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Securities Code: 8622

May 28, 2021

## To Those Shareholders with Voting Rights

Katsunori Kobayashi  
President and Representative Director  
Mito Securities Co., Ltd.  
3-10, Nihonbashi 2-chome, Chuo-ku,  
Tokyo, Japan

### NOTICE OF CONVOCATION OF THE 76<sup>th</sup> ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to inform that the 76<sup>th</sup> Ordinary General Meeting of Shareholders of Mito Securities Co., Ltd. (the “Company”) will be held as described below.

If you do not attend the meeting, you can exercise your voting rights using the Form or via the Internet, so please review the Reference Documents for the General Meeting of Shareholders, and then please exercise your voting rights by 5:00 p.m., Wednesday, June 23, 2021 by either returning the Voting Rights Exercise Form with your selections or voting via the “Smart Exercise” or the website exclusively prepared for the exercise of voting rights (<https://soukai.mizuho-tb.co.jp/>).

**1. Date and Time:** Thursday, June 24, 2021 at 10:00 a.m. (The reception desk will open at 9:00 a.m.)

**2. Place:** Meeting Room, 7F, Mito Branch of the Company  
6-10, Minamimachi 2-chome, Mito-shi, Ibaraki, Japan

**3. Agenda of the Meeting:**

**Matters to be reported:** The Business Report and the Financial Statements for the 76<sup>th</sup> Fiscal Term (from April 1, 2020 to March 31, 2021)

**Proposals to be resolved:**

**Proposal No. 1:** Appropriation of Surplus

**Proposal No. 2:** Reestablishment of the Compensation Limit under the Stock Compensation Plan for Directors

**Proposal No. 3:** Election of Three Directors

**Proposal No. 4:** Election of Three Statutory Auditors

**Proposal No. 5:** Election of One Substitute Statutory Auditor

**4. Guide for Shareholders when Voting:**

Please review the “Guide for Shareholders when Voting” on pages 3 through 6.

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\* For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.

\* Methods of Notification of Modification of Matters as Stated in Reference Documents for the General Meeting of Shareholders, Business Report and Financial Statements

When it is necessary to modify the matters which are to be stated in the Reference Documents for the General Meeting of Shareholders, Business Report and Financial Statements, please understand that the matters after modification will be shown on the website of the Company.

©From among the documents required to be provided with this Notice of Convocation, 6. Matters Concerning Establishment of Systems, etc. to Ensure the Appropriateness of the Operations in the Business Report, the Statement of Changes in Net Assets, and the Notes to Financial Statements are shown on the website of the Company in accordance with laws and regulations and the provisions of Article 16 of the Articles of Incorporation of the Company. Therefore, they are not attached to this Notice of Convocation.

Please note that the Financial Statements audited respectively by the Board of Statutory Auditors and Accounting Auditor during the preparation of the Audit Reports include the Statement of Changes in Net Assets and the Notes to Financial Statements shown on the website of the Company, together with each document stated in the Attached Documents provided with this Notice of Convocation.

The Company's website: <https://www.mito.co.jp/>

## Guide for Shareholders when Voting

### Voting with a Smartphone

You can log in to the voting website for the exercise of voting rights without entering the “proxy code” or “password.”

For details, please see page 4.

Deadline for voting	The votes must be received by 5:00 p.m., Wednesday, June 23, 2021
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### Voting with a PC

Exercise of voting rights with a PC is only possible by accessing the website exclusively prepared for the exercise of voting rights below.

For details, please see page 5.

Deadline for voting	The votes must be received by 5:00 p.m., Wednesday, June 23, 2021
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Website for the exercise of voting rights: <a href="https://soukai.mizuho-tb.co.jp/">https://soukai.mizuho-tb.co.jp/</a>
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### Voting in Writing

Please indicate your vote for or against each of the proposals on the enclosed Voting Rights Exercise Form and mail the Form.

For details, please see page 5.

Deadline for voting	The votes must be received by 5:00 p.m., Wednesday, June 23, 2021
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### If You Attend the Meeting

Please bring the enclosed Voting Rights Exercise Form with you and present it at the reception desk on arrival at the meeting. Please also bring this booklet with you as a reference material for the meeting.

\* You can exercise your voting rights by authorizing one other shareholder with voting rights to act as your proxy. However, please understand that you must submit to the Company a document evidencing his/her power of representation.

Date and time of the meeting	Thursday, June 24, 2021 at 10:00 a.m. (The reception desk will open at 9:00 a.m.)
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## Voting with a Smartphone

Deadline for voting	The votes must be received by 5:00 p.m., Wednesday, June 23, 2021
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### STEP 1: Read the QR code

Read the “**Log-in QR code for the website for the exercise of voting rights for smartphones**” shown on the bottom right of your Voting Right Exercise Form with a smartphone or a tablet.

### STEP 2: Select the method for the exercise of voting rights

The screen of the website for the exercise of voting rights will open.

Select the method for the exercise of voting rights.

### STEP 3: Select your vote for or against each of the proposals

Follow the directions on the screen to select your vote for or against each of the proposals.

Follow the directions on the screen to complete your votes.
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With “Smart Exercise,” <b>only ONE</b> vote can be entered. When you change your vote after the exercise, please access the voting website for PCs*, log in with the “proxy code” and “password” noted on your Voting Rights Exercise Form, and re-exercise your voting rights.
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\* By reading the QR code again, you are navigated to the voting website for PCs.

\* “QR code” is a registered trademark of DENSO WAVE INCORPORATED.

### You can also access “Smart Exercise” from “Internet Convocation.”

If you select the “Smart Exercise” button on “Internet Convocation,” the camera on your device will be activated. You can access “Smart Exercise” by taking a photo with the camera of the QR code on the Voting Rights Exercise Form.

**Access from here**

**Voting with a PC**

Deadline for voting | The votes must be received by 5:00 p.m., Wednesday, June 23, 2021

Exercise of voting rights via the Internet is only possible by accessing the website designated by the Company exclusively for the purpose of exercising voting rights (<https://soukai.mizuho-tb.co.jp/>).

**STEP 1: Access the voting website for the exercise of voting rights**

\* Search the website as follows at a search site,



or

go directly to the website below for the exercise of voting rights.

<https://soukai.mizuho-tb.co.jp/>

**STEP 2: Log in to the website**

Enter the “proxy code” noted on your Voting Rights Exercise Form and click “Next.”

**STEP 3: Change your password**

Enter your temporary password in the top box and a new password in the second box before clicking “Register.”

Next, please enter your vote for or against each of the proposals following the directions on the screen.

**Voting in Writing**

Deadline for voting | The votes must be received by 5:00 p.m., Wednesday, June 23, 2021

Please indicate your vote for or against each of the proposals on the enclosed Voting Rights Exercise Form and return the Form so that it will be received by the deadline for voting.

Please indicate your vote for or against each of the proposals here.

[Proposals 1, 2 and 5]

If yes: Please circle the “Yes” column.

If no: Please circle the “No” column.

[Proposal 3 and 4]

If yes for all candidates: Please circle the “Yes” column.

If no for all candidates: Please circle the “No” column.

If no for some candidates: Please circle the “Yes” column and fill in the number of each of the candidates you are voting against.

**For Inquiries**

If you have any questions regarding the use of PCs, etc. in exercising your vote via the Internet, please inquire the following desk:

Mizuho Trust & Banking Co., Ltd.

Stock Transfer Agency Department

[Internet Help Dial]

Phone: 0120-768-524 (toll-free within Japan only) (9:00 a.m. to 9:00 p.m. on weekdays)

(Attention)

- \* If you exercise your voting rights redundantly, both in writing by postal mail and via the Internet, only the votes via the Internet shall be deemed to be valid. If you exercise your voting rights more than once, your most recent votes shall be deemed to be valid.
- \* The password (including the new password you register at login) is effective only for the meeting. A new password will be issued for the next meeting.
- \* Any expenses incurred to access the Internet shall be borne by shareholders.

**Platform for the Electronic Exercise of Voting Rights (for Institutional Investors)**

Nominee shareholders such as trust and custody service banks (including standing proxies) may use the platform for the electronic exercise of voting rights operated by ICJ Inc., provided that they apply for the use of that platform in advance.

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### **Proposal No. 1: Appropriation of Surplus**

Matters related to the year-end dividend:

Shareholder returns of the Company are based on its management philosophy of making the best efforts for shareholders, and the Company makes it a basic policy to distribute dividends in line with a payout ratio of around 50% in consideration of business continuity, the status of net assets, and other management decisions.

The Company marked the 100<sup>th</sup> anniversary of its foundation on April 1, 2021. We cordially appreciate the patronage and support from our shareholders and other parties concerned. We decided to pay a commemorative dividend at the year-end dividend payout for the fiscal term ended March 31, 2021 and the interim dividend payout for the fiscal term ending March 31, 2022, which will be made during the fiscal term ending March 31, 2022, which marks the 100<sup>th</sup> anniversary, to express our gratitude to the shareholders. Accordingly, the Company wishes to propose a year-end dividend of ¥10.0 (an ordinary dividend of ¥8.0 plus a commemorative dividend of ¥2.0) per share for the term. The total annual dividend for the term will be ¥16.0 per share combined with the interim dividend of ¥6.0.

(1) Types of dividend properties

Cash

(2) Matters related to distribution of dividend properties and the amount

¥10 per common share of the Company

(An ordinary dividend of ¥8 and a dividend commemorating the 100<sup>th</sup> anniversary of the foundation of the Company of ¥2)

Aggregate dividend amount: ¥651,213,800

(3) Effective date of the dividend from surplus

June 25, 2021

## **Proposal No. 2: Reestablishment of the Compensation Limit under the Stock Compensation Plan for Directors**

### 1. Reasons for the Proposal and Reasons Why It is Reasonable

Introduction of a performance-linked stock compensation plan for Directors (excluding Outside Directors; hereinafter, the same shall apply in this proposal unless otherwise indicated) (hereinafter the “Plan”) was approved at the 71<sup>st</sup> Ordinary General Meeting of Shareholders of the Company held on June 24, 2016 (hereinafter, the resolution made at the above-mentioned General Meeting of Shareholders is called the “Original Resolution.”) As the Act Partially Amending the Companies Act (Act No. 70 of 2019) was enforced on March 1, 2021, the Company asks you to approve the reestablishment of the compensation limit under the performance-linked stock compensation for Directors to replace the current compensation limit under the Plan for Directors.

This proposal is to take a procedural action following the amendments of the Act and does not increase the actual compensation limit from the limit determined by the Original Resolution. As with the Original Resolution, its purpose is to further clarify the linkage between compensation for Directors and the stock value and increase the Directors’ awareness of contributing to the medium- to long-term enhancement of performance and increase in corporate value. It is also consistent with the policy regarding the decision on the contents of compensation, etc. for individual Directors of the Company. (Please refer to the Business Report [page 33 of the Japanese version this Notice of Convocation].) The Company therefore considers that the contents of this proposal are appropriate and reasonable.

This proposal is to ask you to approve the amount and other specifics of compensation, etc. in order to provide compensation under the Plan to Directors of the Company separately from the amount of compensation for Directors approved at the 61<sup>st</sup> Ordinary General Meeting of Shareholders held on June 29, 2006 (up to ¥400 million per year; excluding employee salaries). The Company proposes that the details of the Plan be entrusted to the Board of Directors within the upper limit of 2. below.

The number of Directors covered by the Plan is currently six. If Proposal No. 3 is approved and resolved as originally proposed, there will be no change in the number of Directors covered by the Plan.

The resolution of this proposal shall take effect on March 1, 2021 retrospectively.

### 2. Amount and Other Specifics of Compensation, etc. under the Plan

#### (1) Overview of the Plan

The Plan is a performance-linked stock compensation plan under which money contributed by the Company is used as funds to acquire the Company’s shares through a trust (hereinafter, the trust established under the Plan is called the “Trust.”) The Company’s shares and the money equivalent to the value of the Company’s shares converted at fair market value (hereinafter “Shares, etc. of the Company”) are to be provided to Directors through the Trust, in accordance with the stock benefit rules for Directors established by the Company. Directors shall, in principle, receive Shares, etc. of the Company at the time of their respective retirements.

#### (2) Individuals covered by the Plan

Directors of the Company (Outside Directors shall not be covered by the Plan.)

#### (3) Period of the Trust

From August 2016 to the termination of the Trust. (With respect to the period of the Trust, the Trust shall continue as long as the Plan continues, with no specific date of termination. The Plan shall terminate if the Company’s stock is delisted or the stock benefit rules for Directors are repealed.)

#### (4) Amount of money to be contributed to the Trust

The Company has introduced the Plan targeting a period of three fiscal terms from the fiscal term ended March 31, 2017 to the fiscal term ended March 31, 2019 (hereinafter, the period of such three fiscal terms and each period of three-fiscal terms following the initial three-year fiscal term are called the “Covered Period”) and each Covered Period thereafter. For the initial Covered Period, the Company has contributed

¥80 million of money as funds to acquire shares necessary to provide benefits to Directors of the Company under the Plan and established the Trust whose beneficiaries are the Directors that meet the requirements for beneficiaries. The Trust has acquired 333,800 shares of the Company for the initial Covered Period using the money entrusted by the Company as the source of funds.

Even after the initial Covered Period elapses, the Company shall make an additional contribution of funds to the Trust with an upper limit of ¥80 million for each Covered Period until the time the Plan terminates. With regard to the additional contribution, however, if there are residual shares of the Company (excluding the Company's shares not yet been provided to Directors in amounts equivalent to the number of points granted to Directors) and money (hereinafter "Residual Shares, etc.") in the trust assets on the last day of the Covered Period immediately preceding the Covered Period when the Company intends to make the additional contribution, the total amount of Residual Shares, etc. (in the case of shares, the fair market value of the shares on the last day of the Covered Period immediately preceding the Covered Period when the Company intends to make the additional contribution) and money to be paid as additional contribution shall be within the upper limit approved for this proposal.

(5) Method for acquisition of the Company's shares and the number of shares to be acquired by the Trust

The Trust shall acquire the Company's shares using the funds contributed as described in (4) above as the source of funds on an exchange in the market or by purchasing treasury stock the Company has reissued. The maximum number of shares of the Company to be acquired by the Trust for each Covered Period shall be 560,000 shares.

(6) Maximum number of the Shares, etc. of the Company provided to Directors

Directors shall be granted points in each fiscal term, the number of which shall be calculated in consideration of the degree of achievement of the numerical targets the Company sets as the Company's managerial targets.

The points granted to Directors shall be converted at the rate of one share of common stock for one point when Shares, etc. of the Company are provided to Directors as described in (7) below. (However, if a stock split, allotment of shares without contribution, or consolidation of shares is conducted with respect to the Company's shares after this proposal is approved, the maximum number of points, the number of points granted, or the conversion rate shall be reasonably adjusted according to the ratio of such change.)

The number of the points of a Director, which will become the yardstick when Shares, etc. of the Company are provided as described in (7) below shall be, in principle, the number of points obtained by multiplying the number of points granted to the Director by the time of his/her retirement by a predetermined coefficient (up to 1) established for each reason for retirement (hereinafter, the points calculated by this method are called the "Number of Final Points").

(7) Provision of Shares, etc. of the Company

If a Director retires and meets the requirements for beneficiaries as prescribed in the stock benefit rules for Directors, the Director shall, after his/her retirement, receive benefits from the Trust in the form of the Company shares corresponding to the Number of Final Points determined according to the method described in (6) above in principle, by completing the prescribed procedures for determination of beneficiaries. If, however, a Director meets the requirements under the stock benefit rules for Directors, the Director shall receive money equivalent to the fair market value of the Company's shares in lieu of the stock benefit, up to a certain portion. The Trust may sell the Company's shares to provide such monetary benefit.

Even if a Director has been granted points, he/she may not obtain the right to receive the benefits if a resolution to dismiss him/her is made at a General Meeting of Shareholders, or if he/she retires as a result of a breach of his/her obligations as a Director.

(8) Exercise of voting rights

Voting rights represented by the Company's shares held in the Trust's account shall not be exercised under any circumstances, without exception, in accordance with the instruction from the trust administrator.

Adopting this approach is a means of ensuring neutrality for the management of the Company with respect to the exercise of the voting rights represented by the Company's shares held in the Trust account.

(9) Treatment of dividends

Dividends from the Company's shares held in the Trust's account shall be received by the Trust and shall be appropriated for the acquisition of the Company's shares and the payment of trust fees, etc. for the trustee of the Trust. In the event the Trust is terminated, dividends, etc. remaining in the Trust shall be paid to each Director in office at that time, in accordance with the provisions of the stock benefit rules for Directors, in an amount proportional to the number of points he/she has.

(10) Treatment upon termination of the Trust

The Trust shall terminate in the event of a delisting of the Company's stock or a repeal of the stock benefit rules for Directors, etc. From among the residual assets in the Trust upon termination of the Trust, the Company shall acquire all of the Company shares (except for the shares to be distributed to Directors in accordance with the provision in (7) above) without charge, and thereupon the Company shall plan to cancel the shares by a resolution of the Board of Directors. From among the residual assets in the Trust upon termination of the Trust, the money shall be paid to the Company, except for the money to be paid to the Directors in accordance with (9) above.

**Proposal No. 3: Election of Three Directors**

At the conclusion of the meeting, the terms of office of three Directors, Toru Uozu, Susumu Abe and Katsuyuki Ishii, will expire. Accordingly, election of the following three Directors is proposed.

The candidates for Directors are as follows:

Candidate No.	Name		Status at the Company	Number of years served as a Director	Attendance at the Board of Directors Meetings
1	Toru Uozu	<u>Reappointed</u>	Vice President and Representative Director	8 years	19 / 19
2	Susumu Abe	<u>Reappointed</u>	Managing Director	4 years	18 / 19
3	Katsuyuki Ishii	<u>Reappointed</u>	Managing Director	4 years	19 / 19

Candidate No.	Name (Date of birth)	Career summary, significant office(s) concurrently held, status and assignment at the Company	Number of shares of the Company held
1.	<p>Toru Uozu (October 1, 1959) &lt;Reappointed&gt;</p> <p>Attendance at the Board of Directors Meetings 19/19</p>	<p>April 1983 Joined The Industrial Bank of Japan, Limited (present Mizuho Bank, Ltd.)</p> <p>April 1999 Deputy Manager, Fifth Sales Division of The Industrial Bank of Japan</p> <p>April 2005 General Manager, Operational Promotion Unit, Administrative Business Division of Mizuho Corporate Bank, Ltd. (present Mizuho Bank, Ltd.)</p> <p>April 2007 General Manager, Financial Innovation Office, Administrative Business Division and General Manager, Operational Promotion Unit of Mizuho Corporate Bank, Ltd.</p> <p>April 2009 General Manager, Operations Planning Division of Mizuho Corporate Bank, Ltd.</p> <p>July 2012 General Manager, Operations Service &amp; Support Division of Mizuho Corporate Bank, Ltd.</p> <p>April 2013 Executive Officer of Mizuho Corporate Bank, Ltd.</p> <p>May 2013 Joined Mito Securities Co., Ltd., Full-time Advisor</p> <p>June 2013 Managing Director</p> <p>April 2015 Vice President and Director</p> <p>June 2018 Vice President and Representative Director (to present)</p> <p>June 2020 Supervisor, Audit Division, Management Planning Division, Financial Affairs Division, Compliance Division, Operation Guidance Division, and Examination Division (to present)</p> <p>(Reason for nominating him as a candidate for Director) Mr. Toru Uozu has executed his duties by taking advantage of his abundant experience at a bank, financial knowledge, and insight. In addition, Mr. Uozu is well versed in systems and legal affairs. Using a wide range of networks he built while working at the bank, Mr. Uozu has gathered current information from various angles, to perform appropriate business operations. Furthermore, as a Representative Director and Supervisor of Internal Administration, Mr. Uozu is indispensable for building governance systems of the Company. We believe that Mr. Uozu will further enhance the effectiveness of the decision-making function and supervisory function of the Board of Directors as before by taking advantage of the knowledge and insight he has accumulated. We therefore reappoint him as a candidate for Director.</p>	28,700 shares

Candidate No.	Name (Date of birth)	Career summary, significant office(s) concurrently held, status and assignment at the Company	Number of shares of the Company held
2.	<p>Susumu Abe (February 18, 1961) &lt;Reappointed&gt;</p> <p>Attendance at the Board of Directors Meetings 18/19</p>	<p>April 1984 Joined Mito Securities Co., Ltd.  March 2000 General Manager, Investment Information Division  July 2007 General Manager, Product Planning Division  July 2008 Head of Wrap Business Preparation Office  August 2008 Executive Officer  June 2017 Director  June 2020 Supervisor, Personnel Affairs Division, Human Resources Development Division, Investment Information Division, and Investment Advisory Division (to present)  June 2020 Managing Director (to present)</p> <p>(Reason for nominating him as a candidate for Director)  Mr. Susumu Abe has extensive experience in key positions at the Head Office, including General Manager of the Investment Information Division, General Manager of the Product Planning Division, and Executive Officer in charge of the Management Planning Division, and has been deeply involved in strengthening our research division, selecting products for sale, and formulating management strategies. In addition, Mr. Abe has been involved in the fund wrap since its startup and contributed towards its growth into a strategic product for the Company. Mr. Abe has also taken advantage of the internal and external networks he has built so far and been making a great contribution to the Company. Mr. Abe has the ability to share his knowledge and insight with other Directors and make decisions in promoting the strategies of the Company in the future. We therefore reappoint him as a candidate for Director.</p>	37,300 shares

Candidate No.	Name (Date of birth)	Career summary, significant office(s) concurrently held, status and assignment at the Company	Number of shares of the Company held
3.	Katsuyuki Ishii (January 23, 1962) <Reappointed>  Attendance at the Board of Directors Meetings 19/19	<p>April 1984 Joined Mito Securities Co., Ltd.</p> <p>February 2005 General Manager, Chiba Branch</p> <p>October 2007 General Manager, Soka Branch</p> <p>March 2010 General Manager, Mito Branch</p> <p>April 2010 Executive Officer</p> <p>June 2017 Director</p> <p>June 2020 Supervisor, Risk Management Division, Product Planning Division, Product Division, Corporate Sales Division, and Regional Corporation Division (to present)</p> <p>June 2020 Managing Director (to present) (Reason for nominating him as a candidate for Director)</p> <p>Mr. Katsuyuki Ishii has long experience in sales at branches and has contributed to strengthening retail sales of the Company as a General Manager of three branches, including an Executive Officer and General Manager of the Mito Branch. Thereafter Mr. Ishii has played important roles in promoting sales as a General Manager of the Sales Block and an Executive Officer in charge of the Sales Planning and Policy Division. In addition to a wide range of sales experience and insight cultivated at branches and the Head Office, Mr. Ishii has abundant internal and external networks and information dissemination capabilities. Mr. Ishii is an indispensable person in strengthening and promoting management strategies centered on face-to-face retail sales in changes in the competitive environment in the future. We therefore reappoint him as a candidate for Director.</p>	34,200 shares

- Notes: 1. No conflict of interest exists between the Company and any of the above candidates for Directors.
2. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to cover damages, litigation expenses, etc. incurred by the insureds in the event that a claim for damages is made due to an act performed by the insureds in their capacity as directors or officers of the Company. The candidates will be included as the insureds under this insurance agreement. The Company bears all the insurance premium. The period of the insurance agreement is one year from September 27, 2020. The Company plans to renew the agreement with the same content at the next renewal.

**Proposal No. 4: Election of Three Statutory Auditors**

At the conclusion of the meeting, the terms of office of two Statutory Auditors, Ryoichi Ohno and Masao Obayashi will expire, and Statutory Auditor Tetsushi Okimura will retire from the office. Accordingly, election of the following three Statutory Auditors is proposed. The Board of Statutory Auditors has previously given its approval.

The candidates for Statutory Auditors are as follows:

Candidate No.	Name	Status at the Company	Number of years served as a Statutory Auditor	Attendance at the Board of Directors Meetings and the Board of Statutory Auditors Meetings
1	Takeshi Ohtsuki	Newly appointed	-	-
2	Ryoichi Ohno	Reappointed Outside Independent	19 years	Board of Directors Meetings 19 / 19 Board of Statutory Auditors Meetings 13 / 13
3	Miyoe Ohnishi	Newly appointed Outside Independent	-	-

Candidate No.	Name (Date of birth)	Career summary, significant office(s) concurrently held and status at the Company	Number of shares of the Company held
1.	Takeshi Ohtsuki (June 15, 1961) <Newly appointed>	<p>April 1985 Joined Mito Securities Co., Ltd.  January 2010 General Manager, Financial Affairs Division  April 2014 General Manager, Management Planning Division  October 2015 Executive Officer  April 2020 Managing Executive Officer (to present)  April 2021 In charge of Financial Affairs Division (to present)</p> <p>(Reason for nominating him as a candidate for Statutory Auditor)  Since joining the Company, Mr. Takeshi Ohtsuki has accumulated a large amount of experience and achievements primarily in the Financial Affairs Division and the Management Planning Division, and has a wide range of knowledge on finance. In addition, as an Executive Officer in charge of the Management Planning Division, Mr. Ohtsuki has provided opinions to other officers effectively and proactively, and has also played a central role in formulating management plans and responding to revisions to the Corporate Governance Code. As he has a high level of expertise in and insight into finance and overall management as described above, we believe that Mr. Ohtsuki is capable of making the audit of the management of the Company function effectively. We therefore appoint him as a candidate for Statutory Auditor.</p>	14,600 shares

Candidate No.	Name (Date of birth)	Career summary, significant office(s) concurrently held and status at the Company	Number of shares of the Company held
2.	<p>Ryoichi Ohno (April 24, 1949)</p> <p>&lt;Reappointed&gt; &lt;Outside Statutory Auditor&gt;</p> <p>Attendance at the Board of Directors Meetings 19/19</p> <p>Attendance at the Board of Statutory Auditors Meetings 13/13</p>	<p>October 1976 Passed the Bar Examination</p> <p>April 1979 Registered as Attorney-at-Law (First Tokyo Bar Association)</p> <p>Attorney, South Toranomom Law Offices (to present)</p> <p>June 2002 Outside Statutory Auditor of Mito Securities Co., Ltd. (to present)</p> <p>(Significant office concurrently held)</p> <p>Partner Attorney, South Toranomom Law Offices</p> <p>(Reason for nominating him as a candidate for Outside Statutory Auditor)</p> <p>Mr. Ryoichi Ohno has expertise and abundant experience as an Attorney-at-Law. We believe that Mr. Ohno will audit the Company as a Statutory Auditor from an objective and neutral perspective that is independent from the Company, and will contribute to reasonable management decision-making and the assurance of managerial transparency and soundness. We therefore reappoint him as a candidate to continue serving as Statutory Auditor. Mr. Ohno has no issue with any of the standards for independence set forth by the exchange and the Company, and fulfills the qualification requirements for an independent officer to whom conflict of interest with general shareholders is unlikely to occur.</p>	13,550 shares

Candidate No.	Name (Date of birth)	Career summary, significant office(s) concurrently held and status at the Company	Number of shares of the Company held
3.	Miyoe Ohnishi (December 17, 1959) <Newly appointed> <Outside Statutory Auditor>	<p>April 1983 Joined Japan Associated Finance Co., Ltd. (present JAFCO Group Co., Ltd.)</p> <p>October 1986 Resigned from Japan Associated Finance Co., Ltd.</p> <p>December 1988 Passed the Certified Public Tax Accountant Examination</p> <p>March 1989 Registered as Certified Public Tax Accountant</p> <p>April 1989 Established Aida Tax Accounting Office; Director (to present)</p> <p>(Significant office concurrently held) Certified Public Tax Accountant, Aida Tax Accounting Office (Reason for nominating her as a candidate for Outside Statutory Auditor) Ms. Miyoe Ohnishi has expertise and abundant experience as a Certified Public Tax Accountant. We believe that Ms. Ohnishi will audit the Company as a Statutory Auditor from an objective and neutral perspective that is independent from the Company. Although she has never been involved in corporate management, we appoint Ms. Ohnishi as a candidate for Statutory Auditor for the reasons presented above. Ms. Ohnishi has no issue with any of the standards for independence set forth by the exchange and the Company, and fulfills the qualification requirements for an independent officer to whom conflict of interest with general shareholders is unlikely to occur.</p>	0 shares

- Notes: 1. No conflict of interest exists between the Company and any of the above candidates for Statutory Auditors.
2. Mr. Ryoichi Ohno and Ms. Miyoe Ohnishi are candidates for Outside Statutory Auditors.
3. Mr. Ryoichi Ohno will have served as Outside Statutory Auditor of the Company for 19 years at the conclusion of this General Meeting of Shareholders.
4. Regarding Ms. Miyoe Ohnishi, the name on the family register is presented. The name under which she is registered as Certified Public Tax Accountant is Miyoe Aida.
5. The Company has registered Mr. Ryoichi Ohno with the Tokyo Stock Exchange, Inc. as an independent officer to whom conflict of interest with general shareholders is unlikely to occur. When Mr. Ryoichi Ohno is reelected as Outside Statutory Auditor, the Company will continue his appointment as an independent officer. In addition, when Ms. Miyoe Ohnishi is elected as Outside Statutory Auditor, the Company will register her with the Tokyo Stock Exchange, Inc. as an independent officer to whom conflict of interest with general shareholders is unlikely to occur. The Company has judged that Mr. Ryoichi Ohno and Ms. Miyoe Ohnishi satisfy the Standards for the Independence of Outside Officers as set forth by the Company.
6. Liability limitation agreement with Outside Statutory Auditor  
The Company has entered into a liability limitation agreement with Mr. Ryoichi Ohno to limit the liability provided for in Article 423, Paragraph 1 of the Companies Act in accordance with the provisions in Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation. The maximum amount of liability under the agreement will be five million (5,000,000) yen or the minimum amount of liability stipulated by laws and regulations, whichever is higher. When Mr. Ryoichi Ohno is reelected as Outside Statutory Auditor, the Company will continue the liability limitation agreement with him. Additionally, when Ms. Miyoe Ohnishi is elected as Outside Statutory Auditor, the Company will enter into a liability limitation agreement with her to limit the liability provided for in Article 423, Paragraph 1 of the Companies Act in accordance with the provisions in Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation. The maximum amount of liability under the agreement will be five million (5,000,000) yen or the minimum amount of liability stipulated by laws and regulations, whichever is higher.
7. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to cover damages, litigation expenses, etc. incurred by the insureds in the event that a claim for damages is made due to an act performed by the insureds in their capacity as directors or officers of the Company. From among the candidates for Statutory Auditors, Mr. Ryoichi Ohno will be included as the insureds under this

insurance agreement. Mr. Takeshi Ohtsuki and Ms. Miyoe Ohnishi will also be included as the insureds under this insurance agreement when they are elected as Statutory Auditors. The Company bears all the insurance premium. The period of the insurance agreement is one year from September 27, 2020. The Company plans to renew the agreement with the same content at the next renewal.

### Proposal No. 5: Election of One Substitute Statutory Auditor

In order to prepare for the case when the number of Statutory Auditors stipulated by laws and regulations might be insufficient, election of the following one Substitute Statutory Auditor is proposed. The Board of Statutory Auditors has previously given its approval.

The candidate for Substitute Statutory Auditor is as follows:

Name (Date of birth)	Career summary, significant office(s) concurrently held and status at the Company	Number of shares of the Company held
Yutaka Ichikawa (September 8, 1970) <Substitute Statutory Auditor>	<p>October 1999 Passed the Bar Examination  November 2001 Registered as Attorney-at-Law (Tokyo Bar Association)  June 2003 Joined South Toranomom Law Offices (to present)  June 2015 Substitute Statutory Auditor, Mito Securities Co., Ltd. (to present)</p> <p>(Significant office concurrently held)  Partner Attorney, South Toranomom Law Offices  (Reason for nominating him as a candidate for Substitute Outside Statutory Auditor)  Mr. Yutaka Ichikawa has abundant knowledge and experience in legal circles as an Attorney-at-Law and advanced insight about laws and compliance. We believe that Mr. Ichikawa is a talented person who will be capable of fulfilling his roles as a Statutory Auditor. We therefore nominate him as a candidate for Substitute Statutory Auditor. Mr. Ichikawa has no issue with any of the standards for independence set forth by the exchange and the Company, and fulfills the qualification requirements for an independent officer to whom conflict of interest with general shareholders is unlikely to occur. Although he has never been involved in corporate management, it is judged that he will perform his duties as an Outside Statutory Auditor appropriately, for the reasons mentioned above.</p>	0 shares

Notes: 1. No conflict of interest exists between the Company and the above candidate for Substitute Statutory Auditor.

2. Mr. Yutaka Ichikawa is a candidate for Substitute Outside Statutory Auditor. Election of Mr. Yutaka Ichikawa is proposed as a candidate for Substitute Outside Statutory Auditor to Statutory Auditors, Mr. Ryoichi Ohno and Ms. Miyoe Ohnishi, when Proposal No. 4 is approved and resolved as originally proposed. In addition, Mr. Yutaka Ichikawa satisfies the requirements for an independent officer as set forth by the Tokyo Stock Exchange, Inc. We have judged that Mr. Yutaka Ichikawa satisfies the Standards for the Independence of Outside Officers as set forth by the Company. Furthermore, if Mr. Yutaka Ichikawa assumes office as an Outside Statutory Auditor, the Company will register him with the Tokyo Stock Exchange, Inc. as an independent officer to whom conflict of interest with general shareholders is unlikely to occur.

3. Liability limitation agreement with Outside Statutory Auditor

If Mr. Yutaka Ichikawa assumes office as an Outside Statutory Auditor, the Company will enter into a liability limitation agreement with him to limit the liability provided for in Article 423, Paragraph 1 of the Companies Act in accordance with the provisions in Article 427, Paragraph 1 of the Companies Act and the provisions of the Articles of Incorporation. The maximum amount of liability under the agreement will be five million (5,000,000) yen or the minimum amount of liability stipulated by laws and regulations, whichever is higher.

4. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to cover damages, litigation expenses, etc. incurred by the insureds in the event that a claim for damages is made due to an act performed by the insureds in their capacity as directors or officers of the Company. Mr. Yutaka Ichikawa will be included as the insureds under this insurance agreement if he assumes office as an Outside Statutory Auditor. The Company bears all the insurance premium. The period of the insurance agreement is one year from September 27, 2020. The Company plans to renew the agreement with the same content at the next renewal.

(REFERENCE)

**Financial Highlights**  
(Year ended March 31)

		2017	2018	2019	2020	2021
<b>Non-consolidated financial highlights</b>						
Operating revenue	(Millions of yen)	13,389	16,152	11,533	11,946	15,366
Ordinary income (loss)	(Millions of yen)	1,437	3,347	(142)	441	3,207
Net income (loss)	(Millions of yen)	962	2,584	184	791	1,868
Capital stock	(Millions of yen)	12,272	12,272	12,272	12,272	12,272
Total number of shares issued	(Shares)	75,689,033	70,689,033	70,689,033	70,689,033	70,689,033
Total net assets	(Millions of yen)	38,026	40,394	38,070	36,535	39,709
Total assets	(Millions of yen)	62,759	67,852	63,345	60,940	71,912
Net assets per share	(Yen)	538.71	580.47	548.13	568.34	617.58
Cash dividend per share [interim cash dividend per share]	(Yen)	7.00 [2.00]	20.00 [5.00]	4.00 [2.00]	8.00 [4.00]	16.00 [6.00]
Net income (loss) per share	(Yen)	13.57	36.93	2.66	11.86	29.05
Diluted net income (loss) per share	(Yen)	—	—	—	—	—
Equity ratio	(%)	60.6	59.5	60.1	60.0	55.2
Return (loss) on equity	(%)	2.5	6.6	0.5	2.1	4.9
Payout ratio	(%)	51.6	54.2	150.4	67.4	55.1

- Notes: 1. The financial highlights are not presented in the original Notice of the Ordinary General Meeting of Shareholders in Japanese.
2. Moreover, some of the figures in this document have been prepared based on financial statements, which are not included in the original Notice of the Ordinary General Meeting of Shareholders in Japanese.
3. Figures have been prepared in accordance with the accounting principles generally accepted in Japan, which are different in certain respects from application and disclosure requirements of the International Financial Reporting Standards.