

Securities Code: 3093  
May 13, 2021

To our shareholders:

Eigo Nosaka, President & CEO  
**Treasure Factory Co., Ltd.**  
3 Kandaneibeicho, Chiyoda-ku, Tokyo

## **Notice of Convocation of the 26th Ordinary General Meeting of Shareholders**

We are pleased to inform you that the 26th Ordinary General Meeting of Shareholders of the Company will be held, with details as follows.

In consideration of the fact that infection with the COVID-19 coronavirus is spreading, you are kindly requested to exercise your voting rights in advance as much as possible for your safety and to prevent the spread of the coronavirus. If you are a shareholder who intends to attend the General Meeting of Shareholders, the Company would be grateful if you kept in mind the necessity of preventing the spread of infection by wearing masks, for example, when attending the Meeting. Note that the Company may take any necessary steps at its discretion to ensure the safety of shareholders and prevent the spread of infection even at the location of the Meeting of Shareholders. Your cooperation is appreciated.

### Exercise of Voting Rights in Writing

Please indicate your approval or disapproval of the agenda items on the enclosed voting form and return it by 5:00 p.m. on Thursday, May 27, 2021.

### Exercise of Voting Rights via the Internet

Please access the website for the exercise of voting rights specified by the Company (URL: <https://www.web54.net>). Enter the voting code and password printed on the enclosed voting form and indicate your approval or disapproval of the agenda items, following the instructions on the screen by 5:00 p.m. on Thursday, May 27, 2021.

Please peruse the Instructions for the Exercise of Voting Rights via the Internet on page 3 to exercise your voting rights via the Internet.

- 1. Date and time:** 10:00 a.m., Friday, May 28, 2021 (Reception will open at 9:30 a.m.)
- 2. Venue:** Hall 3D, TKP Ichigaya Conference Center 3F  
TKP Ichigaya Building, 8 Ichigayahachimanchō, Shinjuku-ku, Tokyo  
The meeting will take place at a different venue from the previous year.  
Before you come to the meeting, please make sure of the venue by seeing the access map for the venue of the General Meeting of Shareholders included at the end of this notice.

**3. Matters constituting the purpose of the meeting:**

- Matters to report:**
1. Reports on contents of the Business Report for the 26th period (from March 1, 2020 to February 28, 2021) and Consolidated Financial Statements, and reports on audit results of Consolidated Financial Statements by the Accounting Auditors and the Board of Corporate Auditors
  2. Reports on contents of Financial Statements for the 26th period (from March 1, 2020 to February 28, 2021)

**Matters for resolution:**

**Agenda Item No. 1:** Dividend of Surplus

**Agenda Item No. 2:** Election of Five Directors

**Agenda Item No. 3:** Election of One Substitute Auditor

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1. If you attend the meeting in person, please submit the enclosed voting rights exercise form to the receptionist.
  2. Pursuant to the provisions of relevant laws and regulations and Article 18 of the Articles of Incorporation, the following items are posted on the Internet at the Company's Japanese-language website (URL: <https://www.treasurefactory.co.jp/>) and therefore are not included in this Notice of Convocation.
    - (1) Status of accounting auditors
    - (2) Framework for ensuring the appropriateness of operations and the summary of its operational status
    - (3) Consolidated Statement of Changes in Equity and Statement of Changes in Equity
    - (4) Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements

The items listed under (1) to (4) above are part of the Business Report, Consolidated Financial Statements and Financial Statements audited by auditors for preparing an Audit Report. The items listed under (3) and (4) are part of the Consolidated Financial Statements and Financial Statements audited by accounting auditors for preparing an Accounting Audit Report.
  3. If any revisions are made to the Reference Documents for the General Meeting of Shareholders, Business Report, Financial Statements, and Consolidated Financial Statements, the revisions will be posted on the Internet at the Company's website (URL: <https://www.treasurefactory.co.jp/>).

## Reference Documents for the General Meeting of Shareholders

### Agenda Item No. 1: Dividend of Surplus

The Company proposes to pay the year-end dividends below for the 26th period to reward shareholders' support.

Matters concerning year-end dividend

- 1) Dividend asset  
Cash
- 2) Matters concerning allocation of dividend to shareholders and total amount  
8 yen per common share of the Company  
Total dividend: 89,701,352 yen
- 3) Effective date of dividend of surplus  
May 31, 2021

## Agenda Item No. 2: Election of Five Directors

The term of office of Directors Eigo Nosaka, Jun Nosaka, Taku Sawada, Eiji Kobayashi, and Nobuo Suzuki will expire at the close of this Ordinary General Meeting of Shareholders.

Accordingly, the Company proposes that five Directors be elected.

The Director candidates are as follows.

Candidate number	Name (Date of birth)	Brief career summary, position, and main responsibilities at the Company (Significant concurrent positions)	Number of Company's shares held
1	<b>Reappointed</b> Eigo Nosaka (May 6, 1972)	<p>May 1995      Founded Treasure Factory Y.K. (currently Treasure Factory Co., Ltd.) as President &amp; CEO</p> <p>December 1999      Reorganized the Company into a joint-stock company, founded Treasure Factory Co., Ltd. as President &amp; CEO (incumbent)</p> <p>March 2016      External director of Altech Corporation (incumbent)</p>	4,314,000 shares
<p><b>Reason for the selection as a candidate for Director</b> Mr. Eigo Nosaka has been President &amp; CEO of the Company since its foundation and significant contributions to achievements by making important management decisions, appropriately playing roles such as operation supervisor, and taking the lead in the Company's business expansion and improvement of corporate value. Based on his good judgment as a business manager, rich experience and proven performance, the Company considers that Mr. Eigo Nosaka is competent to lead a further increase in corporate value and achieve sustainable growth, and proposes that he be reelected as a Director.</p>			
2	<b>Reappointed</b> Jun Nosaka (September 15, 1974)	<p>April 1998      Joined Treasure Factory Y.K. (currently Treasure Factory Co., Ltd.)</p> <p>December 1999      Director of the Company, General Manager of the Business Division</p> <p>June 2003      Executive Director of the Company, General Manager of the Administration Division, and General Manager of Systems Department</p> <p>March 2009      Executive Director of the Company, General Manager of the Sales Department, and General Manager of Systems Department</p> <p>March 2011      Executive Director of the Company, General Manager of the Sales Department</p> <p>March 2012      Executive Director of the Company</p> <p>February 2014      Executive Director of the Company, General Manager of the Systems Department</p> <p>March 2017      Executive Director of the Company (incumbent)</p>	446,500 shares
<p><b>Reason for the selection as a candidate for Director</b> Mr. Jun Nosaka has appropriately played such roles as a maker of important management decisions and supervisor of operations, and assisted the President as an Executive Director, thereby significantly contributing to the Company's business expansion and improvement of corporate value. Based on his extensive knowledge, experience and proven performance in overall management with a focus on sales and systems, the Company considers that Mr. Jun Nosaka is competent to lead a further increase in corporate value and achieve sustainable growth, and proposes that he be reelected as a Director.</p>			

Candidate number	Name (Date of birth)	Brief career summary, position, and main responsibilities at the Company (Significant concurrent positions)	Number of Company's shares held
3	<b>Reappointed</b> Taku Sawada (April 15, 1973)	April 1996      Joined Taihei-Jyutaku Corporation October 1999    Joined Treasure Factory Y.K. (currently Treasure Factory Co., Ltd.) June 2002       Purchasing Supervisor of the Company June 2003       General Manager of Purchasing Department and General Manager of the Store Development Department of the Company January 2004    General Manager of the Purchasing Department of the Company May 2004       Director of the Company, General Manager of the Purchasing Department March 2012     Director of the Company, General Manager of the Business Promotion Department March 2019     Director of the Company, Manager of Business Promotion Section (incumbent)	57,000 shares
<b>Reason for the selection as a candidate for Director</b> As a Director of the Company, Mr. Taku Sawada has appropriately played such roles as a maker of important management decisions and supervisor of operations and helped improve the purchase operation, develop new businesses, and expand reuse-related businesses as the manager of the business promotion division, thereby significantly contributing to the Company's business expansion and improvement of corporate value. Based on his extensive knowledge, experience and proven performance in the reuse business and business operations, the Company considers that Mr. Taku Sawada is competent to lead a further increase in corporate value and achieve sustainable growth, and proposes that he be reelected as a Director.			

Candidate number	Name (Date of birth)	Brief career summary, position, and main responsibilities at the Company (Significant concurrent positions)	Number of Company's shares held
4	<b>Reappointed</b> Eiji Kobayashi (August 19, 1975)	<p>July 1998      Joined PricewaterhouseCoopers Co., Ltd.</p> <p>October 2002      Joined the Company</p> <p>January 2004      General Manager of the Finance and Accounting Department of the Company</p> <p>March 2006      General Manager of the Administration Department of the Company</p> <p>May 2011      Director of the Company, General Manager of the Administration Department</p> <p>January 2012      Director of the Company, General Manager of the Administration Department, General Manager of the General Affairs Department</p> <p>March 2012      Director of the Company, General Manager of the Administration Department</p> <p>March 2017      Director of the Company, General Manager of the Corporate Planning Department</p> <p>March 2019      Director of the Company, Manager of the Corporate Planning Section (incumbent)</p>	54,000 shares
<p><b>Reason for the selection as a candidate for Director</b></p> <p>As a Director of the Company, Mr. Eiji Kobayashi has appropriately played such roles as a maker of important management decisions and supervisor of operations, taken charge of overall corporate planning as the manager of the corporate planning division, and overseen the Company's financial affairs and accounting operation, thereby significantly contributing to the Company's business expansion and improvement of corporate value.</p> <p>Based on his extensive knowledge, experience and proven performance in corporate planning and management operation, the Company considers that Mr. Eiji Kobayashi is competent to lead a further increase in corporate value and achieve sustainable growth, and proposes that he be reelected as a Director.</p>			
5	<b>Reappointed</b> Nobuo Suzuki (June 8, 1971)	<p>April 1995      Joined Nippon Automation Co., Ltd.</p> <p>September 1997      Joined Chiyoda Daiichi Kogyo Co., Ltd.</p> <p>January 2000      Managing Director of Chiyoda Daiichi Kogyo</p> <p>January 2004      President of Chiyoda Daiichi Kogyo (incumbent)</p> <p>May 2004      Director of the Company</p> <p>September 2004      Retired from the position of Director of the Company</p> <p>May 2006      Director of the Company (incumbent)</p>	8,000 shares
<p><b>Reason for the selection as a candidate for External Director and expected roles</b></p> <p>Mr. Nobuo Suzuki operates a manufacturing company, appropriately supervises the Company's business and provides beneficial opinions as an External Director from the perspective of corporate management in an industry different from the Company. The Company proposes that he be reelected as an External Director to continue supervising the Company's management to further increase corporate value and achieve sustainable growth.</p> <p>If Mr. Suzuki is reelected, he is expected to continue playing the role above.</p>			

(Notes)

1. There are no special conflicts of interest between the Company and the candidates.
2. Details of matters concerning External Director candidate
  - (1) Mr. Nobuo Suzuki is an External Director candidate.
  - (2) His tenure as an External Director will be fifteen years at the close of this Ordinary General Meeting of Shareholders.
  - (3) Mr. Suzuki has concluded a limited liability agreement provided for in Article 427, Paragraph 1 of the Companies Act with the Company. Under the agreement, the maximum amount of liability for damages provided for in Article 423, Paragraph 1 of the Companies Act is 2 million yen or the amount provided by laws

and regulations, whichever is higher. If Mr. Suzuki is reappointed, the Company will continue the limited liability agreement with him.

- (4) The Company has registered Mr. Suzuki as an Independent Officer pursuant to the provisions of the Tokyo Stock Exchange. The Company will continue to designate him as an Independent Officer if his reappointment is approved.
  3. The Company has concluded an agreement on liability insurance for officers provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. Under the liability insurance agreement, statutory damages and litigation expenses to be paid by the insured will be compensated. The Company pays all insurance premiums for the insured. If each candidate assumes the position of Director, they will be included in the insured of the liability insurance agreement. The Company plans to renew the liability insurance agreement without any significant changes during the term of office.
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(For reference)

#### **Director candidates selection and nomination procedures**

(1)

In deciding the candidates for the Company's internal Director, the Company will comprehensively determine whether they have high-level management skills and expertise, etc. to contribute to achieving the Company's corporate philosophy and management policy as well as increasing the corporate value over the medium- to long-term, after which the Board of Directors will deliberate and decide on the candidates.

(2)

In deciding the candidates for the Company's External Director, the Company will comprehensively determine whether they have knowledge to contribute to the Company's management from a professional perspective, such as in management, legal, and financial accounting, and to fulfill their managerial and supervisory functions over the corporate management from an independent standpoint, after which the Board of Directors will deliberate and decide on the candidates.

#### **Criteria for determining independence of External Directors**

The Company selects its candidates for Independent External Director based on the independence criteria specified by the Tokyo Stock Exchange.

### Agenda Item No. 3: Election of One Substitute Auditor

The Company proposes that one Substitute Auditor be elected to prepare for a case in which the number of Auditors may fall short of the number stipulated by laws and regulations.

The result of the election of the Substitute Auditor shall be invalidated by a resolution of the Board of Directors with the consent of the Board of Corporate Auditors only if the resolution is adopted before the Substitute Auditor assumes the office.

The Board of Corporate Auditors has consented to this agenda item.

The Substitute Auditor candidate is as follows.

Name (Date of birth)	Brief career summary (Significant concurrent positions)		Number of Company's shares held
Akira Noguchi (July 29, 1951)	June 1977	Joined Nakamura Home Electronics Sales Co., Ltd.	0 shares
	December 1984	Established a home electronics sales and repair shop	
	September 1990	Established Keiyo Techno Limited (currently, Keiyo Techno Co., Ltd.) and assumed the position of President	
	August 2002	Reorganized Keiyo Techno Limited into Keiyo Techno Co., Ltd. and assumed the position of President	
	May 2019	Director of Keiyo Techno (incumbent)	

**Reason for selection as a candidate for Substitute External Auditor**  
The Company proposes that Mr. Akira Noguchi be appointed as a Substitute External Auditor under the expectation that he will apply his extensive experience and wide range of knowledge as a corporate manager to the audit operations of the Company and provide appropriate advice and suggestions to ensure legal compliance.

(Notes)

1. There are no special conflicts of interest between the Company and the Substitute External Auditor candidate.
2. Details of matters concerning the Substitute External Auditor
  - (1) Mr. Akira Noguchi is the Substitute External Auditor candidate.
  - (2) The Company has concluded a limited liability agreement provided for in Article 427, Paragraph 1 of the Companies Act with each External Auditor. Under the agreement, the maximum amount of liability for damages provided for in Article 423, Paragraph 1 of the Companies Act is 2 million yen or an amount provided by laws and regulations, whichever is higher. If Mr. Noguchi assumes the position of Auditor, the Company will sign a limited liability agreement with him.
  - (3) If Mr. Noguchi assumes the position of Auditor, the Company will designate him as an Independent Officer pursuant to the provisions of the Tokyo Stock Exchange and register him as such with the exchange.
3. The Company has concluded an agreement on liability insurance for officers, etc. provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. Under the liability insurance agreement, statutory damages and litigation expenses, etc. to be paid by the insured will be compensated. The Company pays all insurance premiums for the insured. If Mr. Noguchi assumes the position of Auditor, he will be included in the insured for the liability insurance agreement. The Company plans to renew the liability insurance agreement without any significant changes during the term of office.

(For reference)

#### **Auditor candidates selection and nomination procedures**

In deciding External Auditor candidates, the Company will comprehensively determine, based on relevant laws and regulations and internal regulations, etc., whether they have the extensive experience and knowledge and high-level expertise to perform audit operations appropriately. After obtaining the approval from the Board of Corporate Auditors, the Board of Directors will then deliberate and decide on the candidates.

#### **Criteria for determining independence of External Auditors**

The Company selects its candidates for Independent External Auditor based on the independence criteria specified by the Tokyo Stock Exchange.