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

NOTICE OF THE 7TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

ARUHI Corporation

Securities Code: 7198

To Our Shareholders

We would like to express our deep appreciation to all of our shareholders for your continued support. We are sending this notice of convocation as we will shortly be holding our 7th Annual General Meeting of Shareholders.

Over this past year, the spread of the novel coronavirus disease (COVID-19) has led to major changes in preferences for housing and lifestyles, which are related to the business areas of ARUHI. Telecommuting has gained popularity and restrictions on going out has become major turning points regarding what people require from their living environments. This has led to people moving from urban centers to the suburbs and from condominiums to houses. Fortunately, demand for own residences has seen little negative effect from COVID-19 and remained strong. As a result, we recorded our highest ever operating revenue and profit in the fiscal year under review.

Noting these major changes in housing and living needs, we began revising the mid-term plan announced in fiscal 2018 and recently announced the “Mid-term Strategic Plan 2021.”

This new plan will evolve ARUHI from a “Housing Loan Company” to a globally unique “One-stop Homebuying Service Company.” With this change, we aspire to become a consumer brand with unrivalled name recognition and customer experience.

As a new “One-stop Homebuying Service Company,” we will continue to innovate and take on further challenges with speed. We appreciate your continued support.

Hiroshi Hamada
Chairman of the Board,
President, Representative Director, CEO and COO

(Securities Code: 7198)
June 3, 2021

To our shareholders:

Hiroshi Hamada,
Chairman of the Board,
President, Representative Director,
CEO and COO
ARUHI Corporation
6-1, Roppongi 1-chome, Minato-ku, Tokyo

Notice of the 7th Annual General Meeting of Shareholders

The 7th Annual General Meeting of Shareholders of ARUHI Corporation (the "Company") will be held for the purposes as described below.

Taking into account the recent situation regarding the spread of COVID-19 and to prevent the further spread of infection, we ask that you exercise your voting rights beforehand in writing or via the internet for this Annual General Meeting of Shareholders.

We ask that you review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights before 5:45 p.m. (JST) on Wednesday, June 23, 2021.

[Voting by mail]

Please indicate your approval or disapproval of the proposals on the enclosed voting form, and return it so that your vote is received by the above deadline.

[Voting via the Internet, etc.]

Please refer to the "Exercise of Voting Rights via the Internet, etc." (in Japanese only) and indicate your approval or disapproval of the proposals by above deadline.

Regarding Internet Disclosure (in Japanese only)

The following items have been posted on the Company's website on the Internet in accordance with laws and regulations and Article 15 of the Company's Articles of Incorporation. The relevant documents are not included in the Attachment to the Notice of Annual General Meeting of Shareholders.

(i) "Matters concerning Share Acquisition Rights, etc." and "Structures for Ensuring Appropriate Operations and Operational Status of Said Structures" in the Business Report

(ii) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements

(iii) Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements

Website of the Company https://www.aruhi-group.co.jp/english/ir/stockinfo/shareholders

These items are included in the audit materials when the Audit and Supervisory Board Members and the Accounting Auditors prepare their respective audit reports.

1. Date and Time:	10:00 a.m. (JST) on Thursday, June 24, 2021	
2. Venue:	3F, Grand Hyatt Tokyo Grand Ballroom East 10-3, Roppongi 6-chome, Minato-ku, Tokyo	
3. Purpose:	(1) Matters to be reported	1. Report on the Business Report and Consolidated Financial Statements and the results of audits by Accounting Auditors and the Audit and Supervisory Board for Consolidated Financial Statements for the 7th Fiscal Year (from April 1, 2020 to March 31, 2021)
		2. Report on the Non-consolidated Financial Statements for the 7th Fiscal Year (from April 1, 2020 to March 31, 2021)
	(2) Matters to be resolved	Proposal No. 1: Appropriation of Surplus
		Proposal No. 2: Election of Six (6) Directors
		Proposal No. 3: Election of Two (2) Audit and Supervisory Board Members
		Proposal No. 4: Election of One (1) Substitute Audit and Supervisory Board Member

1. The details listed above may be amended up to and including the day of the General Meeting of Shareholders due to factors such as government notices and the state of the spread of COVID-19. We ask that you check the latest meeting's transmission information from the Company's website on the Internet (https://www.aruhi-group.co.jp/english/ir/stockinfo/shareholders).
2. Using voting forms to exercise voting rights leads to infection risks due to the process involved in sending the forms to the Company and due to the work required to tally the votes. Hence, if you wish to exercise your voting rights in advance, we ask that you do so over the Internet wherever possible.
3. If any changes are made to items in the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements or Non-consolidated Financial Statements, please note that such changes will be posted on the Company's website (https://www.aruhi-group.co.jp/english/ir/stockinfo/shareholders).

Information on Exercise of Voting Rights, etc.

The right to vote at the general meeting of shareholders is a principal right of shareholders. Please exercise your voting rights by one of the following three methods.

1. Exercise of Voting Rights by attending the general meeting of shareholders
2. Exercise of Voting Rights by mail
3. Exercise of Voting Rights via the Internet, etc.

(1) If you exercise your voting rights both in writing and via the internet, etc., we will consider the exercise via the internet, etc. to be valid.

(2) If you exercise your voting rights more than once via the internet, etc., we will consider the final vote to be effective. In addition, if you exercise your voting rights more than once by using personal computers, smartphones or mobile phones, we will consider the final vote to be effective.

Electronic Voting Platform for Institutional Investors

If the application for the use of the electronic voting platform (ProxyEdge) operated by ICJ, Inc.* is made in advance, nominal shareholders such as management trust banks, including standing proxies, may use such platform as their electronic or magnetic means of voting rights for the Company's general meeting of shareholders, other than by exercising voting rights via the internet.

*A joint venture company established by Tokyo Stock Exchange, Inc. and Broadridge Financial Solutions, Inc.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

In accordance with our dividend policy, the Company proposes to pay the following amount of year-end dividends for the current fiscal year.

Type of dividend property	Cash
Allotment of dividend property and total amount to be paid	¥30.00 per common share of the Company Total dividends: ¥1,065,055,200
Effective date of dividends of surplus	June 25, 2021

The Company's dividend policy is as follows:

The Company recognizes that both distribution of profits to shareholders and sustained corporate growth are top management priorities. Based on this recognition, the Company has set out a basic policy to comprehensively take into account the level of ROE and financial leverage, to use internal reserves to invest in growth to further boost corporate value, and to actively pay dividends of surplus.

Specifically, the Company's target dividend payout ratio is 35 to 40%, and the Articles of Incorporation allow the Company to pay interim dividends once a year in addition to year-end dividends.

The organizational functions that approve the dividends of surplus, etc. are the General Meeting of Shareholders for year-end dividends and the Board of Directors for interim dividends.

Proposal No. 2: Election of Six (6) Directors

At the conclusion of this Annual General Meeting of Shareholders, the terms of office as Directors of Messrs. Hiroshi Hamada and Keiichi Yoshida, Ms. Tokiko Ide and Messrs. Toshihiko Hiura and Hiroyuki Oshida will expire. Therefore, the Company requests approval for the reelection of the four (4) Directors and the election of two (2) new Directors listed below, increasing the number of Directors by one (1) in order to strengthen the management team.
The candidates for Director are as follows:

Candidate No.	Name		Current position and responsibility in the Company	Attendance at Board of Directors meetings
1	Hiroshi Hamada	[Re-election]	Chairman of the Board, President, Representative Director, CEO and COO	100% (16/16)
2	Toshihiko Katsuya	[New election]	Executive Vice President, Corporate Officer	—
3	Yasuko Matsumoto	[New election]	Executive Corporate Officer, CFO	—
4	Tokiko Ide	[Re-election] [Outside] [Independent]	Outside Director	93.8% (15/16)
5	Toshihiko Hiura	[Re-election] [Outside] [Independent]	Outside Director	100% (16/16)
6	Hiroyuki Oshida	[Re-election] [Outside] [Independent]	Outside Director	100% (16/16)

[New election] Candidate for new election as Director
[Re-election] Candidate for re-election as Director
[Outside] Candidate for outside Director
[Independent Officer] Independent Officer under the stipulations of Tokyo Stock Exchange, Inc.

(Notes) 1. Mr. Toshihiko Hiura, a candidate for Director, is the Representative Director of WT Bridge Inc., a party hired by the Company in a management consulting role in July 2020. There is no special interest between the other candidates and the Company.

2. The Company has signed contracts for Limitation of Liabilities with all of the Outside Directors under Article 425, paragraph 1 of the Companies Act when the Outside Directors perform their duties in good faith without gross negligence. Therefore, in the event that the re-election of Ms. Tokiko Ide, Messrs. Toshihiko Hiura and Hiroyuki Oshida is approved, the Company plans to continue the said contracts. Outline of the contract is as below:
   - In the event that an Outside Director is liable for damages due to neglect of duties, his/her liability will be limited to the minimum liability amount under Article 425, paragraph 1 of the Companies Act.
   - The aforementioned limit of liability is only permitted when an Outside Director performs his/her duties in good faith and without gross negligence.

3. Percentage of attendance at Board of Directors meetings is calculated based on the number of Board of Directors meetings held during the fiscal year under review and the number of meetings attended.

4. As prescribed under Article 430-3, paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance agreement with an insurance company. The details of this agreement are provided on page 39 in the Business Report. In the event that the election of the candidates for Director is

approved, they will be covered by said agreement. This agreement is planned to be renewed with the same details.

Candidate No.		Number of shares of the Company held: 933,000 shares
1	Hiroshi Hamada (Born on May 30, 1959)	The number of years in office as Director (as of the conclusion of this General Meeting): 6 years and 1 month
Re-election		

Summary of career, position and responsibilities in the Company

Apr. 1982	Joined Yamashita-Shinnihon Steamship Co., Ltd. (currently Mitsui O.S.K. Lines, Ltd.)
Apr. 1987	Joined American Life Insurance Company, Japan Branch (currently MetLife, Inc.)
Nov. 1992	Joined Clarke Consulting Group (U.S.)
Jan. 1995	Joined Dell Computer Inc. (currently Dell Japan Inc.)
Aug. 2000	Assumed Representative Director, President of Dell Japan Inc. and Vice President of Dell Computer Corporation
May 2006	Assumed Representative Partner of Revamp Corporation
Apr. 2008	Assumed Executive Officer, President and Chief Operating Officer of HOYA CORPORATION
Jun. 2008	Assumed Director, Executive Officer, President and Chief Operating Officer of HOYA CORPORATION
Nov. 2011	Assumed Director, Representative Executive Officer, President and Chief Operating Officer of HOYA CORPORATION
Mar. 2014	Assumed Independent Director of the Board of KOKUYO Co., Ltd. (current position)
May 2015	Assumed Chairman of the board, Representative Director and CEO of ARUHI Group Corporation
May 2015	Assumed Chairman of the board, Representative Director and CEO of ARUHI Group Corporation (currently the Company)
Sept. 2015	Assumed Chairman of the board, President, Representative Director, CEO and COO of former ARUHI Corporation
Sept. 2015	Assumed Chairman of the Board, President, Representative Director, CEO and COO of ARUHI Group Corporation (currently the Company) (current position)

Significant concurrent positions

Mr. Hiroshi Hamada serves as an Independent Director of the Board of KOKUYO Co., Ltd. since March 2014.

Reasons for nomination as candidate for Director

Mr. Hiroshi Hamada currently leads the Company's Group management, and has played an appropriate role in enhancing corporate values, such as in determining important matters and overseeing execution of businesses. Since it is expected that he can further contribute to the Company in the future, he has been selected as a candidate for Director.

Candidate No.		Number of shares of the Company held: 0 shares
2	Toshihiko Katsuya (Born on December 18, 1965)	The number of years in office as Director (as of the conclusion of this General Meeting): –
New election		

Summary of career, position and responsibilities in the Company

Apr. 1989	Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)
Apr. 2006	Joined Monex Beans Holdings, Inc. (currently Monex Group, Inc.)
Oct. 2010	Assumed Representative Director and President of Monex FX, Inc.
Nov. 2015	Assumed Representative Director and President of Monex, Inc.
Jun. 2017	Assumed Director, Executive Officer of Monex Group, Inc.
Apr. 2018	Assumed Representative Director and President of Coincheck, Inc.
Jun. 2018	Assumed Director, Managing Executive Officer of Monex Group, Inc.
Jun. 2019	Assumed Director of Japan Cryptocurrency Exchange Association (currently Japan Virtual and Crypto assets Exchange Association)
Jan. 2021	Assumed Executive Vice President, Corporate Officer of ARUHI Corporation (current position)

Significant concurrent positions

Not applicable.

Reasons for nomination as candidate for Director

Mr. Toshihiko Katsuya has engaged in business management for many years, leveraging his extensive experience and knowledge in financial business. After joining the Company in January 2021, he has played an important role as Executive Vice President, Corporate Officer, accurately understanding and resolving business issues and spearheading organizational reform aimed at realizing the management strategy of the Company. Therefore, the Board of Directors has selected him as a new candidate for Director.

Candidate No.		Number of shares of the Company held: 2,500 shares
3	Yasuko Matsumoto (Born on February 2, 1964)	The number of years in office as Director (as of the conclusion of this General Meeting): –
New election		

Summary of career, position and responsibilities in the Company

Apr. 1986	Joined NEC Corporation
Apr. 2017	Assumed Outside Director of Kemet Corporation
Jul. 2018	Joined ARUHI Corporation
Jan. 2021	Assumed Executive Corporate Officer, CFO of ARUHI Corporation (current position)

Significant concurrent positions

Not applicable.

Reasons for nomination as candidate for Director

Ms. Yasuko Matsumoto possesses advanced expertise and capability in the fields of finance, accounting and management planning. After joining the Company in July 2018, she was appointed to the position of Executive Corporate Officer, CFO in January 2021 and has played an important role in accurately understanding and resolving business issues and providing finance work supervision aimed at realizing the management strategy of the Company. Therefore, the Board of Directors has selected her as a new candidate for Director.

Candidate No.		
4	Tokiko Ide (Born on April 16, 1958)	Number of shares of the Company held: 0 shares The number of years in office as Director (as of the conclusion of this General Meeting): 3 years and 11 months
Re-election		
Outside		
Independent		

Summary of career, position and responsibilities in the Company

Apr. 1981	Joined Victor Company of Japan, Limited
Apr. 1988	Joined Japan Motorola, Inc.
Jun. 1998	Joined Dell Japan Inc.
Sept. 2005	Assumed Finance Vice President of Baxter Limited
Jul. 2012	Assumed CFO of Acyan Corporation
Apr. 2014	Assumed CFO of NEW Asurion Asia Pacific Japan G.K. (currently Asurion Japan Holdings G.K.)
Aug. 2016	Assumed Representative Director and President of Asurion Japan K.K
Jul. 2017	Assumed Outside Director of ARUHI Corporation (current position)
Aug. 2018	Assumed Advisor of Asurion Japan Holdings G.K.

Significant concurrent positions

Not applicable.

Reasons for nomination as candidate for Outside Director and overview of expected role

Ms. Tokiko Ide possesses a wealth of experience and knowledge as a management executive and CFO. Especially in the field of finance, she is expected to provide objective and long-term advice and oversight from a specialized perspective regarding the operational execution of the Company. Therefore, the Company has selected her as a candidate for Outside Director. If elected, it is also expected that she will participate in the selection of candidates for Director of the Company as well as the determination of compensation for said individuals from an independent position as a personnel compensation committee member.

Independence of Outside Officers

The Company has submitted notification to Tokyo Stock Exchange, Inc. that Ms. Tokiko Ide has been designated as an independent officer as provided for by the aforementioned exchange.

Candidate No.		
5	Toshihiko Hiura (Born on October 1, 1959)	Number of shares of the Company held: 0 shares The number of years in office as Director (as of the conclusion of this General Meeting): 3 years and 11 months
Re-election		
Outside		
Independent		

Summary of career, position and responsibilities in the Company

Apr. 1983	Joined the Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)
Feb. 1986	Joined Bain & Company Japan, Inc.
Jan. 1997	Assumed Partner of Bain & Company Japan Inc.
Jan. 2008	Assumed Representative Partner of Bain & Company Japan Inc.
Apr. 2014	Assumed Chairman of Bain & Company Japan Inc.
Jan. 2017	Assumed Representative Director of WT Bridge Inc. (current position)
Jul. 2017	Assumed Advisory Partner of Bain & Company Japan, Inc.
Jul. 2017	Assumed Outside Director of ARUHI Corporation (current position)

Significant concurrent positions

Mr. Toshihiko Hiura has served as Representative Director of WT Bridge Inc. since January 2017.

Reasons for nomination as candidate for Outside Director and overview of expected role

Mr. Toshihiko Hiura possesses a wealth of knowledge as a management executive and management consultant. Especially in the areas of business strategy and technology, he is expected to provide objective and long-term advice and oversight from a specialized perspective regarding the operational execution of the Company. Therefore, the Company has selected him as a candidate for Outside Director. If elected, it is also expected that he will participate in the selection of candidates for Director of the Company as well as the determination of compensation for said individuals from an independent position as a personnel compensation committee member.

Independence of Outside Officers

The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Toshihiko Hiura has been designated as an independent officer as provided for by the aforementioned exchange. The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) to which Mr. Toshihiko Hiura belonged, is one of the Company's main lenders. However, as more than 30 years have passed since he resigned from the said bank, it is deemed that Mr. Toshihiko Hiura is sufficiently independent with no risk of causing any conflict of interest with ordinary shareholders. In addition, the Company hired WT Bridge Inc. of which Mr. Toshihiko Hiura is the Representative Director, in a management consulting role in July 2020. However, as the transactions amount is less than ¥5 million, it is deemed that Mr. Toshihiko Hiura is sufficiently independent with no risk of causing any conflict of interest with ordinary shareholders.

Candidate No.		
6	Hiroyuki Oshida (Born on June 5, 1957)	Number of shares of the Company held: 0 shares The number of years in office as Director (as of the conclusion of this General Meeting): 1 year and 11 months
Re-election		
Outside		
Independent		

Summary of career, position and responsibilities in the Company

Apr. 1981	Joined The Long-Term Credit Bank of Japan, Limited (currently Shinsei Bank, Limited)
Jul. 1998	Joined KPMG Global Solution K.K.
Jul. 1999	Assumed Director of KPMG Global Solution K.K.
Feb. 2000	Joined KPMG Business Advisory LLC
Jul. 2000	Assumed Partner and Branch Manager of KPMG Business Advisory LLC-Tokyo Branch
Aug. 2003	Assumed Representative Director, Partner of KPMG FAS Co., Ltd.
Sept. 2006	Assumed Visiting Professor of KIT Toranomon Graduate School
Jul. 2019	Assumed Outside Director of ARUHI Corporation (current position)
Jul. 2019	Assumed Outside Director of GIGA PRIZE CO., LTD. (current position)
Nov. 2019	Assumed Outside Director of SFM Co., Ltd. (current position)
Dec. 2019	Assumed Outside Audit and Supervisory Board Member of Japan Best Rescue System Co., Ltd. (current position)

Significant concurrent positions

Mr. Hiroyuki Oshida is an Outside Director of GIGA PRIZE CO., LTD. and SFM Co., Ltd. and is an Outside Audit and Supervisory Board Member of Japan Best Rescue System Co., Ltd.

Reasons for nomination as candidate for Outside Director and overview of expected role

Mr. Hiroyuki Oshida possesses a wealth of experience and knowledge as a management executive and consultant. Especially in the areas of management strategy and mergers and acquisitions including capital tie-ups, he is expected to provide objective and long-term advice and oversight from a specialized perspective regarding the operational execution of the Company. Therefore, the Company has selected him as a candidate for Outside Director. If elected, it is also expected that he will participate in the selection of candidates for Director of the Company as well as the determination of compensation for said individuals from an independent position as a personnel compensation committee member.

Independence of Outside Officers

The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Hiroyuki Oshida has been designated as an independent officer as provided for by the aforementioned exchange. The Long-Term Credit Bank of Japan, Limited (currently Shinsei Bank, Limited) to which Mr. Hiroyuki Oshida belonged, is not one of the Company's lenders. Also, as more than 20 years have passed since he resigned from the said bank, it is deemed that Mr. Hiroyuki Oshida is sufficiently independent with no risk of causing any conflict of interest with ordinary shareholders.

Proposal No. 3: Election of Two (2) Audit and Supervisory Board Members

At the conclusion of this Annual General Meeting of Shareholders, the terms of office as Audit and Supervisory Board Members of Messrs. Yuji Harada and Makoto Imamura will expire. Therefore, the Company requests approval for the re-election of the two (2) Audit and Supervisory Board Members listed below.
Consent of the Audit and Supervisory Board has been obtained for this proposal.

Candidate No.	Name		Current position in the Company	Attendance at Board of Directors meetings	Attendance at Audit and Supervisory Board meetings
1	Yuji Harada	[Re-election] [Outside] [Independent]	Full-time Audit and Supervisory Board Member	100% (16/16)	100% (13/13)
2	Makoto Imamura	[Re-election] [Outside] [Independent]	Outside Audit and Supervisory Board Member	100% (16/16)	100% (13/13)

[Re-election] Candidate for re-election as Audit and Supervisory Board Member
[Outside] Candidate for outside Audit and Supervisory Board Member
[Independent Officer] Independent Officer under the stipulations of Tokyo Stock Exchange, Inc.

(Notes) 1. There is no special interest between any of the candidates and the Company.
2. The Company has signed contracts for Limitation of Liabilities with all of the Audit and Supervisory Board Members under Article 425, paragraph 1 of the Companies Act when the Audit and Supervisory Board Members perform their duties in good faith without gross negligence. Therefore, in the event that the re-election of Messrs. Yuji Harada and Makoto Imamura is approved, the Company plans to continue the said contracts. Outline of the contract is as below:
   - In the event that an Audit and Supervisory Board Member is liable for damages due to neglect of duties, his/her liability will be limited to the minimum liability amount under Article 425, paragraph 1 of the Companies Act.
   - The aforementioned limit of liability is only permitted when an Audit and Supervisory Board Member performs his/her duties in good faith and without gross negligence.
3. Percentage of attendance at Board of Directors meetings and at Audit and Supervisory Board meetings are calculated based on the number of Board of Directors meetings and Audit and Supervisory Board meetings held during the fiscal year under review and the number of meetings attended.
4. As prescribed under Article 430-3, paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance agreement with an insurance company. The details of this agreement are provided on page 39 in the Business Report. In the event that the election of the candidates for Audit and Supervisory Board Member is approved, they will continue to be covered by said agreement. This agreement is planned to be renewed with the same details.

Candidate No.		
1	Yuji Harada (Born on September 20, 1951)	Number of shares of the Company held: 0 shares The number of years in office as Audit and Supervisory Board Member (as of the conclusion of this General Meeting): 3 years and 0 month
Re-election		
Outside		
Independent		

Summary of career and position in the Company

Apr. 1974	Joined the Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
Jun. 2002	Assumed Executive Officer, General Manager of Planning Dept., International Banking Unit of the Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
Apr. 2004	Assumed Managing Director of the Japan Research Institute, Limited
Jun. 2007	Assumed Director, Senior Managing Executive Officer of the Japan Research Institute, Limited
Apr. 2008	Assumed Managing Executive Officer of Mazda Motor Corporation
Nov. 2008	Assumed Director, Senior Managing Executive Officer of Mazda Motor Corporation
Jun. 2017	Assumed Outside Director of Nippon Chemiphar Co., Ltd. (current position)
Jun. 2018	Assumed Full-time Audit and Supervisory Board Member of ARUHI Corporation (current position)

Significant concurrent positions

Mr. Yuji Harada has served as Outside Director of Nippon Chemiphar Co., Ltd. since June 2017.

Reasons for nomination as candidate for Outside Audit and Supervisory Board Member

Mr. Yuji Harada possesses a wealth of experience from many years spent as a management executive as well as a wealth of knowledge regarding finance and accounting. The Company believes that in his current role as Full-time Audit and Supervisory Board Member of the Company, he is playing an important role in the healthy and appropriate management of the Company. Therefore, the Company has selected him as a candidate to continue as Outside Audit and Supervisory Board Member.

Independence of Outside Officers

The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Yuji Harada has been designated as an independent officer as provided for by the aforementioned exchange. The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation) to which Mr. Yuji Harada belonged, is one of the Company's main lenders. However, as 17 years have passed since he resigned from the said bank, it is deemed that Mr. Yuji Harada is sufficiently independent with no risk of causing any conflict of interest with ordinary shareholders.

Candidate No.		
2	Makoto Imamura (Born on December 13, 1961)	Number of shares of the Company held: 0 shares The number of years in office as Audit and Supervisory Board Member (as of the conclusion of this General Meeting): 3 years and 11 months
Re-election		
Outside		
Independent		

Summary of career and position in the Company

Apr. 1988	Registered as an attorney at law and joined Mori Sogo (currently Mori Hamada & Matsumoto)
Jan. 1996	Assumed Partner of Mori Sogo (currently Mori Hamada & Matsumoto)
Feb. 1996	Registered as an attorney at law in New York State, United States
Dec. 1998	Assumed Partner of Miyakezaka Sogo Law Offices
Jan. 2016	Assumed Partner of Kasumimon Sogo Law Offices (currently SHIOMIZAKA) (current position)
Jul. 2017	Assumed Outside Audit and Supervisory Board Member of ARUHI Corporation (current position)

Significant concurrent positions

Mr. Makoto Imamura is a Partner of SHIOMIZAKA.

Reasons for nomination as candidate for Outside Audit and Supervisory Board Member

The Company believes that Mr. Makoto Imamura is using his specialized knowledge and wide breadth of experiences as an attorney at law to provide objective opinions from a neutral point of view, thereby playing an essential role as an Outside Audit and Supervisory Board Member of the Company. Therefore, the Company has selected him as a candidate to continue as Outside Audit and Supervisory Board Member.
Although Mr. Makoto Imamura has not been involved in corporate management other than by serving as an outside corporate officer, the Company has determined that as an attorney at law, his deep knowledge of corporate law enables him to appropriately execute the duties of an Outside Audit and Supervisory Board Member.

Independence of Outside Officers

The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Makoto Imamura has been designated as an independent officer as provided for by the aforementioned exchange. The Company has no advisory contract with SHIOMIZAKA nor carries out constant business with this law office to which Mr. Makoto Imamura belongs.

Proposal No. 4: Election of One (1) Substitute Audit and Supervisory Board Member

In preparation for the case when the number of Audit and Supervisory Board Members falls short of the number stipulated by laws and regulations or the Articles of Incorporation, or the case when the election of Mr. Yuji Harada as Audit and Supervisory Board Member is approved per Proposal No. 3 and he is then absent as Full-time Audit and Supervisory Board Member, the Company requests approval for the election in advance of the following one (1) candidate as substitute Audit and Supervisory Board Member.
This election will be effective until the commencement of the next Annual General Meeting of Shareholders. However, this election may be cancelled by resolution of the Board of Directors with the consent of the Audit and Supervisory Board but only if carried out prior to him taking office as an Audit and Supervisory Board Member. Consent of the Audit and Supervisory Board has been obtained for this proposal.

Akihiro Inoue (Born on December 14, 1966)	Number of shares of the Company held: 67,900 shares

Summary of career and position in the Company

Apr. 1990	Joined The Mitsui Trust Company, Limited (currently Sumitomo Mitsui Trust Bank, Limited)
Mar. 2000	Joined Softbank Finance Corporation
Jul. 2005	Joined SBI Holdings, Inc.
Apr. 2006	Joined SBI Sumishin Net Bank Preparatory Co., Ltd.
Sept. 2007	Assumed Director of SBI Sumishin Net Bank, Ltd.
Jun. 2009	Joined SBI Mortgage Co., Ltd. (currently ARUHI Corporation)
Jul. 2018	Assumed General Manager of the Internal Auditing Division of ARUHI Corporation (current position)

Significant concurrent positions

Not applicable.

Reasons for nomination as candidate for Substitute Audit and Supervisory Board Member

Mr. Akihiro Inoue currently utilizes his extensive knowledge of internal control and the Company's business as General Manager of the Internal Auditing Division and has played an appropriate role in contributing to enhancing the effectiveness of the auditing function of the Company. Since it can be expected that he will continue to drive the further achievement of strengthening the Company's audit function in the future, the Company has selected him as a candidate for substitute Audit and Supervisory Board Member.

(Notes) 1. There is no special interest between Mr. Akihiro Inoue and the Company.

2. The Company has signed contracts for Limitation of Liabilities with all of the Audit and Supervisory Board Members under Article 425, paragraph 1 of the Companies Act when the Audit and Supervisory Board Members perform their duties in good faith without gross negligence. Therefore, when Mr. Akihiro Inoue takes office as an Audit and Supervisory Board Member, the Company plans to conclude the said contract with him. Outline of the contract is as below:
   - In the event that an Audit and Supervisory Board Member is liable for damages due to neglect of duties, his/her liability will be limited to the minimum liability amount under Article 425, paragraph 1 of the Companies Act.
   - The aforementioned limit of liability is only permitted when an Audit and Supervisory Board Member performs his/her duties in good faith and without gross negligence.

3. As prescribed under Article 430-3, paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance agreement with an insurance company. The details of this agreement are provided on page 39 in the Business Report. Therefore, when Mr. Akihiro Inoue takes office as an Audit and Supervisory Board Member, he will be covered by said contract. This agreement is planned to be renewed with the same details.

Reference

<Directors and Audit and Supervisory Board Members after the 7th Annual General Meeting of Shareholders on June 24, 2021 (planned)>

Name	Position	Outside	Business management	Finance, accounting	Marketing, sales	Technology	Internationality	Personnel, labor	Legal, compliance	Governance, risk management	Personnel compensation committee
Hiroshi Hamada	Representative Director		●		●		●				●
Toshihiko Katusya	Representative Director		●		●		●				–
Yasuko Matusmoto	Director		●	●						●	–
Tokiko Ide	Director	●	●	●			●				●
Toshihiko Hiura	Director	●	●		●	●					●
Hiroyuki Oshida	Director	●	●	●					●		●
Yuji Harada	Full-time Audit and Supervisory Board Member	●		●			●			●	–
Makoto Imamura	Audit and Supervisory Board Member	●						●	●	●	–
Takeshi Nakano	Audit and Supervisory Board Member	●		●					●	●	–
Mitsumasa Ueno	Audit and Supervisory Board Member	●		●			●			●	–

(Notes) 1. Each individual's three main skills are indicated in the above table with black dots. This table does not indicate all the skills, abilities, and knowledge of these individuals.

2. The Directors with special titles will be determined at the Board of Directors meeting after this General Meeting. The Full-time Audit and Supervisory Board Member will be determined at the Audit and Supervisory Board meeting after this General Meeting.