

BOOKOFF GROUP HOLDINGS

Notice of Convocation of the Second Ordinary General Meeting of Shareholders

April 1, 2019 - March 31, 2020

Date and time

Saturday, June 27, 2020 at 1 p.m.

(Attendance registration begins at 0:30 p.m.)

Place

Shinagawa Intercity Hall 2-15-4, Konan, Minato-ku, Tokyo

Meeting Agenda

Proposal No. 1: Appropriation of Retained Earnings

Proposal No. 2: Partial Amendments to the Articles of Incorporation

Proposal No. 3: Election of Seven Directors

Requests and measures for preventing the spread of COVID-19:

- If possible, please submit your votes by using the internet or postal mail.
- Shareholders who attend the meeting are asked to cooperate with measures that will be used to prevent COVID-19.
- The meeting is planned to be shorter than usual due to the COVID-19 crisis.
- There will be no business information meeting after the shareholders meeting.

If a significant change is made to how the shareholders meeting will take place, an announcement will be made on the BOOKOFF website:

<https://www.bookoffgroup.co.jp/ir/stock/stock2.html>

BOOKOFF GROUP HOLDINGS LIMITED

Securities code: 9278

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As the following information is posted on the Company's website (<https://www.bookoffgroup.co.jp/ir/stock/stock2.html>) on the Internet, it is not included in the documents attached to this notice of convocation:

Business Report
Consolidated Financial Statements
Non-consolidated Financial Statements

Message from the President

The fiscal year that ended in March 2020 was positioned as a time to end the sales and earnings recovery phase and advance to the phase of making large investments for future growth. During the year there were many activities based on our core strategies of upgrading individual stores and using all of the BOOKOFF Group's strengths. BOOKOFF increased the number of new store openings by using as a base the consistently profitable network of existing stores with deep roots in the communities they serve. In addition, there were IT system development investments to achieve the "One BOOKOFF" concept and for starting and firmly establishing the use of this system. The goal of this concept is increasing customer satisfaction through links between stores and internet operations centered on our membership base.

In addition, there was progress in business sectors other than BOOKOFF. We took actions for the profitability of HUGALL, a purchasing service for affluent customers, and we acquired Jewelry Asset Managers Inc., a company that buys, sells, repairs, redesigns and upgrades jewelry. We also continued to enlarge our business domains to aim for sustainable growth, chiefly by increasing the number of stores in Malaysia.

Having reached our 30th anniversary in May 2020, we are now at the point of building a base for a new decade of innovation and growth. Steady growth of the core BOOKOFF business is one goal. Another goal is enlarging the reuse business domain by taking full advantage of our group's people, customer base, store network, brand recognition and other valuable assets. We are determined to firmly establish our group as the leader in the reuse market with the largest number of customers. I want our group to be a source of an enjoyable and prosperous life for many people. Accomplishing this will require taking on new challenges outside the reuse category as we aim for sustained growth.

I am confident that we have the strengths and the resources needed to accomplish our goals as we look ahead to a new decade of progress.

Thank you for your understanding and support.

Yasutaka Horiuchi
President and CEO

Securities code: 9278

June 11, 2020

To Our Shareholders:

Yasutaka Horiuchi, President and CEO
BOOKOFF GROUP HOLDINGS LIMITED
2-14-20 Kobuchi, Minami-ku, Sagami-hara, Kanagawa, Japan

Notice of Convocation of the Second Ordinary General Meeting of Shareholders

I would like to take this opportunity to thank you for your support of BOOKOFF GROUP HOLDINGS LIMITED (“BOOKOFF” or the “Company”). We will hold the Second Ordinary General Meeting of Shareholders. The meeting will be held as described below.

Due to the COVID-19 crisis, please submit your votes by using the internet or postal mail as much as possible. Please review the Reference Documents for the General Meeting of Shareholders that follows this notice, and exercise your voting rights by no later than 5 p.m., Friday, June 26, 2020.

Exercise of voting rights via the Internet

Please visit the Company’s designated website for the exercise of voting rights (<https://evote.tr.mufg.jp/>) and vote for or against the proposals by following the on-screen instructions. When using a smartphone or tablet, scan the log-in QR code on the Voting Right Exercise Form to access the website for submitting your votes.

Exercise of voting rights in writing

Please vote on the proposals in the enclosed Voting Right Exercise Form, and return it so that it will arrive by the aforementioned exercise deadline.

- | | |
|---------------------------|--|
| 1. Date and time | Saturday, June 27, 2020 at 1 p.m. (Attendance registration begins at 0:30 p.m.) |
| 2. Place | Shinagawa Intercity Hall 2-15-4, Konan, Minato-ku, Tokyo |
| 3. Meeting Agenda | |
| Matters to be reported: | 1. The Business Report, Consolidated Financial Statements and the results of audits conducted by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements for the Company’s Second Fiscal Year (April 1, 2019 - March 31, 2020)
2. Non-consolidated Financial Statements for the Company’s Second Fiscal Year (April 1, 2019 - March 31, 2020) |
| Proposals to be resolved: | |
| Proposal No. 1: | Appropriation of Retained Earnings |
| Proposal No. 2: | Partial Amendments to the Articles of Incorporation |
| Proposal No. 3: | Election of Seven Directors |

4. Matters prescribed for convocation

- (1) If you do not indicate your approval or disapproval for the proposals on the Voting Right Exercise Form, the Company will assume that you have voted in favor of the proposal.
- (2) If you vote both in writing and via the Internet, only your vote placed via the Internet will be valid.
- (3) If you vote multiple times via the Internet, only your last vote will be valid.

The results of voting at the shareholders meeting will be posted on the Company’s website (<https://www.bookoffgroup.co.jp/ir/stock/stock2.html>).

Reference Documents for the General Meeting of Shareholders

■ Proposal No. 1: Appropriation of Retained Earnings

The Company positions the distribution of earnings to shareholders as one of its highest management priorities, and also recognizes an increase in corporate value along with its business growth and expansion as the most important management issue.

In view of the current results of operations, future business activities and other items, the year-end dividend for the fiscal year ended March 31, 2020 (FY3/2020) is as follows.

- | | |
|--|---|
| (1) Type of dividend: | Cash |
| (2) Dividend payment and total amount: | 6 yen per share of common stock of the Company
(9 yen lower than FY3/2019)
Total amount of dividends: 104,684,478 yen |
| (3) Effective date of distribution of retained earnings: | June 29, 2020 |

■ Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reason for Amendments

1) Additional purpose of business activities

A purpose is added because of the expanding breadth of the BOOKOFF Group's business activities.

2) Change in business year

The business year is to be changed from April 1 to March 31 of the following year to June 1 to May 31 of the following year. The purpose is to increase the efficiency of business operations by avoiding the overlap of the busiest period of the year for business operations and the time that the next business year's business plan is determined.

In conjunction with the new business year, the Ordinary General Meeting of Shareholders to be held in August and the record date for shareholders who can vote at the meeting is May 31. In addition, the record dates for the year-end and interim dividends will change to May 31 and November 30, respectively. Supplementary provisions will be established for the transition to the new business year.

2. Details of Amendments

The details of amendments are as follows.

(The underlined parts indicate the proposed amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>Chapter 1. General Provisions (Purposes)</p> <p>Article 2. The Company will hold stock and other ownership interests in companies that perform the following activities for the purpose of overseeing the management of these companies and conducting related activities.</p> <p>1.-31. (Omitted) (Newly established)</p> <p>(Newly established)</p> <p><u>32.</u> (Omitted)</p> <p>Chapter 3. General Meeting of Shareholders (Convocation)</p> <p>Article 12. The Ordinary General Meeting of Shareholders shall be convened in <u>June</u> every year, and an extraordinary general meeting of shareholders shall be convened whenever necessary.</p> <p>(Record Date for Ordinary General Meeting of Shareholders)</p> <p>Article 13. The record date for voting rights at the Ordinary General Meeting of Shareholders of the Company shall be the 31st of <u>March</u> each year.</p>	<p>Chapter 1. General Provisions (Purposes)</p> <p>Article 2. (Remain unchanged)</p> <p>1.-31. (Remain unchanged)</p> <p><u>32. Retail and wholesale sales of alcoholic beverages</u></p> <p><u>33. Money transfers and the internal or third-party issuance of prepayment methods</u></p> <p><u>34.</u> (Remain unchanged)</p> <p>Chapter 3. General Meeting of Shareholders (Convocation)</p> <p>Article 12. The Ordinary General Meeting of Shareholders shall be convened in <u>August</u> every year, and an extraordinary general meeting of shareholders shall be convened whenever necessary.</p> <p>(Record Date for Ordinary General Meeting of Shareholders)</p> <p>Article 13. The record date for voting rights at the Ordinary General Meeting of Shareholders of the Company shall be the 31st of <u>May</u> each year.</p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">Chapter 7. Accounts</p> <p>(Business Year)</p> <p>Article 39. The business year of the Company shall be a one-year period starting on <u>April</u> 1 of each year and ending on <u>March</u> 31 of the following year.</p> <p>(Record Date for Dividend Payments)</p> <p>Article 40. The record date for the Company's year-end dividend is <u>March</u> 31 of each year.</p> <p style="padding-left: 40px;">2. (Omitted)</p> <p>(Interim Dividends)</p> <p>Article 41. The Company may, by resolution of the Board of Directors, pay interim dividends with the <u>September</u> 30 of each year as a record date.</p>	<p style="text-align: center;">Chapter 7. Accounts</p> <p>(Business Year)</p> <p>Article 39. The business year of the Company shall be a one-year period starting on <u>June</u> 1 of each year and ending on <u>May</u> 31 of the following year.</p> <p>(Record Date for Dividend Payments)</p> <p>Article 40. The record date for the Company's year-end dividend is <u>May</u> 31 of each year.</p> <p style="padding-left: 40px;">2. (Remain unchanged)</p> <p>(Interim Dividends)</p> <p>Article 41. The Company may, by resolution of the Board of Directors, pay interim dividends with the <u>November</u> 30 of each year as a record date.</p>
<p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;"><u>Supplementary Provisions</u></p> <p><u>(Transitional measures for shareholder meeting convocation in conjunction with the business year change)</u></p>
<p style="text-align: center;">(Newly established)</p>	<p><u>Article 1.</u> <u>The revisions to Article 12 (Convocation) will become effective on September 1, 2020. This provision will be deleted after this date.</u></p>
<p style="text-align: center;">(Newly established)</p>	<p><u>(Transitional measures in conjunction with the business year change)</u></p> <p><u>Article 2.</u> <u>Irrespective of the provisions of Article 39 (Business Year), the third business year is the 14-month period that begins on April 1, 2020 and ends on May 31, 2021. This provision will be deleted after the end of this transitional business year.</u></p>
<p style="text-align: center;">(Newly established)</p>	<p><u>(Transitional measures for record dates in conjunction with the business year change)</u></p> <p><u>Article 3.</u> <u>Irrespective of the provisions of Article 41 (Interim Dividends), the record date for the interim dividend of the third business year is September 30, 2020. This provision will be deleted after the end of this transitional business year.</u></p>

■ Proposal No. 3: Election of Seven Directors

At the conclusion of this General Meeting of Shareholders, the term of office of all five Directors will expire. The Company asks shareholders to elect seven Directors, including four Outside Directors (two of whom are Independent Outside Directors), which will strengthen the management framework by increasing the number of Directors to seven.

The candidates for Directors are as follows.

Candidate No.	Name	Current Positions and Responsibilities	Remarks
1	Yasutaka Horiuchi	President and CEO	Reelection
2	Yoshifumi Tsutsumi	Director	Reelection
3	Yoko Mori	Executive Officer	New
4	Noriyuki Nobayashi	Independent Outside Director	Reelection Outside Independent
5	Masayuki Chiba	Outside Director	Reelection Outside
6	Ryoichi Tomohiro		New Outside
7	Masaaki Takano		New Outside Independent

Notes 1: The Company has entered into an agreement with Mr. Noriyuki Nobayashi and Mr. Masayuki Chiba in accordance with Paragraph 1, Article 427 of the Companies Act to limit liabilities for damages to the Company as stipulated in Paragraph 1, Article 423 of the Companies Act. The Company intends to limit the liabilities under the agreement to the minimum liability amount as stipulated in Paragraph 1, Article 425 of the Companies Act. If they are reelected, the Company plans to extend this agreement. If Mr. Ryoichi Tomohiro and Mr. Masaaki Takano are elected, the Company will enter into a similar agreement with them.

2: Mr. Noriyuki Nobayashi is neither the case of the independence criteria set by securities exchanges in which the Company is listed nor the independence criteria set by the Company. He is registered at the exchange as an independent executive, and he will remain an independent executive if he is reelected. Mr. Masaaki Takano is neither the case of the independence criteria set by securities exchanges in which the Company is listed nor the independence criteria set by the Company. He will be registered at the exchange as an independent executive if he is elected.

Candidate No.

1

Yasutaka Horiuchi

Candidate for reelection

● **Brief personal history and positions in the Company**

April 1994	Joined the Chuo Coopers & Lybrand Consulting Co., Ltd. (formerly)
August 2004	Joined Tohmatsu Consulting Co., Ltd. (currently Deloitte Tohmatsu Consulting LLC)
March 2006	Joined BOOKOFF CORPORATION LIMITED
April 2008	Executive Officer, Deputy General Manager of Administrative Division of BOOKOFF CORPORATION LIMITED
June 2009	Director, Executive Officer, General Manager of Administrative Division of BOOKOFF CORPORATION LIMITED
April 2012	Director, Executive Officer, General Manager of the Corporate Planning Department of BOOKOFF CORPORATION LIMITED
April 2013	Director and Executive Officer of BOOKOFF CORPORATION LIMITED
April 2015	President and CEO of BOOKOFF Online, Inc. (formerly)
January 2016	President and CEO of Booklog, Inc.
March 2016	Director, Executive Officer, General Manager of the Corporate Planning Department of BOOKOFF CORPORATION LIMITED
April 2017	Director and Executive Officer of BOOKOFF CORPORATION LIMITED
April 2017	President and CEO of BOOKOFF CORPORATION LIMITED (to present)
October 2018	President and CEO of the Company (to present)

● **Date of birth**

April 28, 1976

● **Number of shares of the Company held**

27,300 shares

● **Term of office as Director (at the conclusion of this General Meeting of Shareholders)**

1 year and 9 months

● **Attendance at the Board of Directors meetings in FY3/2019**

13/13 (100%)

● **Particular conflicts of interest between the candidate and the Company**

There are no particular conflicts of interest between the candidate and the Company.

● **Significant concurrent positions**

President and CEO of BOOKOFF CORPORATION LIMITED

● **Reason for the nomination**

Since becoming President and CEO in 2017, Mr. Horiuchi has overseen measures for a recovery in the BOOKOFF Group's performance and the establishment of medium-term management policies for future growth. He has also overseen the transition to a holding company, reforms of the core BOOKOFF business, services for the growth domain of affluent customers, and the strengthening of overseas operations. Mr. Horiuchi is a candidate for Director so that he can continue to use his CEO management skills for the growth of BOOKOFF's corporate value.

● **Candidate statement to shareholders**

In May 2018, we announced a medium-term management policy with the key strategies of "upgrading individual stores" and "using all group strengths to compete and win." We used these strategies to achieve a recovery in our performance and return to consistent profitability. For sustainable growth in a business climate that is changing rapidly, my goals are making the BOOKOFF Group the leading company in the reuse domain and taking on the challenge of creating new businesses. I will remain committed to our mission of "being a source of an enjoyable and prosperous life for many people" and to the further growth of our corporate value.

Candidate No.

2

Yoshifumi Tsutsumi

Candidate for reelection

● **Brief personal history and positions in the Company**

October 1973 Passed the second test of Certified Public Accountant Examination
December 1973 Joined Tohmatsu Aoki & Co. (currently Deloitte Touche Tohmatsu LLC)
June 1987 Firm member of Sanwa Tohmatsu Aoki Audit Corporation (currently Deloitte Touche Tohmatsu LLC)
October 2010 Head of the Kyoto Office of Deloitte Touche Tohmatsu LLC
March 2015 Full-time Corporate Auditor of Tribeck Strategies Inc. (to present)
June 2015 Outside Director of BOOKOFF CORPORATION LIMITED
June 2017 Director of BOOKOFF CORPORATION LIMITED (to present)
October 2018 Director of the Company (to present)

● **Date of birth**

November 5, 1949

● **Number of shares of the Company held**

1,900 shares

● **Term of office as Director (at the conclusion of this General Meeting of Shareholders)**

1 year and 9 months

● **Attendance at the Board of Directors meetings in FY3/2019**

13/13 (100%)

● **Particular conflicts of interest between the candidate and the Company**

None

● **Significant concurrent positions**

There are no significant concurrent positions.

● **Reason for the nomination**

Mr. Tsutsumi is a certified public accountant with extensive knowledge about finance and accounting. As an Outside Director and Director, Mr. Tsutsumi has gained a thorough understanding of the BOOKOFF Group's business operations and other aspects of the Group. He can also contribute to strengthening governance in the holding company structure and improving back-office operations. For these reasons, Mr. Tsutsumi is a Director candidate.

● **Candidate statement to shareholders**

Since becoming a Director, I have used my experience as a certified public accountant for making business operations more efficient in order to achieve a recovery in earnings and reforming corporate governance in order to increase corporate value. I will continue to concentrate on these goals. In addition, I plan to work on strengthening and improving financial soundness because financial balance is an issue now because of the effects of recent rapid changes in the business climate. I respectfully ask for your continued support.

Candidate No.

3

Yoko Mori

New candidate

● **Brief personal history and positions in the Company**

August 1991 Joined McDonald's Company (Japan), Ltd.
June 2008 Joined LOTTERIA Co., Ltd.
April 2011 General Manager of Human Resources Department of LOTTERIA Co., Ltd.
July 2012 Joined REX Holdings Inc. (currently REINS International Inc.)
General Manager of Human Resources Department of REX Holdings Inc.
July 2016 Joined COLOWIDE CO., LTD.
Executive Officer, General Manager of Human Resources Administration Division of COLOWIDE CO., LTD.
June 2017 Director of COLOWIDE CO., LTD.
June 2019 Director of BOOKOFF CORPORATION LIMITED (to present)
April 2020 Executive Officer of the Company (to present)

● **Date of birth**

November 2, 1968

● **Number of shares of the Company held**

0 share

● **Particular conflicts of interest between the candidate and the Company**

None

● **Significant concurrent positions**

There are no significant concurrent positions.

● **Reason for the nomination**

Ms. Mori has considerable knowledge involving human resources due to her experience in education and human resources in the restaurant industry and experience as a director of a listed company. She also has experience with improving working styles and overcoming labor shortages at companies that operate a chain of locations. Ms. Mori is a Director candidate because she can contribute to BOOKOFF's recruiting activities and measures involving the SDGs, which are important issues for upcoming business operations.

● **Candidate statement to shareholders**

In the restaurant industry, I have 13 years of experience at restaurants, 12 years of experience in human resources and three years of management experience. I want to play a role in management from many perspectives for the reuse operations of BOOKOFF. Also, I want BOOKOFF to be managed with a long-term view in order to skillfully use the reuse platform for solving social and environmental issues while continuing to grow.

Candidate No.
4

Noriyuki Nobayashi

Candidate for reelection

Candidate for Outside Director

Candidate for Independent Executive

● Brief personal history and positions in the Company

April 1987 Joined Recruit Co., Ltd.
 December 2003 Joined Lawson, Inc.
 May 2007 Director of LAWSON TICKET INC. (currently Lawson Entertainment, Inc.)
 June 2007 Director of i-Convenience, Inc. (currently Lawson Entertainment, Inc.)
 September 2007 Senior Vice President, Marketing Station Director, General Manager of Services Division of Lawson, Inc.
 March 2009 Senior Vice President, General Manager of Entertainment & Service Development Division of Lawson, Inc.
 February 2010 President and CEO, General Manager of Live Entertainment Business Division of LAWSON ENTERMEDIA, INC. (currently Lawson Entertainment, Inc.)
 May 2010 President of LAWSON ENTERMEDIA, INC.
 December 2010 Outside Director of HMV Japan K.K. (currently Lawson Entertainment, Inc.) (part-time)
 May 2011 Director of LAWSON ENTER MEDIA, INC. (currently Lawson Entertainment, Inc.) (part-time)
 June 2011 Outside Director of BOOKOFF CORPORATION LIMITED (to present)
 September 2011 Director of Lawson HMV Entertainment, Inc. (currently Lawson Entertainment, Inc.)
 March 2013 Director of LEGS COMPANY, LTD.
 March 2014 Managing Executive Officer of LEGS COMPANY, LTD.
 March 2015 Senior Managing Director of LEGS COMPANY, LTD.
 January 2016 Director of LEGS COMPANY, LTD.
 Managing Executive Officer, CMO of FiNC inc.
 March 2017 Director and CMO of FiNC inc.
 October 2018 Outside Director of the Company (to present)
 January 2019 Executive Officer of Kamakura Shinsho, Ltd.
 April 2019 Outside Audit & Supervisory Board Member of LOGNOTE, Ltd. (to present)
 May 2019 Outside Director of NewsTV Inc. (to present)

● Date of birth

November 18, 1964

● Number of shares of the Company held

10,000 shares

● Term of office as Director (at the conclusion of this General Meeting of Shareholders)

1 year and 9 months

● Attendance at the Board of Directors meetings in FY3/2019

12/13 (92.3%)

● Particular conflicts of interest between the candidate and the Company

None

● Significant concurrent positions

Outside Audit & Supervisory Board Member of LOGNOTE, Ltd., Outside Director of NewsTV Inc.

● Reason for the nomination

Mr. Nobayashi has many years of experience in the field of marketing as well as experience with chain store management. He therefore has the knowledge and experience needed for upcoming marketing activities and the design of services. In addition, as an independent director, he can help ensure that the BOOKOFF corporate governance framework is proper by providing advice and ideas based on his experience as a manager. For these reasons, Mr. Nobayashi is an Outside Director candidate.

● Candidate statement to shareholders

We have reached a period where people need to help each other and where the SDGs are a given aspect of business operations.

BOOKOFF is aiming to be a company that helps the world by making it easier to recycle the goods and memories of customers. Accomplishing this will require constantly observing customers, making stores more appealing and using IT in order to achieve the satisfaction of a large number of people. I will provide management advice and marketing advice to help accomplish these goals.

Candidate No.

5

Masayuki Chiba

Candidate for reelection

Candidate for Outside Director

● **Brief personal history and positions in the Company**

April 1981 Joined Dai Nippon Printing Co., Ltd. (“DNP”)
October 2001 General Manager of 2nd Sales Unit, Tokyo 3rd Sales Department,
Business Foam Operation Division of DNP
October 2009 Education & Publication Distribution Solutions Division of DNP
April 2012 General Manager of Marketing Promotion Department, Education &
Publication Distribution Solutions Division of DNP
April 2014 Head of Education Business Development Unit, “honto” Business
Division of DNP
April 2015 Director of Maruzen Company, Ltd. (currently MARUZEN-
YUSHODO Company, Limited)
June 2015 Outside Director of BOOKOFF CORPORATION LIMITED (to
present)
January 2016 Head of MARUZEN-YUSHODO Cooperative Support Team,
“honto” Business Division of DNP
October 2016 Head of MARUZEN CHI Cooperative Support Team, “honto”
Business Division of DNP
November 2016 Director of Japan Digital Library Service Co.,Ltd.
April 2018 Managing Director of MARUZEN-YUSHODO Company, Limited
(to present)
October 2018 Outside Director of the Company (to present)

● **Date of birth**

September 4, 1957

● **Number of shares of the Company held**

0 share

● **Term of office as Director (at the conclusion of this General Meeting of Shareholders)**

1 year and 9 months

● **Attendance at the Board of Directors meetings in FY3/2019**

13/13 (100%)

● **Particular conflicts of interest between the candidate and the Company**

None

● **Significant concurrent positions**

Managing Director of MARUZEN-YUSHODO Company, Limited

● **Reason for the nomination**

Mr. Chiba has many years of experience in the field of sales at the Dai Nippon Printing Group and has considerable knowledge involving the establishment and management of targets associated with sales. He is an Outside Director candidate because he has the knowledge and experience needed to improve the management skills of the BOOKOFF Group.

● **Candidate statement to shareholders**

In the past fiscal year, BOOKOFF continued to work on its management policy of “Achieving R30.” This was a year of many additional initiatives and investments aimed at increasing the likelihood of accomplishing this goal. The new book retailing sector has changed dramatically in recent years as the number of stores declines, new business models emerge, and companies shift from real to e-commerce stores. These trends are affecting BOOKOFF’s operations too. Furthermore, the world is changing at an increasing speed with many events that are impossible to predict. In this business environment, I will use my position as an Outside Director to be deeply involved in activities for increasing sales and earnings and providing even more convenience for customers.

Note: MARUZEN-YUSHODO Company, Limited is one of the Company’s “subsidiary of other associated companies.”

Candidate No.
6

Ryoichi Tomohiro

New candidate

Candidate for Outside Director

● Brief personal history and positions in the Company

July 1979	Joined Shogakukan Hanbai Inc.
July 2008	General Manager of Marketing Division of SHOGAKUKAN Inc.
March 2011	Advisor of SHOWATOSHO Co.,Ltd.
July 2012	Director of SHOWATOSHO Co.,Ltd.
May 2013	Director of Shuppan Net & Works, K.K.
July 2013	Senior Managing Director of SHOWATOSHO Co.,Ltd.
July 2015	President of SHOWATOSHO Co.,Ltd. (to present)

● Date of birth

September 28, 1955

● Number of shares of the Company held

0 share

● Particular conflicts of interest between the candidate and the Company

None

● Significant concurrent positions

President of SHOWATOSHO Co.,Ltd.

● Reason for the nomination

Mr. Tomohiro has extensive knowledge gained from many years in the publishing industry. He is expected to use his relationships in this industry to help increase the corporate value of BOOKOFF. Also, he can use his management experience to state opinions that can help ensure that the corporate governance framework is proper. For these reasons, Mr. Tomohiro is an Outside Director candidate.

● Candidate statement to shareholders

I have experience in the sales operations of the publishing industry. In this industry, I was a magazine code committee member, ISBN code committee member and bookstore master code committee member. I am now the president of SHOWATOSHO, a company involved with managing the distribution of publications, mainly for Shogakukan, Shueisha and other Hitotsubashi Group companies.

At BOOKOFF, I will use my knowledge of publication distribution operations acquired over many years in order to contribute to more progress of the BOOKOFF Group's business activities.

Candidate No.
7

Masaaki Takano

New candidate

Candidate for Outside Director

Candidate for Independent Executive

● Brief personal history and positions in the Company

April 1981	Joined Isetan Co., Ltd. (currently Isetan Mitsukoshi Ltd.)
April 2007	General Manager of Isetan Matsudo store of Isetan Co., Ltd.
April 2009	Executive Officer, General Manager of Isetan Shinjuku store, Isetan Co., Ltd.
April 2011	President and CEO, Executive Officer of Niigata Isetan Mitsukoshi Co., Ltd.
April 2014	Managing Executive Officer, General Manager of Isetan Shinjuku store of Isetan Mitsukoshi Ltd.
October 2017	Joined Gurunavi, Inc. Vice President, Executive Officer in charge of new business
June 2018	Director, Vice President, Executive Officer, Deputy General Manager of Planning and Development Division of Gurunavi, Inc. Manager of “Food Tourism” Business Promotion Department of Planning and Development Division of Gurunavi, Inc.
January 2019	Advisor of Gurunavi, Inc. (to present)

● Date of birth

December 16, 1958

● Number of shares of the Company held

0 share

● Particular conflicts of interest between the candidate and the Company

None

● Significant concurrent positions

There are no significant concurrent positions.

● Reason for the nomination

Mr. Takano has experience in many posts with substantial responsibilities, including the manager of a large flagship department store. He has extensive knowledge of the retail industry and many personal relationships in the industry. In recent years, he was involved with regional revitalization support. Mr. Takano is an Outside Director candidate because he can use this knowledge to strengthen operations of BOOKOFF SUPER BAZAAR and other comprehensive, large-format stores, which are the BOOKOFF Group’s primary source of earnings, and to provide advice for business activities linked to regions where BOOKOFF plans to expand its operations.

● Candidate statement to shareholders

At BOOKOFF, I will use my knowledge and network of personal relationships acquired over many years at department stores in Tokyo and other areas of Japan, and of starting a new business at an IT company and other activities.

Increasing corporate value in the service sector requires operations that make customers feel that the store is operating for the benefit of themselves, everyone and the entire community. To do this, stores need to contribute to invigorating localities and regions by using a team of people who are well suited for this task.

With this in mind, I will place emphasis on these three points as I perform my duties as a Director.

- 1) Further increase customer satisfaction
- 2) Workplaces that are pleasant and stimulating for everyone
- 3) Further energizing the people, goods and experiences of an area

Reference

Independence Standards of the Outside Directors and the Outside Audit & Supervisory Board Members

BOOKOFF GROUP HOLDINGS LIMITED (hereinafter “the Company”) shall deem any Outside Director or Outside Audit & Supervisory Board Member (hereinafter “Outside Board Member”) lacking independence if he or she falls under any of the following items:

1. As of the present day or within the past one year, any Outside Board Member is/was an executive director, executive officer as defined in the Companies Act, other executive officer, other similar officer or employee (hereinafter “Executive Person”) of “a present customer with whom the Company and its subsidiaries (hereinafter “the Group”) cannot promptly discontinue transactions” or “a present customer who cannot promptly discontinue transactions with the Group.”
2. As of the present day or within the past one year, any Outside Board Member is/was a professional belonging to an organization that is the Group’s “present fee recipient with whom the Group cannot promptly terminate the contract” or the Group’s “present fee recipient who cannot promptly terminate the contract with the Group.”
3. As of the present day or within the past 10 years, any Outside Board Member is/was an Executive Person or non-executive director of the present parent company of the Company.
4. As of the present day or within the past 10 years, any Outside Board Member is/was an Audit & Supervisory Board Member of the present parent company of the Company. (This item shall apply only for the independence standards of Outside Audit & Supervisory Board Members.)
5. As of the present day or within the past 10 years, any Outside Board Member is/was an Executive Person of the present fellow subsidiary (the company that shares the same parent) of the Company.
6. As of the present day or within the past one year, any Outside Board Member receives/received from the Group cash or other properties at the amount of ¥2.4 million or more per year other than remuneration as an Outside Board Member.
7. A spouse or a person within the second degree of affinity of any Outside Board Member is/was a person who falls/fell under any of the above Items 1 to 6.
8. As of the present day or within the past one year, a spouse or a person within the second degree of affinity of any Outside Board Member falls/fell under the following:
 - (1) An Executive Person of the Company or its subsidiaries
 - (2) A non-executive director of the Company or its subsidiaries (This item shall apply only for the independence standards of Outside Audit & Supervisory Board Members.)
9. Any Outside Board Member holds 10% or more of the voting rights of the Company (or is an Executive Person of a legal entity that holds 10% or more of the voting rights of the Company).
10. Any Outside Board Member is an Executive Person of a legal entity for whom an Executive Person of the Group is an Outside Director. (This item shall apply only for the independence standards of Outside Directors.)
11. Any Outside Board Member receives from the Group donations that he or she cannot promptly discontinue receiving (or is an Executive Person of an organization that receives from the Group donations that it cannot promptly discontinue receiving).
12. As of the present day or within past one year, any Outside Board Member is/was an Executive Person of a present “other associated companies” or the “parent company or subsidiaries of the other associated companies) of the Company.
13. An aggregate term of office as Outside Board Member of the Company exceeds 10 years.

Evaluation of the Board of Directors Effectiveness

The Company has put in place a system under which each Director makes its self-assessment and the Board of Independent Outside Directors conducts analysis and assessment of the effectiveness of the entire Board of Directors as well as the assessment of the Chairman of the Board of Directors.

During the fiscal year that ended March 31, 2020, the following assessments were performed. Assessments covered the composition, agenda and deliberations, operation, and effectiveness of the chairman. Although this process revealed certain issues, the overall assessment is “generally effective” because, as in the previous fiscal year, the Directors made progress with activities for current issues.

(1) Self-assessment by Internal Directors

(2) Assessment of all Directors using questionnaires and opinion hearing from them

(3) Assessment to the entire Board of Directors by Outside Directors and Outside Audit & Supervisory Board Members

(4) Assessment of Internal Directors and the Chairman of the Board of Directors by Outside Directors and Outside Audit & Supervisory Board Members

There was a higher quality of discussions in specific sectors because of the inclusion at board meetings of individuals who can use specialized and advanced knowledge about IT, marketing and other fields to provide detailed explanations and other information. We hope that discussions among the Directors are more thorough and that there will be many opinions from new viewpoints in order to determine solutions for specific issues.

The Directors will make improvement to further increase the effectiveness of the Board of Directors.

Nomination of Candidates for Directors

The Nomination Advisory Committee consists of the President and the two Independent Outside Directors. This committee considers Director candidates to be submitted to the June 2020 shareholders meeting and passes on its conclusions to the Board of Directors. The Board of Directors use the committee’s conclusions as the basis for discussions and the final selection of the Director candidates.

The Company’s Initiatives Related to Japan’s Corporate Governance Code

The Company discloses the implementation status of each basic principle of the Corporate Governance Code by posting it as “Our Initiatives Related to Japan’s Corporate Governance Code” on its website:

<https://www.bookoffgroup.co.jp/en/>