

Translation: Please note that the following purports to be an accurate and complete translation of the original Japanese version prepared for the convenience of investors. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

TSE Code: 9697 ISIN: JP3218900003 SEDOL: 6173694 JP

May 31, 2021

To: Shareholders

Notice of Convocation of the 42nd Ordinary General Meeting of Shareholders

We would like to hereby inform you that the 42nd Ordinary General Meeting of Shareholders of the Company will be held as described below.

We would like to express our deepest compassion for the people and regions suffering from COVID-19. We extend our genuine condolences to those closest to the victims who lost their lives, and sincerely wish the people under severe treatment for the disease an early recovery.

As for exercising your voting rights to our proposals as described below, it is possible to exercise your voting rights by either of the methods stated below. To exercise your voting rights, please review the Reference Document Concerning the General Meeting of Shareholders below and exercise your rights by 5:30 PM on June 21, 2021 (Monday), JST.

[In case of exercising voting rights by mail]

Please indicate on the Voting Right Exercise Form enclosed herewith your approval or disapproval of each proposal listed thereon and return the form to the Company before the deadline stated above.

[In case of exercising voting rights via the Internet]

Note: Voting via the Internet other than ICJ platform is only available for registered shareholders in Japan with Japanese language only. The ICJ platform is an electronic voting platform for institutional investors via ProxyEdge® system of Broadridge. For further details, please consult with your custodian(s), nominee(s) and/or broker(s).

Exercising a voting right can only be made via the Internet by accessing the website of Mitsubishi UFJ Trust and Banking Corporation, the administrator of the shareholder register (<https://evote.tr.mufg.jp/>). Please use the log-in ID and temporary password which are shown on the Voting Right Exercise Form. After logging in, please indicate your approval or disapproval of each proposal by following the instructions on the display screen before the deadline stated above.

Please see the Guidance for the Exercise of Voting Rights via the Internet attached below (p.*-p.* *note: intentionally omitted*).

The Company participates in the electronic voting right execution platform for institutional investors operated by ICJ, Inc.

In case that a voting right is exercised both by the Voting Right Exercise Form and via the Internet, only the vote registered via the Internet will be recognized as valid.

(Note)

Your vote is important. We appreciate your participation in the Meeting through providing instruction to your custodian(s), broker(s), nominee(s), voting agent(s) or other authorized intermediaries to process your vote as soon as possible. We look forward to receiving your vote.

Yours faithfully,

CAPCOM Co., Ltd.

1-3, Uchihirano-machi 3-chome, Chuo-ku,
Osaka, Japan

By: Haruhiro Tsujimoto
President and COO
Representative Director

Particulars

1. Date & Time: June 22, 2021 (Tuesday) at 10:00 a.m.
(Reception is scheduled to open at 9:00 a.m.)
2. Place: Osaka Castle Hotel, 6F Hall
1-1, Tenmabashikyomachi Chuo-ku, Osaka
3. Agenda:

Matters to be reported:

- 1 Report on the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 42nd Fiscal Year (from April 1, 2020 to March 31, 2021); and
- 2 Report on the Results of Audit for Consolidated Financial Statements for the 42nd Fiscal Year (from April 1, 2020 to March 31, 2021) by the Accounting Auditor and the Audit and Supervisory Committee.

Matters to be resolved:

- First proposal: Proposed Appropriation of Retained Earnings**
Second proposal: Election of Eight (8) Directors (excluding Directors who are members of the Audit and Supervisory Committee)
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◎ Please refrain from attending in person

In order to avoid the risk of COVID-19 infection at the Ordinary General Meeting of Shareholders, please exercise your voting rights either by returning the enclosed Voting Rights Exercise Form by mail, via the Internet or via the ICJ electronic voting right execution platform. Please refrain from attending the meeting in person.

◎ Hybrid Participation-Type General Meeting of Shareholders

We will be holding a so-called hybrid participation-type general meeting of shareholders again this year in line with current regulatory guidance, although exercising voting rights to our proposals remains unchanged as described in the Notice of Convocation of the 42nd Ordinary General Meeting of Shareholders.

Shareholders will be able to submit opinions and questions through the web portal for shareholders (in Japanese only) operated by Mitsubishi UFJ Trust and Banking, the administrator of the shareholder register. Please note:

- Questions will be limited to agenda items of the Ordinary General Meeting of Shareholders
- Responses will be made to a portion of the comments and questions at the Ordinary General Meeting of Shareholders. The comments and questions to which the Company will respond will be those in which shareholders are commonly interested. It will not be possible to respond to all the comments and questions.
- Comments and questions from shareholders will be posted on the Company website at a later date.

◎ If you are attending the Meeting in person, please submit the Voting Right Exercise Form enclosed herewith to the receptionist at the place of the Meeting.

Reference Document Concerning the General Meeting of Shareholders

Proposals and reference matters:

First proposal: Proposed Appropriation of Retained Earnings

The Company considers returning profits to shareholders to be one of the most important management issues. The Company, taking into account future business development and changes in operating circumstances, makes best efforts to pay stable and continued dividends on the basis of the fundamental policy under which the consolidated payout ratio is 30%.

The Company, taking into account the policy set forth above, and with net income attributable to owners of the parent having renewed a record high, proposes to distribute ¥46 per share, as the year-end dividend for the fiscal year under review, an increase in ¥21 per share from the year-end dividend for the previous fiscal year end as follows:

1. Type of dividend property: Cash
2. Matters concerning the allotment of dividend property and the total amount paid to shareholders:

¥46 per share of common stock of the Company; the total amount to be ¥4,910,495,400

Note: For the interim dividend the Company paid ¥25 per share, thus the annual dividend for the fiscal year under review is ¥71 per share and the consolidated payout ratio is 30.4%.

3. Date when dividends of retained earnings take effect: June 23, 2021(Wednesday)

Reference: Dividends etc., Over Time

	38th Fiscal Year ended March 2017	39th Fiscal Year ended March 2018	40th Fiscal Year ended March 2019	41st Fiscal Year ended March 2020	42nd Fiscal Year ended March 2021 (Fiscal Year under Review)
Annual Dividend per Share (Yen)	50	60	35	45	71
Annual Dividend (Million Yen)	2,737	3,284	3,777	4,803	7,579
Consolidated Dividend Payout Ratio (%)	31.2	30.0	30.3	30.1	30.4

Note1: A stock split took place as at April 1, 2018, whereby one ordinary share was split into two shares.

Note2: A stock split took place as at April 1, 2021, whereby one ordinary share was split into two shares.

Note3: Figures for the 42nd Fiscal Year (Fiscal Year under Review) assume that this proposal is approved as proposed.

Second proposal: Election of Eight (8) Directors (excluding Directors who are members of the Audit and Supervisory Committee)

The term of office for all seven (7) Directors (excluding Directors who are members of the Audit and Supervisory Committee) shall expire at the closing of this Ordinary General Meeting of Shareholders.

Therefore, the Company proposes to elect eight (8) Directors, an increase of one (1) Director, to enhance the Company's management structure.

For the purpose of selecting Candidates for Directors, the Nomination and Remuneration Committee, the majority of which consists of Independent Directors and of which the Chairman is an Independent External Director so as to enhance transparency and objectivity, was referred to and the Board of Directors decided Candidates for Directors upon consideration of the deliberations and recommendation of the Nomination and Remuneration Committee.

Furthermore, it was reported that the Audit and Supervisory Committee expressed its opinion that this proposal is appropriate upon deliberation.

Candidates for Directors are as follows:

Candidate No.	Name	Career position and assignment in the Company	Term of office as a Director*	Attendance of the Board of Directors meetings	Number of positions at other listed companies
1	Kenzo Tsujimoto <u>Internal</u> <u>Re-election</u>	Chairman and Representative Director Chief Executive Officer (CEO)	38 years	10/10 times (100%)	—
2	Haruhiro Tsujimoto <u>Internal</u> <u>Re-election</u>	Representative Director President and Chief Operating Officer (COO), in charge of Sales Operations Business and Arcade Operations Business	24 years	10/10 times (100%)	—
3	Satoshi Miyazaki <u>Internal</u> <u>New Candidate</u>	Executive Vice President	—	—	—
4	Yoichi Egawa <u>Internal</u> <u>Re-election</u>	Director Executive Corporate Officer, in charge of Development Divisions and Pachinko & Pachislo Business Divisions	8 years	10/10 times (100%)	—
5	Kenkichi Nomura <u>Internal</u> <u>Re-election</u>	Director Executive Corporate Officer, Chief Financial Officer (CFO) in charge of Corporate Management, Planning and Strategy Divisions	5 years	10/10 times (100%)	—
6	Toru Muranaka <u>External</u> <u>Re-election</u> <u>Independent Director</u>	Director	5 years	9/10 times (90%)	2 companies
7	Yutaka Mizukoshi <u>External</u> <u>Re-election</u> <u>Independent Director</u>	Director	3 years	10/10 times (100%)	2 companies
8	Wataru Kotani <u>External</u> <u>New Candidate</u> <u>Independent Director</u>	—	—	—	—

*The term of office as Director represents the period from assumption at the closing of this General Meeting of Shareholders.

Reference:

【Indemnity Agreement】

The Company has entered into an indemnity agreement prescribed in Article 430-2, paragraph (1) of the Companies Act on an individual basis with Directors, Mr. Kenzo Tsujimoto, Mr. Haruhiro Tsujimoto, Mr. Yoichi Egawa, Mr. Kenkichi Nomura, Mr. Toru Muranaka and Mr. Yutaka Mizukoshi, under which the Company indemnifies them against costs referred to in item (i) and losses referred to in item (ii) of said paragraph to the extent prescribed by laws and regulations.

This is provided, however, that indemnification is conditional, e.g., in cases where a Director is found to have executed his/her duties for the purpose of unjustly benefiting him/herself or a third party or inflicting a loss to the Company, the Director shall be required to reimburse the costs, etc., from which he/she has been indemnified.

When each of Mr. Kenzo Tsujimoto, Mr. Haruhiro Tsujimoto, Mr. Yoichi Egawa, Mr. Kenkichi Nomura, Mr. Toru Muranaka, and Mr. Yutaka Mizukoshi is re-elected, the Company plans to continue the indemnity agreement with each of them. In addition, when the elections of Mr. Satoshi Miyazaki and Mr. Wataru Kotani are approved, the Company plans to enter into the indemnity agreement with each of them.

【Directors and Officers Liability Insurance Agreement】

The Company has entered into a directors and officers liability insurance agreement with an insurance company. Under this insurance agreement, the insured are the Directors, Corporate Auditors and Corporate Officers, etc., of the Company and its subsidiaries. This insurance agreement covers litigation expenses and compensation for damages, etc., associated with claims for damages filed against the insured during the period of insurance with respect to the execution of duties by the insured.


However, there are exclusions, e.g., the insurance agreement does not cover damages, etc., arising from violations of laws and regulations and criminal acts committed intentionally by the insured.

The insurance premiums of this insurance agreement are fully borne by the Company. When each candidate is re-elected or elected, he/she will become an insured person under this insurance agreement. This insurance contract is scheduled to be renewed in September 2021. When it is renewed, it will fall under the directors and officers liability insurance prescribed in Article 430-3, paragraph (1) of the Companies Act.

【Criteria of Independence of External Director】

The Company established judgment criteria of independence of External Director by which the Company makes judgment that he/she should be independent External Director if he/she does not fall under any of the following events:

- (i) A business executer of the Company group (“the Company and its consolidated subsidiaries” and the same applicable hereinafter) currently or in the past ten (10) years;
- (ii) A main business partner or a business executer of such business partner (enterprise and the like), “main” meaning that consolidated net sales or trading value between the Company group and the business partner accounts for not less than one (1) % of the Company group and the business partner (as the case may be) on an annual basis;
- (iii) A person or enterprise having main business relationship with the Company group or a business executer of such enterprise, “main” meaning that consolidated net sales or trading value between the Company group and such enterprise accounts for not less than one (1) % of the Company group and such enterprise (as the case may be) on an annual basis;
- (iv) The principle shareholders of the Company (holding not less than 10% of the total voting rights) or a business executer of such shareholder or corporation of which the Company group is principle shareholder;
- (v) A business executer of organization or corporation to which the Company group donated, financed or guaranteed in a large amount;
- (vi) A business executer of corporation with which the Company group has cross directorship;
- (vii) Lawyer, certified public accountant, consultant and the like who received ¥10 million or more in cash or assets per annum (in case of corporation or association who receives such assets, person belonging to such corporation or association that an amount involved in transactions between the Company group accounts for not less than one (1) % of the consolidated net sales or trading value of the Company group (as the case may be) on an annual basis and ¥10 million or more).
- (viii) In case of (ii) to (vii) above, person falling under any of business year in the past ten (10) years; and
- (ix) Spouse or relative within the second degree of kinship of the person falling under any of (i) to (viii) above.

Candi- date No.	Name (Date of birth, Term of office as Director, Attendance of the Board of Directors meetings, Number of shares of the Company held)	Resume, position, responsibility, important concurrent office of other organizations
1	<p data-bbox="316 434 539 465">Kenzo Tsujimoto</p>  <p data-bbox="389 779 651 815">Internal Re-election</p> <ul data-bbox="323 835 715 1243" style="list-style-type: none"> • Date of birth: December 15, 1940 • Term of office as Director: 38 years (At the closing of this Ordinary General Meeting of Shareholders) • Attendance of the Board of Directors meetings: 10/10 times (100%) • Number of shares of the Company held: 4,019,680 shares 	<p data-bbox="738 465 1398 517">June 1983: President and Representative Director of the Company</p> <p data-bbox="738 517 1398 622">Apr. 1997: Head of The Association of Copyright for Computer Software (Currently The General Incorporated Association of Copyright for Computer Software) (to present)</p> <p data-bbox="738 622 1439 674">Apr. 2001: Chief Executive Officer (CEO) of the Company (to present)</p> <p data-bbox="738 674 1398 725">July 2007: Chairman and Representative Director of the Company (to present)</p> <p data-bbox="738 725 1353 777">Feb. 2010: Representative Director of Kenzo Estate Winery Japan Co., Ltd. (to present)</p> <p data-bbox="738 808 1422 943">[Important concurrent office of other organizations] Representative Director of Kenzo Estate Winery Japan Co., Ltd. Head of The General Incorporated Association of Copyright for Computer Software</p>

【Reasons for nomination and outline of expected role(s)】

Mr. Kenzo Tsujimoto has promoted the Company with his strong leadership as Chief Executive Officer (CEO), in addition to exceeded ability to grasp future development and abundant experiences, by virtue of his power for swift determination and execution. His existence as a charismatic founder of the Company is a spiritual and mental pillar as well as centripetal force for the Company's officers, and employees.

Taking into consideration the results of the Company until today, the Company continues to ask shareholders to elect him as Director since the Company expects him to contribute to the enhancement of corporate value of the Company hereafter.

【Special Interests between the candidate and the Company】

He is concurrently the representative director of Kenzo Estate Winery Japan Co., Ltd., with which the Company has a trading relationship including purchase of its products, etc.

Candi -date No.	Name (Date of birth, Term of office as Director, Attendance of the Board of Directors meetings, Number of shares of the Company held)	Resume, position, responsibility, important concurrent office of other organizations
2	<p data-bbox="308 432 568 465">Haruhiro Tsujimoto</p>  <p data-bbox="384 779 651 813">Internal Re-election</p> <ul data-bbox="323 835 722 1209" style="list-style-type: none"> • Date of birth: October 19, 1964 • Term of office as Director: 24 years (At the closing of this Ordinary General Meeting of Shareholders) • Attendance of the Board of Directors meetings: 10/10 times (100%) • Number of shares of the Company held: 3,099,400 shares 	<p data-bbox="738 465 1439 1052"> Apr. 1987: Entered into the Company June 1997: Director of the Company Feb. 1999: Managing Director of the Company Apr. 2001: Senior Managing Director of the Company July 2004: Director and Executive Corporate Officer of the Company Apr. 2006: Director and Executive Vice President of the Company July 2007: President and Representative Director, Chief Operating Officer (COO) of the Company (to present) Aug. 2016: President and Representative Director, and Director in charge of Global Marketing Business and Arcade Operations Business of the Company June 2018: President and Representative Director, and Director in charge of Arcade Operations Business of the Company Apr. 2020: President and Representative Director, and Director in charge of Sales Operations Business and Arcade Operations Business of the Company (to present) </p>


【Reasons for nomination and outline of expected role(s)】

Since assumption of the office of President, Mr. Haruhiro Tsujimoto has, as Chief Operating Officer (COO), been engaged in the deep plowing of the Company's existing business and in the diversification of its business fields. In addition to strengthening software development, the core business of the Company, and promoting its Single Content Multi Usage Strategy, he has worked to enhance the Arcade Operations and eSports business. He contributed to strengthening steadily management base by agile management suited for environment changes and steady management method.

The Company continues to ask shareholders to elect him as Director since the Company expects him to contribute to the development of the Company hereafter.

【Special Interests between the candidate and the Company】

There is no special interest relationship between Mr. Tsujimoto and the Company.

Candi -date No.	Name (Date of birth, Term of office as Director, Attendance of the Board of Directors meetings, Number of shares of the Company held)	Resume, position, responsibility, important concurrent office of other organizations
3	<p data-bbox="304 472 528 506">Satoshi Miyazaki</p>  <p data-bbox="357 819 671 853">Internal New Candidate</p> <ul data-bbox="320 909 663 1032" style="list-style-type: none"> • Date of birth: February 23, 1960 • Number of shares of the Company held: 0 shares 	<p data-bbox="740 506 1377 562">Apr. 1983: Entered the Industrial Bank of Japan, Ltd. (currently Mizuho Bank, Ltd.)</p> <p data-bbox="740 562 1377 663">Apr. 2011: Executive Officer, General Manager of Corporate Banking Division No.6 of the Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p data-bbox="740 663 1377 741">Apr. 2013: Managing Executive Officer in charge of Sales of Mizuho Corporate Bank, Ltd. and Mizuho Bank, Ltd.</p> <p data-bbox="740 741 1377 819">Apr. 2016: Executive Officer and Deputy President in charge of Western Japan of Mizuho Financial Group, Inc.</p> <p data-bbox="740 819 1377 898">Representative Director and Deputy President & Executive Officer in charge of Western Japan of Mizuho Bank, Ltd</p> <p data-bbox="740 898 1377 954">Apr. 2020: Representative Director and Deputy President of Mizuho Bank, Ltd</p> <p data-bbox="740 954 1377 987">Apr. 2021: Resigned from the post above</p> <p data-bbox="740 987 1377 1043">May 2021: Executive Vice President of the Company (to present)</p>


【Reasons for nomination and outline of expected role(s)】

Mr. Satoshi Miyazaki has extensive knowledge at financial institutions gained from his long years of experience in working for banks. Since the entrance into the Company, he has worked to strengthen the overall management foundation leveraging his experience in his previous job and has been involved in the management of the Company bringing his broad insight and knowledge.

Since it is expected that he will continue to demonstrate leadership in our effort toward sustainable growth and the enhancement of the corporate value of the Group from the position to assist overall management, the Company asks shareholders to elect him as Director.

【Special Interests between the candidate and the Company】

There is no special interest relationship between Mr. Miyazaki and the Company.


Candi -date No.	Name (Date of birth, Term of office as Director, Attendance of the Board of Directors meetings, Number of shares of the Company held)	Resume, position, responsibility, important concurrent office of other organizations
4	<p data-bbox="304 432 491 465">Yoichi Egawa</p>  <p data-bbox="379 779 643 813">Internal Re-election</p> <ul data-bbox="316 835 719 1211" style="list-style-type: none"> • Date of birth: November 15, 1963 • Term of office as Director: 8 years (At the closing of this Ordinary General Meeting of Shareholders) • Attendance of the Board of Directors meetings: 10/10 times (100%) • Number of shares of the Company held: 4,000 shares 	<p data-bbox="740 465 1329 499">Apr. 1985: Entered the Company</p> <p data-bbox="740 499 1329 555">Apr. 1999: General Manager of Creative Division 5 of the Company</p> <p data-bbox="740 555 1329 633">Aug. 1999: Corporate Officer, General Manager of Creative Division 5 of the Company</p> <p data-bbox="740 633 1329 689">Apr. 2011: Managing Corporate Officer of the Company</p> <p data-bbox="740 689 1329 745">Apr. 2013: Executive Corporate Officer of the Company (to present)</p> <p data-bbox="740 745 1385 824">June 2013: Director, in charge of Arcade Business and Pachinko & Pachislo Business of the Company</p> <p data-bbox="740 824 1385 925">July 2016: Director, in charge of Amusement Equipment Business, Arcade Operations Business and Consumer Games Development of the Company</p> <p data-bbox="740 925 1385 1003">Apr. 2019: Director, in charge of Consumer Games Development and Pachinko & Pachislo Business Divisions of the Company</p> <p data-bbox="740 1003 1385 1104">Apr.2020: Director, in charge of Development Divisions and Pachinko & Pachislo Business Divisions of the Company (to present)</p>

【Reasons for nomination and outline of expected role(s)】

Mr. Yoichi Egawa has, since his entrance into the Company, been engaged in development, manufacture, sales and operation of amusement facilities for many years so that he possesses high professionalism, abundant experience and know-how. He is fully acquainted with a wide range of knowledge and practice with respect to games overall and it is expected that he will contribute to expansion of the Company's overall business hereafter so that the Company asks shareholders to continue to elect him as Director.

【Special interests between the candidate and the Company】

There is no special interest relationship between Mr. Egawa and the Company.


Candi- date No.	Name (Date of birth, Term of office as Director, Attendance of the Board of Directors meetings, Number of shares of the Company held)	Resume, position, responsibility, important concurrent office of other organizations
5	<p data-bbox="312 434 544 465">Kenkichi Nomura</p>  <p data-bbox="389 779 651 815">Internal Re-election</p> <ul data-bbox="323 835 715 1178" style="list-style-type: none"> • Date of birth: May 18, 1955 • Term of office as Director: 5 years (At the closing of this Ordinary General Meeting of Shareholders) • Attendance of the Board of Directors meetings: 10/10 times (100%) • Number of shares of the Company held: 4,400 shares 	<p data-bbox="738 465 1430 517">Apr. 2009: Corporate Officer in charge of Internal Control of the Company</p> <p data-bbox="738 517 1366 595">July 2010: Managing Corporate Officer in charge of Financial and Accounting Division of the Company</p> <p data-bbox="738 595 1414 703">Jun. 2015: Managing Corporate Officer in charge of Financial and Accounting Division and Secretarial Affairs, PR and IR Division of the Company</p> <p data-bbox="738 703 1355 781">Apr. 2016: Executive Corporate Officer (to present) Head of Finance, Accounting and Public Relations Divisions</p> <p data-bbox="738 781 1386 880">June 2016: Director, Chief Financial Officer (CFO) (to present) and in charge of Corporate Management of the Company</p> <p data-bbox="738 880 1422 972">Apr. 2020: Director, in charge of Corporate Management, Planning and Strategy Divisions of the Company (to present)</p>

【Reasons for nomination and outline of expected role(s)】

Mr. Kenkichi Nomura has expertise and a wealth of experience in finance, accounting, IR, public relations, risk management and the like and as Chief Financial Officer (CFO) has overseen overall management and worked to build a strong financial foundation for the Company in order to achieve the Medium-Term Management Goals. As Head of the Strategy and Planning Division, he also works tirelessly in a wide range of fields such as management planning and the setting and promotion of business strategy to achieve further growth for the Company. The Company asks shareholders to continue to elect him as Director since he is expected to hereafter contribute to development of the Company.

【Special Interests between the candidate and the Company】

There is no special interest relationship between Mr. Nomura and the Company.

Candi- date No.	Name (Date of birth, Term of office as Director, Attendance of the Board of Directors meetings, Number of shares of the Company held)	Resume, position, responsibility, important concurrent office of other organizations
6	<p data-bbox="316 434 512 465">Toru Muranaka</p>  <p data-bbox="384 779 655 869">External Re-election Independent Director</p> <ul data-bbox="323 882 715 1227" style="list-style-type: none"> • Date of birth: June 3, 1965 • Term of office as Director: 5 years (At the closing of this Ordinary General Meeting of Shareholders) • Attendance of the Board of Directors meetings: 9/10times (90%) • Number of shares of the Company held: 900 shares 	<p data-bbox="738 465 1394 544">Apr. 1995: Registered Lawyer (Osaka Bar Association) Entered into Daiichi Law Office (Currently Daiichi Law Office, P.C.)</p> <p data-bbox="738 544 1434 577">Dec. 2007: Partner of Daiichi Law Office, P.C. (to present)</p> <p data-bbox="738 577 1422 622">May 2014: External Corporate Auditor of Furuno Electric Co., Ltd. (to present)</p> <p data-bbox="738 622 1394 678">Jun. 2015: External Corporate Auditor of Suzuken Co., Ltd. (to present)</p> <p data-bbox="738 678 1414 712">June 2016: External Director of the Company (to present)</p> <p data-bbox="738 734 1374 835">[Important concurrent office of other organizations] Partner of Daiichi Law Office, P.C. External Corporate Auditor of Furuno Electric Co., Ltd. External Corporate Auditor of Suzuken Co., Ltd.</p>

【Reasons for nomination and outline of expected role(s)】

Mr. Toru Muranaka has not participated in management of companies other than as an External Director or an External Corporate Auditor. However, he is a lawyer specialized in the field of the Companies Act, Financial Instruments and Exchange Act and others, and in addition to holding a high level of professional knowledge and wide ranging insight and expertise, he makes suggestions and gives advice to the Company on legitimacy and appropriateness from a professional viewpoint.

It is expected that he will contribute to strengthen audit and supervision of the Board of Directors from the legal viewpoint. Accordingly, the Company asks shareholders to elect him as External Director.

【Special interests between the candidate and the Company】

There is no special interest relationship between Mr. Muranaka and the Company.

【Independence】

Mr. Muranaka is a member of Legal Professional Corporation (LPC) Daiichi Law Office, P.C. with which the Company has entered into legal counsel agreement. However, the total amount involved in transactions between the two parties on an annual basis is very small, i.e., accounting for either party for less than one (1) % of consolidated net sales of the Company and the P.C. or less than ¥10 million (in compliance with the Criteria of Independence of External

Director). Accordingly the Company judges that the foregoing will not affect Mr. Muranaka's independence as External Director.

Moreover, the Company filed him to the Tokyo Stock Exchange, Inc., as an independent director so defined therein. In the event that he is re-elected, the Company plans to continue filing him to the Tokyo Stock Exchange, Inc., to be an independent director.

For Criteria of Independence of External Director, please refer to P.9.

【Liability limit agreement】

The Company has entered into a liability limit agreement pursuant to Article 427, Paragraph 1 of the Companies Act, limiting compensation liability for damages provided for in Article 423, Paragraph 1 of the Companies Act. The limit of compensation liability for damages under the aforesaid agreement is the minimum amount provided for in the laws and ordinances. When Mr. Muranaka is re-elected, the Company is scheduled to continue the subject liability limit agreement.

【Other Items Related to the Candidate】

In December 2020 the Fair Trade Commission brought criminal charges against Suzuken Co., Ltd., where Mr. Muranaka is an External Corporate Auditor, in relation to a violation of the Antimonopoly Act in a bid made by Suzuken Co., Ltd. to the Japan Community Health Care Organization. The violation was discovered during an onsite inspection by the regulator in November 2019. Following the discovery, Mr. Muranaka, as a corporate auditor, carefully observed through audit and gave opinions and advice as appropriate throughout the cooperation with the investigation and the inquiry into the cause and formulation of recurrence prevention measures by executive management.

Candi- date No.	Name (Date of birth, Term of office as Director, Attendance of the Board of Directors meetings, Number of shares of the Company held)	Resume, position, responsibility, important concurrent office of other organizations
7	<p data-bbox="312 472 552 506">Yutaka Mizukoshi</p>  <p data-bbox="384 819 655 904"> External Re-election Independent Director </p> <ul data-bbox="323 920 715 1265" style="list-style-type: none"> • Date of birth: August 29, 1956 • Term of office as Director: 3 years (At the closing of this Ordinary General Meeting of Shareholders) • Attendance of the Board of Directors meetings: 10/10 times (100%) • Number of shares of the Company held: 1,000 shares 	<p data-bbox="738 506 1334 539">Apr. 1980: Entered into Nippon Steel Corporation</p> <p data-bbox="738 539 1310 584">May 2004: Senior Vice President of The Boston Consulting Group</p> <p data-bbox="738 584 1366 640">Jan. 2005: Japan Co-chair of The Boston Consulting Group</p> <p data-bbox="738 640 1414 696">Jan. 2016: Senior Partner and Managing Director of The Boston Consulting Group</p> <p data-bbox="738 696 1382 797">June 2016 : External Director of Lifenet Insurance Company (to present) External Director of Asagami Corporation (to present)</p> <p data-bbox="738 797 1366 853">Jan. 2018: Senior Advisor of The Boston Consulting Group, Tokyo (to present)</p> <p data-bbox="738 853 1414 887">June 2018: External Director of the Company (to present)</p> <p data-bbox="738 887 1366 931">June 2019: Director, Japan Rugby Football Union (to present)</p> <p data-bbox="738 954 1382 1066"> [Important concurrent office of other organizations] Senior Advisor of The Boston Consulting Group, Tokyo External Director of Lifenet Insurance Company External Director of Asagami Corporation </p>

【Reasons for nomination and outline of expected role(s)】

In addition to possessing expertise in management analysis and the formulation of management strategy, acquired through years of experience in, and insights from, the consultancy industry, Mr. Yutaka Mizukoshi proactively provides opinions and proposals from an independent standpoint, based on a high level of insight and a developed international sensibility.

Going forward, it is expected that he will contribute to stronger audit and supervision of the Board of Directors from an outside viewpoint. Accordingly, the Company asks shareholders to re-elect him as External Director.

【Special interests between the candidate and the Company】

There is no special interest relationship between Mr. Mizukoshi and the Company.

【Independence】


The Company filed Mr. Mizukoshi to the Tokyo Stock Exchange, Inc., as an independent director so defined therein. In the event that he is re-elected, the Company plans to continue filing him to the Tokyo Stock Exchange, Inc., to be an independent director.

For Criteria of Independence of External Director, please refer to P.9.

【Liability limit agreement】

The Company has entered into a liability limit agreement pursuant to Article 427, Paragraph 1

of the Companies Act, limiting compensation liability for damages provided for in Article 423, Paragraph 1 of the Companies Act. The limit of compensation liability for damages under the aforesaid agreement is the minimum amount provided for in the laws and ordinances. When he is re-elected, the Company is scheduled to continue the subject liability limit agreement.

Candi- date No.	Name (Date of birth, Term of office as Director, Attendance of the Board of Directors meetings, Number of shares of the Company held)	Resume, position, responsibility, important concurrent office of other organizations
8	<p data-bbox="316 394 504 427">Wataru Kotani</p>  <div data-bbox="359 734 683 824" style="border: 1px solid black; padding: 2px; display: inline-block;"> External New Candidate Independent Director </div> <ul data-bbox="323 842 671 931" style="list-style-type: none"> • Date of birth: April 7, 1957 • Number of shares of the Company held: 0 shares 	<p data-bbox="738 398 1318 479">Apr. 1980: Entered the National Police Agency Aug 2002: Chief of Ehime Prefectural Police Headquarters</p> <p data-bbox="738 479 1439 533">Apr. 2004: Chief of the Cybercrime Division, Community Safety Bureau, National Police Agency</p> <p data-bbox="738 533 1310 586">July 2008: Chief of Nagano Prefectural Police Headquarters</p> <p data-bbox="738 586 1394 667">Aug 2010: Chief of the Organized Crime Department, Criminal Affairs Bureau, National Police Agency</p> <p data-bbox="738 667 1394 748">Jan. 2013: Deputy Superintendent General and acting Chief of the Crime Prevention Task Force, Tokyo Metropolitan Police Department</p> <p data-bbox="738 748 1318 779">Jan. 2014: President, National Police Academy</p> <p data-bbox="738 779 1439 824">Nov 2014: Special Advisor, Japan Post Bank Co., Ltd. (to present)</p>

【Reasons for nomination and outline of expected role(s)】

Mr. Wataru Kotani has never participated in company management but has engaged in police administration for many years and has a broad range of expertise and extensive experience in the fields of IT security and law in general. Since it is expected that he will contribute to stronger audit and supervision of the Board of Directors by, for example, providing the management of the Company with recommendations and advice with a view to ensuring proper risk management and legal compliance from an impartial and objective perspective, the Company asks shareholders to elect him as External Director.

【Special interests between the candidate and the Company】

There is no special interest relationship between Mr. Kotani and the Company.

【Independence】

In the event that Mr. Kotani is elected, the Company plans to file him to the Tokyo Stock Exchange, Inc., as an independent director.

For Criteria of Independence of External Director, please refer to P.9.

【Liability limit agreement】

When Mr. Kotani is elected, the Company intends to enter into a liability limit agreement with him pursuant to Article 427, Paragraph 1 of the Companies Act, limiting compensation liability for damages provided for in Article 423, Paragraph 1 of the Companies Act. The limit of compensation liability for damages under the aforesaid agreement is the minimum amount provided for in the laws and ordinances.

Reference: **Skills Matrix of Members of the Board of Directors at the closing of this General Meeting of Shareholders)**

Strengths of the Company

- Strong financial foundation to realize proactive strategic investment with the stable generation of cash flow and enhancement of capital efficiency.
- Generation of content from the Company's proprietary game development engine that is supported globally.
- Long-term global distribution structure utilizing a digital strategy toward further earnings growth.

Name	Position	Tenure (As of end of this Shareholder Meeting)	Independence (External Director)	Composition of Board of Directors/Committee (◎: Chair)			
				Board of Directors	Audit & Supervisory Committee	Nomination/ Remuneration Committee	Compliance Committee
Kenzo Tsujimoto	Chairman and Representative Director Chief Executive Officer (CEO)	38 years		◎	—	—	—
Haruhiro Tsujimoto	President and Representative Director Chief Operating Officer (COO)	24 years		●	—	—	●
Satoshi Miyazaki	Director Executive Vice President	—		●	—	—	●
Yoichi Egawa	Director Executive Corporate Officer	8 years		●	—	—	●
Kenkichi Nomura	Director Executive Corporate Officer Chief Financial Officer (CFO)	5 years		●	—	●	●
Toru Muranaka	External Director	5 years	●	●	—	—	◎
Yutaka Mizukoshi	External Director	3 years	●	●	—	●	●
Wataru Kotani	External Director	—	●	●	—	—	●
Kazushi Hirao	Director (Full-time Audit & Supervisory Committee member)	5 years		●	●	●	●
Yoshihiko Iwasaki	External Director (Full-time Audit & Supervisory Committee member)	5 years	●	●	●	◎	●
Makoto Matsuo	External Director (Audit & Supervisory Committee member)	14 years	●	●	◎	●	●

* If the second proposal is approved as proposed, the 11 Directors in total will consist of six Internal Directors and five External Directors including three Directors who are members of the Audit and Supervisory Committee not subject to re-election this time

(one Internal Director and two External Directors). All five External Directors are scheduled to be Independent Directors.

Board of Directors of the Company

- Consists of members who have diverse perspectives, extensive experience, and diverse and specialized advanced skills to realize sustainable growth by making the most of the Company's strengths.
- A governance system that enables a strong audit and supervisory function through the proactive participation of External Directors.

※ Regarding diversity, the Company has selected candidates solely based on their personal qualities and insight regardless of their gender, nationality, age, etc.

Name	Fields Each Director is Expected to Contribute in Particular Toward Achievement of Medium-Term Growth Strategy							
	Company Management	Management Strategy	Gaming Industry	Digital Transformation/IT/Technology	R&D	Finance/Accounting/Tax	Law	Global Sensibility
Kenzo Tsujimoto	●	●	●	●				●
Haruhiro Tsujimoto	●	●	●	●	●			●
Satoshi Miyazaki	●	●				●		
Yoichi Egawa			●	●	●			●
Kenkichi Nomura		●	●	●		●	●	●
Toru Muranaka	●						●	●
Yutaka Mizukoshi	●							●
Wataru Kotani				●			●	
Kazushi Hirao		●	●			●		●
Yoshihiko Iwasaki						●		
Makoto Matsuo	●						●	●

* The table above does not necessarily show all knowledge possessed by the candidates.