



Notice of Convocation

The 60th Ordinary General Meeting of Shareholders

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Please be advised that certain explanations for domestic voting procedures that are not applicable to the shareholders outside Japan are omitted or modified to avoid confusion.

June 3, 2022

To Our Shareholders

Teruji Yamamura
President and CEO
Duskin Co., Ltd.
1-33 Toyotsu-cho, Suita-shi
Osaka 564-0051 JAPAN

Convocation Notice of the 60th Ordinary General Meeting of Shareholders

This is to inform you that the 60th Ordinary General Meeting of Shareholders will be held as indicated under the Details of the Meeting heading below.

Votes will be cast prior to the meeting either in writing (by postal mail) or electronically (via the Internet). Therefore, we kindly ask that you exercise your voting rights **by 5 p.m. (JST) on Wednesday, June 22, 2022**, after examining the following Reference Materials for the General Meeting of Shareholders.

Details of the Meeting

1. Date and Time: 10 a.m. (JST) on Thursday, June 23, 2022
(Registration will open at 9 a.m.)

2. Venue: Main Hall on the 5th Floor
Osaka International Convention Center (Grand Cube Osaka)
5-3-51, Nakanoshima Kita-ku, Osaka

Notes:

The venue differs from last year.

The General Meeting of Shareholders will be **broadcast live via the Internet** (Japanese version only). Please refer to the enclosed information for details on how to access the live streaming.

3. Meeting Agenda

Items to be reported

1. The business report, the consolidated financial statements and audit results on consolidated financial statements by Accounting Auditors and the Audit and Supervisory Board for fiscal 2021 (April 1, 2021 to March 31, 2022)
2. The non-consolidated financial statements for fiscal 2021 (April 1, 2021 to March 31, 2022)

Matters to be resolved

- Proposal 1: Appropriation of Retained Earnings
- Proposal 2: Partial Amendment to the Articles of Incorporation
- Proposal 3: Election of Nine (9) Members of the Board of Directors
- Proposal 4: Election of One (1) Member of the Audit and Supervisory Board

Prior Submission of Questions

We will be accepting your questions regarding the Meeting Agenda in advance. Of the questions received, those considered to be of significant interest to shareholders will be raised at the General Meeting of Shareholders. Note, however, that we cannot provide individual replies. We appreciate your understanding in this matter.

Period for the submission of questions:

Friday, June 3, 2022 to 5 p.m. on Wednesday, June 15, 2022 (JST)

Method for the submission of questions:

Access via the corporate website. Address to submit questions in advance:

<https://www.duskin.co.jp/ir/stockinfo/meeting/> (Japanese version only)



- When attending the meeting in person, please present the enclosed Voting Rights Execution Form at registration. If attending by proxy, one other shareholder with voting rights may act as a proxy and must submit documentary evidence of the right of proxy. Please note that only shareholders are entitled to attend the meeting.
- In line with Japan's Cool Biz initiative, please note that the officers and staff will dress lightly in business casual style during the meeting to help reduce the Company's impact on global warming.

Exercise of Voting Right

Your vote is important. Voting rights may be exercised in person at the meeting, in writing by postal mail or via electronic means.



Exercise of voting right In person

Submit the enclosed Voting Rights Execution Form to the registration counter at the meeting venue.

Meeting Time and Date

**10 a.m., Thursday
June 23, 2022 (JST)**



Exercise of voting right In writing by postal mail

Indicate your approval or disapproval of the proposals on the enclosed Voting Rights Execution Form and return the form to us so we receive it by the deadline indicated below.

Receipt Deadline

**5 p.m., Wednesday
June 22, 2022 (JST)**



Exercise of voting right Via the Internet

Access voting site:
<https://www.web54.net>*1 and 2
and complete voting by the deadline indicated below.

Receipt Deadline

**5 p.m., Wednesday
June 22, 2022 (JST)**

*1. When multiple votes are cast through the Internet, the final vote will be considered to be the intended official vote.

*2. If votes are cast both by postal mail (in writing) and through the Internet, then those cast over the Internet will be treated as valid, regardless of the time when they were received.

The shareholders who have exercised their voting rights and whose votes are deemed valid will have the chance to be one of the 1,000 people to receive a Mister Donut Card, each worth 1,000 yen.

Proposal 1 Appropriation of Retained Earnings

Duskin considers the return of profits to shareholders to be one of our highest priorities. Our policy is to distribute a portion of the profit based on our performance while preserving an appropriate balance with investments for sustainable growth and higher corporate value, as well as maintaining financial soundness in preparation for potential risks. Duskin determines dividends for each fiscal year with a target consolidated payout ratio of 50% and will continue to pay stable dividends.

With our focus on continuously generating stable cash dividends while securing the internal capital resources required for sound business management, we have decided that the full-year dividend for fiscal 2021 should be 83 yen per share.

We have therefore determined that the year-end dividend should be 53 yen per share which, together with the interim dividend of 30 yen per share, brings the full-year dividend to 83 yen per share.

(1) Type of dividend: Cash

(2) Dividend particulars and amounts:

53 yen per share of common stock

Total amount of dividends: 2,651,038,482 yen (Funds for the dividends: Retained earnings)

Duskin paid an interim dividend of 30 yen per share. The full-year dividend is to total 83 yen per share.

(3) The effective date of the dividends: June 24, 2022

Reference: Dividend policy after FY2022

Duskin considers the return of profits to shareholders to be one of our highest priorities. Our policy is to distribute a portion of the profit based on our performance while preserving an appropriate balance with investments for sustainable growth and higher corporate value, as well as maintaining financial soundness in preparation for potential risks. Accordingly, Duskin has determined that the full-year dividend will be based on a consolidated payout ratio of 60% or a dividend on equity ratio (DOE) of 2.5%, whichever is higher.

Proposal 2 Partial Amendment to the Articles of Incorporation

1. Reasons for the Amendment

Since the revised provisions stipulated in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to take effect on September 1, 2022, the Company proposes to amend its Articles of Incorporation as follows, in preparation for the introduction of a system for providing reference materials for the General Meeting of Shareholders in electronic format.

- (1) Newly establish Paragraph 1 of the proposed amendment to Article 17 (Measures for providing information in electronic format) as the Company is required to state in the Articles of Incorporation that it will take measures for providing information that constitutes the content of reference materials and other documents for the General Meeting of Shareholders in electronic format
- (2) Newly establish Paragraph 2 of the proposed amendment to Article 17 (Measures for providing information in electronic format) stipulating that, among the items for which measures will be taken for providing information that constitutes the content of reference materials and other documents for the General Meeting of Shareholders in electronic format, the Company may limit the scope of the items to be stated in the written documents issued to those shareholders who requested such documents to the scope designated by the applicable Ordinance of the Ministry of Justice of Japan
- (3) Delete the provisions of Article 17 (Disclosure via Internet of reference materials and other information) in the existing Articles of Incorporation as they will no longer be necessary once the system for providing reference materials for the General Meeting of Shareholders in electronic format is introduced
- (4) Establish supplementary provisions regarding the effect of the above-mentioned new establishments and deletion. These supplementary provisions shall be deleted after the specified date.

2. Details of the Amendment

Details of the amendment are as follows.

(The amended parts are underlined.)

Existing Articles of Incorporation	Proposed Amendment
<u>(Disclosure via Internet of reference materials and other information)</u> <u>Article 17 - When convening a General Meeting of Shareholders, it shall be deemed that the Company has provided shareholders with the information that should be stated or presented in reference materials for the General Meeting of Shareholders, business reports, consolidated and non-consolidated financial statements, by disclosing such information via Internet in accordance with the applicable Ordinance of the Ministry of Justice of Japan</u>	(Deleted)

Existing Articles of Incorporation	Proposed Amendment
(Newly established)	<p><u>(Measures for providing information in electronic format)</u></p> <p><u>Article 17 - When convening a General Meeting of Shareholders, the Company shall take measures for providing information that constitutes the content of reference materials and other documents for the General Meeting of Shareholders in electronic format.</u></p> <p><u>2 - Among the items for which measures will be taken for providing information in electronic format, the Company may exclude all or some of those items designated by the applicable Ordinance of the Ministry of Justice of Japan from written documents issued to those shareholders who requested such documents by the record date for voting rights.</u></p> <p><u>(Supplementary Provisions)</u></p> <p><u>(Transitional measures concerning the provision of information for the General Meeting of Shareholders in electronic format)</u></p> <p><u>Article 1 - The deletion of Article 17 (Disclosure via Internet of reference materials and other information) from the existing Articles of Incorporation and the new establishment of Article 17 (Measures for providing information in electronic format) in the amended Articles of Incorporation shall be effective from September 1, 2022.</u></p> <p><u>2 - Notwithstanding the foregoing paragraph, provisions in Article 17 (Disclosure via Internet of reference materials and other information) of the existing Articles of Incorporation shall remain in effect for any General Meeting of Shareholders held within six (6) months from September 1, 2022.</u></p> <p><u>3 - The provisions of this Article shall be deleted after six (6) months have elapsed from September 1, 2022 or after three (3) months have elapsed since the General Meeting of Shareholders mentioned in the foregoing paragraph, whichever is later.</u></p>

Proposal 3 Election of Nine (9) Members of the Board of Directors

The tenure of the current nine (9) Directors will expire at the close of this Ordinary General Meeting of Shareholders. It is therefore proposed that the total number of Directors remains at nine (9).

The candidates for this position are as follows.

Candidate No.	Name		Reappointment/New appointment		
			Tenure as Director (years)	Number of Board of Directors meetings attended during FY 2021	Titles and Responsibilities at Duskin
1	Teruji Yamamura (Mr.)	Reappointment Candidate	18	17/17	Representative Director President and CEO
2	Hiroyuki Okubo (Mr.)	Reappointment Candidate	2	17/17	Director and Operating Officer Corporate Planning Group
3	Kazushi Sumimoto (Mr.)	Reappointment Candidate	8	17/17	Director and COO Direct Selling Group
4	Tetsuya Wada (Mr.)	Reappointment Candidate	2	17/17	Director and COO Food Group
5	Naoto Miyata (Mr.)	Reappointment Candidate	2	17/17	Director and CFO Corporate Administration Group
6	Shinichiro Ueno (Mr.)	New appointment Candidate	—	—	Operating Officer Public Relations Manager, International Division
7	Nobuko Sekiguchi (Ms.)	Reappointment Candidate for Independent Outside Director	3	17/17	Outside Director
8	Yukiko Tsujimoto (Ms.)	Reappointment Candidate for Independent Outside Director	2	17/17	Outside Director
9	Fumi Musashi (Ms.)	New appointment Candidate for Independent Outside Director	—	—	—

Notes:

1. Years of tenure and age at the close of this Ordinary General Meeting of Shareholders
2. This is not a comprehensive list of all the knowledge, experience and skills of the candidates.

Candidate No.		1	2	3	4	5	6	7	8	9
Diversity	Age	65	59	61	59	58	58	53	58	62
	Gender	Male	Male	Male	Male	Male	Male	Female	Female	Female
	Nationality	Japan	Japan	Japan	Japan	Japan	Japan	Japan	Japan	Japan
	Non-Independent (Inside)	●	●	●	●	●	●			
	Independent (Outside)							●	●	●
Collective Skills	Corporate Management	●	●	●	●	●	●	●	●	●
	Sustainability	●	●	●	●	●	●	●	●	●
	Finance and Accounting					●		●		
Industry Skills	Sales and Marketing	●	●	●	●			●	●	
	IT and Digital Transformation		●	●				●		
	Global Expansion				●		●		●	●
	Franchise Operation	●	●	●	●					

Board Skills Matrix

Skill		Requirements (Description of Skills)
Collective Skills	Corporate Management	Ability to effectively allocate business resources based on legal and compliance skills, risk management skills and human resources skills, in order to achieve sustained growth and to raise corporate value over the medium- to long-term
	Sustainability	Ability to manage business to sow the seeds of joy for people and society while striving to co-exist and co-prosper with the environment and local communities, based on our franchise business system
	Finance and Accounting	Accounting and strategic financial skills that come with well-founded knowledge and experience required for strategic financial planning to forge a solid financial foundation, invest in growth and enhance shareholder returns
Industry Skills	Sales and Marketing	Strategic marketing skills, including those for developing and manufacturing (production) of products and services, required for our franchising businesses
	IT and Digital Transformation	Ability to drive corporate reform across Duskin's products, services and business model, but also the corporate culture and climate, by using data and digital technologies; this is a skill required nowadays with digitalization on the rise as lifestyles change.
	Global Expansion	Ability required for capturing new growth opportunities not only in the domestic market affected by aging and a declining birthrate, but also with an eye toward entering emerging overseas markets following their growing populations
	Franchise Operation	Ability to lead operations as a franchisor, including organizational development; this is a skill especially required by Duskin — a pioneer for franchising in Japan and currently a franchisor for almost all of its businesses.

Reference: Policy on selecting Director candidates

Director candidates must have the proper character, knowledge and ethics for this post, and must have no health issues that would prevent them from performing their duties. The candidates must also be capable of consistently executing the medium- to long-term growth strategy of the Duskin Group, making a positive impact on the vitality of our organization.

With regard to candidates for internal Director positions, the President and CEO requests recommendations from current Directors, Audit and Supervisory Board Members and Operating Officers and selects the candidates for review by the Directors Evaluation Committee. After taking into account the feedback of the committee, the President and CEO proposes suitable candidates who are then selected after thorough discussion and deliberation by the Board of Directors.

Outside Director candidates must have no conflict of interest with respect to the Duskin Group and must be able to maintain their independence. They must also have the business experience and expertise to perform supervisory and advisory functions for the Board of Directors. In addition, they must be capable of providing beneficial advice from many perspectives to ensure management transparency, soundness and fairness. Candidates for Outside Director positions are then selected after thorough deliberation by the Board of Directors.

In order to maintain independence and effectiveness, the Directors Evaluation Committee must consist of only independent Outside Directors and Outside Audit and Supervisory Board Members in accordance with regulations of the Tokyo Stock Exchange.

Candidate No. 1

Teruji Yamamura



Reappointment

Number of Board of Directors
meetings attended during FY 2021:

17/17
(100.0%)

Date of birth

January 28, 1957

Number of shares owned: 39,106

Tenure: 18 years

(at the close of this Ordinary General Meeting of
Shareholders)

Position/Career Summary

Apr. 2018	Representative Director President and CEO (to the present)
Apr. 2009	President and CEO
Apr. 2007	Director Care Service Business Group, Rent-All, Home Instead (now Life Care)
June 2004	Director and Assistant General Manager Clean Service Business Group
Jan. 1982	Joined the Company

Reasons for nomination as a candidate for Director

Since becoming President and CEO in 2009, Mr. Yamamura has served as Chairman of the Board of Directors. He has been encouraging open and constructive discussion and effectively managing the Board meetings, while leading the ONE DUSKIN long-term strategy. Mr. Yamamura possesses extensive expertise in franchise business management garnered over his long career at Duskin as a top executive as well as strong leadership and the foresight to navigate the Company through the ever-changing and unpredictable business environment — both essential qualities of Directors. The Company believes Mr. Yamamura is an indispensable Board member to continue raising corporate value over the medium- to long-term while also aiming for co-existence and co-prosperity with the environment and local communities. Based on these reasons, the Company requests a vote in his favor for re-election as a Director.

Hiroyuki Okubo

Reappointment

Number of Board of Directors
meetings attended during FY 2021:
17/17
(100.0%)

Date of birth**June 30, 1962****Number of shares owned: 6,721****Tenure: 2 years**

(at the close of this Ordinary General Meeting of
Shareholders)

Position/Career Summary

June 2021	Director and Operating Officer Corporate Planning Group (to the present)
Apr. 2021	Director and Operating Officer President's Office, Corporate Planning, Information System, Shared Services Center
Dec. 2020	Director and Operating Officer President's Office, Information System, Shared Services Center
June 2020	Manager, Corporate Planning Director and Operating Officer President's Office, Information System
Apr. 2020	Manager, Corporate Planning Operating Officer Information System
Apr. 2018	Manager, Corporate Planning Operating Officer
Apr. 1985	Manager, Corporate Planning Joined the Company

Reasons for nomination as a candidate for Director

Following a long career in product development and marketing for our mainstream business, Clean & Care Group, Mr. Okubo led the formulation of growth strategies and the strengthening of corporate governance after becoming Manager of Corporate Planning. Since 2020, he has served as Operating Officer of Information System contributing greatly to maintaining Duskin's IT and digital infrastructure as well as to advancing its Digital Transformation. Mr. Okubo possesses abundant experience in business operations and extensive expertise in managing franchise businesses which enable him to proactively provide constructive opinions from the standpoint of management strategy. The Company believes Mr. Okubo is an indispensable Board member for further improving the effectiveness of the Board of Directors' decision-making and supervisory functions in order to continue raising corporate value over the medium- to long-term while also aiming for co-existence and co-prosperity with the environment and local communities. Based on these reasons, the Company requests a vote in his favor for re-election as a Director.

Kazushi Sumimoto

Reappointment

Number of Board of Directors
meetings attended during FY 2021:
17/17
(100.0%)

Date of birth

November 29, 1960

Number of shares owned: 16,040**Tenure: 8 years**

(at the close of this Ordinary General Meeting of
Shareholders)

Position/Career Summary

Apr. 2022	Director and COO Direct Selling Group (to the present)
June 2020	Director and COO Direct Selling Group General Manager, Strategy Management, Direct Selling Group
Apr. 2020	Director and Executive Operating Officer Direct Selling Group General Manager, Strategy Management, Direct Selling Group
Apr. 2019	Director and Executive Operating Officer Corporate Planning, General Affairs, Accounting, Public Relations, Information System, Production & Logistics
Apr. 2018	Director and Senior Operating Officer Corporate Planning, Production & Logistics Group
May 2016	Director, Corporate Planning, Life Care Development Group, Rent-All, Uniform Service, Health & Beauty
June 2014	Director, Home Instead (now Life Care) Division Manager, Rent-All
Apr. 1983	Joined the Company

Reasons for nomination as a candidate for Director

After contributing to the development of Clean & Care Business and Rent-All Business, Mr. Sumimoto has played a key role at Corporate Planning and Production & Logistics Group since 2016. Currently, he is overseeing the entire Direct Selling Group. At the Board of Directors, Mr. Sumimoto proactively speaks up with accurate and constructive opinions supported by his experiences to assist the President and CEO, and provides strong leadership for the Board of Directors. Mr. Sumimoto possesses extensive expertise in franchise business management garnered over his long career at Duskin as a top executive. The Company believes Mr. Sumimoto is an indispensable Board member for further improving the effectiveness of the Board of Directors' decision-making and supervisory functions in order to continue raising corporate value over the medium- to long-term while also aiming for co-existence and co-prosperity with the environment and local communities. Based on these reasons, the Company requests a vote in his favor for re-election as a Director.

Tetsuya Wada

Reappointment

Number of Board of Directors
meetings attended during FY 2021:

17/17
(100.0%)

Date of birth

July 17, 1962

Number of shares owned: 6,075

Tenure: 2 years

**(at the close of this Ordinary General Meeting of
Shareholders)**

Position/Career Summary

Oct. 2020	Director and COO Food Group (to the present)
June 2020	Director and COO Food Group
Apr. 2020	Division Manager, Food Business Development Operating Officer Food Group
Apr. 2018	Division Manager, Food Business Development Operating Officer
Apr. 1986	General Manager, Mister Donut Business Group Joined the Company

Reasons for nomination as a candidate for Director

Mr. Tetsuya Wada has been involved in the Food Group since joining Duskin. After supervising the Mister Donut overseas operations, he was assigned to oversee Food Business Development as Division Manager. After serving successfully in those positions, he became General Manager at the Mister Donut Business Group to lead the brand's revitalization. Currently, he is overseeing the entire Food Group. Leveraging his experience, Mr. Wada proactively provides constructive opinions on matters including the Direct Selling Group, contributing greatly to improving the effectiveness of the Board of Directors meetings. Mr. Wada has abundant experience in business operations and extensive expertise in managing franchise businesses. The Company believes Mr. Wada is an indispensable Board member for further improving the effectiveness of the Board of Directors' decision-making and supervisory functions in order to continue raising corporate value over the medium- to long-term while also aiming for co-existence and co-prosperity with the environment and local communities. Based on these reasons, the Company requests a vote in his favor for re-election as a Director.

Naoto Miyata

Reappointment

Number of Board of Directors
meetings attended during FY 2021:

17/17
(100.0%)

Date of birth

August 16, 1963

Number of shares owned: 5,276

Tenure: 2 years

**(at the close of this Ordinary General Meeting of
Shareholders)**

Position/Career Summary

Apr. 2021	Director and CFO Corporate Administration Group (to the present)
June 2020	Director and CFO Legal Affairs and Corporate Compliance, Accounting, General Affairs
Apr. 2020	Operating Officer Accounting
Apr. 2018	Joined the Company General Manager, Corporate Account
Apr. 2014	General Manager Public & Financial Institutions Banking Dept. Sumitomo Mitsui Banking Corporation

Reasons for nomination as a candidate for Director

Mr. Miyata has extensive knowledge in areas including finance and capital policy, garnered through previous roles in his long-term career at Sumitomo Mitsui Banking Corporation. Since joining Duskin, he has accumulated knowledge and experience in the general management of franchise businesses through initiatives to reinforce the Corporate Account platform. Since 2020, he has served as Chief Financial Officer (CFO). Mr. Miyata proactively provides constructive opinions, mainly regarding financial strategy, contributing greatly to improving the effectiveness of the Board of Directors meetings. The Company believes Mr. Miyata is an indispensable Board member for further improving the effectiveness of the Board of Directors' decision-making and supervisory functions in order to continue raising corporate value over the medium- to long-term while also aiming for co-existence and co-prosperity with the environment and local communities. Based on these reasons, the Company requests a vote in his favor for re-election as a Director.

Shinichiro Ueno

New appointment

Date of birth
February 19, 1964

Number of shares owned: 2,263

Position/Career Summary

Apr. 2021	Operating Officer Public Relations Manager, International Division (to the present)
May 2019	Manager International Division
June 2012	Chairman and CEO Duskin Shanghai Co., Ltd.
Mar. 2009	Manager Clean Service Sales Planning
May 2000	Joined the Company

Reasons for nomination as a candidate for Director

After building his long career at Duskin in sales planning for our mainstream business, Clean & Care Group, Mr. Ueno went on to lead and contribute greatly to the further expansion of the business overseas after being entrusted with overseeing the subsidiary in Shanghai in 2012. Since 2021, he has served as Operating Officer and proactively provided constructive opinions during the Board of Directors meetings, contributing greatly to supporting timely and appropriate business execution. Mr. Ueno has abundant experience in global business operations and extensive expertise in managing franchise businesses. The Company believes Mr. Ueno is an indispensable Board member for further improving the effectiveness of the Board of Directors' decision-making and supervisory functions in order to continue raising corporate value over the medium- to long-term while also aiming for co-existence and co-prosperity with the environment and local communities. Based on these reasons, the Company requests a vote in his favor for election as a Director.

Nobuko Sekiguchi



Reappointment

Candidate for Independent
Outside Director

Number of Board of Directors
meetings attended during FY 2021:
17/17
(100.0%)

Date of birth

July 3, 1968

Number of shares owned: 100

Tenure: 3 years

(at the close of this Ordinary General Meeting of
Shareholders)

Position/Career Summary

June 2020	Outside Director, Audit & Supervisory Committee Member, H2O Retailing Corporation (to the present)
June 2019	Director, the Company (to the present)
Mar. 2019	Resigned from CAPCOM CO., LTD.
Apr. 2016	Managing Corporate Officer Head of Corporate Planning & Human Resources Division
Apr. 2011	Corporate Officer Head of Corporate Planning Division
Apr. 2007	General Manager of Accounting Department
Nov. 2005	Joined CAPCOM CO., LTD.

Significant concurrent position:

Outside Director, Audit & Supervisory Committee Member, H2O Retailing Corporation

Reasons for nomination as a candidate for Outside Director and expected roles

After working as a management consultant, Ms. Sekiguchi joined CAPCOM CO., LTD. where as a Managing Corporate Officer, she was engaged in leadership roles involving corporate planning and personnel system reforms. Included in her corporate planning responsibilities were the formulation of its Mid-Term Plan, the annual budget management, corporate reorganization and M&A transactions. Based on her experience and expertise, Ms. Sekiguchi is expected to provide comprehensive supervision of management and advice from the perspective of enhancing medium- and long-term corporate value. Therefore, the Company requests a vote in her favor for re-election as an Outside Director.

Yukiko Tsujimoto

(Maiden name: Yukiko Okamoto)



Reappointment

Candidate for Independent
Outside Director

Number of Board of Directors
meetings attended during FY 2021:
17/17
(100.0%)

Date of birth**February 10, 1964****Number of shares owned: 0****Tenure: 2 years**

**(at the close of this Ordinary General Meeting of
Shareholders)**

Position/Career Summary

Apr. 2022	Advisor to the City of Kobe (Recruitment and Training) (to the present)
Mar. 2022	Outside Director SAKATA INX CORPORATION (to the present)
June 2020	Director, the Company (to the present)
Nov. 2014	Representative Director, Shapes Co., Ltd. (to the present)
June 2014	Resigned from Procter & Gamble Japan K.K.
Apr. 2014	Resigned from the position of Director, P&G K.K.
July 2012	External Relations Director Procter & Gamble Japan K.K.
June 2012	Resigned from the position of Director, Procter & Gamble Japan K.K.
Apr. 2008	Director P&G K.K.
Mar. 2006	Director Procter & Gamble Japan K.K.
Apr. 1986	Joined Procter & Gamble Far East Inc. (now Procter & Gamble Japan K.K.)

Significant concurrent position:

Representative Director, Shapes Co., Ltd.

Outside Director, SAKATA INX CORPORATION

Reasons for nomination as a candidate for Outside Director and expected roles

Ms. Tsujimoto has a wealth of experience and knowledge in corporate management as a Director of Procter & Gamble Japan K.K. Ms. Tsujimoto brings with her an extensive expertise accumulated during her career with Procter & Gamble Japan, where she was responsible for brand marketing and communications and took a leadership role in brand publicity in Asian markets. Based on her experience and expertise, Ms. Tsujimoto is expected to provide comprehensive supervision of management and advice from the perspective of enhancing medium- and long-term corporate value. Therefore, the Company requests a vote in her favor for re-election as an Outside Director.

Fumi Musashi

New appointment

Candidate for Independent
Outside Director

Date of birth

August 24, 1959

Number of shares owned: 0

Position/Career Summary

June 2022	To resign from CHORI CO., LTD
Jan. 2022	Part-time Adviser CHORI CO., LTD
Dec. 2020	Assistant General Manager of Corporate Planning Division and Assistant to the Executive Chief Representative for China CHORI CO., LTD
June 2018	Chairman and President CHORI (CHINA) CO., LTD.
Apr. 2016	President CHORI (CHINA) CO., LTD.
Apr. 1982	Joined CHORI CO., LTD

Reasons for nomination as a candidate for Outside Director and expected roles

Ms. Musashi has been involved in business operations in China since joining CHORI CO., LTD, including breaking new ground for the company as its first female expatriate. Ms. Musashi brings with her also management experience accumulated since 2018 during her appointment as Chairman and President of CHORI (CHINA) CO., LTD., a subsidiary in China.

Based on her experience in global business operations and expertise, Ms. Musashi is expected to provide comprehensive supervision of management and advice from the perspective of enhancing medium- and long-term corporate value. Therefore, the Company requests a vote in her favor for election as an Outside Director.

Notes:

1. There is no conflict of interest between any of the candidates and Duskin.
2. The number of shares owned by Mr. Shinichiro Ueno includes the shares held through Duskin Employee Stock Ownership Plan.
3. Duskin has designated Ms. Nobuko Sekiguchi and Ms. Yukiko Tsujimoto as Independent Directors in accordance with regulations of the Tokyo Stock Exchange. If these Director candidates are re-elected as proposed, Duskin plans to again designate them as Independent Directors. Likewise, if Ms. Fumi Musashi is elected as Director, she will be appointed as an Independent Director.
4. Duskin has contracts with Ms. Nobuko Sekiguchi and Ms. Yukiko Tsujimoto that limit their liability as provided in Article 423, Paragraph 1 of the Companies Act within the amount prescribed by laws or ordinances. If these two Outside Director candidates are re-elected as proposed, Duskin plans to extend their contracts. Likewise, if Ms. Fumi Musashi is elected as proposed, Duskin plans to enter into the same limited liability agreement with her too.
5. Duskin has entered into a directors and officers liability insurance (D&O Insurance) contract with an insurance company. The outline of this agreement is described on page 40 of the present convocation notice (Japanese version only). The candidates nominated for reappointment have concluded already such a contract. If they are re-elected as proposed, they will continue to be covered by the insurance contract. Likewise, if Mr. Shinichiro Ueno and Ms. Fumi Musashi are elected as Directors, they both are to be included as insureds. Duskin intends to renew their contracts once due for renewal (after one year) under the same terms during their tenure by resolution of the Board of Directors.

Proposal 4 Election of One (1) Member of the Audit and Supervisory Board

The tenure of the current member of the Audit and Supervisory Board, Mr. Takaaki Oda, will expire at the close of this Ordinary General Meeting of Shareholders. Therefore, the election of one (1) member of the Audit and Supervisory Board is proposed.

The submission of this proposal has already been approved by the Audit and Supervisory Board.

The candidate for this position is as follows.

Reference: Policy on selecting Audit and Supervisory Board Member candidates

Audit and Supervisory Board Member candidates must have the proper character, knowledge and ethics for this post, and must have no health issues that would prevent them from performing their duties.

The role of Audit and Supervisory Board Members is to properly oversee the performance of Directors (through operational audits (compliance audits) and accounting audits) and to create a sound corporate governance framework. Therefore, Audit and Supervisory Board Member candidates must maintain their independence from the executives and demonstrate the abilities and knowledge necessary for performing their duties with integrity. The candidates are also expected to show profound insights into Duskin's businesses and the ability to make decisions regarding corporate management from an objective and neutral standpoint. The selection of candidates is determined by resolutions of the Board of Directors after obtaining the consent of the Audit and Supervisory Board. In addition, at least one (1) Audit and Supervisory Board Member selected must have considerable expertise in finance and accounting.

Outside Audit and Supervisory Board Member candidates must have no conflict of interest with respect to the Duskin Group, be able to maintain their independence and have extensive knowledge and experience in legal matters, accounting, internal controls, corporate reorganizations and other fields that are needed to oversee and advise the Board of Directors. The selection of candidates is determined by resolutions of the Board of Directors after obtaining the consent of the Audit and Supervisory Board.

Hidekazu Saruki

Date of birth
March 2, 1976

Number of shares owned: 0



New appointment

Candidate for Independent Outside
Member of the Audit and
Supervisory Board

Position/Career Summary

May 2011	Partner, Miyake & Partners (to the present)
Oct. 2001	Registered at Osaka Bar Association and joined Miyake Godo Law Office (now Miyake & Partners)
Nov. 1999	Passed National Bar Examination

Significant concurrent position:

Outside Audit and Supervisory Board Member
Nishimura Securities Co., Ltd.

Director, Infection Control Sterilization Association (ICSA)

Reasons for nomination as a candidate for Independent Outside Member of the Audit and Supervisory Board

Mr. Hidekazu Saruki is expected to be able to monitor and oversee Duskin's management from an independent and objective standpoint, based on his extensive experience and expertise as an attorney. Therefore, the Company requests a vote in his favor for election as an Outside Member of the Audit and Supervisory Board. Although he has not been directly involved in corporate management, the Company believes that Mr. Saruki is capable of fulfilling his duties as an Outside Member of the Audit and Supervisory Board.

Notes:

1. There is no conflict of interest between Mr. Hidekazu Saruki and Duskin.
2. If Mr. Hidekazu Saruki is elected as proposed, Duskin plans to designate him as Independent Director in accordance with regulations of the Tokyo Stock Exchange.
3. Duskin has contracts with Outside Members of its Audit and Supervisory Board that limit their liability as provided in Article 423, Paragraph 1 of the Companies Act within the amount prescribed by laws or ordinances. If Mr. Hidekazu Saruki is elected as proposed, Duskin plans to enter into the same limited liability agreement with him.
4. Duskin has entered into a directors and officers liability insurance (D&O Insurance) contract with an insurance company. The outline of this agreement is described on page 40 of the present convocation notice (Japanese version only). If Mr. Hidekazu Saruki is elected as proposed, he is to be included as insured. Duskin intends to renew his contract once due for renewal (after one year) under the same terms during his tenure by resolution of the Board of Directors.

Reference: Standards for independence of Outside Directors and Audit and Supervisory Board Members

The independence of an Outside Director or Outside Audit and Supervisory Board Member requires that none of the following items is applicable to these individuals. These standards are based on the independence standards of the Securities Listing Regulations Enforcement Rules of the Tokyo Stock Exchange and also include standards established by Duskin.

1. A Director (except an Outside Director of Duskin), Audit and Supervisory Board Member (except an Outside Audit and Supervisory Board Member of Duskin) or employee of one of the Duskin Corporate Group* companies
*Duskin Co., Ltd. and its consolidated subsidiaries
2. A Director, Audit and Supervisory Board Member or employee of a major shareholder* of Duskin or a company or other organization where Duskin is a major shareholder
*An individual, company or other entity that owns at least 10% of Duskin's voting rights
3. A Director, Audit and Supervisory Board Member or employee of a company in a major business relationship* with the Duskin Corporate Group
*A company where, in the most recent fiscal year, amounts paid to or received from the Duskin Corporate Group for business transactions exceed the larger of 1% of the consolidated sales of the Duskin Corporate Group or the company (including the parent company and subsidiaries) or 1 billion yen
4. An individual that has received substantial donations* from the Duskin Corporate Group or a Director, Audit and Supervisory Board Member or employee of a company or other organization that has received such donations
*Substantial donations are cash and other financial assets with a value exceeding the larger of 1% of the consolidated sales of the Duskin Corporate Group in the most recent fiscal year or 100 million yen.
5. An attorney, accountant, consultant who has received substantial payments* or other financial assets (or an individual belonging to a company or other organization that has received these payments) other than Director or Audit and Supervisory Board Member compensation from the Duskin Corporate Group
*Substantial payments are cash and other financial assets with a value exceeding the larger of 1% of the consolidated sales of the Duskin Corporate Group in the most recent fiscal year or 100 million yen.
6. An individual who was ever in any position described in the above items 1 and 2
7. An individual who was within the past three (3) years in any position described in the above items 3 through 5
8. Spouses and first- or second-degree relatives of individuals described in the above items 1 through 7
9. An individual who has been a Duskin Outside Director for five (5) years or a Duskin Outside Audit and Supervisory Board Member for eight (8) years
10. An individual who provides any other reasons for doubt about independence concerning the performance of duties as a Duskin Outside Director or Outside Audit and Supervisory Board Member

Consolidated Financial Statements
Consolidated Balance Sheets

(millions of yen)

Account	FY2021 as of Mar. 31, 2022	FY2020 as of Mar. 31, 2021	Account	FY2021 as of Mar. 31, 2022	FY2020 as of Mar. 31, 2021
Assets			Liabilities		
Current assets	84,102	69,239	Current liabilities	38,005	34,587
Cash and deposits	23,360	18,431	Notes and accounts payable-trade	6,963	6,962
Notes and accounts receivable-trade	—	11,875	Income taxes payable	2,359	354
Notes and accounts receivable-trade, and contract assets	12,266	—	Provision for bonuses	3,879	3,062
Lease receivables and investments in leases	1,056	1,157	Asset retirement obligations	14	1
Securities	30,604	19,711	Accounts payable-other	9,136	9,491
Merchandise and finished goods	8,662	10,306	Guarantee deposits received for rental products	9,058	9,135
Work in process	207	181	Other	6,594	5,579
Raw materials and supplies	1,541	1,779	Non-current liabilities	9,023	7,974
Accounts receivable-other	4,994	4,361	Long-term borrowings	1,530	—
Other	1,426	1,457	Retirement benefit liability	5,991	6,494
Allowance for doubtful accounts	-17	-23	Asset retirement obligations	611	643
Non-current assets	113,952	119,159	Long-term guarantee deposits	873	777
Property, plant and equipment	49,474	50,152	Long-term accounts payable-other	10	12
Buildings and structures	14,834	15,298	Deferred tax liabilities	5	38
Machinery, equipment and vehicles	7,268	7,310	Other	0	8
Land	22,439	22,658	Total Liabilities	47,029	42,562
Construction in progress	325	103	Net Assets		
Other	4,607	4,781	Shareholders' equity	140,625	134,768
Intangible assets	8,146	9,635	Share capital	11,352	11,352
Goodwill	270	356	Capital surplus	11,091	11,091
Software	6,481	8,002	Retained earnings	122,401	116,914
Other	1,393	1,275	Treasury shares	-4,219	-4,591
Investments and other assets	56,331	59,372	Accumulated other comprehensive income	10,035	10,740
Investment securities	46,176	50,768	Valuation difference on available-for-sale securities	7,195	8,771
Retirement benefit asset	2,348	—	Deferred gains or losses on hedges	-0	-0
Deferred tax assets	1,601	1,684	Foreign currency translation adjustment	34	-215
Guarantee deposits	5,340	5,944	Remeasurements of defined benefit plans	2,805	2,184
Other	884	998	Share acquisition rights	59	60
Allowance for doubtful accounts	-19	-22	Non-controlling interests	305	268
Total Assets	198,055	188,399	Total Net Assets	151,026	145,836
			Total Liabilities and Net Assets	198,055	188,399

Note: All financial figures are in millions of yen, all amounts less than a million are dropped.

Consolidated Statements of Income

(millions of yen)

Account	FY2021 (Apr. 1, 2021 to Mar. 31, 2022)	FY2020 (Apr. 1, 2020 to Mar. 31, 2021)
Net sales	163,210	153,770
Cost of sales	88,302	84,335
Gross profit	74,908	69,435
Selling, general and administrative expenses	65,009	64,783
Operating profit	9,899	4,651
Non-operating income	2,624	2,260
Interest income	143	137
Dividend income	338	311
Rental income from facilities	174	165
Commission income	225	189
Share of profit of entities accounted for using equity method	703	687
Subsidy income	411	204
Other	626	563
Non-operating expenses	308	278
Interest expenses	0	0
Rental expenses on facilities	109	106
Cancellation penalty	85	30
Compensation expenses	31	33
Other	82	107
Ordinary profit	12,215	6,633
Extraordinary income	137	27
Gain on sales of non-current assets	3	16
Gain on sales of investment securities	132	1
Reversal of reserves for losses on liquidation of subsidiaries and associates	—	7
Other	1	3
Extraordinary losses	725	2,346
Loss on sales of non-current assets	11	1
Loss on abandonment of non-current assets	104	130
Impairment loss	196	422
Disaster loss	—	0
COVID-19 relief money	107	1,658
Loss on sale of shares of subsidiaries and associates	288	—
Other	16	133
Profit before income taxes	11,627	4,315
Income taxes-current	2,933	1,112
Income taxes-deferred	515	352
Profit	8,178	2,849
Profit attributable to non-controlling interests	45	28
Profit attributable to owners of parent	8,132	2,821

Note: All financial figures are in millions of yen, all amounts less than a million are dropped.

Consolidated Statements of Changes in Net Assets

(April 1, 2021 to March 31, 2022)

(millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	11,352	11,091	116,914	-4,591	134,768
Changes of items during the period					
Dividends of surplus			-2,487		-2,487
Profit attributable to owners of parent			8,132		8,132
Purchase of treasury shares				-1	-1
Disposal of treasury shares			-3	46	42
Disposal of treasury shares for the ESOP Trust			-133	1,833	1,699
Purchase of treasury shares by the ESOP Trust				-1,699	-1,699
Disposal of treasury shares by the ESOP Trust				193	193
Increase (decrease) arising from changes in surplus of affiliates accounted for using equity method			-21		-21
Net changes in items other than shareholders' equity					
Total changes of items during the period	—	—	5,486	371	5,857
Balance at end of current period	11,352	11,091	122,401	-4,219	140,625

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	8,771	-0	-215	2,184	10,740	60	268	145,836
Changes of items during the period								
Dividends of surplus								-2,487
Profit attributable to owners of parent								8,132
Purchase of treasury shares								-1
Disposal of treasury shares								42
Disposal of treasury shares for the ESOP Trust								1,699
Purchase of treasury shares by the ESOP Trust								-1,699
Disposal of treasury shares by the ESOP Trust								193
Increase (decrease) arising from changes in surplus of affiliates accounted for using equity method								-21
Net changes in items other than shareholders' equity	-1,576	—	249	621	-704	-0	37	-668
Total changes of items during the period	-1,576	—	249	621	-704	-0	37	5,189
Balance at end of current period	7,195	-0	34	2,805	10,035	59	305	151,026

Note: All financial figures are in millions of yen, all amounts less than a million are dropped.

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheets

(millions of yen)

Account	FY2021 as of Mar. 31, 2022	FY2020 as of Mar. 31, 2021	Account	FY2021 as of Mar. 31, 2022	FY2020 as of Mar. 31, 2021
Assets			Liabilities		
Current assets	70,598	56,769	Current liabilities	44,807	41,782
Cash and deposits	16,211	11,997	Accounts payable-trade	6,449	6,408
Notes receivable-trade	5	15	Accounts payable-other	7,988	8,240
Accounts receivable-trade	9,181	9,997	Accrued expenses	1,020	896
Lease receivables	3	2	Income taxes payable	1,861	—
Securities	30,604	19,711	Deposits received	12,222	12,427
Merchandise and finished goods	7,750	8,610	Guarantee deposits received for rental products	9,729	9,804
Work in process	3	3	Provision for bonuses	2,931	2,151
Raw materials and supplies	722	1,017	Asset retirement obligations	13	1
Prepaid expenses	601	571	Other	2,590	1,852
Accounts receivable-other	4,965	4,357	Non-current liabilities	12,096	11,938
Short-term loans receivable	1	0	Long-term borrowings	1,530	—
Short-term loans receivable from subsidiaries and associates	173	84	Provision for retirement benefits	5,272	7,172
Other	385	413	Asset retirement obligations	423	449
Allowance for doubtful accounts	-10	-15	Long-term guarantee deposits	1,116	1,042
Non-current assets	108,673	115,800	Long-term deposits received	3,710	3,220
Property, plant and equipment	36,379	36,240	Long-term accounts payable-other	8	8
Buildings	11,293	11,489	Other	33	45
Structures	689	737	Total Liabilities	56,903	53,720
Machinery and equipment	774	709	Net Assets		
Vehicles	0	0	Shareholders' equity	115,249	110,102
Tools, furniture and fixtures	1,687	1,612	Share capital	11,352	11,352
Fixed assets for rent	71	47	Capital surplus	1,090	1,090
Land	21,540	21,540	Legal capital surplus	1,090	1,090
Construction in progress	322	101	Retained earnings	107,025	102,249
Intangible assets	7,416	8,762	Legal retained earnings	2,777	2,777
Goodwill	36	46	Other retained earnings	104,247	99,471
Trademark right	4	4	Reserve for business development	869	869
Software	6,252	7,718	Reserve for reduction entry	63	63
Temporary account for intangible fixed assets	962	830	General reserve	96,800	96,800
Other	160	163	Retained earnings brought forward	6,514	1,738
Investments and other assets	64,878	70,797	Treasury shares	-4,218	-4,589
Investment securities	38,336	43,200	Valuation and translation adjustments	7,059	8,686
Shares of subsidiaries and associates	19,094	20,000	Valuation difference on available-for-sale securities	7,059	8,686
Investments in capital	0	0	Share acquisition rights	59	60
Long-term loans receivable from subsidiaries and associates	823	580	Total Net Assets	122,369	118,848
Long-term prepaid expenses	297	396	Total Liabilities and Net Assets	179,272	172,569
Deferred tax assets	1,997	1,683			
Guarantee deposits	4,568	5,147			
Other	18	23			
Allowance for doubtful accounts	-17	-20			
Allowance for investment loss	-241	-217			
Total Assets	179,272	172,569			

Note: All financial figures are in millions of yen, all amounts less than a million are dropped.

Non-Consolidated Statements of Income

(millions of yen)

Account	FY2021 (Apr. 1, 2021 to Mar. 31, 2022)	FY2020 (Apr. 1, 2020 to Mar. 31, 2021)
Net sales	132,333	123,004
Cost of sales	78,287	72,874
Gross profit	54,046	50,129
Selling, general and administrative expenses	47,217	47,686
Operating profit	6,828	2,442
Non-operating income	4,097	3,881
Interest income	9	7
Interest income on securities	135	131
Dividend income	2,042	2,018
Rental income from facilities	927	895
Commission income	348	314
Other	634	515
Non-operating expenses	363	308
Interest expenses	11	13
Rental expenses on facilities	162	153
Cancellation penalty	81	33
Expenses for disaster measures	3	44
Loss on debt waiver	50	—
Other	53	64
Ordinary profit	10,563	6,015
Extraordinary income	135	53
Gain on sales of non-current assets	2	13
Gain on sales of investment securities	132	—
Gain on liquidation of subsidiaries and associates	—	37
Other	—	2
Extraordinary losses	752	2,581
Loss on sales of non-current assets	11	1
Loss on abandonment of non-current assets	87	112
Impairment loss	126	245
COVID-19 relief money	123	1,658
Loss on sale of shares of subsidiaries and associates	276	—
Loss on valuation of shares of subsidiaries and associates	91	214
Other	36	349
Income before income taxes	9,945	3,487
Income taxes-current	2,141	504
Income taxes-deferred	404	417
Profit	7,400	2,565

Note: All financial figures are in millions of yen, all amounts less than a million are dropped.

Non-Consolidated Statements of Changes in Net Assets

(April 1, 2021 to March 31, 2022)

(millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus		Retained earnings					
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
					Reserve for business development	Reserve for reduction entry	General reserve	Retained earnings brought forward	
Balance at beginning of current period	11,352	1,090	1,090	2,777	869	63	96,800	1,738	102,249
Changes of items during the period									
Dividends of surplus								-2,487	-2,487
Profit								7,400	7,400
Purchase of treasury shares									
Disposal of treasury shares								-3	-3
Disposal of treasury shares for the ESOP Trust								-133	-133
Purchase of treasury shares by the ESOP Trust									
Disposal of treasury shares by the ESOP Trust									
Net changes in items other than shareholders' equity									
Total changes of items during the period	—	—	—	—	—	—	—	4,776	4,776
Balance at end of current period	11,352	1,090	1,090	2,777	869	63	96,800	6,514	107,025

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of current period	-4,589	110,102	8,686	8,686	60	118,848
Changes of items during the period						
Dividends of surplus		-2,487				-2,487
Profit		7,400				7,400
Purchase of treasury shares	-1	-1				-1
Disposal of treasury shares	46	42				42
Disposal of treasury shares for the ESOP Trust	1,833	1,699				1,699
Purchase of treasury shares by the ESOP Trust	-1,699	-1,699				-1,699
Disposal of treasury shares by the ESOP Trust	193	193				193
Net changes in items other than shareholders' equity			-1,626	-1,626	-0	-1,627
Total changes of items during the period	371	5,147	-1,626	-1,626	-0	3,520
Balance at end of current period	-4,218	115,249	7,059	7,059	59	122,369

Note: All financial figures are in millions of yen, all amounts less than a million are dropped.