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Securities Code: 8920

June 9, 2020

To our shareholders:

Yuichiro Kutsuna  
President  
**TOSHO CO., LTD.**  
1-16-5 Mikawaanjo-cho, Anjo-shi, Aichi

## Notice of the 42nd Annual General Meeting of Shareholders

We are pleased to announce that the 42nd Annual General Meeting of Shareholders of TOSHO CO., LTD. (the “Company”) will be held as described below.

As an alternative to attending the meeting in person, you may exercise your voting rights in writing. Please indicate your vote of approval or disapproval of each proposal on the enclosed voting form and return the form to the Company no later than 6:00 p.m. on Tuesday, June 23, 2020 (JST) after reviewing the attached Reference Documents for General Meeting of Shareholders.

- 1. Date and Time:** Wednesday, June 24, 2020, at 10:00 a.m. (JST)
- 2. Venue:** 1F, Special Conference Hall, Hotel Grand Tiara ANJO  
1-8-11 Mikawaanjo Minamimachi, Anjo-shi, Aichi

### 3. Purpose of the Meeting:

#### Matters to be reported:

1. Business Report, Consolidated Financial Statements and audit report of the Consolidated Financial Statements by our Financial Auditor and Audit & Supervisory Board for the 42nd fiscal year (From April 1, 2019 to March 31, 2020)
2. Report on the Non-Consolidated Financial Statements for the 42nd fiscal year (From April 1, 2019 to March 31, 2020)

#### Matters to be resolved:

- |                       |                          |
|-----------------------|--------------------------|
| <b>Proposal No. 1</b> | Appropriation of Surplus |
| <b>Proposal No. 2</b> | Election of One Director |

You are kindly requested to present the enclosed voting form to the receptionist when you attend the meeting.

If any changes have been made to items in the Reference Documents for General Meeting of Shareholders, Business Report, Non-Consolidated Financial Statements, and Consolidated Financial Statements, such changes will be posted on the Company’s website (<https://www.to-sho.net/>).

Last year the Company prepared gifts for distribution after the General Meeting of Shareholders. However, in light of current circumstances, the Company has decided to forgo gift giving at this meeting. Thank you for your understanding.

## Reference Documents for General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1 Appropriation of Surplus

The Company believes that one of the most important management priorities is to return its profit to its shareholders, and seeks to maintain stable distribution of dividends. However, at the same time, the Company also has a policy to make such decisions while giving comprehensive consideration to the effective use of its internal reserves for future business expansion and enhancement of the business quality.

Under the current circumstances where the Japanese government has declared a state of emergency and issued an official request to refrain from business activities in order to prevent the spread of the novel coronavirus (COVID-19), the Company has deemed that the economic environment will remain difficult to predict, taking into account the temporary suspensions of operation of the sports club business (Holiday Sports Club), a main business area of the Company.

The Company proposes to pay a year-end dividend of ¥7 per share for the fiscal year under review, giving consideration to ensuring the enhancement, stability and security of its internal reserves.

Year-end dividends

- (i) Type of dividend property  
To be paid in cash.
- (ii) Allotment of dividend property and their aggregate amount  
¥7 per common share of the Company  
The total dividends will be ¥268,143,533.  
Note: Accordingly, the annual dividends for the fiscal year under review will be ¥15 per share.
- (iii) Effective date of dividends of surplus  
The effective date of dividends shall be June 25, 2020.

## Proposal No. 2 Election of One Director

At the conclusion of this meeting, Director Keisuke Sugiura will retire due to resignation. Therefore, the Company proposes the election of one Director. In addition, as provided for in the Company's Articles of Incorporation, the term of office of the newly elected Director will be until the terms of office of the other currently serving Directors expire.

The candidate for Director is as follows:

Name (Date of birth)	Career summary, and position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned (Thousands)
Mitsuo Maruyama (January 25, 1948)	June 1973      Joined Maruyamagumi Co., Ltd. Sept. 1974      President and Representative Director of Maruyamagumi Co., Ltd. July 2015      Chairman and Representative Director of Maruyamagumi Co., Ltd. May 2016      Chairman of Maruyamagumi Co., Ltd. (current position)	-

- Note:
1. There is no special interest between the candidate and the Company.
  2. Mitsuo Maruyama is a candidate for outside Director.
  3. The Company proposes Mitsuo Maruyama's election as an outside Director so that he can apply his extensive experience and broad discernment as a manager to the Company's management, and further strengthen the Company's corporate governance by making use of his independent position in the Company.
  4. The Company plans to enter into an agreement with Mitsuo Maruyama, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, to limit his liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability pursuant to the agreement will be the amount stipulated in Article 425, paragraph (1) of the same Act.
  5. Mitsuo Maruyama satisfies the requirements for independent officer as provided for by the Tokyo Stock Exchange and the Nagoya Stock Exchange, and the Company plans to submit notification to those exchanges of his status as an independent officer.