



[Translation]

April 15, 2020

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**Notice Regarding “Notice of Setting Record Date for Convocation of
Extraordinary General Meeting of Shareholders
by the Company’s Major Shareholders”**

In the morning edition of the Nihon Keizai Shimbun today, Shinwa Kogyo Co., Ltd. and Mr. Hiroshi Nishimura, who are major shareholders of the Company (hereinafter referred to as “the Shareholders”), stated they will hold an Extraordinary General Meeting of Shareholders in early June 2020. In order to determine the shareholders who can exercise their voting rights at the Extraordinary General Meeting of Shareholders, the Shareholders have posted a notice of setting a record date that sets April 30 as the record date. In addition, the proxy lawyer of the Shareholders has informed that the Extraordinary General Meeting of Shareholders will be held on June 1, 2020.

Although the business environment deteriorated due to the spread of new coronavirus infectious diseases, the Company’s employees are all working together every day in order to achieve the “Medium-term Business Plan Strategy & Action” disclosed in “Notice Regarding Formulation of Medium-term Business Plan” dated March 24, 2020

As stated in the announcements of April 4, 2020, “Notice regarding permission decision to shareholders’ request for convening Extraordinary General Meeting of Shareholders and Cancellation of ‘Notice regarding change in major shareholders’”: The Shareholders are planning to hold the Extraordinary General Meeting of Shareholders. The agenda of the Extraordinary General Meeting of Shareholders is to modify the Articles of Incorporation of the Company and additionally elect six directors (excluding directors who are Audit and Supervisory Committee members) and six directors who are Audit and Supervisory Committee members.

As of today, the Company has not been contacted by the Shareholders regarding any specific candidates for directors (excluding directors who are Audit and Supervisory Committee Members) and candidates for election of Directors who are Audit and Supervisory Committee Members. There are currently 4 directors (excluding directors who are Audit and Supervisory Committee members) and 4 directors (8 members in total) who are Audit and Supervisory Committee members. In addition, since the number of employees of the Company is about 40, in light of the scale of the Company and the actual state of corporate governance, it is clearly unnecessary to increase the total number of directors to a total of 20 by appointing an additional 6 directors (excluding directors



who are Audit and Supervisory Committee members) and 6 directors who are Audit and Supervisory Committee members (12 members in total). Therefore, the Company believes the proposed composition of the Board of Directors by the Shareholders would not be the most appropriate from the viewpoint of the Company's corporate value and its shareholders' common interests.

The Company will promptly provide its opinion if specific candidates are proposed for the election of directors (excluding directors who are Audit and Supervisory Committee Members) and directors who are Audit and Supervisory Committee Members in this Extraordinary General Meeting of Shareholders.

The Company will promptly announce any matters that should be disclosed hereafter.

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