

Securities Code: 9602
May 6, 2022

To our shareholders:

Yoshishige Shimatani
President
TOHO CO., LTD.
1-2-2 Yurakucho, Chiyoda-ku, Tokyo

Notice of the 133rd Annual General Meeting of Shareholders

TOHO CO., LTD. (the “Company”) would hereby like to inform you that the 133rd Annual General Meeting of Shareholders will be held as indicated below.

You may exercise your voting rights in writing or via the Internet, etc. Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights by 6:30 p.m. on Wednesday, May 25, 2022 (JST).

1 Date and Time: Thursday, May 26, 2022, at 10:00 a.m. (The reception desk opens at 9:00 a.m.) (JST)

2 Venue: Hulin Hall Tokyo, 11th floor, Yurakucho Mullion
2-5-1 Yurakucho, Chiyoda-ku, Tokyo

3 Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 133rd fiscal year (from March 1, 2021 to February 28, 2022), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Committee
2. The Non-consolidated Financial Statements for the 133rd fiscal year (from March 1, 2021 to February 28, 2022)

Matters to be resolved:

- | | |
|-----------------------|--|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Partial Changes to Articles of Incorporation |
| Proposal No. 3 | Election of Five Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) |
| Proposal No. 4 | Election of Three Directors Who Are Audit & Supervisory Committee Members |
| Proposal No. 5 | Election of One Substitute Director Who Is an Audit & Supervisory Committee Member |

4 Exercise of Voting Rights

(1) Voting by Mail

Please indicate your approval or disapproval of the proposals on the enclosed voting form then return the form to the Company by postal mail so that your vote is received by 6:30 p.m. on Wednesday, May 25, 2022 (JST).

(2) Voting via the Internet, etc.

Please refer to “Guide to Exercising Voting Rights via the Internet, etc.” (in Japanese only) and exercise your voting rights by 6:30 p.m. on Wednesday, May 25, 2022 (JST).

- If you attend the Meeting in person, please present the enclosed voting form at the reception desk. Also, you are requested to bring this notice to the Meeting.
- Pursuant to laws and regulations and the provision of Article 16 of the Articles of Incorporation, the following items are posted on the Company's website (<https://www.toho.co.jp/>, in Japanese only) and are not included in this notice:
 - (i) "Company structure and policy" in the Business Report
 - (ii) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - (iii) "Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

Accordingly, (i) to (iii) above are part of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Audit & Supervisory Committee in preparing their audit reports. (ii) and (iii) are part of the Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Financial Auditor in preparing their audit reports.

- If any changes are made to items in the Reference Documents for General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, such changes will be posted on the Company's website as mentioned above.

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

Our basic dividend distribution policy is to distribute annual dividend payments of ¥35 as a base, and consider additional performance-linked dividend payments if the business performance exceeds the forecast or target. Based on the improvement of profit levels for the fiscal year, the Company proposes to pay a year-end dividend for the fiscal year of ¥27.5 per share.

Accordingly, including the interim dividend that has already been paid (¥17.5 per share), the annual dividend will total ¥45 per share.

1. Year-end dividends

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property and aggregate amount thereof
¥27.5 per common share of the Company
(¥17.5 for regular dividend and ¥10 for special dividend)
Total payment: ¥4,869,592,448
- (3) Effective date of dividends of surplus
May 27, 2022

Proposal No. 2 Partial Changes to Articles of Incorporation

1. Reasons for the proposal

Since the revised provisions provided for 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 be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 16, paragraph 1 in “Proposed changes” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for general meeting of shareholders, etc. in electronic format.
- (2) Article 16, paragraph 2 in “Proposed changes” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for General Meeting of Shareholders, Etc. (Article 16 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of changes

The details of changes are as follows.

(The underlined sections indicate changes.)	
Current Articles of Incorporation	Proposed changes
<u>[Internet Disclosure and Deemed Provision of Reference Documents for General Meeting of Shareholders, Etc.]</u> <u>Article 16</u> <u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for general meeting of shareholders, business report, non-consolidated financial statements and consolidated financial statements through the Internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u> (Newly established)	(Deleted) <u>[Measures, Etc. for Providing Information in Electronic Format]</u> <u>Article 16</u> <u>1 When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for general meeting of shareholders, etc. in electronic format.</u> <u>2 Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u>

Current Articles of Incorporation	Proposed changes
Supplementary Provisions Article 1 (Omitted) (Newly established)	Supplementary Provisions Article 1 (Unchanged) <u>[Transitional Measures for Measures, Etc. for Providing Information in Electronic Format]</u> Article 2 1 The change to the Articles of Incorporation pertaining to Article 16 shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”). 2 Notwithstanding the provision of the preceding paragraph, Article 16 of the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement. 3 Article 2 of these Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.

Proposal No. 3 Election of Five Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The term of office of all five Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this meeting. Therefore, the Company proposes the election of five Directors.

Please note that the Audit & Supervisory Committee has given its opinion that all of the candidates for Director in this proposal are qualified.

The candidates for Director are as follows.

Candidate No.	Attributes of the candidates	Name	Position, responsibility in the Company and significant concurrent positions outside the Company	Attendance / Number of Board of Directors meetings held
1	Reelection	Yoshishige Shimatani	Representative Director and President, Member of the Board General Manager of Motion Picture Group, and direct supervision of Internal Control Audit Department Director of Tokyo Rakutenchi Co., Ltd. Director of Hankyu Hanshin Holdings, Inc. Outside Director of Fuji Media Holdings, Inc. Outside Director of TOKYO KAIKAN CO., LTD.	10 of 10
2	Reelection	Nobuyuki Tako	Director and Executive Vice President, Member of the Board General Manager of Corporate Management Group In charge of Corporate Planning, General Affairs, Legal Affairs, Information Technology & System, Corporate Management Group and supervision of Corporate Real Estate Director of Subaru Enterprise Co., Ltd. Outside Director of OS Co., Ltd.	10 of 10
3	Reelection	Minami Ichikawa	Director and Managing Executive Officer, Member of the Board In charge of Domestic Distribution and Marketing, Motion Picture Group	10 of 10
4	Reelection	Hiroyasu Matsuoka	Director and Managing Executive Officer, Member of the Board In charge of Production & Acquisitions, Planning & Production, and International Business, Motion Picture Group	10 of 10
5	Reelection	Kazuo Sumi	Chairman and Representative Director, Group CEO of Hankyu Hanshin Holdings, Inc. Director of H2O Retailing Corporation Director of Tokyo Rakutenchi Co., Ltd. Outside Director of ASICS Corporation	8 of 10

Candidate No.	Name (Date of birth)	Career summary and position in the Company	Number of the Company's shares owned
1	Yoshishige Shimatani March 5, 1952 (Age: 70) Reelection Attendance to the Board of Directors meeting: 10 of 10 (100%)	Apr. 1975 Joined the Company Apr. 1999 General Manager of Production & Acquisitions Department, Motion Picture Group May 2001 Director May 2005 Managing Director May 2007 Senior Managing Director May 2011 President May 2021 Representative Director and President, Member of the Board (current position) [Responsibility in the Company and significant concurrent positions outside the Company] General Manager of Motion Picture Group, and direct supervision of Internal Control Audit Department Director of Tokyo Rakutenchi Co., Ltd. Director of Hankyu Hanshin Holdings, Inc. Outside Director of Fuji Media Holdings, Inc. Outside Director of TOKYO KAIKAN CO., LTD.	12,720 shares
[Reasons for nomination as candidate for Director] Mr. Shimatani has long been engaged in the operation of the Motion Picture Group, a major line of business of the Company group (the "TOHO Group") since he joined the Company. Ever since he took office as President of the Company, he has exercised great leadership in promoting the Company's mid-term management strategy and supervised the overall management of the Company in an appropriate manner. The Company judges that, with his rich experience, achievements, and discernment earned throughout his career, he is well suited for Director to enhance corporate value of the TOHO Group. Therefore, the Company proposes his reelection as Director of the Company.			
2	Nobuyuki Tako December 4, 1965 (Age: 56) Reelection Attendance to the Board of Directors meeting: 10 of 10 (100%)	Apr. 1988 Joined the Company Apr. 2005 General Manager of Group Planning Department (currently Corporate Planning Department) May 2008 Director May 2014 Managing Director May 2017 Senior Managing Director May 2020 Vice President May 2021 Director and Executive Vice President, Member of the Board (current position) [Responsibility in the Company and significant concurrent positions outside the Company] General Manager of Corporate Management Group In charge of Corporate Planning, General Affairs, Legal Affairs, Information Technology & System, Corporate Management Group and supervision of Corporate Real Estate Director of Subaru Enterprise Co., Ltd. Outside Director of OS Co., Ltd.	11,585 shares
[Reasons for nomination as candidate for Director] Mr. Tako has long been engaged in the operation of the Human Resources and Corporate Planning Departments since he joined the Company. He possesses rich experience and expertise and now serves as General Manager of Corporate Management Group, which is the person responsible for the overall Corporate Management Department, playing the role in the management of the Company. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.			

Candidate No.	Name (Date of birth)	Career summary and position in the Company	Number of the Company's shares owned
3	Minami Ichikawa July 22, 1966 (Age: 55) Reelection Attendance to the Board of Directors meeting: 10 of 10 (100%)	Apr. 1989 Joined the Company Apr. 2006 General Manager of Production & Acquisitions Department, Motion Picture Group May 2011 Director May 2017 Managing Director May 2021 Director and Managing Executive Officer, Member of the Board (current position) [Position in the Company] In charge of Domestic Distribution and Marketing, Motion Picture Group	5,898 shares
	[Reasons for nomination as candidate for Director] Mr. Ichikawa has long been engaged in the operation of various departments in the Motion Picture Group since he joined the Company. He possesses rich experience and expertise with respect to the business of motion pictures and has been playing the role in the management of the Company as a responsible person for the Domestic Distribution and Marketing Departments. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.		
4	Hiroyasu Matsuoka April 18, 1966 (Age: 56) Reelection Attendance to the Board of Directors meeting: 10 of 10 (100%)	Jan. 1994 Joined TOHO-TOWA Company, Limited Apr. 1998 Director of TOHO-TOWA Company, Limited Apr. 2001 Managing Director of TOHO-TOWA Company, Limited Apr. 2008 COO, President of TOHO-TOWA Company, Limited May 2014 Director of the Company May 2015 CEO, Chairperson of TOHO-TOWA Company, Limited May 2018 Managing Director of the Company Apr. 2020 Director, Chairperson of TOHO-TOWA Company, Limited (current position) May 2021 Director and Managing Executive Officer, Member of the Board of the Company (current position) [Position in the Company] In charge of Production & Acquisitions, Planning & Production, and International Business, Motion Picture Group	12,298 shares
	[Reasons for nomination as candidate for Director] Mr. Matsuoka has long been engaged in the operation of distributing foreign motion pictures since he joined the TOHO Group company, TOHO-TOWA Company, Limited. He has served as President of TOHO-TOWA Company, Limited since 2008, and as its Chairperson since 2015. In addition, he has been engaged in global business related to motion pictures since he joined the Company, and has been playing the role in the management of the Company as a responsible person for the Production & Acquisitions, Planning & Production, and International Business Departments. The Company judges that, with his achievements and discernment earned throughout his career, he is well suited for Director of the Company. Therefore, the Company proposes his reelection as Director of the Company.		

Candidate No.	Name (Date of birth)	Career summary and position in the Company	Number of the Company's shares owned
5	Kazuo Sumi April 19, 1949 (Age: 73) Reelection Attendance to the Board of Directors meeting: 8 of 10 (80%)	June 2000 Director of Hankyu Corporation June 2002 Managing Director of Hankyu Corporation June 2003 President and Representative Director of Hankyu Corporation (The trade name of Hankyu Corporation was changed to Hankyu Holdings, Inc. in April 2005 and then to Hankyu Hanshin Holdings, Inc. in October 2006.) Apr. 2005 President and Representative Director of Hankyu Corporation (new company) May 2009 Outside Director of the Company Mar. 2014 Chairman and Representative Director of Hankyu Corporation (current position) May 2016 Outside Director (Audit & Supervisory Committee Member) of the Company June 2017 Chairman and Representative Director, Group CEO of Hankyu Hanshin Holdings, Inc. (current position) May 2018 Outside Director of the Company May 2019 Director (current position) [Significant concurrent positions outside the Company] Chairman and Representative Director, Group CEO of Hankyu Hanshin Holdings, Inc. Director of H2O Retailing Corporation Director of Tokyo Rakutenchi Co., Ltd. Outside Director of ASICS Corporation	15,700 shares
[Reasons for nomination as candidate for Director] Mr. Sumi is a management expert who has long been engaged in corporate management, and can be expected to give valuable advice and guidance for overall management and check from an objective viewpoint, based on his rich experience and excellent insight. Therefore, the Company judges that he is well suited for Director of the Company and it proposes his reelection.			

- (Notes)
1. Candidate for Director Yoshishige Shimatani is scheduled to be appointed as Representative Director and Chairman at the Board of Directors meeting to be held after the conclusion of this Annual General Meeting of Shareholders, if the proposal for his election is approved and adopted.
 2. Candidate for Director Hiroyasu Matsuoka is scheduled to be appointed as President and CEO at the Board of Directors meeting to be held after the conclusion of this Annual General Meeting of Shareholders, if the proposal for his election is approved and adopted.
 3. There is no special interest between any of the candidates and the Company.
 4. All the candidates have agreed to assume the position of Director on the condition that this proposal is approved.
 5. The position, responsibility in the Company and significant concurrent positions outside the Company of the candidates indicated above are as of the date of publication of this Notice of the Annual General Meeting of Shareholders (May 6, 2022).
 6. The ages of the candidates are as of the date of publication of this Notice of the Annual General Meeting of Shareholders (May 6, 2022).
 7. The Company has entered into an agreement with Kazuo Sumi to limit his liability for damages under Article 423, paragraph (1) of the Companies Act, in which his liability amount is specified to be the sum total of the amount calculated by multiplying the amount calculated by the method prescribed by Article 113 of the Regulations for Enforcement of the Companies Act (which is the amount of property benefits that he receives from the Company as remuneration for performance of duties during his tenure of office) by 2 and the amount calculated by the method prescribed by Article 114 of the Regulations for Enforcement of the Companies Act (which is the amount equivalent to the amount of the property benefits regarding share acquisition rights of the Company, in cases where such share acquisition rights are received under especially favorable conditions). If his reelection is approved, the Company plans to continue to assign him as a nonexecutive director, and the Company will renew the aforementioned limited liability agreement with him so that he can fulfill his expected role.
 8. The Company has concluded a Directors and Officers insurance contract with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act. In the event that each of the candidates takes office of Director, we

plan to cover them with the insurance. The outline of the content of the insurance contract is as presented in the Business Report (in Japanese only). The Company plans to renew this insurance contract with the same details during their term in office.

Proposal No. 4 Election of Three Directors Who Are Audit & Supervisory Committee Members

The term of office of Directors who are Audit & Supervisory Committee Members, Tomoyasu Okimoto, Takashi Kobayashi and Satoshi Ando, will expire at the conclusion of this meeting. Following this, Tomoyasu Okimoto will retire from the position. Therefore, the Company proposes the election of three Directors who are Audit & Supervisory Committee Members, including one new candidate.

Please note that the consent of the Audit & Supervisory Committee has been obtained for this proposal.

The candidates for Director who is an Audit & Supervisory Committee Member are as follows.

Candidate No.	Attributes of the candidates	Name	Position in the Company and significant concurrent positions outside the Company	Attendance / Number of Board of Directors meetings held
1	New election	Eiichi Ogata	President of TOHO Eizo Bijutsu Co., Ltd.	- / -
2	Reelection Outside Independent	Takashi Kobayashi	Representative Director and Chairman of Palace Hotel Co., Ltd.	9 of 10
3	Reelection Outside Independent	Satoshi Ando	Attorney at law Outside Director of ISHIHARA SANGYO KAISHA, LTD.	10 of 10

Candidate No.	Name (Date of birth)	Career summary, position in the Company and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Eiichi Ogata December 8, 1964 (Age: 57) New election	Apr. 1987 Joined the Company Apr. 2005 Chief Manager of Finance Department Oct. 2008 General Manager of Internal Control Audit Department June 2012 General Manager of General Affairs Department June 2017 President of TOHO Eizo Bijutsu Co., Ltd. (current position)		734 shares
	[Reasons for nomination as candidate for Director] Since joining the Company, Mr. Ogata has been involved in corporate affairs for many years as Chief Manager of the Finance Department, General Manager of the Internal Control Audit Department, and General Manager of the General Affairs Department. Currently, he is involved in corporate management as President of TOHO Eizo Bijutsu Co., Ltd., a company of the TOHO Group. The Company judges that, with his achievements and discernment earned throughout his career, he is suited for Director who is Full-time Audit & Supervisory Committee Member. Therefore, the Company proposes his election as Director of the Company.			
2	Takashi Kobayashi August 24, 1945 (Age: 76) Reelection Outside Independent Attendance to the Board of Directors meeting: 9 of 10 (90%) Attendance to the Audit & Supervisory Committee meeting: 10 of 11 (90.9%)	June 1990 Counselor of International Business Division of the Industrial Bank of Japan, Limited Mar. 1991 Director and General Manager of Accounting Department of Palace Hotel Co., Ltd. Mar. 1993 Managing Director of Palace Hotel Co., Ltd. Mar. 1995 Senior Managing Director of Palace Hotel Co., Ltd. Mar. 2001 President of Palace Hotel Co., Ltd. May 2011 Audit & Supervisory Board Member of the Company Mar. 2014 Representative Director and Chairman of Palace Hotel Co., Ltd. (current position) May 2016 Outside Director (Audit & Supervisory Committee Member) of the Company (current position)		0 shares
	[Reasons for nomination as candidate for outside Director and overview of expected role] As a management expert who has long been engaged in corporate management, Mr. Kobayashi has a wealth of achievements and a wide range of insight cultivated through his career. The Company judges that he is suited for the position based on his past achievements as an outside Director providing appropriate advice and recommendations regarding overall corporate management. The Company expects him to continue to supervise and provide advice regarding the Directors' execution of duties with respect to overall corporate management. In the event that he is elected, he will serve as a member of the Governance Committee and will be involved in an objective and neutral manner in the selection of the Company's candidates for officers and the determination of such matters as officer compensation.			

Candidate No.	Name (Date of birth)	Career summary, position in the Company and significant concurrent positions outside the Company		Number of the Company's shares owned
3	Satoshi Ando April 27, 1974 (Age: 48)	Oct. 2001	Registered as an attorney at law (Dai-Ichi Tokyo Bar Association) (current position)	0 shares
	Reelection Outside Independent	Oct. 2001 May 2016	Joined Onishi Shoichiro Law Office (current position) Outside Director (Audit & Supervisory Committee Member) of the Company (current position)	
	Attendance to the Board of Directors meeting: 10 of 10 (100%)	June 2020	Outside Director of ISHIHARA SANGYO KAISHA, LTD. (current position)	
	Attendance to the Audit & Supervisory Committee meeting: 11 of 11 (100%)			
[Reasons for nomination as candidate for outside Director and overview of expected role] Mr. Ando has a wealth of achievements and a wide range of insight cultivated through his career as an attorney at law familiar with the industry to which the TOHO Group belongs. The Company judges that he is suited for the position based on his past achievements as an outside Director providing objective and appropriate advice and recommendations, particularly regarding corporate governance and corporate legal affairs. The Company expects him to continue to supervise and provide advice regarding the Directors' execution of duties from his professional perspective as an attorney at law. In the event that he is elected, he will serve as the Chairperson of the Governance Committee and will be involved in an objective and neutral manner in the selection of the Company's candidates for officers and the determination of such matters as officer compensation. He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director who is an Audit & Supervisory Committee Member based on the above reasons.				

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. All the candidates have agreed to assume the position of Director on the condition that this proposal is approved.
 3. The position in the Company and significant concurrent positions outside the Company of the candidates indicated above are as of the date of publication of this Notice of the Annual General Meeting of Shareholders (May 6, 2022).
 4. The ages of the candidates are as of the date of publication of this Notice of the Annual General Meeting of Shareholders (May 6, 2022).
 5. Takashi Kobayashi and Satoshi Ando are candidates for outside Director, and at the conclusion of this meeting, their tenure as outside Directors who are Audit & Supervisory Committee Members of the Company will have been six years.
 6. The Company has submitted notification to Tokyo Stock Exchange and Fukuoka Stock Exchange that both Takashi Kobayashi and Satoshi Ando have been appointed as independent officers as provided for by the aforementioned exchanges. If this proposal is approved, the Company plans for their appointment as independent officers to continue. As for the independence criteria for outside Directors of the Company, please refer to the Reference Documents for General Meeting of Shareholders (page 16 of this notice).
 7. If the proposal to appoint Eiichi Ogata as Director is approved, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act, in which his liability amount is specified to be the sum total of the amount calculated by multiplying the amount calculated by the method prescribed by Article 113 of the Regulations for Enforcement of the Companies Act (which is the amount of property benefits that he receives from the Company as remuneration for performance of duties during his tenure of office) by 2 and the amount calculated by the method prescribed by Article 114 of the Regulations for Enforcement of the Companies Act (which is the amount equivalent to the amount of the property benefits regarding share acquisition rights of the Company, in cases where such share acquisition rights are received under especially favorable conditions).
 8. The Company has entered into agreements with Takashi Kobayashi and Satoshi Ando to limit their liability for damages under Article 423, paragraph (1) of the Companies Act, in which their liability amount is specified to be the sum total of the amount calculated by multiplying the amount calculated by the method prescribed by Article 113 of the Regulations for Enforcement of the Companies Act (which is the amount of property benefits that each of them receives from the Company as remuneration for performance of duties during their tenure of office) by 2 and the amount calculated by the method prescribed by Article 114 of the Regulations for Enforcement of the Companies Act (which is the amount equivalent to the amount of the property benefits regarding share acquisition rights of the Company, in cases where such share acquisition rights are received under especially favorable conditions). If their reelection is approved, the Company plans to renew the aforementioned limited liability agreements with them.

9. The Company has no transaction with Palace Hotel Co., Ltd., to which Takashi Kobayashi, a candidate for Director who is an Audit & Supervisory Committee Member, belongs. Accordingly, we have concluded that this candidate is sufficiently independent from the management of the Company.
10. Although the Company has made payments of attorney fees to Onishi Shoichiro Law Office, to which Satoshi Ando, a candidate for Director who is Audit & Supervisory Committee Member, belongs, the amount of such fees regularly made was less than ¥5 million annually. Accordingly, we have concluded that this candidate is sufficiently independent from the management of the Company.
11. The Company has concluded a Directors and Officers insurance contract with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act. In the event that each of the candidates takes office of Director, we plan to cover them with the insurance. The outline of the content of the insurance contract is as presented in the Business Report (in Japanese only). The Company plans to renew this insurance contract with the same details during their term in office.

Proposal No. 5 Election of One Substitute Director Who Is an Audit & Supervisory Committee Member

The Company proposes the election of one substitute Director who is an Audit & Supervisory Committee Member to be ready to fill a vacant position should the number of Directors who are Audit & Supervisory Committee Members fall below the number required by laws and regulations.

As for the validity of the election of substitute Director who is an Audit & Supervisory Committee Member, the election can be nullified by resolution of the Board of Directors upon receiving the consent of the Audit & Supervisory Committee; provided, however, that it is only in a time before assuming office. In addition, the consent of the Audit & Supervisory Committee has been obtained for this proposal.

The candidate for substitute Director who is an Audit & Supervisory Committee Member is as follows.

Name (Date of birth)	Career summary, position and significant concurrent positions outside the Company	Number of the Company's shares owned
Taizo Ota February 15, 1973 (Age: 49)	Apr. 1999 Registered as an attorney at law (Daini Tokyo Bar Association) (current position) Apr. 1999 Joined Marunouchi Sogo Law Office (current position)	0 shares
[Reasons for nomination as candidate for substitute outside Director and overview of expected role] Mr. Ota can be expected to give opinions from a fair stance, based on his specialized knowledge and experience as an attorney at law. Therefore, the Company judges that he is well suited for outside Director who is an Audit & Supervisory Committee Member and it proposes his election as substitute Director who is an Audit & Supervisory Committee Member. He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director who is an Audit & Supervisory Committee Member based on the above reasons.		

- (Notes)
1. There is no special interest between Taizo Ota and the Company.
 2. Mr. Ota has agreed to assume the position of substitute Director who is an Audit & Supervisory Committee Member on the condition that this proposal is approved.
 3. He is a candidate for substitute outside Director who is an Audit & Supervisory Committee Member.
 4. If he assumes the office of outside Director who is an Audit & Supervisory Committee Member, the Company plans to submit notification to Tokyo Stock Exchange and Fukuoka Stock Exchange concerning his appointment as an independent officer as provided for by the aforementioned exchanges. As for the independence criteria for outside Directors of the Company, please refer to page 16 of this notice.
 5. If he assumes the office of outside Director who is an Audit & Supervisory Committee Member, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act, in which his liability amount is specified to be the sum total of the amount calculated by multiplying the amount calculated by the method prescribed by Article 113 of the Regulations for Enforcement of the Companies Act (which is the amount of property benefits that he receives from the Company as remuneration for performance of duties during his tenure of office) by 2 and the amount calculated by the method prescribed by Article 114 of the Regulations for Enforcement of the Companies Act (which is the amount equivalent to the amount of the property benefits regarding share acquisition rights of the Company, in cases where such share acquisition rights are received under especially favorable conditions).
 6. The Company has concluded a Directors and Officers insurance contract with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act. In the event that he takes office of outside Director who is an Audit & Supervisory Committee Member, we plan to cover him with the insurance. The outline of the content of the insurance contract is as presented in the Business Report (in Japanese only). The Company plans to renew this insurance contract with the same details during his term in office.
 7. The Company has made no payment of attorney fees to Marunouchi Sogo Law Office, to which Taizo Ota, a candidate for substitute outside Director who is an Audit & Supervisory Committee Member, belongs. Accordingly, we have concluded that this candidate is sufficiently independent from the management of the Company.
 8. The career summary, position, significant concurrent positions outside the Company, and age of the candidate indicated above are as of the date of publication of this Notice of the Annual General Meeting of Shareholders (May 6, 2022).

<<Reference>>

Directors' expertise & experience (skills matrix)

We have identified the expertise and experience needed by the Board of Directors to exercise its decision-making and business oversight functions toward the realization of our long-term vision TOHO VISION 2032 TOHO Group Management Strategy.

The composition of the Board of Directors and the expertise and experience of each Director, if Proposals No. 3 and 4 are approved as originally proposed at this Annual General Meeting of Shareholders, are as follows.

Name	Business executive	Audit & Supervisory Committee Member	Independent outside	Expertise & experience					
				Corporate management	Planning & marketing	Global	Human resource management	Legal affairs & risk management	Finance & accounting Business management
Yoshishige Shimatani	★			○	○			○	
Nobuyuki Tako	★			○			○	○	○
Minami Ichikawa	★			○	○				
Hiroyasu Matsuoka	★			○	○	○			
Kazuo Sumi				○					
Eiichi Ogata		★		○				○	○
Takashi Kobayashi		★	★	○					○
Satoshi Ando		★	★					○	
Masako Orii		★	★	○	○		○		

(Note) The above skills matrix does not represent all the knowledge and experience possessed by each person.

<<Reference>>

Independence Criteria for Outside Directors

The Company judges that an outside Director who falls under any of the following items 1. to 6. is not independent of the Company.

1. An entity where the TOHO Group is a major business partner (Note 1) or a business executive thereof
2. A major business partner with the TOHO Group (Note 2) or a business executive thereof
3. A consultant, accounting expert, or legal expert who receives a considerable amount of cash or other assets from the TOHO Group (Note 3) other than compensation received from the Company as an officer (or a person who belongs to an incorporated entity or other organization that receives such assets)
4. A person who is a major shareholder of the Company (Note 4) (or a business executive of an incorporated entity that is such a shareholder)
5. A person who fell under any of the above items 1. to 4. in the most recent three fiscal years
6. A person who is a relative within the second degree of kinship to a person who falls under any of the above items 1. to 5. or a business executive of the TOHO Group

(Note 1) “An entity where the TOHO Group is a major business partner” refers to an entity that has a business relationship with the TOHO Group and receives payment from the TOHO Group that exceeds 2% of consolidated sales of the entity per year based on such relationship.

(Note 2) “A major business partner with the TOHO Group” refers to an entity that has a business relationship with the TOHO Group and whose annual payment to the TOHO Group based on such relationship exceeds 2% of consolidated sales of the Company.

(Note 3) “Considerable amount of cash or other assets” refers to the case in which regular remuneration exceeds ¥10,000,000 per year.

(Note 4) “A major shareholder” refers to an entity who owns at least 10% of the total of voting rights of the Company directly or indirectly.

Policy and Procedure for Nominating Candidates for Directors

The Officers’ Rules provide the criteria for nominating Director candidates (excluding outside Directors) who are recommended in a general meeting of shareholders as follows:

1. The candidate must have expert knowledge on the business and services of the TOHO Group.
2. The candidate must have an excellent management sense that can meet the demands of the times.
3. The candidate must have excellent managerial judgment ability with a company-wide perspective and ability to execute duties.
4. The candidate must have character, discernment, and high ethical standards appropriate as Director.

The procedure thereof is that the President shall prepare a draft list of candidates, and the Governance Committee, consisting of the President and independent Outside Directors, discusses the reasons and appropriateness of the appointment. The Board of Directors decides candidates based on the details of deliberations by the Governance Committee.

Please note that the consent of the Audit & Supervisory Committee is required for nominating a Director who is an Audit & Supervisory Committee Member. As for outside Directors among Directors who are Audit & Supervisory Committee Members, the President shall prepare a draft of appropriate candidates based on the experience, discernment, expertise, and other aspects of each candidate in terms of “corporate management,” “finance and accounting” and “law and corporate ethics,” respectively.

Policy and Procedure for Determining Remuneration Amount for Directors

The basic policy for the remuneration amount for Directors of the Company ensures a level of remuneration appropriate to position and responsibilities within the framework resolved at the general meeting of shareholders,

and provides an appropriate incentive to enhance the corporate value and business performance of the TOHO Group.

The procedure thereof is that deliberations are conducted by the Governance Committee, which consists of the President and independent outside Directors. The Board of Directors shall determine the amount of remuneration within the limits decided at the General Meeting of Shareholders, based on the results of Governance Committee deliberations. As for the remuneration amount for Directors who are Audit & Supervisory Committee Members including outside Directors, it shall be determined by consultation with Directors who are Audit & Supervisory Committee Members and shall not exceed the remuneration amount resolved in a general meeting of shareholders.

Remuneration System for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

(i) Basic remuneration (Cash)	[Shall not exceed ¥500 million per year] With establishment of the remuneration table for each position, monthly fixed remuneration shall be decided by the Board of Directors upon deliberation by the Governance Committee after taking individual performance into consideration.
(ii) Share-based remuneration (Restricted shares)	[Shall not exceed ¥100 million per year] * Only applicable to executive Directors. Allot a specified amount of restricted shares according to position. The number of shares allotted to each executive officer shall be determined by the Board of Directors following deliberation with the Governance Committee.
(iii) Performance achievement bonuses (Cash)	[Shall not exceed ¥100 million per year] * Received by executive Directors only. Cash bonuses to be paid if single-fiscal-year performance targets are reached. The payment base for bonuses shall be decided by the Board of Directors upon deliberation and approval by the Governance Committee, and shall be paid within a range of 0-200% of the basic monthly remuneration based on performance results.

[Image]

Basic remuneration (Cash)	Determined annually based on a remuneration table and considering positions and personal achievements.
Share-based remuneration (Restricted shares)	A specified amount of the Company's shares to be granted annually based on position. (Transfer restrictions to be lifted upon retirement)
+	
Only paid if performance targets are met Performance achievement bonuses (Cash)	To be paid within a range of 0-200% of basic monthly remuneration depending on single-fiscal-year performance

*1 The figure above does not indicate the percentage weighting of each type of remuneration.

*2 Non-executive Directors are not eligible for share-based remuneration or performance achievement bonuses.