reelection]
[Outside Officer]
[Independent Officer]

Koji Yamamura
(September 25, 1962)</td><td>Apr. 1985
June 1991

June 1994

May 1998

Oct. 1998

Apr. 2002

June 2003

June 2005

Dec. 2012

June 2017</td><td>Joined the Industrial Bank of Japan, Limited
Joined Yamamura Glass Co., Ltd.
General Manager of the Administration Department
Company Director & Deputy Division Director of the Administration Division, Yamamura Glass Co., Ltd.
Managing Director & Division Director of the Administration Division, Yamamura Glass Co., Ltd.
Managing Director, Nihon Yamamura Glass Co., Ltd.
Senior Managing Director, Nihon Yamamura Glass Co., Ltd.
Representative Director & President and COO, Nihon Yamamura Glass Co., Ltd.
Representative Director & President, CEO and COO, Nihon Yamamura Glass Co., Ltd.
Outside Audit & Supervisory Board Member, the Company (present position)
Representative Director & President and CEO, Nihon Yamamura Glass Co., Ltd. (present position)
(Significant concurrent positions outside the Company)
Representative Director & President and CEO, Nihon Yamamura Glass Co., Ltd.</td><td rowspan="2">–</td></tr>
<tr><td colspan="5">[Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member]
Koji Yamamura currently serves as Representative Director & President and Chief Executive Officer of Nihon Yamamura Glass Co., Ltd. The Company has judged that he will be able to appropriately carry out the duties of an Outside Audit & Supervisory Board Member from an objective and neutral standpoint based on his abundant experience and high level of insight, and has nominated him as a candidate to continue serving as Outside Audit & Supervisory Board Member.</td></tr>
</table>

Candidate No.	Name (Date of birth)	Career summary and position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	[Reelection] [Outside Officer] [Independent Officer] Shigeyuki Moriuchi (February 26, 1957)	Oct. 1982 Joined Price Waterhouse Certified Public Accountants Office July 1998 Senior Partner, Aoyama Audit Corporation Oct. 2005 Director and Senior Partner, ChuoAoyama Audit Corporation May 2007 Senior Partner, Kasumigaseki Audit Corporation (currently Grant Thornton Taiyo LLC) Jan. 2010 Managing Partner, Kasumigaseki Audit Corporation Oct. 2013 Partner, Grant Thornton Taiyo LLC (present position) Nov. 2015 Outside Director (Audit and Supervisory Committee Member), KOSHIDAKA HOLDINGS Co., LTD. (present position) Dec. 2016 Outside Audit & Supervisory Board Member, the Company (present position) Apr. 2019 Outside Audit & Supervisory Board Member, DyDo GROUP HOLDINGS, INC. (present position) (Significant concurrent positions outside the Company) Partner, Grant Thornton Taiyo LLC Outside Director (Audit and Supervisory Committee Member), KOSHIDAKA HOLDINGS Co., LTD. Outside Audit & Supervisory Board Member, DyDo GROUP HOLDINGS, INC.	–
[Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member] As a certified public accountant, Shigeyuki Moriuchi has been active on the front lines for many years, having held key positions such as managing partner at multiple audit corporations. Although, up to the present, he has not been directly involved with company management in a manner other than serving as an outside officer, the Company has judged that he will be able to appropriately carry out the duties of an Outside Audit & Supervisory Board Member from an objective and neutral standpoint based on his abundant experience and knowledge, and has nominated him as a candidate to continue serving as Outside Audit & Supervisory Board Member.			

Notes: 1. There is no special interest between any of the candidates and the Company.

2. Koji Yamamura and Shigeyuki Moriuchi are candidates for Outside Audit & Supervisory Board Member.

3. (1) Koji Yamamura is currently an Outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure as Outside Audit & Supervisory Board Member will have been eight years.

   (2) Shigeyuki Moriuchi is currently an Outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure as Outside Audit & Supervisory Board Member will have been four years.

4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and Article 33 of the Company's Articles of Incorporation, the Company has entered into an agreement with the candidates for Outside Audit & Supervisory Board Member Koji Yamamura and Shigeyuki Moriuchi to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under the said agreement is the minimum liability amount provided for under laws and regulations, and if Koji Yamamura and Shigeyuki Moriuchi are reelected, the Company will continue the said agreement.

5. Koji Yamamura and Shigeyuki Moriuchi satisfy the requirements for an independent officer as provided for by the Tokyo Stock Exchange, and the Company has submitted notification to the aforementioned exchange concerning their appointment as independent officers.

Proposal No. 4: Payment of Retirement Benefits to Retiring Audit & Supervisory Board Members

In order to reward Hiroki Sagara who will retire as Audit & Supervisory Board Member at the conclusion of this meeting and Yutaka Kozuki who will resign as Audit & Supervisory Board Member at the conclusion of this meeting, for their services during their terms up to the conclusion of the meeting, we would like to pay each a reasonable amount of retirement benefits in accordance with the Company's internal rules.

It is also proposed that such matters as the actual amounts, the timing and method be determined by deliberation among the Audit & Supervisory Board Members.

The career summary of the retiring Audit & Supervisory Board Members are as follows:

Name	Career summary	
Hiroki Sagara	Dec. 2012	Audit & Supervisory Board Member (present position)
Yutaka Kozuki	Dec. 2018	Audit & Supervisory Board Member (present position)

* At the meeting of the Board of Directors held on November 13, 2020, the Company resolved to abolish the retirement benefits for Audit & Supervisory Board Members upon the conclusion of this meeting.