

June 9, 2022

To Our Shareholders:

6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo

en Japan Inc.

Takatsugu Suzuki, President

Notice of the 22nd Annual Meeting of Shareholders

en Japan cordially invites shareholders to the 22nd Annual Meeting of Shareholders as described below.

You may exercise your voting rights in writing or via the Internet. Please refer to the following Reference Document for the Annual Meeting of Shareholders and exercise your voting right in the manner described hereafter no later than 5:00 p.m., on Monday, June 27, 2022.

- 1. Date:** 10:00 a.m., Tuesday, June 28, 2022
(Reception starts from 9:30 a.m.)
- 2. Venue:** 35F, en Japan Inc. Seminar room, I-land Tower,
6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
- 3. Purpose:**
 - Items to be reported:**
 1. The business report, the consolidated financial statements and the results of consolidated financial statement audits by the Accounting Auditor and the Board of Corporate Auditors for the 22nd business period (April 1, 2021 to March 31, 2022)
 2. The non-consolidated financial statements for the 22nd business period (April 1, 2021 to March 31, 2022)

Items to be resolved:

- | | |
|--------------------|---|
| Item No. 1: | Appropriation of Retained Earnings |
| Item No. 2: | Partial Amendment to the Articles of Incorporation |
| Item No. 3: | Election of Eight (8) Directors (Excluding Directors Serving on the Audit and Supervisory Committee) |
| Item No. 4: | Election of Three (3) Directors Serving on the Audit and Supervisory Committee |
| Item No. 5: | Election of One (1) Substitute Director Serving on the Audit and Supervisory Committee |
| Item No. 6: | Determination of the Amount of Remuneration, etc. for Directors (Excluding Directors Serving on the Audit and Supervisory Committee) |
| Item No. 7: | Determination of the Amount of Remuneration, etc. for Directors Serving on the Audit and Supervisory Committee |
| Item No. 8: | Determination of the Amount of Remuneration, etc. and Specifics Regarding the Share Warrants Granted to Directors (Excluding Directors and Outside Directors Serving on the Audit and Supervisory Committee) as Share Remuneration-type Stock Options |

- 4. Predetermined terms of the convocation** If you are exercising your voting rights by a proxy, you may appoint another shareholder who holds his/her voting rights as your proxy to attend the general meeting of shareholders. Please note, however, that your proxy must submit a power of attorney in writing.
- When you attend the meeting, please submit the enclosed voting form to the receptionist at the venue. Persons other than the shareholders who are eligible to exercise voting rights, including any proxies who are not shareholders and accompanying guests, may not enter the venue. In order to save on resources, please bring along this “Notice of Convocation” with you.
 - If there are any revisions to the business report, the consolidated and non-consolidated financial statements, and/or the Reference Document for the Annual Meeting of Shareholders, such revisions will be posted on our website. (URL: <https://corp.en-japan.com/IR/report.html>)
 - Of the documents to be provided at the time of this Notice of Convocation, “Consolidated Notes to Consolidated Financial Statements”, “Individual Notes to Financial Statements”, “Consolidated Statements of Changes in Net Assets”, “Non-consolidated Statements of Changes in Net Assets” and “Systems to Ensure the Appropriateness of Business Operations” are posted on our website (<https://corp.en-japan.com/IR/report.html>) pursuant to the provisions of laws and regulations and Article 15 of the Articles of Incorporation, and are not included in the attached “22nd Periodic Report.”
 - No souvenirs or gifts will be distributed at this fiscal year’s general meeting of shareholders. Thank you for your understanding.

Item No. 1: Appropriation of Retained Earnings

The Company would like to appropriate retained earnings as follows.

Year-end Dividend

From the perspective of medium- to long-term earnings growth, the Company believes that strategic investments, such as M&As and investments, and returns to shareholders are important measures, while making appropriate investments in accordance with the stage of business development. Therefore, the Company has adopted the basic policy of setting a "dividend payout ratio of 50%".

Based on the above policy, concerning the dividend for the fiscal year ended March 31, 2022, the Company would like to disburse 70.10yen per share as setting a dividend payout ratio of 50% and propose as follows.

- 1) Type in which dividends are paid

Cash payment

- 2) Allocation of dividends and total amount of dividends

The Company would like to disburse 70.1 yen per common share of the Company.

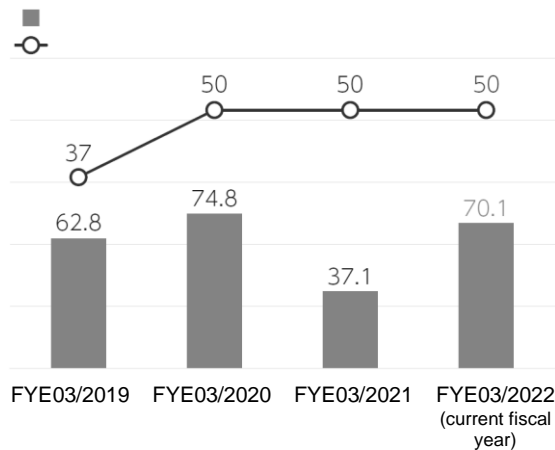
In this case, the total amount of dividends shall be 3,313,495,422 yen.

- 3) Effective date on which dividends are disbursed from retained earnings

The Company would like to disburse the dividend on June 29, 2022.

- * The difference from the dividend payout ratio shown in the financial results is a result of accounting for the J-ESOP dividend amount.
Specifically, the Company calculates a dividend payout ratio using the following formula:
Total amount of dividends paid / Profit attributable to owners of the parent
= Dividend payout ratio (%).

(Reference) Changes in dividends/payout ratio



Item No. 2: Partial Amendment to the Articles of Incorporation

1. Reason for proposal
 - (1) The Company plans to replace its Board of Corporate Auditors with an Audit and Supervisory Committee in order to enhance its ability to supervise the Board of Directors by having the members of the Audit and Supervisory Committee that audits Directors' performance of duties serve on the Board of Directors as voting members. The Company believes that the enhanced oversight should lead to further improvement of its corporate governance. Accordingly, the Company proposes to make the amendments necessary for this shift to a structure of a company with an Audit and Supervisory Committee, such as stipulating new provisions concerning Directors serving on the Audit and Supervisory Committee as well as the Audit and Supervisory Committee, deleting provisions pertaining to Corporate Auditors and the Board of Corporate Auditors, and making the necessary changes to certain words and phrases.
 - (2) The amendment stipulated in the proviso to Article 1 of the Supplementary Provision of the Act Partially Amending the Companies Act (Act No. 70 of 2019) will come into effect on September 1, 2022, and the Company proposes to revise its Articles of Incorporation as follows to prepare for the introduction of a system that provides general shareholder meeting materials in electronic format.
 - 1) Article 15, paragraph 1 of the proposed amendment will stipulate that the Company shall take measures to provide information contained in the reference documents for a general meeting of shareholders and other relevant documents in electronic format.
 - 2) Article 15, paragraph 2 of the proposed amendment will stipulate a provision limiting the scope of matters to be stated in paper-based documents to be delivered to shareholder upon request.
 - 3) The provision for online disclosure and deemed provision of the reference documents for a general meeting of shareholders and other relevant documents (Article 15 of the current Articles of Incorporation) will be deleted since it is no longer necessary.
 - 4) Supplementary provisions regarding the effective date, etc. will be added due to the stipulation or deletion of provisions as noted above.

2. Details of revision

The detail of revision of the Articles of Incorporation is as follows.

The amendment to the Articles of Incorporation regarding this agenda item will become effective at the conclusion of this Annual Meeting of Shareholders, and the amendment to the Articles of Incorporation regarding the introduction of a system for providing general shareholder meeting materials in electronic format as described in 1. (2) above will become effective as set forth in the supplementary provisions regarding the effective date and other matters.

(Those parts to be amended are underlined.)

Current Articles of Incorporation	Proposed amendments
<p>Article 4 (Organization Bodies)</p> <p>In addition to the general meeting of shareholders and directors, the Company shall have the following organizational bodies:</p> <ol style="list-style-type: none"> 1. Board of Directors 2. <u>Corporate Auditor</u> 3. <u>Board of Corporate Auditors</u> 4. <u>Accounting Auditor</u> 	<p>Article 1 (Organization Bodies)</p> <p>In addition to the general meeting of shareholders and Directors, the Company shall have the following organizational bodies:</p> <ol style="list-style-type: none"> 1. Board of Directors 2. <u>Audit and Supervisory Committee</u> (Deleted) 3. <u>Accounting Auditor</u>
<p>Article 15 (<u>Online disclosure and deemed provision of the reference documents for a general meeting of shareholders and other relevant documents</u>)</p> <p><u>Upon convening a general meeting of shareholders, the Company may deem that it has provided information pertaining to matters to be stated or presented in the reference documents for the general meeting of shareholders, business report, and consolidated and non-consolidated financial statements to shareholders by disclosing such information via the Internet in accordance with applicable laws and regulations.</u></p> <p>Article 18 (Number of Directors)</p> <p>The Company shall have no more than ten (10) directors.</p> <p>(Newly Established)</p> <p>Article 19 (Election Method)</p> <ol style="list-style-type: none"> 1) (The text omitted) 2) (The text omitted) 	<p>Article 15 (<u>Electronic Provision of Information</u>)</p> <p><u>Upon convening a general meeting of shareholders, the Company shall take measures to provide information contained in the reference documents for the general meeting of shareholders and other relevant documents in electronic format.</u></p> <p>2) <u>The Company may not include all or some of the matters stipulated in the Ministry of Justice ordinance, for which it will take measures to provide information in electronic format, in the paper-based documents to be delivered to shareholders who request delivery of said documents by the record date for voting rights.</u></p> <p>Article 18 (Number of Directors)</p> <p>The Company shall have no more than ten (10) directors (<u>excluding directors serving on the Audit and Supervisory Committee</u>).</p> <p>2) <u>The Company shall have no more than four (4) directors serving on the Audit and Supervisory Committee.</u></p> <p>Article 19 (Election Method)</p> <p><u>Directors shall be elected at a general meeting of shareholders through separate elections for directors who will serve on the Audit and Supervisory Committee as well as for other directors.</u></p> <ol style="list-style-type: none"> 2) (Unchanged) 3) (Unchanged)

Current Articles of Incorporation	Proposed amendments
<p>Article 20 (Term of Office)</p> <p>The term of office of directors shall expire at the conclusion of the annual meeting of shareholders relating to the last business year ending within one (1) year after their election.</p> <p>(Newly Established)</p> <p>(Newly Established)</p>	<p>Article 20 (Term of Office)</p> <p>The term of office of directors <u>(excluding directors serving on the Audit and Supervisory Committee)</u> shall expire at the conclusion of the annual meeting of shareholders relating to the last business year ending within one (1) year after their election.</p> <p><u>2) The term of office of directors serving on the Audit and Supervisory Committee shall expire at the conclusion of the annual meeting of shareholders relating to the last business year ending within two (2) years after their election.</u></p> <p><u>3) The term of office of a director serving on the Audit and Supervisory Committee who has been elected to fill a vacancy of a director serving on the Audit and Supervisory Committee who retires before the expiration of his/her term of office shall expire when the term of office of the said retiring director expires.</u></p>
<p>Article 21 (Representative Directors and Executive Directors)</p> <p>The Board of Directors shall, by a resolution, select representative directors from among the directors.</p> <p>2) The Board of Directors shall, by a resolution, select a president and may appoint a chairman of the Board as well as several executive vice presidents, senior managing directors, and managing directors as needed.</p>	<p>Article 21 (Representative Directors and Executive Directors)</p> <p>The Board of Directors shall, by a resolution, select representative directors from among the directors <u>(excluding directors serving on the Audit and Supervisory Committee)</u>.</p> <p>2) The Board of Directors shall, by a resolution, select a president <u>from among the directors (excluding directors serving on the Audit and Supervisory Committee)</u> and may appoint a chairman of the Board as well as several executive vice presidents, senior managing directors, and managing directors as needed.</p>
<p>Article 23 (Notice of a Board of Directors Meeting)</p> <p>Notices of meetings of the Board of Directors shall be given to each director <u>and each corporate auditor</u> at least three (3) days prior to the date of the meeting. However, this period may be shortened if it is necessary to convene an urgent meeting.</p> <p>2) A Board of Directors meeting may be held without following the procedures for convening a meeting when there is unanimous consent of all directors <u>and corporate auditors</u>.</p>	<p>Article 23 (Notice of a Board of Directors Meeting)</p> <p>Notices of meetings of the Board of Directors shall be given to each director at least three (3) days prior to the date of the meeting. However, this period may be shortened if it is necessary to convene an urgent meeting.</p> <p>2) A Board of Directors meeting may be held without following the procedures for convening a meeting when there is unanimous consent of all directors.</p>

Current Articles of Incorporation	Proposed amendments
<p>(Newly Established)</p> <p>Article <u>24</u> (The text omitted)</p> <p>Article <u>25</u> (Remuneration, Etc.) Remuneration, bonuses, and other financial benefits paid to directors by the Company as compensation for the execution of their duties (<u>hereinafter referred to as “Remuneration, Etc.”</u>) shall be determined by resolution of a general meeting of shareholders.</p> <p>Article <u>26</u> to Article <u>27</u> (The text omitted)</p> <p><u>Chapter 5 Corporate Auditors and Board of Corporate Auditors</u></p> <p><u>Article 28 (Number of Corporate Auditors)</u> The Company shall have no more than four (4) corporate auditors.</p> <p><u>Article 29 (Election Method)</u> <u>The Corporate Auditors shall be elected by the resolution of general meeting of shareholders.</u> <u>The resolution for the election of Corporate Auditors shall be adopted by a majority of voting rights of the shareholders present and having one-third or more of the total number of voting rights.</u></p>	<p><u>Article 24 (Delegation of Important Business Decisions)</u> <u>Pursuant to Article 399-13, paragraph 6 of the Companies Act, the Company may delegate decision-making regarding the execution of important business (excluding the matters listed in each item of paragraph 5 of Article 399-13 of the Companies Act) to directors either entirely or partially by a resolution of the Board of Directors.</u></p> <p>Article <u>25</u> (Unchanged)</p> <p>Article <u>26</u> (Remuneration, Etc.) Remuneration, bonuses, and other financial benefits paid to directors by the Company as compensation for the execution of their duties shall be determined by resolution of a general meeting of shareholders, <u>separately for directors serving on the Audit and Supervisory Committee and other directors.</u></p> <p>Article <u>27</u> to Article <u>28</u> (Unchanged)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current Articles of Incorporation	Proposed amendments
<p><u>Article 30 (Term of Office)</u> <u>The term of office of corporate auditors shall expire at the conclusion of the annual meeting of shareholders relating to the last business year ending within four (4) years after their election.</u> 2) <u>The term of office of a corporate auditor who has been elected to fill a vacancy of a corporate auditors who retires before the expiration of his/her term of office shall expire when the term of office of the said retiring corporate auditor expires</u></p>	(Deleted)
<p><u>Article 31 (Full-time Corporate Auditors)</u> The Board of Corporate Auditors shall, by a resolution, select Full-time corporate auditors.</p>	(Deleted)
<p><u>Article 32 (Notice of a Board of Corporate Auditors Meeting)</u> <u>Notices of meetings of the Board of Corporate Auditors shall be given to each corporate auditor at least three (3) days prior to the date of the meeting. However, this period may be shortened if it is necessary to convene an urgent meeting.</u> 2) <u>A Board of Corporate Auditors meeting may be held without following the procedures for convening a meeting when there is unanimous consent of all corporate auditors.</u></p>	(Deleted)
<p><u>Article 33 (Rules of the Board of Corporate Auditors)</u> <u>Matters concerning the Board of Corporate Auditors shall be governed by laws and regulations or these Articles of Incorporation as well as the Rules of the Board of Corporate Auditors established by the Board of Corporate Auditors.</u></p>	(Deleted)
<p><u>Article 34 (Remuneration, Etc.)</u> <u>Remuneration etc. paid to corporate auditors by the Company shall be determined by resolution of a general meeting of shareholders.</u></p>	(Deleted)

Current Articles of Incorporation	Proposed amendments
<p><u>Article 35 (Exemption of Corporate Auditors from Liability)</u> <u>Pursuant to Article 426, paragraph 1 of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt corporate auditors (including those who were formerly corporate auditors) from liability for damages as provided in Article 423, paragraph 1 of the Companies Act to the extent permitted by law.</u></p> <p>2) <u>Pursuant to Article 427, paragraph 1 of the Companies Act, the Company may enter into an agreement with corporate auditors to limit their liability for damages as provided in Article 423, paragraph 1 of the Companies Act to the extent permitted by law.</u></p>	<p>(Deleted)</p>
(Newly Established)	<u>Chapter 5 Audit and Supervisory Committee</u>
(Newly Established)	<p><u>Article 29 (Full-time Audit and Supervisory Committee Members)</u> <u>The Audit and Supervisory Committee may, by its resolution, select a full-time Audit and Supervisory Committee member.</u></p>
(Newly Established)	<p><u>Article 30 (Notice of the Audit and Supervisory Committee)</u> <u>Notice of the Audit and Supervisory Committee shall be given to each Audit and Supervisory Committee Member at least three (3) days prior to the date of the meeting. However, this period may be shortened if it is necessary to convene an urgent meeting.</u></p>
(Newly Established)	<p>2) <u>The Audit and Supervisory Committee may be held without following the procedures for convening a meeting when there is unanimous consent of all Audit and Supervisory Committee Members.</u></p>
(Newly Established)	<p><u>Article 31 (Rules of the Audit and Supervisory Committee)</u> <u>Matters concerning the Audit and Supervisory Committee shall be governed by laws and regulations or these Articles of Incorporation as well as the Rules of the Audit and Supervisory Committee established by the the Audit and Supervisory Committee</u></p>
Article <u>36</u> to Article <u>39</u> (The text omitted)	Article <u>32</u> to Article <u>35</u> (The text omitted)

Current Articles of Incorporation	Proposed amendments
(Newly Established)	<u>Supplementary Provisions</u>
(Newly Established)	<p><u>Article 1 (Exemption of Corporate Auditors from Liability)</u> Pursuant to Article 426, paragraph 1 of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt corporate auditors (including those who were formerly corporate auditors) from liability for damages as provided in Article 423, paragraph 1 of the Companies Act, arising from any action taken prior to the conclusion of the 22nd Annual Meeting of Shareholders, to the extent permitted by law.</p>
(Newly Established)	<p><u>Article 2 (Transitional Measures Concerning Electronic Provision of Information)</u> The deletion of Article 15 (Online Disclosure and Deemed Provision of the Reference Documents for a General Meeting of Shareholders and Other Relevant Documents) of the pre-amendment version of the Articles of Incorporation and the stipulation of Article 15 (Electronic Provision of Information) of the post-amendment version of the Articles of Incorporation are effective as of September 1, 2022 (the “Effective Date”), the date when the amendment stipulated in the proviso to Article 1 of the Supplementary Provision of the Act Partially Amending the Companies Act (Act No. 70 of 2019) comes into effect.</p> <p>2) Notwithstanding the provisions of the preceding paragraph, Article 15 (Online Disclosure and Deemed Provision of the Reference Documents for a General Meeting of Shareholders and Other Relevant Documents) of the pre-amendment version of the Articles of Incorporation shall remain in effect with respect to any general meeting of shareholders held within six (6) months from the Effective Date.</p> <p>3) These supplementary provisions shall be deleted once six (6) months have elapsed from the Effective Date or after three (3) months have elapsed from the date of the general meeting of shareholders described in the preceding paragraph, whichever is later.</p>

Item No. 3: Election of Eight (8) Directors (Excluding Directors Serving on the Audit and Supervisory Committee)

If Item No. 2: Partial Amendment to the Articles of Incorporation is approved and adopted as proposed, the Company will transition to a company with an Audit and Supervisory Committee, and all eight (8) Directors will retire due to the expiration of their terms of office upon the effective date stated in the amended Articles of Incorporation. Accordingly, the Company proposes the election of eight (8) Directors (excluding Directors to serve on the Audit and Supervisory Committee, the same applies hereafter in the discussion of this agenda item) to serve on the Board after this transition.

This agenda item will become effective on condition that the amendment to the Articles of Incorporation in Item No. 2, Partial Amendment to the Articles of Incorporation, takes effect.

The candidates for Directors are as follows.

Candidate's No.		Name	Current position and responsibilities in the Company	Attendance at the meetings of the Board of Directors
1	Reappointment	Takatsugu Suzuki	Representative Director, President and Executive Officer	12/12 (100%)
2	Reappointment	Michikatsu Ochi	Chairman of the Board	12/12 (100%)
3	Reappointment	Megumi Kawai	Managing Director and Executive Officer Manager of Brand Planning Office	12/12 (100%)
4	Reappointment	Teruyuki Terada	Director and Executive Officer General Manager of Digital Product Development Division	10/10 (100%)
5	Reappointment	Takuo Iwasaki	Director and Executive Officer General Manager of engage Division	10/10 (100%)
6	Reappointment Outside Director Independent Officer	Kayo Murakami	Outside Director	12/12 (100%)
7	Reappointment Outside Director Independent Officer	Wataru Sakakura	Outside Director	10/10 (100%)
8	New appointment	Yuri Hayashi	-	-

Outside Director

Independent
Officer

Policy for the selection of candidates

With regard to the election of Inside Directors, the Company has nominated personnel who are appropriate for promoting a highly efficient management system, and who not only possess high levels of expertise in their respective fields, but also can respond rapidly, flexibly, and appropriately to changes in the business environment, premised on the fact that the personnel have jointly created the Company's management philosophy and are able to devote themselves every day to the realization of that philosophy.

With regard to the election of Outside Directors, the Company has nominated personnel who are sympathetic to its management philosophy, are able to monitor management independently from an objective standpoint, and possess a wide range of perspectives, without being biased toward the interests of management and specific stakeholders.

Decision procedure

When nominating a candidate for Director, the Board of Directors considers and decides based on the opinions of the Voluntary Nomination and Compensation Committee, which is composed mainly of Outside Directors.

Criteria for determining the independence of Outside Officers

The Company has established the Criteria for Determining the Independence of Outside Officers as follows. If they fall under the following criteria, the Company determines that they are not to be sufficiently independent of the Company.

1. An officer who currently falls under any of the following or has done within the past ten (10) years

(1) A person who has work experience (including being an Executive (*1)) at the Company or subsidiaries of the Company (hereinafter collectively referred to as the "Group")

(2) A person who is a major shareholder of the Company (a person who holds 10% or more of the shares) or a person who, if such person is a juridical person, has assumed the office of an Executive or Corporate Auditor of such juridical person (limited to cases where an Outside Auditor is designated as an Independent Officer).

2. An officer who currently falls under any of the following or has done within the past three (3) years

(1) A major business partner (*2) of the Group or an Executive thereof

(2) A person with whom the Group (*3) is a major business partner or an Executive thereof

(3) A major lender of the Group (*4) or an Executive thereof

(4) A consultant, an accounting professional, or a legal professional (*5) who has received large amounts of money or other property other than officer's remuneration from the Group

(5) A certified public accountant who belongs to the accounting auditor or the auditing firm as an accounting auditor of the Group

(6) A person who has received large donations from the Group (*6) or an Executive thereof

3. An officer whose relatives within the second degree of kinship of the officer (limited to important persons (*7)) fall under any of the above 1 or 2.

*1 A Director, an Executive Officer, an Executive Managing Officer, and other officers or employees equivalent thereto

*2 A business partner to whom the total net sales of the Group in any of the last three (3) fiscal years exceed 2% of the consolidated net sales of the Company

*3 A business operator whose net sales to the Group in any of the last three (3) fiscal years exceeds 2% of the consolidated net sales of the business operator

*4 A lender whose amount of lending to the Group exceeds 2% of the total consolidated assets of the Company at the end of any of the last three (3) fiscal years

*5 A person whose total amount of remuneration from the Group in any of the last three (3) fiscal years exceeds 10 million yen

*6 A recipient whose total donations from the Group in any of the last three (3) fiscal years exceeds 10 million yen

*7 Important persons shall be Directors, Executive Officers, Executive Managing Officers, and Executives who are at the level of Manager or above, or Executives who have authority equivalent thereto.

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
1	Takatsugu Suzuki Male (January 3, 1971) Reappointment	<p>Apr. 1995 Joined Nihon Brain Center, K.K. Jan. 2000 Director of the Company Jun. 2008 President of the Company Apr. 2015 President and Executive Officer of the Company (incumbent)</p> <p>[Significant concurrent positions] Chairman and Representative Director of en world Japan K.K. Chairman of Navigos Group Vietnam Joint Stock Company</p> <p>Reasons for nomination as candidate for Director Mr. Takatsugu Suzuki joined Nihon Brain Center, K.K. as a fresh graduate. Subsequently, in connection with the launch of the Company in 2000, he was elected as a Director in recognition of the high regard held for his five (5) years of work performance, sales capabilities, and management skills. Since 2008, he has been responsible for management as a Representative Director. Based on his extensive experience and achievements, the Company continues to nominate him as a candidate for Director.</p>	62,600 shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
2	Michikatsu Ochi Male (January 18, 1951) Reappointment	<p>Aug. 1983 Established Nihon Brain Center, K.K. Jan. 2000 Established the Company Dec. 2000 President of the Company Jun. 2008 Chairman of the Company Apr. 2015 Chairman and Executive Officer of the Company Mar. 2022 Chairman of the Board of the Company (incumbent)</p> <p>Reasons for nomination as candidate for Director Mr. Michikatsu Ochi established Nihon Brain Center, K.K. in 1983 and founded the Company in 2000. Since March 2022 he has served as Chairman of the Board of Directors and drawn on his extensive experience and achievements to oversee management of the Company. The Company nominated him as a candidate for Director again with confidence that he will continue to leverage his experience and knowledge gained over the years to help the Company achieve sustainable growth.</p>	4,383,900 shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
3	Megumi Kawai Female (April 12, 1963) Reappointment	<p>Jan. 1990 Joined Nihon Brain Center K.K.</p> <p>Mar. 2005 Director of the Company</p> <p>Apr. 2013 Manager of Brand Planning Office of the Company (incumbent)</p> <p>Apr. 2015 Director and Executive Officer of the Company</p> <p>Jun. 2021 Managing Director and Executive Officer of the Company (incumbent)</p> <p>Reasons for nomination as candidate for Director Ms. Megumi Kawai joined Nihon Brain Center, K.K. mid-career. Subsequently, in connection with the launch of the Company in 2000, she was elected as a Director in recognition of the high regard held for her ten (10) years of work performance and ability to develop new services. Since then, she has been involved in management for many years. Based on her extensive experience and achievements, the Company continues to nominate her as a candidate for Director.</p>	59,000 shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
4	Teruyuki Terada Male (April 22, 1979) Reappointment	<p>Apr. 2002 Joined the Company</p> <p>Apr. 2013 Manager of Websites Planning Division of the Company</p> <p>Apr. 2014 Manager of Digital Product Development Division of the Company (incumbent)</p> <p>Apr. 2015 Executive Officer of the Company</p> <p>Jun. 2021 Director and Executive Officer of the Company (incumbent)</p> <p>Reasons for nomination as candidate for Director Mr. Teruyuki Terada joined the Company as a fresh graduate in 2002. Subsequently, he was engaged in corporate sales strategy and marketing to support mid-career recruitment before assuming the office of General Manager of the current division that is in charge of planning, development, and marketing of websites. Since then, he has led the establishment and renewal of many representative web services of the Company, including en TENSHOKU, en BAITO, and engage. Believing that his knowledge of digital technology and extensive achievements will contribute to the development of management strategies of the Company, the Company continues to nominate him as a candidate for Director.</p>	4,600 shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
5	<p>Takuo Iwasaki Male (February 10, 1981) Reappointment</p>	<p>Apr. 2003 Joined the Company Oct. 2011 Manager of Metropolitan 1st Sales Group of Mid-Career Recruitment Support Division of the Company Jan. 2013 Head of Nagoya Branch of the Company Apr. 2014 Planning Manager of Mid-Career Recruitment Support Division of the Company Apr. 2016 Manager of Mid-Career Recruitment Media Division of the Company Apr. 2018 Executive Officer of the Company Jun. 2021 Director and Executive Officer of the Company (incumbent) Apr. 2022 General Manager of engage Division of the Company (incumbent)</p> <p>Reasons for nomination as candidate for Director Mr. Takuo Iwasaki joined the Company as a fresh graduate in 2003. Subsequently, he served as a sales manager for the Mid-Career Recruitment Media Division and other positions before he assumed the office of Planning Manager in 2014 and successfully led the major renewal of en TENSHOKU. Since assuming the office of Manager of the Mid-Career Recruitment Media Division in April 2016, he administered its business as a whole for many years. Since April 2022, he has been striving to develop the engage Division as its manager. Believing that his extensive experience and achievements will contribute to the development of the Company's management strategies, the Company continues to nominate him as a candidate for Director.</p>	6,300 shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
6	<p style="text-align: center;">Kayo Murakami Female (September 16, 1967) Reappointment</p>	<p>Sep. 1990 Joined AG Company</p> <p>Dec. 1996 Established KM Connet Limited Company</p> <p>May 2001 Joined Netyear Group Corporation</p> <p>Mar. 2007 Joined Culture Convenience Club Co., Ltd.</p> <p>Sep. 2012 Joined Rakuten, Inc.</p> <p>Sep. 2013 Joined P.G.C.D. JAPAN, Inc.</p> <p>Mar. 2014 Completed the course of Master of Business Administration, Graduate School of Management, GLOBIS University</p> <p>Oct. 2016 Joined Synapse co., ltd.</p> <p>Jun. 2020 Outside Director of the Company (incumbent)</p> <p>Jul. 2020 Representative Partner of Kazu and Company LLC (incumbent)</p> <p>[Significant concurrent positions] Representative Partner of Kazu and Company LLC</p> <p>Reasons for nomination as candidate for Outside Director and overview of expected roles Ms. Kayo Murakami has extensive knowledge related to web, digital marketing and DX. In addition, taking advantage of her unique perspective as a woman, she has contributed to the promotion of diversity management by actively providing opinions and advice at the meetings of the Board of Directors of the Company and management meetings. She is also improving transparency and fairness of the procedures for election and dismissal of Officers and the process for determining remuneration as a member of the Nomination and Compensation Committee. Determining that she is the right person to supervise management for sustainable growth and improved corporate value of the Group, the Company requests her re-election as an Outside Director.</p>	-

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
7	<p>Wataru Sakakura Male (January 18, 1979) Reappointment</p>	<p>Apr. 2001 Joined Corporate Directions, Inc. Jan. 2005 Joined Boston Consulting Group Jan. 2013 Managing Director & Partner of Boston Consulting Group Apr. 2020 Director and Chief Operating Officer of One Capital (incumbent) Jun. 2021 Outside Director of the Company (incumbent)</p> <p>[Significant concurrent positions] Director and Chief Operating Officer of One Capital</p> <p>Reasons for nomination as candidate for Director and overview of expected roles Mr. Wataru Sakakura has achievements in supporting digital transformation for major corporations for about 20 years at a world-leading strategic consulting firm, while having prominent achievements and knowledge on investment and strategies for SaaS in Japan as COO for One Capital, Inc., he has contributed to the development of the Company's management strategies. He is also improving transparency and fairness of the procedures for election and dismissal of Officers and the process for determining remuneration as a member of the Nomination and Compensation Committee. Determining that he is the right person to supervise management for sustainable growth and improved corporate value of the Group, the Company requests his re-election as an Outside Director.</p>	-

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
8	Yuri Hayashi Female (July 11, 1980) New appointment	<p>Apr. 2003 Joined Recruit Co., Ltd.</p> <p>Jan. 2011 Editor-in-chief of Recruit's "Suumo Magazine"</p> <p>Feb. 2015 Established Yurisha (sole proprietorship) Engaged in public relations- and community development-related activities at various organizations and companies</p> <p>Mar. 2017 Withdrew from the Doctoral Program at the Graduate School of Media and Governance, Keio University</p> <p>Oct. 2017 Appointed Deputy Mayor of Shijonawate City, Osaka Prefecture</p> <p>Reasons for nomination as candidate for Outside Director and overview of expected roles</p> <p>Ms. Yuri Hayashi has extensive knowledge of marketing and management gained over the years while working for Recruit Co., Ltd. She became the first female deputy mayor of Shijonawate City, Osaka Prefecture in 2017 and utilized her experience working in the private sector to implement organizational reforms while promoting childcare policies and urban development. She exemplifies the essence of the Company's social impact hiring initiative. When stacked up against the other candidates, the Company determined that her experience and knowledge best met the criteria for the kind of person it is looking for, and that is why it is recommending she be elected as an Outside Director.</p>	- shares

Notes:

1. Mr. Wataru Sakakura concurrently serves as Director and COO for One Capital, Inc. The Company has invested 285 million yen for a purely investment purpose in a partnership that One Capital manages as a general partner, however, there are no transactions occur other than profit sharing. This amount accounts for less than 1% of the Company's total consolidated assets and less than 2% of the total amount invested in the said partner. The Company has signed a part-time advisory contract with Ms. Yuri Hayashi. Compensation for this, now expired, contract was paid in consideration of her consulting services for recruitment planning. To date, the amount paid to her totals less than 5 million yen. Because all of the above transactions satisfy the Rules for Determining the Independence of Outside Officers established by the Company, the Company has determined that there are no issues concerning their independence. There are no special interests between Mr. Takatsugu Suzuki, Mr. Michikatsu Ochi, Ms. Megumi Kawai, Mr. Teruyuki Terada, Mr. Takuo Iwasaki and Ms. Kayo Murakami and the Company.
2. Ms. Kayo Murakami, Mr. Wataru Sakakura and Ms. Yuri Hayashi are the candidates for Outside Directors.
3. Ms. Kayo Murakami is currently an Outside Director of the Company, and her term of office is two (2) years ending at the conclusion of the Annual Meeting of Shareholders. Mr. Wataru Sakakura is currently an Outside Director of the Company, and his term of office is one (1) year ending at the conclusion of the Annual Meeting of Shareholders.
4. If Ms. Kayo Murakami, Mr. Wataru Sakakura and Ms. Yuri Hayashi assume the office of Directors, the Company plans to register Ms. Kayo Murakami, Mr. Wataru Sakakura and Ms. Yuri Hayashi as

Independent Officers stipulated under the rules of the Tokyo Stock Exchange.

5. The Company has entered into a limited liability agreement with Ms. Kayo Murakami and Mr. Wataru Sakakura based on the provisions of its Articles of Incorporation to limit their damage compensation liability as provided for by Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the said Act. The maximum amount of liability under the said agreement shall be the amount prescribed in laws and regulations. If re-election of Ms. Kayo Murakami and Mr. Wataru Sakakura is approved, the Company will continue the above limited liability agreement with them. If Ms. Yuri Hayashi assumes the office of Director, the Company will enter into the same agreement with Ms. Yuri Hayashi.
6. The Company has concluded liability insurance contracts for Officers with an insurance company, that cover Directors, Corporate Auditors, Executive Officers, and Officers of subsidiaries as the insured. These insurance contracts compensate for damages caused at the responsibility assumed by the insured for the execution of their duties or damages claimed related to the pursuit of such responsibility. The Company pays all the insurance premiums. The above insurance contracts do not cover claims for damages caused by intentional acts or gross negligence of the insured. If the candidates assume the offices of Directors, they will become the insured of the above insurance contracts, and the Company plans to renew the above insurance contracts in January 2023.

Item No. 4: Election of Three (3) Directors Serving on the Audit and Supervisory Committee

If Item No. 2: Partial Amendment to the Articles of Incorporation is approved and adopted as proposed, the Company will transition to a company with an Audit and Supervisory Committee, and hence the Company requests the election of three (3) Directors who will serve on the Audit and Supervisory Committee.

With regard to this agenda item, the consent of the Board of Corporate Auditors has been obtained.

This agenda item will become effective on condition that the amendment to the Articles of Incorporation in Item No. 2, Partial Amendment to the Articles of Incorporation, takes effect.

The candidates for Directors Serving on the Audit and Supervisory Committee are as follows.

Candidate's No.	Name	Current position and responsibilities in the Company	Attendance at the meetings of the Board of Directors
1	New appointment Outside Director Taisuke Igaki	Outside Director	12/12 (100%)
2	New appointment Outside Director Independent Officer Naoki Otani	Outside Director	12/12 (100%)
3	New appointment Outside Director Independent Officer Toshihiko Ishikawa	Outside Director	10/10 (100%)

Policy for the selection of candidates

In electing Directors to serve on the Audit and Supervisory Committee, the Company nominates individuals who are highly discerning and recognize the role and responsibilities that the Company should fulfill in society without being biased toward the interests of management or specific stakeholders.

Decision procedure

When nominating Directors to serve on the Audit and Supervisory Committee, the Board of Directors makes its decision in light of proposals made by the Representative Directors as well as the opinions of the Outside Directors and with the consent of the Board of Corporate Auditors.

Criteria for determining the independence of Outside Officers

The Company has established the Criteria for Determining the Independence of Outside Officers as follows. If they fall under the following criteria, the Company determines that they are not to be sufficiently independent of the Company.

1. An officer who currently falls under any of the following or has done within the past ten (10) years

(1) A person who has work experience (including being an Executive (*1)) at the Company or subsidiaries of the Company (hereinafter collectively referred to as the "Group")

(2) A person who is a major shareholder of the Company (a person who holds 10% or more of the shares) or a person who, if such person is a juridical person, has assumed the office of an Executive or Corporate Auditor of such juridical person (limited to cases where an Outside Auditor is designated as an Independent Officer).

2. An officer who currently falls under any of the following or has done within the past three (3) years

(1) A major business partner (*2) of the Group or an Executive thereof

(2) A person with whom the Group (*3) is a major business partner or an Executive thereof

(3) A major lender of the Group (*4) or an Executive thereof

(4) A consultant, an accounting professional, or a legal professional (*5) who has received large amounts of money or other property other than officer's remuneration from the Group

(5) A certified public accountant who belongs to the accounting auditor or the auditing firm as an accounting auditor of the Group

(6) A person who has received large donations from the Group (*6) or an Executive thereof

3. An officer whose relatives within the second degree of kinship of the officer (limited to important persons (*7)) fall under any of the above 1 or 2.

*1 A Director, an Executive Officer, an Executive Managing Officer, and other officers or employees equivalent thereto

*2 A business partner to whom the total net sales of the Group in any of the last three (3) fiscal years exceed 2% of the consolidated net sales of the Company

*3 A business operator whose net sales to the Group in any of the last three (3) fiscal years exceeds 2% of the consolidated net sales of the business operator

*4 A lender whose amount of lending to the Group exceeds 2% of the total consolidated assets of the Company at the end of any of the last three (3) fiscal years

*5 A person whose total amount of remuneration from the Group in any of the last three (3) fiscal years exceeds 10 million yen

*6 A recipient whose total donations from the Group in any of the last three (3) fiscal years exceeds 10 million yen

*7 Important persons shall be Directors, Executive Officers, Executive Managing Officers, and Executives who are at the level of Manager or above, or Executives who have authority equivalent thereto.

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
1	<p style="text-align: center;">Igaki Taisuke Male (May 4, 1973) New appointment</p>	<p>Oct. 2001 Registered as an attorney in Japan Joined Kitahama Partners</p> <p>Jan. 2008 Registered as an attorney in New York State</p> <p>Jun. 2013 LPC Partner of Nishimura & Asahi LPC (incumbent)</p> <p>Jun. 2018 Outside Director of UT Group Co., Ltd. (incumbent) Outside Corporate Auditor of the Company</p> <p>Jun. 2020 Outside Director of the Company (incumbent)</p> <p>[Significant concurrent positions] LPC Partner of Nishimura & Asahi LPC Outside Director of UT Group Co., Ltd.</p> <p>Reasons for nomination as candidate for Outside Director Serving on the Audit and Supervisory Committee and overview of expected roles Mr. Taisuke Igaki is well-versed in the business of the Company. He has actively provided opinions and advice at the meetings of the Board of Directors of the Company from a comprehensive perspective utilizing his professional experience as an attorney at law and an Outside Director. He is also improving transparency and fairness of the procedures for election and dismissal of Officers and the process for determining remuneration as the chair of the Nomination and Compensation Committee. Determining that he is the right person to supervise management for sustainable growth and improved corporate value of the Group, the Company requests his election as an Outside Director serving on the Audit and Supervisory Committee. Although he has never been directly involved in corporate management other than as an Outside Director or Outside Corporate Auditor, for the reasons stated above, the Company has determined that he can appropriately perform his duties as an Outside Director serving on the Audit and Supervisory Committee.</p>	-

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
2	Naoki Otani Male (May 27, 1974) New appointment	<p>Apr. 1999 Registered as an attorney Joined Inuma & Partners</p> <p>Oct. 2001 Joined Nishimura & Partners (Currently Nishimura & Asahi)</p> <p>Jul. 2007 Joined Unison Capital, Inc.</p> <p>Jan. 2008 Director of Unison Capital, Inc.</p> <p>Feb. 2009 Outside Director of Cosmos Life Co., Ltd. (Currently DAIWA LIFENEXT Co., Ltd.)</p> <p>May 2010 Outside Director of MK Capital Management (Currently IDERA Capital Management Ltd.)</p> <p>Dec. 2011 Outside Director of Minit Asia Pacific Co., Ltd.</p> <p>Feb. 2015 Representative attorney of Japan Business Management Partners Law Office</p> <p>Jun. 2015 Outside Director of Mystar Engineering Corporation (incumbent)</p> <p>Apr. 2016 Executive Officer and CIO of Revamp Corporation</p> <p>Oct. 2017 Outside Director of Eagle Retailing Co., Ltd.</p> <p>Feb. 2018 Managing Director and Head of Buyout Investments of Japan Post Investment Corporation (incumbent)</p> <p>Jun. 2020 Outside Corporate Auditor of the Company (incumbent)</p> <p>[Significant concurrent positions] Outside Director of Mystar Engineering Corporation Managing Director and Head of Buyout Investments of Japan Post Investment Corporation</p> <p>Reasons for nomination as candidate for Outside Director Serving on the Audit and Supervisory Committee and overview of expected roles</p> <p>Mr. Naoki Otani has a wealth of experience in corporate management and private equity investments as well as keen insights gained as an attorney at law. He has actively provided opinions and advice at the meetings of the Board of Directors and the Board of Corporate Auditors of the Company. He is also improving transparency and fairness of the procedures for election and dismissal of Officers and the process for determining remuneration as a member of the Nomination and Compensation Committee. Believing that he will continue to apply his expertise and experience to its auditing system, the Company asks that he be elected as an Outside Director to serve on the Audit and Supervisory Committee.</p>	- shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
3	<p>Toshihiko Ishikawa Male (September 6, 1951) New appointment</p>	<p>Apr. 1977 Joined Ernst & Young LLC (Currently Ernst & Young ShinNihon LLC)</p> <p>Mar. 1981 Joined Business Brain Showa Inc. (Currently Business Brain Show-Ota Inc.)</p> <p>Feb. 1990 Registered as a Certified Public Accountant</p> <p>Jun. 1991 Director of Business Brain Showa-Ota Inc.</p> <p>Jun. 2001 President of Financial Brain Systems Inc.</p> <p>Apr. 2009 President and CEO of Business Brain Showa-Ota Inc.</p> <p>Jun. 2014 CEO of BBS (Thailand) Co., Ltd. (incumbent)</p> <p>Jun. 2020 Chairman of Business Brain Showa-Ota Inc. (to be retired in June 2022)</p> <p>Jun. 2021 Outside Corporate Auditor of the Company (incumbent)</p> <p>Jun. 2022 Chairman of the Board of Business Brain Showa-Ota Inc. (to be appointed in June 2022)</p> <p>[Significant concurrent positions]</p> <p>Chairman of Business Brain Showa-Ota Inc. (to be appointed Chairman of the Board of Business Brain Showa-Ota Inc. in June 2022 on his retirement from the position)</p> <p>CEO of BBS (Thailand) Co., Ltd.</p> <p>Reasons for nomination as candidate for Outside Director Serving on the Audit and Supervisory Committee and overview of expected roles</p> <p>Mr. Toshihiko Ishikawa has extensive experience in corporate management and a high level of attentiveness as a certified public accountant. He has actively provided opinions and advice at the meetings of the Board of Directors and the Board of Corporate Auditors of the Company. He is also improving transparency and fairness of the procedures for election and dismissal of Officers and the process for determining remuneration as a member of the Nomination and Compensation Committee. Believing that he will continue to apply his expertise and experience to its auditing system, the Company asks that he be elected as an Outside Director serving on the Audit and Supervisory Committee.</p>	- shares

Notes:

1. Although Mr. Taisuke Igaki will not be designated or recorded as an Independent Officer in accordance with the policy of his law firm, Nishimura & Asahi LPC, the Company has determined that he meets all the requirements for an Independent Officer as stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange. Since he is entirely independent, there is no possibility of a conflict of interest arising between the candidate and the general shareholders.
2. The Company receives recruitment support fees from UT Group Co., Ltd., where Mr. Taisuke Igaki serves as an Outside Director, but all transactions are carried out under terms and conditions similar to those for general transactions, and the annual transaction amount is less than 1% of the consolidated net sales of UT Group and the Company. The Company receives recruiting commissions from Business Brain Showa-Ota Inc., where Mr. Toshihiko Ishikawa serves as Chairman, but all transactions are carried out under terms and conditions similar to those for general transactions, and the annual transaction amount is less than 1% of the consolidated net sales of Business Brain Showa-Ota and the Company. Because all of the above transactions satisfy the Rules for Determining the Independence of Outside Officers established by the Company, the Company has determined that there are no issues concerning their independence. There are no special interests between Mr. Naoki Otani and the Company.
3. Mr. Taisuke Igaki is currently an Outside Director of the Company, and his term of office is two (2) years ending at the conclusion of the Annual Meeting of Shareholders. In the past, Mr. Taisuke Igaki was an Outside Corporate Auditor of the Company and his term of office as an Outside Corporate Auditor was two (2) years. Mr. Naoki Otani is currently an Outside Corporate Auditor of the Company, and his term of office is two (2) years ending at the conclusion of the Annual Meeting of Shareholders. And, Mr. Toshihiko Ishikawa is currently an Outside Corporate Auditor of the Company and his term of office is one (1) year ending at the conclusion of the Annual Meeting of Shareholders.
4. If Mr. Naoki Otani and Mr. Toshihiko Ishikawa assume the office of Directors serving on the Audit and Supervisory Committee, the Company plans to register Mr. Naoki Otani and Mr. Toshihiko Ishikawa as Independent Officers stipulated under the rules of the Tokyo Stock Exchange.
5. The Company has entered into a limited liability agreement with Mr. Taisuke Igaki, Mr. Naoki Otani and Mr. Toshihiko Ishikawa based on the provisions of its Articles of Incorporation to limit their damage compensation liability as provided for by Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the said Act. The maximum amount of liability under the said agreement shall be the amount prescribed in laws and regulations. If re-election of Mr. Taisuke Igaki is approved, the Company will continue the above limited liability agreement with him. If election of Mr. Naoki Otani and Mr. Toshihiko Ishikawa is approved, the Company will enter into the same agreement with Mr. Naoki Otani and Mr. Toshihiko Ishikawa.
6. The Company has concluded liability insurance contracts for Officers with an insurance company, that cover Directors, Corporate Auditors, Executive Officers, and Officers of subsidiaries as the insured. These insurance contracts compensate for damages caused at the responsibility assumed by the insured for the execution of their duties or damages claimed related to the pursuit of such responsibility. The Company pays all the insurance premiums. The above insurance contracts do not cover claims for damages caused by intentional acts or gross negligence of the insured. If Mr. Taisuke Igaki, Mr. Naoki Otani and Mr. Toshihiko Ishikawa assume the office of Directors serving on the Audit and Supervisory Committee, they will become the insured of the above insurance contracts, and the Company plans to renew the above insurance contracts in January 2023.

The Composition of Directors when Proposal No.3 and Proposal No.4 are Approved
Professional competence and experience of the Company's Directors are as follow.

Skill matrix

Officer		Attribute		Composition		Business experience/knowledge								expertise
		Independence Company standard ○ Notification filed with TSE ●	gender Male ● Female ○	The Board of Directors Chairman ●	the Nomination and Compensation Committee Chairman ●	Corporate management	Human resource business	Sales/marketing	Technology/DX	Brand strategy	Global business	Risk management/legal/compliance	Finance/accounting/M&A	Sustainability/ESG
Takatsugu Suzuki	Representative Director, President and Executive Officer		●	●	○	●	●	●				●	●	
Michikatsu Ochi	Chairman of the Board		●	○	○	●	●	●				●	●	
Megumi Kawai	Managing Director and Executive Officer		○	○		●	●	●		●			●	
Teruyuki Terada	Director and Executive Officer		●	○			●		●					
Takuo Iwasaki	Director and Executive Officer		●	○			●	●						
Kayo Murakami	Independent Outside Director		●	○	○	●		●		●				Graduate School of Management, GLOBIS University/MBA
Wataru Sakakura	Independent Outside Director		●	●	○	○	●		●			●		
Yuri Hayashi	Independent Outside Director	New appointment	●	○	○				●		●		●	
Taisuke Igaki	Outside Director (Audit and Supervisory Committee)	New appointment	○	●	○	●						●	●	Japanese Attorney/Attorney in the state of New York
Naoki Otani	Independent Outside Director (Audit and Supervisory Committee)	New appointment	●	●	○	○	●					●	●	Japanese Attorney
Toshihiko Ishikawa	Independent Outside Director (Audit and Supervisory Committee)	New appointment	●	●	○		●			●			●	Certified Public Accountant, Licensed Tax Accountant

- Notes: 1. The above does not represent all the skills, experience, abilities, and other knowledge and expertise possessed by each person.
2. "Experience" in each column means, as a general rule, having worked in the relevant area or having served in the relevant position for a total of three or more years.

Item No. 5: Election of One (1) Substitute Director Serving on the Audit and Supervisory Committee

The Company will become a company with an Audit and Supervisory Committee on condition that Item No. 2: Partial Amendment to the Articles of Incorporation is approved and adopted. In order to prepare for the case where the number of Directors serving on the Audit and Supervisory Committee falls short of the number stipulated by laws and regulations, the Company requests the election of one (1) substitute Director serving on the Audit and Supervisory Committee in advance.

The term of office of the elected substitute Director serving on the Audit and Supervisory Committee shall continue until expiration of the term of office of the Director serving on the Audit and Supervisory Committee who retires in accordance with the provisions of the Articles of Incorporation of the Company.

The effectiveness of election in this proposal may be cancelled based on the concurrence of the Audit and Supervisory Committee and by resolution of the Board of Directors provided that the cancellation is made prior to the assumption of office by the nominee.

With regard to this agenda item, the consent of the Board of Corporate Auditors has been obtained.

This agenda item will become effective on condition that the amendment to the Articles of Incorporation in Item No. 2, Partial Amendment to the Articles of Incorporation, takes effect.

The candidate for substitute Director serving on the Audit and Supervisory Committee is as follows.

Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
<p>Tomoyuki Otsuki Male (April 1, 1972)</p>	<p>Apr. 1994 Joined Otsuki Management & Labor Consulting Office</p> <p>Jan. 2006 Registered as Labor and Social Security Attorney Head of Ginza Branch Office of Otsuki Management & Labor Consulting Office</p> <p>Jan. 2011 Control Office Manager of Otsuki Management & Labor Consulting Office</p> <p>Dec. 2013 Representative Director of OTSUKI M Co., Ltd. (incumbent) Representative Director of OTSUKI M SINGAPORE PTE, LTD.</p> <p>Jul. 2016 Representative Partner of Otsuki Management & Labor Consulting Office (incumbent)</p> <p>Jun. 2019 Director of Tokyo Metropolitan Labor and Social Security Attorney's Associations (incumbent)</p> <p>[Significant concurrent positions] Representative Partner of Otsuki Management & Labor Consulting Office Representative Director of OTSUKI M Co., Ltd.</p> <p>Reasons for nomination as candidate for substitute Director serving on the Audit and Supervisory Committee</p>	<p>- shares</p>

	Mr. Tomoyuki Otsuki has extensive knowledge and experience as a labor and social security attorney. If he is elected, the Company believes that he can leverage his expertise in enhancing its risk management structure and nominates him as a candidate for substitute Director serving on the Audit and Supervisory Committee.	
--	---	--

Notes:

1. The Company entered into an advisory contract with Otsuki Management & Labor Consulting Office, for which Mr. Tomoyuki Otsuki serves as a Representative Director, but the amount of remuneration is not more than 5 million yen per year. The Company receives recruitment support fees from Otsuki Management & Labor Consulting Office, but all transactions are carried out under terms and conditions similar to those for general transactions, and the amount of is not more than 5 million yen per year. Because such contract satisfies the Rules for Determining Independence of Outside Officers established by the Company, the Company has determined that there are no issues concerning his independence.
2. Mr. Tomoyuki Otsuki is the candidate for substitute Outside Director serving on the Audit and Supervisory Committee.
3. If Mr. Tomoyuki Otsuki assumes the office of Director serving on the Audit and Supervisory Committee, the Company plans to register Mr. Otsuki as an Independent Officer stipulated under the rules of the Tokyo Stock Exchange.
4. If Mr. Tomoyuki Otsuki assumes the office of Director serving on the Audit and Supervisory Committee, the Company will enter into a limited liability agreement with Mr. Otsuki based on the provisions of its Articles of Incorporation to limit his damage compensation liability as provided for by Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the said Act. The maximum amount of liability under the said agreement shall be the amount prescribed in laws and regulations.
5. The Company has concluded liability insurance contracts for Officers with an insurance company, that cover Directors, Corporate Auditors, Executive Officers, and Officers of subsidiaries as the insured. These insurance contracts compensate for damages caused at the responsibility assumed by the insured for the execution of their duties or damages claimed related to the pursuit of such responsibility. The Company pays all the insurance premiums. The above insurance contracts do not cover claims for damages caused by intentional acts or gross negligence of the insured. If Mr. Tomoyuki Otsuki assumes the office of Director serving on the Audit and Supervisory Committee, he will become the insured of the above insurance contracts, and the Company plans to renew the above insurance contracts in January 2023.

Item No. 6: Determination of Amount of Remuneration, etc. for Directors (Excluding Directors Serving on the Audit and Supervisory Committee)

It was approved at the general meeting of shareholders held on June 24, 2021 to set the maximum annual total of remuneration for the Company's Directors at 300 million yen. If Item No. 2: Partial Amendment to the Articles of Incorporation is approved and adopted as proposed, the Company will transition to a company with an Audit and Supervisory Committee, and in light of the current economic circumstances, proposes to set the maximum annual total of remuneration for Directors (excluding Directors to serve on the Audit and Supervisory Committee, the same applies hereafter in the discussion of this agenda item) at 300 million yen (including up to 20 million yen for Outside Directors) again after that transition. The Company also proposes to decide on the specific amount, timing of payment, and other relevant matters by a resolution of the Board of Directors. Accordingly, the Company requests shareholder approval for said proposals.

After the transition to a company with an Audit and Supervisory Committee, the Company will, as a basic policy, pay a combination of a monthly fixed remuneration, bonus, and share-remuneration type stock options to Directors. The bonus for Inside Directors is calculated for each one by multiplying the base amount specified according to the Director's position and responsibility by the payout rate based on evaluation weights of three indicators—consolidated net sales, consolidated operating income, consolidated profit—as well as the target achievement rate. Therefore, the Company believes that both the bonus and the monthly fixed remuneration are reasonable. The details of this agenda item were determined by the Board of Directors based on the recommendations of the Nomination and Compensation Committee consisting mainly of Outside Directors.

The remuneration, etc. will not include employee salaries for Directors who concurrently serve as employees.

The amounts of remuneration, etc. for Directors discussed under this agenda item will not include the share-remuneration type stock options that will be discussed under Item No. 8.

The current number of Directors is eight (8) (including three (3) Outside Directors), and the number of Directors will be eight (8) (including three (3) Outside Directors) if Item No. 2: Partial Amendment to the Articles of Incorporation and Item No. 3: Election of Eight (8) Directors (Excluding Directors to Serve on the Audit and Supervisory Committee) are approved and adopted as proposed.

This agenda item will become effective on condition that the amendment to the Articles of Incorporation in Item No. 2, Partial Amendment to the Articles of Incorporation, takes effect.

Item No. 7: Determination of Amount of Remuneration, etc. for Directors Serving on the Audit and Supervisory Committee

If Item No. 2: Partial Amendment to the Articles of Incorporation is approved and adopted as proposed, the Company will transition to a company with an Audit and Supervisory Committee, and in light of the current economic circumstances, proposes to set the maximum annual total remuneration for Directors to serve on the Audit and Supervisory Committee at 30 million yen after that transition. The Company also proposes to decide on the specific amount, timing of payment, and other relevant matters through a discussion of the Directors to serve on the Audit and Supervisory Committee. Accordingly, the Company requests shareholder approval for said proposals. The details of this agenda item were determined by the Board of Directors based on the recommendations of the Nomination and Compensation Committee consisting mainly of Outside Directors. The Company believes that the remuneration amounts, etc. discussed under this agenda item are reasonable in light of the responsibilities of Directors serving on the Audit and Supervisory Committee.

The number of Directors serving on the Audit and Supervisory Committee will be eight (8) (including three (3) Outside Directors), if Item No. 2: Partial Amendment to the Articles of Incorporation and Item No. 4: Election of Three (3) Directors serving on the Audit and Supervisory Committee are approved and adopted as proposed.

This agenda item will become effective on condition that the amendment to the Articles of Incorporation in Item No. 2, Partial Amendment to the Articles of Incorporation, takes effect.

**Item No. 8: Determination of the Amount of Remuneration, etc. and Specifics
Regarding the Share Warrants Granted to Directors (Excluding Directors and
Outside Directors Serving on the Audit and Supervisory Committee) as Share
Remuneration-type Stock Options**

The Company will become a company with an Audit and Supervisory Committee on condition that Item No. 2: Partial Amendment to the Articles of Incorporation is approved and adopted.

The current remuneration amounts, etc. for the Company's Directors are set at a maximum annual total of 300 million yen, which was approved at the 21st Annual Meeting of Shareholders held on June 24, 2021. That is aside from the maximum annual total of 100 million yen in share warrants granted as stock options, which was approved at the 14th Annual Meeting of Shareholders held on June 25, 2014.

The Company, as it transitions to a company with an Audit and Supervisory Committee, plans to abolish these amounts and allot share warrants to Directors (excluding Directors serving on the Audit and Supervisory Committee) as stock options as noted below, separately from Item No. 6: Determination of the Amount of Remuneration, etc. for Directors (Excluding Directors serving on the Audit and Supervisory Committee), which pertains to setting a new remuneration amount for Directors (excluding Directors and Outside Directors serving on the Audit and Supervisory Committee). This proposal is aimed at sharing the benefits and risks of stock price fluctuations with shareholders and motivating Directors more than ever to contribute to increasing the Company's share price and corporate value.

Accordingly, the Company proposes to set the maximum annual remuneration total, etc. relating to share warrants to be granted to Directors (excluding Directors and Outside Directors serving on the Audit and Supervisory Committee) as stock options at 500 million yen based on a comprehensive consideration of various factors, including the level of contribution by Directors (excluding Directors and Outside Directors serving on the Audit and Supervisory Committee) to the Company.

Directors (excluding Directors and Outside Directors serving on the Audit and Supervisory Committee) who are allotted stock options will be able to exercise only the number of share warrants determined according to the achievement level of the numerical targets that are set by the Company's Board of Directors.

These stock options are share-remuneration type stock options with a payment amount of 1 yen per share that can be received by exercising the share warrants and are determined based on a comprehensive consideration of various factors, including the level of contribution by Directors (excluding Directors and Outside Directors serving on the Audit and Supervisory Committee) to the Company. The number of shares to be issued upon exercise of the stock options, which is the maximum number of share warrants to be allotted within one year from the date of the Annual Meeting of Shareholders for each fiscal year as set forth in 2) below, will account for about 0.6% of the total number of shares outstanding (the number of shares to be issued upon exercise of all such maximum number of share warrants that have been allotted over a ten-year period will account for about 3.6% of the total number of shares outstanding), and hence the dilution is minimal. Due to the above reasons, the Company believes the stock options to be reasonable.

Payment for the share warrants granted as stock options will be made by offsetting the amount to be paid in with the amount of remuneration, etc. to be paid to the Directors (excluding Directors and Outside Directors serving on the Audit and Supervisory Committee) in relation to the share warrants granted as stock options discussed under this agenda item, rather than paying the amount determined based on the fair value at the time of allotment.

The number of Directors (excluding Directors serving on the Audit and Supervisory Committee) subject to this agenda item will be eight (8) (including three (3) Outside Directors) if Item No. 3 is approved and adopted as proposed.

Specifics and the maximum number of share warrants granted to Directors (excluding Directors and Outside Directors serving on the Audit and Supervisory Committee) as stock options

1) Class and number of shares to be issued upon exercise of share warrants

The class of shares to be issued upon exercise of share warrants will be common stock of the Company, and the number of shares to be issued upon exercise of each share warrant (the “Number of Shares Granted”) will be 100 shares. However, in the event that the Company conducts a stock split (including gratis allotment of shares of its common stock, the same applies hereafter in reference to a stock split) or a reverse stock split after the date of resolution of this agenda item (the “Resolution Date”), the Number of Shares Granted will be adjusted using the following formula, with any fractional shares resulting from the adjustment rounded down.

Number of Shares Granted after adjustment = Number of Shares Granted before adjustment × Ratio of stock split or reverse stock split

In addition to the above, in the event that the Company carries out a merger or demerger after the Resolution Date or in any other cases where the Number of Shares Granted needs to be adjusted due to similar circumstances, the Company may appropriately adjust the Number of Shares Granted to a reasonable extent. If the Company changes the number of shares constituting one unit of shares of its common stock (excluding cases where it is accompanied by a stock split or a reverse stock split, the same applies hereafter in reference to a change in the share unit) after the Resolution Date, the Company may reasonably adjust the Number of Shares Granted in proportion to the ratio of such change in the share unit with respect to the share warrants whose issuance is resolved by the Company’s Board of Directors on or after the effective date of such change.

2) Total number of share warrants

The total number of share warrants to be allotted to Directors (excluding Directors and Outside Directors serving on the Audit and Supervisory Committee) will be 1,620, which will be the maximum number of share warrants to be allotted within one year from the date of the Annual Meeting of Shareholders for each fiscal year. However, if the Number of Shares Granted is adjusted due to a change in the number of shares constituting one unit of shares of its common stock, the Company may reasonably adjust the total number of share warrants in proportion to the ratio of such change in the share unit.

3) Amount to be paid in for share warrants

The amount to be paid in for each share warrant will be the amount determined by the Company’s Board of Directors based on the fair value of the share warrant obtained by a fair calculation method, such as the Black-Scholes model, at the time of allotment.

4) Value of assets to be contributed upon exercise of share warrants

The value of assets to be contributed upon exercise of each share warrant will be the amount obtained by multiplying the amount to be paid in for each of the shares to be issued upon exercise of such share warrant, which will be 1 yen, by the Number of Shares Granted.

5) Period during which share warrants may be exercised

The Company's Board of Directors will determine the duration of the period, which will be within 15 years from the date five years have elapsed from the day following the date of allotment of share warrants.

6) Restrictions on the acquisition of share warrants by transfer

Acquisition of share warrants by transfer requires approval by a resolution of the Company's Board of Directors.

7) Conditions for acquiring share warrants

In the event that any of the proposals described in (1), (2), (3), (4), and (5) below is approved at the Company's general meeting of shareholders (or resolved by the Company's Board of Directors if a resolution of a general meeting of shareholders is not required), the Company may acquire the share warrants without consideration on a date to be separately specified by the Company's Board of Directors.

- (1) Proposal to approve a merger agreement under which the Company will become extinct
- (2) Proposal to approve a demerger agreement or plan under which the Company will be demerged
- (3) Proposal to approve a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary
- (4) Proposal to approve an amendment to the Articles of Incorporation to provide that the acquisition of all shares issued by the Company by transfer requires the Company's approval.
- (5) Proposal to approve an amendment to the Articles of Incorporation to provide that the acquisition of the class of shares to be issued upon exercise of share warrants by transfer requires the Company's approval or that the Company may acquire all shares of the class by a resolution of the general meeting of shareholders

8) Conditions for exercising share warrants

- (1) Persons who have been allotted share warrants may, as a general rule, exercise their share warrants on the condition that they hold the position of Director, Executive Officer, or employee of the Company or any of its subsidiaries. If an individual loses his/her position as a Director, Executive Officer, or employee of the Company or any of its subsidiaries after the allotment of share warrants, he/she will, as a general rule, waive his/her share warrants upon such loss of position.
- (2) The Company's Board of Directors will set numerical targets (based on operating income, net sales, profit, etc. including consolidated performance indicators) and determine the method for calculating the number of share warrants that are exercisable according to the achievement level of such numerical targets. Those who have been allotted share warrants may exercise only the number of the share warrants determined in accordance with the achievement level of those targets. Other conditions for exercising share warrants will be determined by the Company's Board of Directors.

9) Conclusion of warrant agreement

Share warrants will be allotted to persons who are entitled to share warrants on the condition that they have signed a warrant agreement with the Company that includes the conditions specified in 1) through 8) above.

(Reference)

The Company plans to allot share warrants to the Executive Officers and employees of the Company, as well as Directors (excluding Outside Directors), Executive Officers, and employees of the Company's subsidiaries after the conclusion of this Annual Meeting of Shareholders. Exercise of these share warrants will be subject to the achievement level of performance targets as it is for the share warrants stated above.

(Exhibit)

Business Report

From April 1, 2021
to March 31, 2022

1. State of Corporate Group

(1) State of Business for the Current Fiscal Year

1) Business progress and results

(unit: Million yen)

Net Sales	Prior Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)	Change	Percent change (%)
Domestic Job Board	21,774	29,460	7,686	35.3%
Domestic Permanent Recruitment	9,385	9,649	264	2.8%
Overseas	8,011	10,975	2,963	37.0%
HR-Tech	1,215	3,920	2,705	222.6%
Other business/Subsidiaries	2,694	976	-1,718	-63.8%

(a) Domestic Job Board

Job advertisement websites in Japan saw a gradual recovery in hiring demand that had dropped due to the COVID-19 pandemic. The number of full-time job openings increased as more client companies resumed hiring while the rates for job advertisements rose mainly for client companies with a large recruitment budget. Hiring demand for positions that require a high level of expertise, such as specialists and managers, rose to the pre-pandemic level. While the supply-demand balance gradually tightened across the job market, the Company stepped up efforts to attract job seekers by aggressively investing in advertising and publicity, resulting in a significant increase in sales.

As a result, net sales of Domestic Job Board amounted to ¥29,460 million up 35.3% year on year.

(b) Domestic Permanent Recruitment

Sales steadily increased as hiring demand for people with a high level of expertise remained strong. As demand for hiring young people, or those with potential, quickly increased, the need to hire inexperienced workers recovered across all industries and jobs. The Company saw sales on a par with the last year due to higher sales productivity although its work force was smaller than what it was before the pandemic.

As a result, net sales of Domestic Permanent Recruitment amounted to ¥9,649 million up 2.8% year on year.

(c) Overseas

In India, where the Company primarily operates an IT-related temporary staffing business, operations were not so affected by COVID-19, and sales grew substantially beyond the pre-pandemic level due to rising global demand for IT.

In Vietnam, where the Company primarily operates job advertisement websites and a permanent recruitment business, sales increased as the country's hiring demand gradually recovered. Net sales temporarily dropped in the third quarter (from July to September 2021 in the fiscal year of the local subsidiary) of the fiscal year ended March 31, 2022 due to the lockdown but got back on a steady recovery track afterwards.

As a result of the above, net sales of overseas business amounted to ¥10,975 million up 37.0% year on year.

(d) HR-Tech

The total number of user companies of “engage” significantly increased to 410,000 (as of March 2022). The number of job offers created via “engage” (both via fee-based and free services) steadily increased, promoting further use by client companies.

In light of these circumstances, the Company started investing in advertising and publicity in the fourth quarter of the fiscal year ended March 31, 2022 in anticipation of attracting more job seekers, which boosted sales growth.

Use of applicant tracking systems (ATS), testing, and other services also increased as companies started hiring more people, contributing to steady sales growth.

As a result of the above, net sales of HR-Tech amounted to ¥3,920 million up 222.6 % year on year.

As a result, net sales in the current consolidated fiscal year amounted to ¥54,544 million (an increase of 27.7% year on year), operating income amounted to ¥9,633 million (an increase of 24.0% year on year), ordinary income amounted to ¥10,138 million (an increase of 27.7% year on year) and Profit attributable to owners of parent amounted to ¥6,628 million (an increase of 89.3% year on year).

(Unit: Million yen)

	Current Fiscal Year (From April 1, 2020 to March 31, 2021)	Percent change (%)
Net sales	54,544	Up 27.7%
Operating income	9,633	Up 24.0%
Ordinary income	10,138	Up 27.7%
Profit attributable to owners of parent	6,628	Up 89.3%

2) Capital investment

During the current fiscal year, the Company invested a total of ¥ 1,975 million, and investments are mainly as follows.

- Websites development, additional repairs, etc.

3) Fund procurement

The Company has concluded an overdraft facility agreement (maximum amount of ¥1,000 million) and a committed credit line (maximum amount of ¥5,000 million) with a bank. There are no borrowings outstanding as of the end of the current fiscal year.

4) Business transfers, Absorption-type Demerger or Incorporation-type Demerger

Not applicable.

5) Assignment of business from other companies

Not applicable.

6) Succession of right obligation related to other entities business through an absorption-type merger or an absorption-type Demerger

Not applicable.

7) Acquisition or Disposal of shares, other equity interests or subscription rights to shares, etc. of other companies

Not applicable.

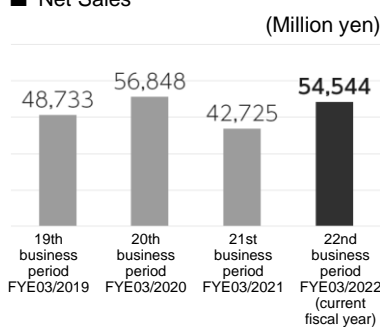
(2) Trends in Assets, Profits and Losses

(Unit: Millions of yen)

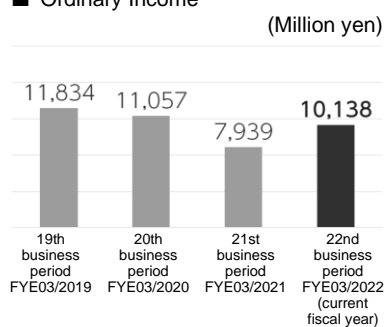
Item	Fiscal 2019 19th business period	Fiscal 2020 20th business period	Fiscal 2021 21st business period	Fiscal 2022 22nd business period (current fiscal year)
Net sales	48,733	56,848	42,725	54,544
Ordinary income	11,834	11,057	7,939	10,138
Profit attributable to owners of parent	8,144	7,125	3,502	6,628
Profit per share (yen)	178.97	156.23	78.19	147.71
Total assets	49,852	51,896	46,644	56,215
Net assets	35,466	38,648	36,856	41,160
Net asset per share (yen)	762.51	834.74	810.66	903.89
ROE (%)	25.8	19.6	9.5	17.2

Note: Consumption tax is not included in net sales.

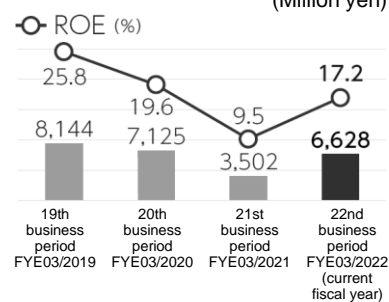
■ Net Sales



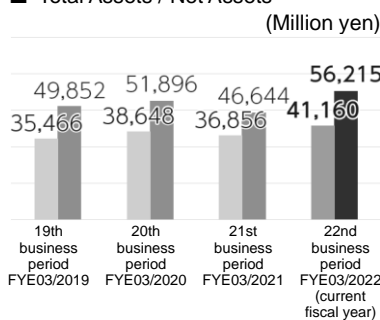
■ Ordinary Income



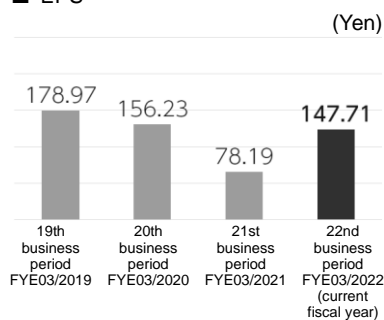
■ Profit Attributable to Owners of Parent



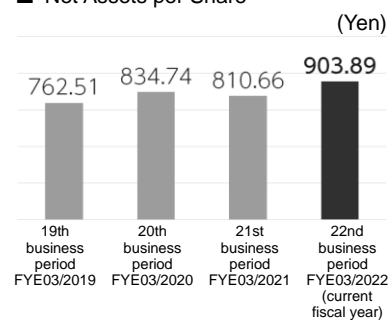
■ Total Assets / Net Assets



■ EPS



■ Net Assets per Share



(3) Important Information on Parent Company and Subsidiaries

a) Relationship with parent company

Not applicable

b) Status of important subsidiaries

Name	Capital stock	Ratio of voting rights	Main Business
en world Japan K.K.	65 million yen	100%	Permanent Recruitment, Temporary staffing
Navigos Group Vietnam Joint Stock Company	63,912 million VND	100%	Job Board business Permanent Recruitment
Future Focus Infotech Pvt,Ltd.	25 million INR	85.8%	IT Permanent Recruitment

Notes:

1. Of the ratio of voting rights of the Company for Navigos Group Vietnam Joint Stock Company, 100.0% is based on indirect ownership through consolidated subsidiaries of the Company.
2. Of the ratio of voting of the Company for Future Focus Infotech Pvt, Ltd., 85.8% is based on indirect ownership through consolidated subsidiaries of the Company.
3. There are no subsidiaries that fall within the category of specified wholly-owned subsidiary.

(4) Issues to Deal with

We project that the operating environment of Japan's human resources business market to which the en Japan Group belongs will, in general, continue to see resilient hiring demand from corporations. The COVID-19 pandemic has also brought about changes in the way people work, such as teleworking and freelancing, along with the move toward digitalization in the corporate sector. These developments are expected to transform growth industries and job seekers' attitude toward changing jobs. In these circumstances, the Company believes that job changes across industries will be promoted, potentially resulting in more liquidity in employment.

In the overseas human resources business market, both Vietnam and India, which we are focusing on, are expected to show high economic growth in the future. Given the large population and low average age, we see high growth potential over the medium to long term. Additionally, regardless of country, the IT and technology markets are widely expected to grow, and the need for human resources in these areas is high. As such, we anticipate strong growth, especially of IT-related offshore development in these two countries.

In these circumstances, the Company expects the diversified use and selection of its services among the job seekers and companies hiring them, in addition to higher liquidity of employment. Our purpose (i.e., our *raison d'être* in society) is to make the world a better place by increasing the number of people who work hard for the benefit of others and society. In order to fulfill this purpose, we will facilitate a movement of labor to positions that make a significant social impact and growth industries as we leverage technology to provide job information that is sufficient in both quality and quantity, all with the aim of increasing job opportunities.

We plan to invest aggressively in our "engage" and human resources platform services to make them the next pillars of our business and significantly increase sales. We will also continue investing in our existing businesses to maintain their high profitability. In addition to that, we will focus on investing in human resources and improving governance to ensure business growth.

We provide a unique service through "engage" that conventional recruitment media do not offer. It allows corporations to create their own recruitment websites and job postings free of charge and increase their exposure to job seekers via various job networks. The number of companies using the service has been growing every year due to its ease of use, and the number of full-time job openings it offers is now on a par with those offered by Hello Work. Going forward, we will increase our investment in promotions to attract job seekers, utilize AI and other technologies to provide the right job information to job seekers, and increase job opportunities.

We will provide information on attractive job opportunities via our human resources platform service, targeting people with a high level of expertise, such as specialists and managers, for whom hiring demand is expected to increase. By doing so, we will continue to work with an eye to facilitating the movement of labor to positions that make a significant social impact and growth industries.

(5) Main Businesses (As of March 31, 2022)

Business	Main Service
Human Resource Service	<ul style="list-style-type: none">▪ Job Board business Main boards are en TENSHOKU, en HAKEN, MIDDLE NO TESHOKU, VietnamWorks, etc.▪ Permanent Recruitment Main brands are en world Japan K.K., en AGENTS, etc.▪ Temporary staffing Future Focus Infotech Pvt, Ltd. (IT staffing), part of en world Japan K.K. business (specialist staffing)▪ HR-Tech service Mainly engage, Providing recruiting management and business management, supporting service for promoting various human resource such as encourage

(6) Main Offices (As of March 31, 2022)

1) The Company

Name	Location
Head Office	Shinjuku-ku, Tokyo
Branch Office	Osaka, Nagoya, Yokohama, Fukuoka, Others

2) Subsidiaries

Name	Location
en world Japan K.K.	Chuo-ku, Tokyo
Navigos Group Vietnam Joint Stock Company	Ho Chi Minh city, Vietnam
Future Focus Infotech Pvt, Ltd.	Chennai, India

(7) Employees (As of March 31, 2022)

1) The Group

Number of employees	Change from the end of the previous fiscal year
2,928	Up 75

Note: The number of employees represents the number of full-time employees and does not include two hundred and fifteen (215) temporary (part-time) employees.

2) The Company

Number of employees	Change from the end of the previous fiscal year	Average age	Average years of service
1,450	Up 43	30 years 4 months	4 years 10 months

Note: The number of employees represents the number of full-time employees and does not include thirty (30) employees loaned to other companies and one hundred and seventy-seven (177) temporary (part-time) employees.

(8) Major Creditors (As of March 31, 2022)

Not applicable.

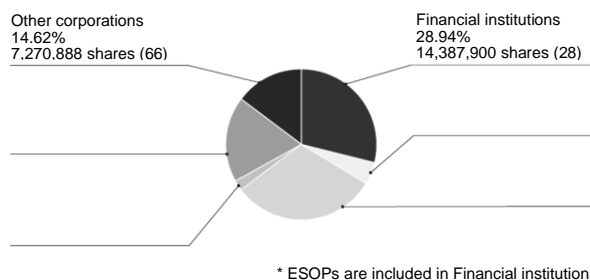
(9) Other Important Matters concerning the Group

Not applicable.

2. State of the Company

(1) Shares (As of March 31, 2022)

- 1) Total Number of Shares
Authorized to Be Issued: 187,200,000
- 2) Total Number of
Shares Outstanding: 44,920,623
(Excluding treasury shares of 4,795,377)
- 3) Number of Shareholders: 5,273
- 4) Major Shareholders (Top 10):



Name of shareholder	Number of shares owned	Ratio of shareholding
The Master Trust Bank of Japan, Ltd. (Account in trust)	7,019,900	15.63%
Michikatsu Ochi	4,383,900	9.76
Custody Bank of Japan, Ltd. (Account in trust)	3,374,900	7.51
en Foundation for HR development	3,060,000	6.81
en Kikaku, Ltd.	2,184,800	4.86
MO Research Institute inc.	1,837,000	4.09
THE BANK OF NEW YORK MELLON 140044	1,750,900	3.90
Akiyuki Ochi	1,475,200	3.28
NORTHERN TRUST CO.(AVFC) RE MONDRIAN INTERNATIONAL SMALL CAP EQUITY FUND,L.P.	1,369,900	3.05
THE BANK OF NEW YORK MELLON SA/NV 10	793,800	1.77

Notes: 1. The above excludes 2,447,877 treasury shares owned by the Company, which are ranked fifth, and 2,347,500 shares of the Company owned by Custody Bank of Japan, Ltd. (Trust E Account), which are ranked sixth.

2. The ratio of shareholding was calculated by subtracting the number of treasury shares (4,795,377 shares).

- 5) Share Warrants Granted to the Company's Directors as Compensation for the Execution of Duties during the Current Fiscal Year
Not applicable.
- 6) Other Important Matters Concerning Shares
Not applicable.

(2) Share Warrants and Others

1) Warrants Held by the Company's Executive Officers as Compensation for the Execution of Duties

Share warrants by resolution of the Board of Directors held on May 29, 2015

Section	Directors (excluding Outside Directors)
Amount paid for share warrants	No payment required
Execution price for share warrants	200 yen per share
Execution period for share warrants	From July 1, 2015 to June 30, 2033
Execution condition for share warrants	Share warrants can be exercised on and after a date that is earlier of the date three (3) years from the next day of the allocation date or the next day of the date of losing the status of Director, Corporate Auditor, or Executive Officer of the Company or subsidiaries of the Company.
Number of holders	5
Number of share warrants	318
Type and number of share to be delivered upon exercise	Common stock, 63,600shares

Notes: 1. The number of shares underlying 1 (one) share warrant is 200.

2. The execution period and the execution conditions have been amended by an allocation contract as follows:

Exercise period: From July 1, 2020 to June 30, 2033

Exercise condition:

- 1) At the time of executing share warrants, the holder must be an officer or an employee of the Company or an affiliate of the Company. However, in the case that the holder becomes an officer or an employee of a company other than the Company or affiliates of the Company for reasons to do with the Company, the execution of share warrants is permitted.
- 2) The share warrant holder must achieve performance goals, etc. that have been set individually.
- 3) The details of the conditions shown in 1) and 2) above and other conditions shall be provided in the allocation contract.

Share warrants by resolution of the Board of Directors held on July 22, 2016

Section	Directors (excluding Outside Directors)
Amount paid for share warrants	No payment required
Execution price for share warrants	200 yen per share
Execution period for share warrants	From September 1, 2016 to June 30, 2033
Execution condition for share warrants	Share warrants can be exercised on and after a date that is earlier of the date three (3) years from the next day of the allocation date or the next day of the date of losing the status of Director, Corporate Auditor, or Executive Officer of the Company or subsidiaries of the Company.
Number of holders	1
Number of share warrants	10
Type and number of share to be delivered upon exercise	Common stock, 2,000shares

Notes: 1. The number of shares underlying 1 (one) share warrant is 200.

2. The execution period and the execution conditions have been amended by an allocation contract as follows:

Exercise period: From July 1, 2021 to June 30, 2033

Exercise condition:

- 1) At the time of executing share warrants, the holder must be an officer or an employee of the Company or an affiliate of the Company. However, in the case that the holder becomes an officer or an employee of a company other than the Company or affiliates of the Company for reasons to do with the Company, the execution of share warrants is permitted.
- 2) The share warrant holder must achieve performance goals, etc. that have been set individually.
- 3) The details of the conditions shown in 1) and 2) above and other conditions shall be provided in the allocation contract.

2) Share Warrants Granted to the Company's Employees and Other Staff as Compensation for the Execution of Duties during the Current Fiscal Year

Not applicable.

3) Other Important Matters Concerning Share Warrants

Not applicable.

3. Executive Officers

(1) Directors and Corporate Auditors (As of March 31, 2022)

Position and responsibility	Name	Significant concurrent positions
Representative Director and President	Takatsugu Suzuki	Executive Officer Chairman and Representative Director of en world Japan K.K. Chairman of Navigos Group Vietnam Joint Stock Company
Chairman of the Board	Michikatsu Ochi	
Managing Director	Megumi Kawai	Executive Officer Manager of Brand Planning Office of the Company
Director	Teruyuki Terada	Executive Officer General Manager of Digital Product Development Division of the Company
Director	Takuo Iwasaki	Executive Officer Manager of Mid-Career Recruitment Media Division
Director (Outside)	Taisuke Igaki	LPC Partner of Nishimura & Asahi LPC Outside Director of UT Group Co., Ltd.
Director (Outside) (Independent)	Kayo Murakami	Representative Partner of Kazu and Company LLC
Director (Outside) (Independent)	Wataru Sakakura	Director and Chief Operating Officer of One Capital
Full-time Corporate Auditor (Outside) (Independent)	Masahiko Ohdo	—
Corporate Auditor (Outside) (Independent)	Naoki Otani	Outside Director of MYSTAR ENGINEERING CORP. Head of Buyout Investments of Japan Post Investment Corporation
Corporate Auditor (Outside) (Independent)	Toshihiko Ishikawa	Chairman of the Board of Business Brain Showa-Ota Inc. CEO of BBS (Thailand) Co., Ltd.

Notes:

1. Directors Mr. Taisuke Igaki, Ms. Kayo Murakami and Mr. Wataru Sakakura are Outside Directors.
2. Corporate Auditors Mr. Masahiko Ohdo, Mr. Naoki Otani and Mr. Toshihiko Ishikawa are Outside Corporate Auditors.
3. Corporate Auditor Mr. Toshihiko Ishikawa is a licensed Certified Public Accountant and has considerable knowledge of fiancé and accounting.
4. The Company has registered Directors Ms. Kayo Murakami, Mr. Wataru Sakakura and Corporate Auditors Mr. Masahiko Ohdo, Mr. Naoki Otani and Mr. Toshihiko Ishikawa as Independent Officers stipulated under the rules of the Tokyo Stock Exchange.

5. Corporate Auditor who retired during the current fiscal year

Position at the time of retirement	Name	Responsibility at the time of retirement and significant concurrent positions	Date of retirement
Corporate Auditor	Atsuo Yoshida	Representative of Yoshida Atsuo Accounting Firm	June 24, 2021

Note: Mr. Atsuo Yoshida retired due to resignation.

(2) Outline of contracts for limitations of liability

The Company has concluded liability limitation agreements with all Outside Directors and Corporate Auditors as stipulated in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability based on such agreements is the amount as stipulated in Article 425, Paragraph 1 of the Companies Act.

(3) Outline of contracts for Officer Liability Insurance

The Company has concluded officer liability insurance contracts in which the insured include Directors, Corporate Auditors, Executive Officers, and officers of the subsidiaries, in order to indemnify the insured for damages caused by the responsibility assumed by the insured for their execution of duties and claims made related to the pursuit of such responsibility. The Company pays all the insurance premiums. Since claims for damages caused by the willful misconduct or gross negligence of the insured are not covered by the above insurance policy, the Company has taken measures to ensure that nothing will impede officers and other personnel from appropriately executing their duties.

(4) Compensation and Other Amounts to Directors and Corporate Auditors for the Current Fiscal Year

a. Matters related to the policy for determining compensation and other amounts to individual Directors and Corporate Auditors

The Company, at the Board of Directors Meeting, has defined the policy for determining (hereinafter referred to as “determination policy”) remuneration for individual Directors linked with shareholder interests so that remuneration adequately functions as an incentive to sustainably improve corporate value. Remuneration for Directors for the current fiscal year consists of fixed remuneration and bonus. The Nomination and Compensation Committee, which was established as an advisory body of the Board of Directors and is composed mainly of Outside Officers, reviews the policy to determine the amounts of fixed remuneration and bonus and provides recommendations to the Board of Directors before it is finalized. The Representative Director, who is given the decision-making authority by the Board of Directors, determines the amounts of fixed remuneration for individual Directors based on these recommendations. The bonus is calculated for each Director by multiplying the base amount specified according to the Director’s position and responsibility by the payout rate based on evaluation weights of three indicators—consolidated net sales, consolidated operating income, consolidated profit—as well as the target achievement rate.

The remuneration for Corporate Auditors consists only of a fixed compensation amount paid on a regular basis (basic remuneration) in order to ensure independence and objectivity in auditing management. The amount of remuneration for each Corporate Auditor is determined through consultation with the Board of Corporate Auditors.

b. Matters related to the resolution for compensation and other amounts to Directors and Corporate Auditors at the meeting of shareholders

The maximum remuneration for a Director was set at 300 million yen per annum in total at a resolution of the meeting of shareholders held on June 24, 2021. The number of Directors as of the conclusion of the said meeting of shareholders was eight (8) and the number of Outside Directors was three (3). In addition, the maximum total amount of share-remuneration type stock options granted as remuneration for an Inside Director was set at 100 million yen per annum by a resolution of the meeting of shareholders held on June 25, 2014. The number of Directors (excluding Outside Directors) as of the conclusion of the said meeting of shareholders was four (4) and the number of Outside Directors was zero (0).

The maximum remuneration for a Corporate Auditor was set at 30 million yen per annum in total by a resolution of the meeting of shareholders held on March 27, 2008. The number of Corporate Auditors as of the conclusion of the said meeting of shareholders was three (3).

c. Matters related to delegation of authority for determining compensation and other amounts to individual Directors

For the current fiscal year, the fixed amounts of remuneration for individual Directors were determined under the leadership of Chairman and Representative Director (Currently Chairman of the Board) Michikatsu Ochi based on a resolution of the Board of Directors meeting held on June 24, 2021 to delegate the authority of determination. The authority of determination was delegated because the Company determined that determination through discussions of Internal Directors is the most appropriate way. The Board of Directors consulted and received recommendations from the Nomination and Compensation Committee, which is composed mainly of Outside Officers, so that the said authority is exercised appropriately, and the amounts of remuneration were determined based on the said recommendations. Thus, the Company determined that it is in accordance with the determination policy. It should be noted that officer's remuneration for the current fiscal year was fixed remuneration and bonus, and share-remuneration type stock option was not granted. The bonus is calculated for each Director by multiplying the base amount specified according to the Director's position and responsibility by the payout rate based on evaluation weights of three indicators—consolidated net sales, consolidated operating income, consolidated profit—as well as the target achievement rate, and therefore there is no room for debate.

d. Compensation and Other Amounts to Directors and Corporate Auditors

Category	Total amount of compensation (million yen)	Compensation and other amount by type (million yen)			Number of eligible Officers
		Basic compensation	Performance-linked compensation, etc.	Non-monetary compensation, etc.	
Directors (of which, Outside Directors)	161 (12)	133 (12)	27 (-)	- (-)	8 (3)
Corporate Auditors (of which, Outside Directors)	12 (6)	12 (6)	- (-)	- (-)	4 (3)

Notes: 1. The amount of performance-based remuneration, etc. is the amount of expenses recorded during the fiscal year under review related to stock acquisition rights granted as stock options to Directors (excluding Outside Directors).

2. The number of Directors and Corporate Auditors shown above include one Corporate

Auditor who retired at the conclusion of the 21st Annual Meeting of Shareholders held on June 24, 2021.

3. The performance indicators for performance-linked compensation, etc. (bonuses) are consolidated net sales, consolidated operating income, and profit attributable to owners of the parent, and they respectively amounted to 54,544 million yen, 9,633 million yen, and 6,628 million yen. The Company calculates performance-linked compensation, etc. (bonuses) based on the achievement level of targets set for the performance indicators each fiscal year.

(5) Outside Executive Officers

1) Major activities at the Company

Position	Name	Status of attendance of the Board of Directors Meetings	Status of attendance of the Board of the Auditors Meetings	Major activities at the Company
Outside Director	Taisuke Igaki	12 / 12 (100%)	-	Director Taisuke Igaki has provided indications and opinions useful for the Company's management based on his professional view as an attorney.
	Kayo Murakami	12 / 12 (100%)	-	Director Kayo Murakami has provided indications and opinions useful for the Company's management based on her extensive experience related to web, digital marketing and DX, and unique perspective as a woman.
	Wataru Sakakura	10 / 10 (100%)	-	Director Wataru Sakakura has provided indications and opinions useful for the Company's management based on his extensive experience and knowledge on digital transformation and, investment and strategies for SaaS in Japan.
Outside Corporate Auditor	Masahiko Ohdo	12 / 12 (100%)	12 / 12 (100%)	Corporate Auditor Masahiko Ohdo has provided indications and opinions useful for the Company's management based on his extensive experience and knowledge on corporate management.
	Naoki Otani	12 / 12 (100%)	12 / 12 (100%)	Corporate Auditor Naoki Otani has provided indications and opinions useful for the Company's management based on his extensive experience on corporate management and PE investment, as well as his professional view as an attorney.
	Toshihiko Ishikawa	10 / 10 (100%)	10 / 10 (100%)	Corporate Auditor Toshihiko Ishikawa has provided indications and opinions useful for the Company's management based on his professional view, and has a high degree of insight in corporate management as a certified public accountant.

Notes: 1. Mr. Wataru Sakakura assumed office of Director at the Annual Meeting of Shareholders held on June 24, 2021. Therefore, he did not attend the meetings of the Board of Directors held in April and May 2021 as a Director.

2. Mr. Toshihiko Ishikawa assumed office of Corporate Auditor at the Annual Meeting of Shareholders held on June 24, 2021. Therefore, he did not attend the meetings of the Board of Directors and the Board of Auditors held in April and May 2021.

2) Outline of duties executed for the roles expected to be played by Outside Directors

Director Taisuke Igaki has provided indications and opinions useful for the Company's management in the meetings of the Board of Directors primarily from the professional perspective of an attorney. He has also improved transparency and fairness in the election and dismissal of officers and the process of determining remuneration as the chair of the Nomination and Compensation Committee.

Director Kayo Murakami has provided indications and opinions useful for the Company's management in the meetings of the Board of Directors and the management meetings based on

her extensive experience related to the web, digital marketing, and DX from the perspective unique to a female. She has also improved transparency and fairness in the election and dismissal of officers and the process of determining remuneration as a member of the Nomination and Compensation Committee.

Director Wataru Sakakura has provided indications and opinions useful for the Company's management in the meetings of the Board of Directors and the management meetings based on his extensive experience and knowledge on digital transformation and, investment and strategies for SaaS in Japan. He has also improved transparency and fairness in the election and dismissal of officers and the process of determining remuneration as a member of the Nomination and Compensation Committee.

3) Significant concurrent positions and their relationship to the Company

Director Taisuke Igaki concurrently serves as LPC Partner of Nishimura & Asahi LPC and Outside Director of UT Group Co., Ltd. The Company receives recruitment support fees from UT Group Co., Ltd., where Mr. Taisuke Igaki serves as an Outside Director. But all transactions are carried out under terms and conditions similar to those for general transactions, and the annual transaction amount is less than 1% of the consolidated net sales of UT Group and the Company. For this reason, the Company has determined that there are no issues concerning his independence. There are no other interests that should be disclosed.

Director Kayo Murakami concurrently serves as Representative Partner of Kazu and Company LLC. There are no special interests between the corporation and the Company

Mr. Wataru Sakakura concurrently serves as Director and COO for One Capital, Inc. The Company has invested 285 million yen for a purely investment purpose in a partnership that One Capital manages as a general partner, however, there are no transactions occur other than profit sharing. This amount accounts for less than 1% of the Company's total consolidated assets and less than 2% of the total amount invested in the said partner. For this reason, The Company has determined that there are no issues concerning his independence. There are no other interests that should be disclosed.

Corporate Auditor Naoki Otani concurrently serves as Outside Director of MYSTAR ENGINEERING CORP. and Head of Buyout Investments of Japan Post Investment Corporation. There are no special interests between those corporations and the Company.

Corporate Auditor Toshihiko Ishikawa concurrently serves as Chairman of the Board of Business Brain Showa-Ota Inc. and CEO of BBS (Thailand) Co., Ltd. The Company receives recruiting commissions from Business Brain Showa-Ota Inc., but all transactions are carried out under terms and conditions similar to those for general transactions, and the annual transaction amount is less than 1% of the consolidated net sales of Business Brain Showa-Ota and the Company. For this reason, the Company has determined that there are no issues concerning his independence. There are no other interests that should be disclosed.

4. Accounting Auditor

(1) Name of Accounting Auditor

Ernst & Young ShinNihon LLC

(2) Compensations and Other Amounts to the Accounting Auditor for the Current Fiscal Year

	Amount of payment
Compensations and other amounts related to services stipulated in Article 2 Paragraph 1 of Certified Public Accountants act	34,000,000 yen
Compensations and other amounts for services other than	- yen

those stipulated in Article 2 Paragraph 1 of Certified Public Accountants act	
Total amount of cash and other property benefits paid to the Accounting Auditor by the Company and its subsidiaries	34,000,000 yen

Notes:

1. Some consolidated subsidiaries of the Company are audited by an auditing firm other than the Accounting Auditor of the Company.
2. Reasons why the Board of Corporate Auditors agreed on the remuneration for the Accounting Auditor

The Board of Corporate Auditors has given consent, as stipulated in Article 399, Paragraph 1 of the Companies Act, to the remuneration for the Accounting Auditor as a result of a review of the trends in audit hours and audit fees in the audit plan as well as the audit plans and results in past fiscal years, and the examination of appropriateness of the estimated remuneration amounts, based on the “Practical Guidelines for Cooperation with Accounting Auditors” published by the Japan Audit & Supervisory Board Members Association.
3. The audit contract between the Company and the Accounting Auditor has not differentiated between the amount of the fee for an audit based on the Companies Act and the amount of the fee for an audit based on the Financial Instruments and Exchange Act, and it is also impossible to distinguish those amounts practically. Therefore, the amounts shown above represent the total of those amounts.
4. The Company has paid fees for advisory and instruction services related to the application of accounting standards for revenue recognition, which are services other than ones under Article 2, Paragraph 1 of the Certified Public Accountants Act.

(3) Policy for Determining the Dismissal or Non-reappointment of the Accounting Auditor

The Board of Corporate Auditors shall decide proposals for dismissal or non-reappointment of the Accounting Auditor in the event that there is an obstacle to the execution of duties by the Accounting Auditor or in other cases where the Board finds it necessary. Based on this decision, the Board of Directors shall submit those proposals to the general meeting of shareholders.

In addition, if the Accounting Auditor is found to fall under matters stipulated in any Item of Article 340, Paragraph 1 of the Companies Act, the Board of Corporate Auditors shall dismiss the Accounting Auditor based on the unanimous agreement of the Corporate Auditors. In this case, the Corporate Auditors selected by the Board of Corporate Auditors shall report the dismissal of the Accounting Auditor and the reasons for the dismissal in the general meeting of shareholders held for the first time after the dismissal.

5. Basic Policy on the Control of the Company

The Company has not established a basic policy on the status of a person who shall control the decision on the policy of finance and business of the Company.

(Note) Figures and the numbers of shares listed in the business report do not show amounts less than the units of display. Percentages are rounded to the nearest units of display.

Consolidated Financial Statements

Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022
Assets	
Current assets	42,301
Cash and deposits	33,849
Notes and accounts receivable - trade, and contract assets	5,466
Securities	2,000
Work in process	5
Supplies	14
Other	1,042
Allowance for doubtful accounts	-76
Non-current assets	13,914
Property, plant and equipment	634
Buildings	233
Vehicles	16
Furniture and fixtures	184
Leased assets	193
Construction in progress	7
Intangible assets	6,888
Software	3,691
Goodwill	2,342
Other	853
Investments and other assets	6,392
Investment securities	2,752
Shares of subsidiaries and associates	680
Long-term loans receivable	878
Deferred tax assets	876
Other	1,572
Allowance for doubtful accounts	-367
Total assets	56,215

	As of March 31, 2022
Liabilities	
Current liabilities	13,501
Accounts payable-trade	1,063
Lease obligations	134
Accounts payable-other	4,459
Income taxes payable	1,189
Provision for bonuses	1,088
Provision for directors' bonuses	27
Advances received	3,785
Other	1,752
Non-current liabilities	1,553
Lease obligations	87
Deferred tax liabilities	108
Provision for share benefits	424
Asset retirement obligations	206
Long-term accounts payable-other	726
Total liabilities	15,054
Net assets	
Shareholders' equity	40,176
Capital stock	1,194
Capital surplus	902
Retained earnings	43,147
Treasury shares	-5,068
Accumulated other comprehensive income	426
Valuation difference on available-for-sale securities	102
Foreign currency translation adjustment	324
Subscription rights to shares	124
Non-controlling interests	432
Total net assets	41,160
Total liabilities and net assets	56,215

Consolidated Statements of Income

(Million yen)

	From April 1, 2021 to March 31, 2022	
Net sales		54,544
Cost of sales		11,501
Gross profit		43,043
Selling, general and administrative expenses		33,409
Operating income		9,633
Non-operating income		539
Non-operating expenses		34
Ordinary income		10,138
Extraordinary income		
Gain on sales of non-current assets	0	
Gain on sales of investment securities	186	186
Extraordinary losses		
Loss on sale of non-current assets	0	
Loss on retirement of non-current assets	16	
Loss on sale of investment securities	3	
Loss on valuation of investment securities	42	
Loss on sales of shares of subsidiaries and associates	8	
Impairment loss	278	348
Income before income taxes		9,976
Income taxes - current	2,811	
Income taxes - deferred	464	3,275
Profit		6,701
Profit attributable to non-controlling interests		73
Profit attributable to owners of parent		6,628

Non-consolidated Financial Statements
Non-consolidated Balance Sheets

(Million yen)

	As of March 31, 2022
Assets	
Current assets	30,684
Cash and deposits	25,821
Notes receivable-trade	0
Accounts receivable-trade	2,094
Securities	2,000
Supplies	10
Prepaid expenses	402
Other	372
Allowance for doubtful accounts	-16
Non-current assets	20,662
Property, plant and equipment	191
Buildings	124
Furniture and fixtures	66
Intangible assets	4,001
Trademark right	17
Software	3,577
Other	406
Investments and other assets	16,469
Investment securities	2,752
Shares of subsidiaries and associates	10,680
Long-term loans receivable	1,550
Distressed receivables	23
Deferred tax assets	662
Other	1,168
Allowance for doubtful accounts	-367
Total assets	51,347

	As of March 31, 2022
Liabilities	
Current liabilities	8,527
Accounts payable-trade	161
Accounts payable-other	3,105
Accrued expenses	248
Income taxes payable	602
Advances received	3,345
Deposits	49
Unearned revenue	1
Provision for bonuses	729
Provision for directors' bonuses	27
Other	256
Non-current liabilities	1,323
Long-term accounts payable-other	726
Provision for share benefits	424
Asset retirement obligations	172
Total liabilities	9,850
Net assets	
Shareholders' equity	41,269
Capital stock	1,194
Capital surplus	3,097
Legal capital surplus	2,678
Other capital surplus	419
Retained earnings	42,046
Other retained earnings	42,046
General reserve	2,030
Retained earnings brought forward	40,016
Treasury shares	-5,068
Valuation and translation adjustments	102
Valuation difference on available-for-sale securities	102
Subscription rights to shares	124
Total net assets	41,496
Total liabilities and net assets	51,347

Non-consolidated Statements of Income

(Million yen)

	From April 1, 2021 to March 31, 2022	
Net sales		35,281
Cost of sales		2,940
Gross profit		32,340
Selling, general and administrative expenses		24,946
Operating income		7,393
Non-operating income		2,919
Non-operating expenses		19
Ordinary income		10,292
Extraordinary income		
Gain on sales of investment securities	186	186
Extraordinary losses		
Loss on retirement of non-current assets	14	
Loss on sale of investment securities	3	
Loss on valuation of investment securities	42	
Loss on sale of shares of subsidiaries and associates	8	
Loss on valuation of shares of subsidiaries and associates	659	727
Income before income taxes		9,751
Income taxes - current	1,952	
Income taxes - deferred	456	2,409
Profit		7,341

Independent Auditor's Report

May 20, 2022

en Japan Inc. The Board of Directors

Ernst & Young ShinNihon LLC

Designated and
Engagement Partner

Certified Public Accountant

Yoshio Yukawa (Seal)

Designated and
Engagement Partner

Certified Public Accountant

Kinuyo Matsuo (Seal)

Audit Opinion

The independent auditor has audited the consolidated financial statements, including the consolidated balance sheet, the consolidated statements of income, the consolidated statements of changes in equity and the notes to the consolidated financial statements of en Japan Inc. for the fiscal year from April 1, 2021 to March 31, 2022, in accordance with Article 444, Paragraph 4 of the Companies Act.

In the independent auditor's opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group, comprising en Japan Inc. and its consolidated subsidiaries, as of March 31, 2021 and the consolidated results of their operations for the year then ended, in conformity with accounting principles generally accepted in Japan.

Grounds for Auditor's Opinion

We conducted the audit in accordance with auditing standards generally accepted in Japan. Our responsibility in the auditing standards is described in the section "Auditor's Responsibility for the Audit of Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with rules of business ethics in Japan, and have fulfilled our ethical responsibility as an auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Information

Other information comprises the information included in the business report and supplementary schedules thereof. Management is responsible for preparing and disclosing other information. Corporate Auditors and the Board of Corporate Auditors are responsible for monitoring the performance of duties of the Directors in the development and operation of the reporting process for other information.

Our opinion on the consolidated financial statements does not cover other information, and we do not express an opinion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read other information and consider whether a material inconsistency exists between other information and the consolidated financial statements or our knowledge acquired in the process of audit, or whether other information otherwise appears to be materially misstated.

If, based on the work performed, we conclude that an uncorrected material misstatement of other information exists, we are required to describe it in our report.

We have nothing to report in this regard.

Management, Corporate Auditors and Board of Corporate Auditors' Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with generally accepted accounting principles in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing consolidated financial statements, management is responsible for assessing the Company's

ability to continue as a going concern and disclosing, as required by accounting standards generally accepted in Japan, matters related to a going concern.

The responsibility of Corporate Auditors and the Board of Corporate Auditors is to monitor the execution of duties by Directors in the establishment and operation of the financial reporting process.

Auditor's Responsibility for the Audit of Consolidated Financial Statements

The responsibility of the auditor is to obtain reasonable assurance about whether the overall consolidated financial statements are free from material misstatement, whether due to fraud or error, and express independent opinions on the consolidated financial statements in the audit report based on the auditor's audit. Material misstatement may arise from fraud or error, and is considered material when it is reasonably expected to affect, whether individually or in aggregate, the decision-making of the users of the consolidated financial statements.

The auditor makes judgments as a professional and carries out the following with professional skepticism through audit procedures in accordance with auditing standards generally accepted in Japan.

- The auditor identifies and assesses material misstatement risks due to fraud or error. The auditor also formulates and implements audit procedures suitable for material misstatement risks. The audit procedures are selected and applied based on the auditor's judgment. Moreover, the auditor obtains adequate and appropriate audit evidence as a basis of expressing opinions.

- The purpose of the audit of the consolidated financial statements is not to express opinions on the effectiveness of internal controls. In making those risk assessments, meanwhile, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- The auditor evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the appropriateness of relevant notes to the consolidated financial statements.

- The auditor concludes the Company's ability to continue as a going concern for preparing the consolidated financial statements, and whether material uncertainty exists regarding events or circumstances that may cast significant doubt on the ability to continue as a going concern, based on audit evidence obtained by the auditor. If there is significant uncertainty on the ability to continue as a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report. If the notes to the consolidated financial statements regarding the significant uncertainty are not appropriate, the auditor is required to express a modified opinion on the consolidated financial statements. The auditor's conclusion is based on audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- The auditor evaluates whether the presentation of the consolidated financial statements and the notes thereto are in accordance with auditing standards generally accepted in Japan. The auditor also evaluates the presentation, structure, and contents of the consolidated financial statements including relevant notes thereto, and whether the consolidated financial statements appropriately present their underlying transactions and accounting events.

- The auditor obtains adequate and appropriate audit evidence on financial information of the Company and its consolidated subsidiaries in order to express opinions to the consolidated financial statements. The auditor is responsible for instruction, supervision, and implementation of the audit of the consolidated financial statements. The auditor is solely responsible for audit opinions.

The auditor makes a report to Corporate Auditors and the Board of Corporate Auditors regarding the scope and period of the planned audit, material audit findings including material defects in internal controls identified during the implementation process of the audit, and other matters required by the audit standards.

The auditor makes a report to Corporate Auditors and the Board of Corporate Auditors regarding compliance with rules of business ethics for independence in Japan, matters reasonably expected to affect the independence of the auditor, and any safeguard measures taken to eliminate or mitigate obstructive factors.

Interest

The independent auditor and engagement partners have no interest in the Company and its consolidated subsidiaries which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of

Japan.

Accounting Audit Report regarding Non-consolidated Financial Statements

Independent Auditor's Report

May 20, 2022

en Japan Inc. The Board of Directors

Ernst & Young ShinNihon LLC

Designated and Engagement Partner Certified Public Accountant
Yoshio Yukawa (Seal)

Designated and Engagement Partner Certified Public Accountant
Kinuyo Matsuo (Seal)

The independent auditor has audited the non-consolidated financial statements, including the non-consolidated balance sheet, the non-consolidated statements of income, the non-consolidated statements of changes in equity and the notes to the non-consolidated financial statements (hereinafter referred to as "Non-consolidated financial statements"), as well as the supporting schedules of en Japan Inc. for the 22nd fiscal year from April 1, 2021 to March 31, 2022, in accordance with Article 436, Paragraph 2, Item 1 of the Companies Act.

In the independent auditor's opinion, the non-consolidated financial statements referred to above present fairly, in all material respects, the non-consolidated financial position of the Company as of March 31, 2022 and the non-consolidated results of its operations for the year then ended, in conformity with accounting principles generally accepted in Japan.

Grounds for Auditor's Opinion

We conducted the audit in accordance with auditing standards generally accepted in Japan. Our responsibility in the auditing standards is described in the section "Auditor's Responsibility for the Audit of Non-consolidated Financial Statements." We are independent of the Company in accordance with rules of business ethics in Japan, and have fulfilled our ethical responsibility as an auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Information

Other information comprises the information included in the business report and supplementary schedules thereof. Management is responsible for preparing and disclosing other information. Corporate Auditors and the Board of Corporate Auditors are responsible for monitoring the performance of duties of the Directors in the development and operation of the reporting process for other information.

Our opinion on the Non-consolidated financial statements does not cover other information, and we do not express an opinion thereon.

In connection with our audit of the Non-consolidated financial statements, our responsibility is to read other information and consider whether a material inconsistency exists between other information and the Non-consolidated financial statements or our knowledge acquired in the process of audit, or whether other information otherwise appears to be materially misstated.

If, based on the work performed, we conclude that an uncorrected material misstatement of other information exists, we are required to describe it in our report.

We have nothing to report in this regard.

Management, Corporate Auditors and Board of Corporate Auditors' Responsibility for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with generally accepted accounting principles in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting standards generally accepted in Japan, matters related to a going concern.

The responsibility of Corporate Auditors and the Board of Corporate Auditors is to monitor the execution of duties by Directors in the establishment and operation of the financial reporting process.

Auditor's Responsibility for the Audit of Non-consolidated Financial Statements

The responsibility of the auditor is to obtain reasonable assurance about whether the overall non-consolidated financial statements are free from material misstatement, whether due to fraud or error, and express independent opinions on the non-consolidated financial statements in the audit report based on the auditor's audit. Material misstatement may arise from fraud or error, and is considered material when it is reasonably expected to affect, whether individually or in aggregate, the decision-making of the users of the non-consolidated financial statements.

The auditor makes judgments as a professional and carries out the following with professional skepticism through audit procedures in accordance with auditing standards generally accepted in Japan.

- The auditor identifies and assesses material misstatement risks due to fraud or error. The auditor also formulates and implements audit procedures suitable for material misstatement risks. The audit procedures are selected and applied based on the auditor's judgment. Moreover, the auditor obtains adequate and appropriate audit evidence as a basis of expressing opinions.

- The purpose of the audit of the non-consolidated financial statements is not to express opinions on the effectiveness of internal controls. In making those risk assessments, meanwhile, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- The auditor evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the appropriateness of relevant notes to the consolidated financial statements.

- The auditor concludes the Company's ability to continue as a going concern for preparing the non-consolidated financial statements, and whether material uncertainty exists regarding events or circumstances that may cast significant doubt on the ability to continue as a going concern, based on audit evidence obtained by the auditor. If there is significant uncertainty on the ability to continue as a going concern, the auditor is required to call attention to the notes to the non-consolidated financial statements in the audit report. If the notes to the non-consolidated financial statements regarding the significant uncertainty are not appropriate, the auditor is required to express a modified opinion on the non-consolidated financial statements. The auditor's conclusion is based on audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- The auditor evaluates whether the presentation of the non-consolidated financial statements and the notes thereto are in accordance with auditing standards generally accepted in Japan. The auditor also evaluates the presentation, structure, and contents of the non-consolidated financial statements including relevant notes thereto, and whether the non-consolidated financial statements appropriately present their underlying transactions and accounting events.

The auditor makes a report to Corporate Auditors and the Board of Corporate Auditors regarding the scope and period of the planned audit, material audit findings including material defects in internal controls identified during the implementation process of the audit, and other matters required by the audit standards.

The auditor makes a report to Corporate Auditors and the Board of Corporate Auditors regarding compliance with rules of business ethics for independence in Japan, matters reasonably expected to affect the independence of the auditor, and any safeguard measures taken to eliminate or mitigate obstructive factors.

Interest

The independent auditor and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Corporate Auditors' Report

Audit Report

The Board of Corporate Auditors discussed the performance of duties by Directors for the 22nd fiscal year from April 1, 2021 to March 31, 2022, based on the audit reports prepared by the respective Corporate Auditors, and prepared this Audit Report. The Board hereby reports the details as follows.

1. Audit Method and Details by Corporate Auditors and the Board of Corporate Auditors

The Board of Corporate Auditors established audit policies including the audit plans and other rules, and received reports from each Corporate Auditor regarding the implementation of audits and results thereof, as well as reports from the Directors, and the Accounting Auditor regarding the execution of their duties, and sought explanations as necessary.

Each Corporate Auditor, in accordance with the auditing standards determined by the Board of Corporate Auditors, conformed to the auditing policies, the audit plans and other rules; communicated with Directors, the Internal Audit Committee, and employees; strove to establish an environment for information collection and auditing.

Each Corporate Auditor attended the meetings of Board of Directors and other important meetings; received reports from Directors, employees and other staff on the performance of their duties; requested explanations whenever necessary; inspected important written approvals and other documents; and examined the status of operations and assets at the headquarters and principal offices. Meanwhile, the Board of Corporate Auditors communicated and exchanged information with Directors, Corporate Auditors and other staff of subsidiaries, and received business reports from subsidiaries whenever necessary.

Also, each Corporate Auditor regularly received reports on the establishment and operations thereof from Directors and employees and sought explanations as necessary to express opinions about the system in order to ensure that the Directors' performance of duties as stated in the Business Report conforms to the relevant laws, regulations and the Articles of Incorporation; and the status of the system established based on the details and resolution of the Board of Directors concerning the establishment of the system stipulated in Article 100, Paragraph 1 and Paragraph 3 of the Enforcement Regulations of the Companies Act, which is required to ensure the appropriateness of operations of joint-stock companies (internal control system). Based on the above method, we examined the Business Report and supporting schedules for the current fiscal year.

Further, the Board of Corporate Auditors monitored and verified whether the Accounting Auditor maintained independence and implemented appropriate audits; received reports from the Accounting Auditor on performance of their duties, and sought explanations whenever necessary. Furthermore, the Board of Corporate Auditors received notice from the Accounting Auditor that the "System for ensuring that duties are performed properly" (matters set forth in each item of Article 131 of the Ordinance on Accounting of Companies) is established in accordance with the "Quality Management Standards Regarding Audits" (Business Accounting Council; October 28, 2005) and other standards, and sought explanations whenever necessary.

Based on the above methods, the Board of Corporate Auditors examined the non-consolidated financial statements (balance sheet, statements of income, statements of changes in equity, and notes to financial statements), the supporting schedules, and the consolidated financial statements (balance sheet, statements of income, statements of changes in equity, and notes to financial statements) for the current fiscal year.

2. Audit Results

(1) Audit Results of Business Report and Others

- 1) The Board of Corporate Auditors acknowledges that the business report and the supporting schedules fairly present the Company's conditions in accordance with laws, regulations and the Articles of Incorporation.
- 2) With regard to the performance of duties by Directors, the Board of Corporate Auditors finds no significant evidence of wrongful acts, nor violations of laws, regulations, or the Articles of Incorporation.
- 3) The Board of Corporate Auditors acknowledges that the content of the resolution by the Board of Directors concerning the internal control system is appropriate. In addition, the Board finds no matters on which to remark with regard to the contents of the business report or the performance of duties by Directors regarding the internal control system.

(2) Audit Results on the Non-consolidated Financial Statements and the Supporting Schedules

The Board of Corporate Auditors acknowledges that the audit method of the Accounting Auditor, Ernst & Young ShinNihon LLC, and the results thereof are appropriate.

(3) Audit Results of Consolidated Financial Statements

The Board of Corporate Auditors acknowledges that the audit method of the Accounting Auditor, Ernst & Young ShinNihon LLC, and the results thereof are appropriate.

May 20, 2022

en Japan Inc.

Outside Corporate Auditor (full-time)

Outside Corporate Auditor

Outside Corporate Auditor

Masahiko Ohdo (Seal)

Naoki Otani (Seal)

Toshihiko Ishikawa (Seal)