

(Translation)

# **ARTICLES OF INCORPORATION**

(LAST AMEMDED AS OF JUNE 29, 2022)

**Leopalace21 Corporation**

(Translation)

## ARTICLES OF INCORPORATION

### CHAPTER ONE: GENERAL PROVISIONS

#### **Article1. Company Name**

The name of the Company shall be “Kabushiki Kaisha Leoplace21” and in English, “Leoplace21 Corporation.”

#### **Article2. Purpose**

The Company is organized for the purpose of engaging in the following business activities:

1. Sale and purchase, brokerage, mediation, rental or management of real property;
2. Search, design, construction or supervision of civil engineering and construction work, or undertaking of such works under contract;
3. Manufacturing and selling of construction material and equipment for house;
4. Outsourcing service with the secured loan for real property and guarantee of obligation;
5. Service relating to loan in which rights for real property or valuable stock certificates are to be security for obligation, or service relating to loan;
6. Business of electricity, or management and trade of electricity;
7. Trade and safe deposit of securitized mortgage;
8. Agent business of nonlife insurance and recruiting business of life insurance;
9. Possession, rental or management of golf courses, tennis grounds and sports facilities;
10. Management of hotels, Japanese type hotel, restaurants, sauna and other amusement places;
11. Service relating to recruiting members for club membership;
12. Producing and selling of publications;
13. Advertising agency service;
14. Selling, exporting and importing of upholstery, sporting goods and household articles;
15. Rental and lease of building, furniture, home electric appliances, precision instrument, sporting goods and daily necessities;
16. Rental and lease of aircrafts and watercrafts;
17. Selling, including by mail order, of noble metal, personal ornaments, home electric appliance, clothing, tableware, alcoholic beverage, bedding articles, musical instruments, household furniture, interior articles, indoor furniture, daily use carpenter articles, gardening articles, seals, toys, sports equipment, optical instruments, stuffed products, bicycles, bicycle parts, medical instruments, beauty instruments and quasi drug;
18. Service relating to internet connection;

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19. Service relating to delivery of contents;
20. Service relating to producing and selling of contents;
21. Wholesale business of farm products;
22. Travel agency;
23. Agency service of travel agent based on Travel Agency Act;
24. Agency service of trusted contracts;
25. Home help service, visiting care for persons with severe disabilities, activity support and comprehensive support for persons with severe disabilities, which are included in welfare service for persons with disabilities based on Service and Supports for Persons with Disabilities Act;
26. In-Home Long-Term Care Support Business based on Long-Term Care Insurance Act;
27. Home-Visit Long-Term Care, Home-Visit Bathing Long-Term Care, Home-Visit Nursing, Home Visit Rehabilitation, Guidance for Management of In-Home Medical Long-Term Care, Outpatient Long-Term Care, Outpatient Rehabilitation, Short-Term Admission for Daily Life Long-Term Care, Short-Term Admission for Recuperation, Rental Service of Equipment for Long-Term Care Covered by Public Aid, Sale of Specified Equipment Covered by Public Aid, Communal Daily Long-Term Care for a Dementia Patient, Daily Life Long-Term Care for a person Admitted to a Specified Facility, Home Modification, Preventive Long-Term Care Support Business, Home-Visit Service for Preventive Long-Term Care and the business prescribed in Article 115-45 Para (1) Sub-para (1) item (i), Home-Visit Bathing Service for Preventive Long-Term Care, Home-Visit Nursing Service for Preventive Long-Term Care, Home-Visit Rehabilitation Service for Preventive Long-Term Care, Management and Guidance for In-Home Medical Service for Preventive Long-Term Care, Outpatient Preventive Long-Term Care and the business prescribed in Article 115-45 Para (1) Sub-para (1) item (ii), Regular and Ad-hoc Home-Visit Nursing, Outpatient Rehabilitation for Preventive Long-Term Care, Short-Term Admission for Daily Preventive Long-Term Care, Short-Term Admission for Recuperation for Preventive Long-Term Care, Daily Preventive Long-Term Care for a person Admitted to a Specified Facility, Equipment Rental for Preventive Long-Term Care Covered by Public Aid, Equipment Sale for Preventive Long-Term Care Covered by Public Aid, Preventive Long-Term Care for a Dementia Outpatient, Home-Visit at Night for Long-Term Care, Outpatient Long-Term Care for a Dementia Patient, Multifunctional Long-Term Care in a Small Group Home, Daily Life Long-Term Care for a Person Admitted to a Community-Based Specified Facility, Admission to a Community-Based Facility for Preventive Daily Long-Term Care of the Elderly Covered by Public Aid, Multifunctional Preventive Long-Term Care in a Small Group Home and Preventive Long-

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Term Care for a Dementia Patient in Communal Living, which are based on Long-Term Care Insurance Act;

28. Taxi service for aged, handicapped, invalid people;
29. Consultation and coordination business relating to home help service;
30. Operation and management of private nursing homes;
31. Rental, sale, operation and management of housing equipped for use by the elderly;
32. Human resources training and development service for nursing care;
33. Employment placement agency service;
34. Worker dispatch business;
35. Purchase, sale and rental of used goods such as used bed, used wheel chair and others;
36. Secondhand dealer;
37. Transport agency business; and
38. Any and all other activities ancillary or relevant to the above.

#### **Article3. Location of Head Office**

The Company shall have its head office in Nakano-ku, Tokyo.

#### **Article4. Organizations**

The Company shall have following organizations in addition to the General Shareholders' Meeting and the Directors;

- (1) Board of Directors;
- (2) Audit & Supervisory Board Member;
- (3) Audit & Supervisory Board; and
- (4) Accounting Auditor.

#### **Article5. Method of Public Notice**

The method of public notice by the Company shall be electronic public notices.

However, in case where electronic public notices are not available due to accidents or other unavoidable circumstances, they shall be made in the daily newspaper *Nihon Keizai Shimbun*.

## **CHAPTER TWO: SHARES OF STOCK**

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**Article6. Total Number of Authorized Shares**

The Company is authorized to issue a total of seven hundred and fifty million (750,000,000) shares.

**Article7. Acquisition of Treasury Stock**

Pursuant to the provisions of Article 165, paragraph (2) of the Companies Act and by the resolution of the Board of Directors, the Company may acquire the treasury stock.

**Article8. Share Unit Number**

The number of shares constituting one unit (*tangen*) of the Company shall be one hundred (100).

**Article9. Administrator of Shareholder Registry**

9.1 The Company shall appoint an Administrator of Shareholder Registry.

9.2 The Administrator of Shareholder Registry and its administrative office shall be designated and made public by a resolution of the Board of Director.

**Article10. Share Handling Regulations**

Handling of Company shares and related handling charges shall be governed by the Share Handling Regulations, which are established by the Board of Directors, in addition to the provisions of laws and regulations or these Articles of Incorporation.

**CHAPTER THREE: GENERAL SHAREHOLDERS' MEETING**

**Article11. Convocation**

An Ordinary General Shareholders' Meeting of the Company shall be convened in June each year and an Extraordinary General Shareholders' Meeting may be convened when necessary.

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**Article 12. Record Date for Ordinary General Shareholders' Meeting**

The record date for determining shareholder rights to vote at Ordinary General Shareholders' Meetings of the Company shall be March 31 each year.

**Article 13. Convener and the Chairman of General Shareholders' Meeting**

The President of the Company shall convene and preside at the General Shareholders' Meetings unless otherwise prescribed by the laws and regulations. In the absence or disability of the President due to an accident, another Directors of the Company, in the order previously determined by the Board of Directors, shall convene and preside at the General Shareholders' Meetings.

**Article 14. Measures for Electronic Provision of Information and Others**

14.1 The Company, when convening a General Shareholders' Meeting, shall take measures for the electronic provision of information contained in the Reference Materials and Other Documents for the General Shareholders' Meeting.

14.2 The Company may refrain from describing all or part of the items for which the measures for electronic provision of information can be taken, as provided by the applicable Ministry of Justice Order, in the documents to be delivered to the shareholders who have requested delivery of the paper-based documents by the record date of voting rights.

**Article 15. Method of Resolutions**

Resolutions of a General Shareholders' Meeting shall be adopted by the affirmative vote of a majority of the voting rights held by the attending shareholders who are eligible to exercise their voting rights at the Meeting unless otherwise prescribed by laws and regulations or these Articles of Incorporation.

Resolution as prescribed in Article 309, paragraph (2) of the Companies Act shall be adopted by the affirmative vote of not less than two-thirds (2/3) of the voting rights held by the attending shareholders where not less than one-third (1/3) of the total number of voting rights held by eligible shareholders are represented.

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**Article16. Exercise of Voting Rights by Proxy**

A shareholder of the Company may exercise their voting rights through one (1) proxy. However, the proxy shall be the Company's shareholder who is eligible to exercise their voting rights and that the shareholder or their proxy shall submit to the Company a document evidencing the authority of such proxy prior to each General Shareholders' Meeting.

**CHAPTER FOUR: DIRECTORS AND BOARD OF DIRECTORS**

**Article17. Number of Directors**

The Company shall have not more than twenty (20) Directors.

**Article18. Elections of Directors**

18.1 Directors shall be elected at General Shareholders' Meetings.

18.2 In order to adopt a resolution for the election of Directors, the attending shareholders must hold at least one-third (1/3) of the voting rights of all shareholders and a majority of the voting rights exercised by the attending shareholders shall be required.

18.3 The election of Directors shall not be conducted by cumulative voting.

**Article19. Directors' Term of Office**

The term of office of a Director shall expire at the conclusion of the Ordinary General Shareholders' Meeting for the last business year that ends within one year from their election.

**Article20. Board of Directors**

20.1 Directors shall organize the Board of Directors.

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20.2 The Board of Directors shall make a decision of important matters related to execution of business of the Company, in addition to the provisions of laws and regulations or these Articles of Incorporation.

**Article21. Convener and Chairman of Board of Directors**

The President of the Company shall convene and preside at the meetings of the Board of Directors unless otherwise prescribed by the laws and regulations. In the absence or disability of the President due to an accident, another Directors of the Company, in the order previously determined by the Board of Directors, shall convene and preside at such meetings.

**Article22. Notice to Convene Meetings of the Board of Directors**

22.1 Notice to convene a meeting of the Board of Directors shall be given to each Director and Audit & Supervisory Board Member not later than three (3) days prior to the date of such meeting. However, in case of emergency, such period may be shortened.

22.2 A meeting of the Board of Directors may be held without the formal convocation procedures when all Directors and Audit & Supervisory Board Members unanimously agree to it.

**Article23. Resolution of the Board of Directors Meetings**

The resolution of a Board of Directors meeting shall be adopted, where a majority of the Directors attends, by a majority of the attending Directors.

**Article24. Abridged Method for a resolution of the Board of Directors Meetings**

In the event that the requirements of Article 370 of the Companies Act are fulfilled, the Company may approve a resolution without holding the Board of Directors meetings.

**Article25. Rules of the Board of Directors**

Matters relating to the Board of Directors shall be governed by the Rules of the Board of Directors, which are established by the Board of Directors, in addition to the provisions of



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laws and regulations or these Articles of Incorporation.

**Article 26. Appointment of Representative Director and Executive Directors**

26.1 The Board of Directors shall appoint a Representative Director by a resolution of the Board of Directors.

26.2 The President of the Company shall represent the Company and has authority to manage the business operations.

26.3 The Board of Directors may, by a resolution of the Board of Directors, appoint one Chairman, one President, small number of Vice Presidents, Senior Managing Directors and Managing Directors.

**Article 27. Remuneration and others**

The remuneration, bonus and other financial benefits for Directors received from the Company as consideration for execution of their duties (hereinafter referred to as the "Remuneration") shall be determined by a resolution of the General Shareholders' Meeting.

**Article 28. Limited Liability Agreement with a Director**

Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into a limited liability agreement with each Director (excluding executive Directors and certain others) which limits their liability for damage under Article 423, paragraph (1) of the Companies Act. However, the limit of the liability under such agreement shall be the minimum limit amount prescribed by laws or regulations.

**CHAPTER FIVE: AUDIT & SUPERVISORY BOARD AND ITS MEMBERS**

**Article 29. Number of Audit & Supervisory Board Members**

The Company shall have not more than four (4) Audit & Supervisory Board Members.

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**Article30. Elections of Audit & Supervisory Board Members**

30.1 Audit & Supervisory Board Members shall be elected at General Shareholders' Meetings.

30.2 In order to adopt a resolution for the election of Audit & Supervisory Board Members, the attending shareholders must hold at least one-third (1/3) of the voting rights of all shareholders and a majority of the voting rights exercised by the attending shareholders shall be required.

30.3 The Company may have a Substitute Audit & Supervisory Board Member elected as provided in Article 329, paragraph (3) of the Companies Act to be ready to fill a vacant spot should the number of Audit & Supervisory Board Members fall below the number prescribed by laws and regulations.

30.4 The effective term of the resolution for the election of a Substitute Audit & Supervisory Board Member in the preceding paragraph shall expire at the conclusion of the Ordinary General Shareholders' Meeting for the last business year that ends within four (4) years from their election.

**Article31. Audit & Supervisory Board Member's Term of Office**

31.1 The term of office of a Member shall expire at the conclusion of the Ordinary General Shareholders' Meeting held for the last business year that ends within four (4) years from their election.

31.2 The term of office of a Member who is elected to fill a vacancy shall expire when the remaining period of the term of office of their predecessor would expire.

**Article32. Audit & Supervisor Board**

32.1 The Audit & Supervisory Board Members shall organize the Audit & Supervisory Board.

32.2 The Audit & Supervisory Board shall make a decision of important matters related to execution of business of the Company in addition to the provisions of laws and regulations or these Articles of Incorporation.

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**Article33. Notice to Convene Meetings of the Audit & Supervisory Board**

33.1 Notice to convene a meeting of the Audit & Supervisory Board shall be given to each Audit & Statutory Board Member not later than three (3) days prior to the date of such meeting. However, in case of emergency, such notice period may be shortened.

33.2 A meeting of the Audit & Supervisory Board may be held without the formal convocation procedures when all Audit & Statutory Board Members unanimously agree to it.

**Article34. Resolution of the Audit & Supervisory Board Meetings**

The Resolution of an Audit & Supervisory Board meeting shall be adopted by a majority of all Audit & Statutory Board Members unless otherwise prescribed by laws and regulations.

**Article35. Regulations of the Audit & Supervisory Board**

Matters relating to the Audit & Supervisory Board shall be governed by the Regulations of the Audit & Supervisory Board, which are established by the Audit & Supervisory Board of the Company, in addition to the provisions of laws and regulations or these Articles of Incorporation.

**Article36. Full-time Audit & Supervisory Board Member**

The Audit & Supervisory Board shall, by its resolution, appoint full-time Member(s).

**Article37. Remuneration and others**

The remuneration and others for the Audit & Supervisory Board Members shall be determined by a resolution of the General Shareholders' Meeting.

**Article38. Limited liability agreement with an Audit & Supervisory Board Member**

Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into a limited liability agreement with each Audit & Supervisory Board

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Member, which limits their liability for damages under Article 423, paragraph (1) of the Companies Act. However, the limit of the liability under such agreement shall be the minimum limit amount prescribed by laws and regulations.

## **CHAPTER SIX: ACCOUNTS**

### **Article39. Business Year**

The business year of the Company shall be one (1) year commencing on April 1 of each year and ending on March 31 of the following year.

### **Article40. Interim Dividends**

The Company may distribute interim dividends by a resolution of the Board of Directors.

### **Article41. Record Date for Dividends from the Surplus**

41.1 The record date for year-end dividends of the Company shall be March 31 of each year.

41.2 The record date for interim dividends of the Company shall be September 30 of each year.

### **Article42. Release from Obligation to Make Dividends Payment**

In case of cash dividends, the Company shall be released from the obligation to pay out such dividends, if they remain unreceived after a lapse of full three (3) years from the initial date on which the payment was offered.

## **Supplementary Provisions**

### **Article 1. Transitional Measures for Electronic Provision of Information related to the General Shareholders' Meetings**

1.1 The deletion of Article 14. of the existing Articles of Incorporation (Disclosure of Reference Materials and Other Documents for General Shareholders' Meetings on the

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Internet and Deemed Provision) and the establishment of Article 14. of the proposed amendments (Measures for Electronic Provision of Information and Others) shall come into force from September 1, 2022, the effective date (hereinafter referred to as the “Effective Date”) as provided in the proviso of Article 1. of the Supplementary Provisions of the Act for Partial Revision of the Companies Act (Act No. 70 of 2019).

1.2 Notwithstanding the provisions of the preceding paragraph, Article 14. of the existing Articles of Incorporation (Disclosure of Reference Materials and Other Documents for General Shareholders’ Meetings on the Internet and Deemed Provision) shall remain in force with respect to a General Shareholders’ Meeting with a date falling within six months from the Effective Date as the date of the General Shareholders’ Meeting.

1.3 These Supplementary Provisions shall be deleted as of the date on which six months have elapsed from the Effective Date or as of the date on which three months have elapsed from the General Shareholders’ Meeting as specified in the preceding paragraph, whichever is later.