

June 9, 2021

To Our Shareholders:

6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo

en-japan inc.

Takatsugu Suzuki, President

Notice of the 21st Annual Meeting of Shareholders

en-japan cordially invites shareholders to the 21st Annual Meeting of Shareholders as described below.

You may exercise your voting rights in writing or via the Internet. Please refer to the following Reference Document for the Annual Meeting of Shareholders and exercise your voting right in the manner described hereafter no later than 5:00 p.m., on Wednesday, June 23, 2021.

1. Date: 10:00 a.m., Thursday, June 24, 2021
(Reception starts from 9:30 a.m.)

2. Venue: 35F, en-japan inc. Seminar room, I-land Tower,
6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo

3. Purpose:

Items to be reported:

1. The business report, the consolidated financial statements and the results of consolidated financial statement audits by the Accounting Auditor and the Board of Corporate Auditors for the 21st business period (April 1, 2020 to March 31, 2021)
2. The non-consolidated financial statements for the 21st business period (April 1, 2020 to March 31, 2021)

Items to be resolved:

Item No. 1: Appropriation of Retained Earnings

Item No. 2: Partial Amendment to the Articles of Incorporation

Item No. 3: Election of Eight (8) Directors

Item No. 4: Election of One (1) Corporate Auditor

Item No. 5: Election of One (1) Substitute Corporate Auditor

Item No. 6: Revision of Amount of Remuneration for Directors

4. Predetermined terms of the convocation

If you are exercising your voting rights by a proxy, you may appoint another shareholder who holds his/her voting rights as your proxy to attend the general meeting of shareholders. Please note, however, that your proxy must submit a power of attorney in writing.

- When you attend the meeting, please submit the enclosed voting form to the receptionist at the venue. Persons other than the shareholders who are eligible to exercise voting rights, including any proxies who are not shareholders and accompanying guests, may not enter the venue. In order to save on resources, please bring along this “Notice of Convocation” with you.
- If there are any revisions to the business report, the consolidated and non-consolidated financial statements, and/or the Reference Document for the Annual Meeting of Shareholders,

such revisions will be posted on our website. (URL: <https://corp.en-japan.com/IR/report.html>)

- Of the documents to be provided at the time of this Notice of Convocation, "Consolidated Notes to Consolidated Financial Statements" and "Individual Notes to Financial Statements" are posted on our website (<https://corp.en-japan.com/IR/report.html>) pursuant to the provisions of laws and regulations and Article 15 of the Articles of Incorporation, and are not included in the attached "21st Periodic Report."
- No souvenirs or gifts will be distributed at this fiscal year's general meeting of shareholders. Thank you for your understanding.

Item No. 1: Appropriation of Retained Earnings

The Company would like to appropriate retained earnings as follows.

Year-end Dividend

From the perspective of medium- to long-term earnings growth, the Company believes that strategic investments, such as M&As and investments, and returns to shareholders are important measures, while making appropriate investments in accordance with the stage of business development. Therefore, the Company has adopted the basic policy of setting a "dividend payout ratio of 50%".

Based on the above policy, concerning the dividend for the fiscal year ended March 31, 2021, the Company would like to disburse 37.10yen per share as setting a dividend payout ratio of 50% and propose as follows.

- 1) Type in which dividends are paid

Cash payment

- 2) Allocation of dividends and total amount of dividends

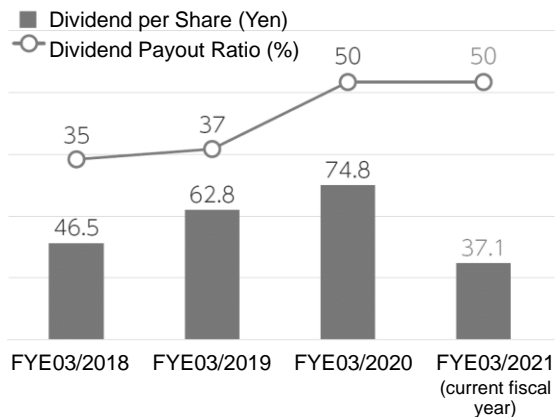
The Company would like to disburse 37.1 yen per common share of the Company.

In this case, the total amount of dividends shall be 1,750,256,609 yen.

- 3) Effective date on which dividends are disbursed from retained earnings

The Company would like to disburse the dividend on June 25, 2021.

(Reference) Changes in dividends/payout ratio



Item No. 2: Partial Amendment to the Articles of Incorporation

1. Reason for proposal

The Company proposes to make a revision as shown in Article 1 (Trade name) of the proposed amendment so that its English trade name is aligned with the English wording the Company uses for business.

2. Details of revision

The detail of revision of the Articles of Incorporation is as follows.

(Those parts to be amended are underlined.)

Current Articles of Incorporation	Proposed amendments
Article 1 (Trade name) The name of the Company shall be “en:japan Kabushiki Kaisha” and in English, “ <u>en-japan inc.</u> ”	Article 1 (Trade name) The name of the Company shall be “en:japan Kabushiki Kaisha” and in English, “ <u>en Japan inc.</u> ”

Item No. 3: Election of Eight (8) Directors

The terms of office for all five (5) incumbent Directors will expire at the conclusion of the Annual Meeting of Shareholders. Accordingly, the Company proposes the election of eight (8) Directors, as it decided to add three (3) Directors to further reinforce the Company's management system.

The candidates for Directors are as follows.

Candidate's No.		Name	Current position and responsibilities in the Company	Attendance at the meetings of the Board of Directors
1	Reappointment	Michikatsu Ochi	Chairman and Executive Officer	12/12 (100%)
2	Reappointment	Takatsugu Suzuki	President and Executive Officer	12/12 (100%)
3	Reappointment	Megumi Kawai	Director and Executive Officer Manager of Brand Planning Office	12/12 (100%)
4	New appointment	Teruyuki Terada	Executive Officer Manager of Digital Product Development Division	-
5	New appointment	Takuo Iwasaki	Executive Officer Manager of Mid-Career Recruitment Media Division	-
6	Reappointment Outside Director	Taisuke Igaki	Outside Director	12/12 (100%)
7	Reappointment Outside Director Independent Officer	Kayo Murakami	Outside Director	10/10 (100%)
8	New appointment Outside Director Independent Officer	Wataru Sakakura	-	-

Policy for the selection of candidates

With regard to the election of Inside Directors, the Company has nominated personnel who are appropriate for promoting a highly efficient management system, and who not only possess high levels of expertise in their respective fields, but also can respond rapidly, flexibly, and appropriately to changes in the business environment, premised on the fact that the personnel have jointly created the Company's management philosophy and are able to devote themselves every day to the realization of that philosophy.

With regard to the election of Outside Directors, the Company has nominated personnel who are sympathetic to its management philosophy, are able to monitor management independently from an objective standpoint, and possess a wide range of perspectives, without being biased toward the interests of management and specific stakeholders.

Decision procedure

When nominating a candidate for Director, the Board of Directors considers and decides based on the opinions of the Voluntary Nomination and Compensation Committee, which is composed mainly of Outside Directors.

Criteria for determining the independence of Outside Officers

The Company has established the Criteria for Determining the Independence of Outside Officers as follows. If they fall under the following criteria, the Company determines that they are not to be sufficiently independent of the Company.

1. An officer who currently falls under any of the following or has done within the past ten (10) years

(1) A person who has work experience (including being an Executive (*1)) at the Company or subsidiaries of the Company (hereinafter collectively referred to as the "Group")

(2) A person who is a major shareholder of the Company (a person who holds 10% or more of the shares) or a person who, if such person is a juridical person, has assumed the office of an Executive or Corporate Auditor of such juridical person (limited to cases where an Outside Auditor is designated as an Independent Officer).

2. An officer who currently falls under any of the following or has done within the past three (3) years

(1) A major business partner (*2) of the Group or an Executive thereof

(2) A person with whom the Group (*3) is a major business partner or an Executive thereof

(3) A major lender of the Group (*4) or an Executive thereof

(4) A consultant, an accounting professional, or a legal professional (*5) who has received large amounts of money or other property other than officer's remuneration from the Group

(5) A certified public accountant who belongs to the accounting auditor or the auditing firm as an accounting auditor of the Group

(6) A person who has received large donations from the Group (*6) or an Executive thereof

3. An officer whose relatives within the second degree of kinship of the officer (limited to important persons (*7)) fall under any of the above 1 or 2.

*1 A Director, an Executive Officer, an Executive Managing Officer, and other officers or employees equivalent thereto

*2 A business partner to whom the total net sales of the Group in any of the last three (3) fiscal years exceed 2% of the consolidated net sales of the Company

*3 A business operator whose net sales to the Group in any of the last three (3) fiscal years exceeds 2% of the consolidated net sales of the business operator

*4 A lender whose amount of lending to the Group exceeds 2% of the total consolidated assets of the Company at the end of any of the last three (3) fiscal years

*5 A person whose total amount of remuneration from the Group in any of the last three

(3) fiscal years exceeds 10 million yen

*6 A recipient whose total donations from the Group in any of the last three (3) fiscal years exceeds 10 million yen

*7 Important persons shall be Directors, Executive Officers, Executive Managing Officers, and Executives who are at the level of Manager or above, or Executives who have authority equivalent thereto.

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
1	Michikatsu Ochi Male (January 18, 1951) Reappointment	<p>Aug. 1983 Established Nihon Brain Center, K.K.</p> <p>Jan. 2000 Established the Company</p> <p>Dec. 2000 President of the Company</p> <p>Jun. 2008 Chairman of the Company</p> <p>Apr. 2015 Chairman and Executive Officer of the Company (incumbent)</p> <p>Reasons for nomination as candidate for Director Mr. Michikatsu Ochi established Nihon Brain Center, K.K. in 1983 and founded the Company in 2000, leading the Company's management as its founder. Based on his extensive experience and achievements, the Company continues to nominate him as a candidate for Director.</p>	4,383,900 shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
2	Takatsugu Suzuki Male (January 3, 1971) Reappointment	<p>Apr. 1995 Joined Nihon Brain Center, K.K.</p> <p>Jan. 2000 Director of the Company</p> <p>Jun. 2008 President of the Company</p> <p>Apr. 2015 President and Executive Officer of the Company (incumbent)</p> <p>[Significant concurrent positions] Chairman and Representative Director of en world Japan K.K. Chairman of Navigos Group Vietnam Joint Stock Company</p> <p>Reasons for nomination as candidate for Director Mr. Takatsugu Suzuki joined Nihon Brain Center, K.K. as a fresh graduate. Subsequently, in connection with the launch of the Company in 2000, he was elected as a Director in recognition of the high regard held for his five (5) years of work performance, sales capabilities, and management skills. Since 2008, he has been responsible for management as a Representative Director. Based on his extensive experience and achievements, the Company continues to nominate him as a candidate for Director.</p>	62,600 shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
3	Megumi Kawai Female (April 12, 1963) Reappointment	<p>Jan. 1990 Joined Nihon Brain Center K.K.</p> <p>Mar. 2005 Director of the Company</p> <p>Apr. 2013 Manager of Brand Planning Office of the Company (incumbent)</p> <p>Apr. 2015 Director and Executive Officer of the Company (incumbent)</p> <p>Reasons for nomination as candidate for Director Ms. Megumi Kawai joined Nihon Brain Center, K.K. mid-career. Subsequently, in connection with the launch of the Company in 2000, she was elected as a Director in recognition of the high regard held for her ten (10) years of work performance and ability to develop new services. Since then, she has been involved in management for many years. Based on her extensive experience and achievements, the Company continues to nominate her as a candidate for Director.</p>	59,000 shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
4	Teruyuki Terada Male (April 22, 1979) New appointment	<p>Apr. 2002 Joined the Company</p> <p>Apr. 2013 Manager of Websites Planning Division of the Company</p> <p>Apr. 2014 Manager of Digital Product Development Division of the Company (incumbent)</p> <p>Apr. 2015 Executive Officer of the Company (incumbent)</p> <p>Reasons for nomination as candidate for Director Mr. Teruyuki Terada joined the Company as a fresh graduate in 2002. Subsequently, he was engaged in corporate sales strategy and marketing to support mid-career recruitment before assuming the office of General Manager of the current division that is in charge of planning, development, and marketing of websites. Since then, he has led the establishment and renewal of many representative web services of the Company, including en TENSHOKU, en BAITO, and engage. Believing that his knowledge of digital technology and extensive achievements will contribute to the development of management strategies of the Company, the Company requests his election as Director.</p>	1,400 shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
5	<p style="text-align: center;">Takuo Iwasaki Male (February 10, 1981) New appointment</p>	<p>Apr. 2003 Joined the Company</p> <p>Oct. 2011 Manager of Metropolitan 1st Sales Group of Mid-Career Recruitment Support Division of the Company</p> <p>Jan. 2013 Head of Nagoya Branch of the Company</p> <p>Apr. 2014 Planning Manager of Mid-Career Recruitment Support Division of the Company</p> <p>Apr. 2016 Manager of Mid-Career Recruitment Media Division of the Company (incumbent)</p> <p>Apr. 2018 Executive Officer of the Company (incumbent)</p> <p>Reasons for nomination as candidate for Director Mr. Takuo Iwasaki joined the Company as a fresh graduate in 2003. Subsequently, he served as a sales manager for the Mid-Career Recruitment Media Division and other positions before he assumed the office of Planning Manager in 2014 and successfully led the major renewal of en TENSHOKU. Since assuming the office of Manager of the Mid-Career Recruitment Media Division in April 2016, he has administered its business as a whole for many years. Believing that his extensive experience and achievements will contribute to the development of the Company's management strategies, the Company proposes his election as Director.</p>	- shares

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
6	<p style="text-align: center;">Igaki Taisuke Male (May 4, 1973) Reappointment</p>	<p>Oct. 2001 Registered as an attorney in Japan Joined Kitahama Partners</p> <p>Jan. 2008 Registered as an attorney in New York State</p> <p>Jun. 2013 LPC Partner of Nishimura & Asahi LPC (incumbent)</p> <p>Jun. 2018 Outside Director of UT Group Co., Ltd. (incumbent) Outside Corporate Auditor of the Company</p> <p>Jun. 2020 Outside Director of the Company (incumbent)</p> <p>[Significant concurrent positions] LPC Partner of Nishimura & Asahi LPC Outside Director of UT Group Co., Ltd.</p> <p>Reasons for nomination as candidate for Outside Director and overview of expected roles Mr. Taisuke Igaki is well-versed in the business of the Company. He has actively provided opinions and advice at the meetings of the Board of Directors of the Company from a comprehensive perspective utilizing his professional experience as an attorney at law and an Outside Director. He is also improving transparency and fairness of the procedures for election and dismissal of Officers and the process for determining remuneration as the chair of the Nomination and Compensation Committee. Determining that he is the right person to supervise management for sustainable growth and improved corporate value of the Group, the Company requests his re-election as an Outside Director. Although he has never been directly involved in corporate management other than as an Outside Director or Outside Corporate Auditor, for the reasons stated above, the Company has determined that he can appropriately perform his duties as an Outside Director.</p>	-

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
7	<p style="text-align: center;">Kayo Murakami Female (September 16, 1967) Reappointment</p>	<p>Sep. 1990 Joined AG Company</p> <p>Dec. 1996 Established KM Connet Limited Company</p> <p>May 2001 Joined Netyear Group Corporation</p> <p>Mar. 2007 Joined Culture Convenience Club Co., Ltd.</p> <p>Sep. 2012 Joined Rakuten, Inc.</p> <p>Sep. 2013 Joined P.G.C.D. JAPAN, Inc.</p> <p>Mar. 2014 Completed the course of Master of Business Administration, Graduate School of Management, GLOBIS University</p> <p>Oct. 2016 Joined Synapse co., ltd.</p> <p>Jun. 2020 Outside Director of the Company (incumbent)</p> <p>Jul. 2020 Representative Partner of Kazu and Company LLC (incumbent)</p> <p>Oct. 2020 Director of Medicalgeek, Ltd.</p> <p>[Significant concurrent positions] Representative Partner of Kazu and Company LLC Director of Medicalgeek, Ltd.</p> <p>Reasons for nomination as candidate for Outside Director and overview of expected roles Ms. Kayo Murakami has extensive knowledge related to web, digital marketing and DX. In addition, taking advantage of her unique perspective as a woman, she has contributed to the promotion of diversity management by actively providing opinions and advice at the meetings of the Board of Directors of the Company and management meetings. She is also improving transparency and fairness of the procedures for election and dismissal of Officers and the process for determining remuneration as a member of the Nomination and Compensation Committee. Determining that she is the right person to supervise management for sustainable growth and improved corporate value of the Group, the Company requests her re-election as an Outside Director.</p>	-

Candidate's No.	Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
8	Wataru Sakakura Male (January 18, 1979) New appointment	<p>Apr. 2001 Joined Corporate Directions, Inc.</p> <p>Jan. 2005 Joined Boston Consulting Group</p> <p>Jan. 2013 Managing Director & Partner of Boston Consulting Group</p> <p>Apr. 2020 Director and Chief Operating Officer of One Capital (incumbent)</p> <p>[Significant concurrent positions]</p> <p>Director and Chief Operating Officer of One Capital</p> <p>Reasons for nomination as candidate for Director and overview of expected roles</p> <p>Mr. Wataru Sakakura has achievements in supporting digital transformation for major corporations for about 20 years at a world-leading strategic consulting firm, while having prominent achievements and knowledge on investment and strategies for SaaS in Japan as COO for One Capital, Inc. Accordingly, the Company believes that he will contribute to the development of the Company's management strategies. Determining because of comparison with other candidates that his experience and knowledge meet the criteria of the personnel the Company seeks, the Company requests his election.</p>	- shares

Notes:

1. The Company has received legal advice from Nishimura & Asahi LPC, a law firm to which Mr. Taisuke Igaki belongs, but the transaction amount is less than 5million yen annually. Mr. Wataru Sakakura concurrently serves as Director and COO for One Capital, Inc. The Company has invested 150 million yen for a purely investment purpose in a partnership that One Capital manages as a general partner, however, there are no transactions occur other than profit sharing. This amount accounts for less than 1% of the Company's total consolidated assets and less than 2% of the total amount invested in the said partner. Because all of the above transactions satisfy the Rules for Determining the Independence of Outside Officers established by the Company, the Company has determined that there are no issues concerning their independence. There are no special interests between Mr. Michikatsu Ochi, Mr. Takatsugu Suzuki, Ms. Megumi Kawai, Mr. Teruyuki Terada, Mr. Takuo Iwasaki and Ms. Kayo Murakami and the Company.
2. Mr. Taisuke Igaki, Ms. Kayo Murakami and Mr. Wataru Sakakura are the candidates for Outside Directors.
3. Mr. Taisuke Igaki and Ms. Kayo Murakami are currently an Outside Directors of the Company, and their term of office is one (1) years ending at the conclusion of the Annual Meeting of Shareholders. In the past, Mr. Taisuke Igaki was an Outside Corporate Auditor of the Company and his term of office as an Outside Corporate Auditor was two (2) years.
4. If Ms. Kayo Murakami and Mr. Wataru Sakakura assume the office of Directors, the Company plans to register Ms. Kayo Murakami and Mr. Wataru Sakakura as Independent Officers stipulated under the rules of the Tokyo Stock Exchange.
5. Mr. Taisuke Igaki fulfills all the requirements for an Independent Officer as stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, and the Company has determined that there is no risk of a conflict of interest between the candidate and general shareholders. However, in accordance with the policy of Nishimura & Asahi LPC, a law firm to which the candidate belongs, the Company will not designate or report the candidate as an Independent Officer.
6. The Company has entered into a limited liability agreement with Mr. Taisuke Igaki and Ms. Kayo Murakami based on the provisions of its Articles of Incorporation to limit their damage compensation

liability as provided for by Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the said Act. The maximum amount of liability under the said agreement shall be the amount prescribed in laws and regulations. If re-election of Mr. Taisuke Igaki and Ms. Kayo Murakami is approved, the Company will continue the above limited liability agreement with them. If Mr. Wataru Sakakura assumes the office of Director, the Company will enter into the same agreement with Mr. Wataru Sakakura.

7. The Company has concluded liability insurance contracts for Officers with an insurance company, that cover Directors, Corporate Auditors, Executive Officers, and Officers of subsidiaries as the insured. These insurance contracts compensate for damages caused at the responsibility assumed by the insured for the execution of their duties or damages claimed related to the pursuit of such responsibility. The Company pays all the insurance premiums. The above insurance contracts do not cover claims for damages caused by intentional acts or gross negligence of the insured. If the candidates assume the offices of Directors, they will become the insured of the above insurance contracts, and the Company plans to renew the above insurance contracts in January 2022.

Item No. 4: Election of One (1) Corporate Auditor

Because the terms of office for Mr. Atsuo Yoshida will expire at the conclusion of the Annual Meeting of Shareholders, the Company requests the election of one (1) new Corporate Auditor.

The term of office of the newly elected Corporate Auditor shall continue until expiration of the term of office of the Corporate Auditor who retires in accordance with the provisions of the Articles of Incorporation of the Company.

With regard to this agenda item, the consent of the Board of Corporate Auditors has been obtained.

The candidate for Corporate Auditor is as follows.

Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
Toshihiko Ishikawa Male (September 6, 1951) New appointment	Apr. 1977 Joined Ernst & Young LLC (Currently Ernst & Young ShinNihon LLC)	100 shares
	Mar. 1981 Joined Business Brain Showa Inc. (Currently Business Brain Show-Ota Inc.)	
	Feb. 1990 Registered as a Certified Public Accountant	
	Jun. 1991 Director of Business Brain Showa-Ota Inc.	
	Jun. 2001 President of Financial Brain Systems Inc.	
	Apr. 2009 President and CEO of Business Brain Showa-Ota Inc.	
	Jun. 2014 CEO of BBS (Thailand) Co., Ltd. (incumbent)	
	Jun. 2020 Chairman of Business Brain Showa-Ota Inc. (incumbent)	
	[Significant concurrent positions] Chairman of Business Brain Showa-Ota Inc. CEO of BBS (Thailand) Co., Ltd.	
	Reasons for nomination as candidate for Corporate Auditor Mr. Toshihiko Ishikawa has extensive experience in corporate management and a high level of attentiveness as a certified public accountant. Accordingly, believing that he will utilize his specialist knowledge, experience, etc. in the auditing system of the Company, the Company requests his election as an Outside Corporate Auditor.	

Notes:

1. There are no special interests between Mr. Toshihiko Ishikawa and the Company.
2. Mr. Toshihiko Ishikawa is the candidate for Outside Corporate Auditor.
3. If Mr. Toshihiko Ishikawa assumes the office of Corporate Auditor, the Company plans to register Mr. Ishikawa as an Independent Officer stipulated under the rules of the Tokyo Stock Exchange.
4. If Mr. Toshihiko Ishikawa assumes the office of Corporate Auditor, the Company will enter into a limited liability agreement with Mr. Ishikawa based on the provisions of its Articles of Incorporation to limit his damage compensation liability as provided for by Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the said Act. The maximum amount of liability under the said agreement shall be the amount prescribed in laws and regulations.
5. The Company has concluded liability insurance contracts for Officers with an insurance company, that cover Directors, Corporate Auditors, Executive Officers, and Officers of subsidiaries as the insured. These insurance contracts compensate for damages caused at the responsibility assumed by the insured for the execution of their duties or damages claimed related to the pursuit of such responsibility. The Company pays all the insurance premiums. The above insurance contracts do not cover claims for damages caused by intentional acts or gross negligence of the insured. If Mr. Toshihiko Ishikawa assumes the office of Director, he will become the insured of the above insurance contracts, and the Company plans to renew the above insurance contracts in January 2022.

The Composition of Directors when Proposal No.3 and Proposal No.4 are Approved
Professional competence and experience of the Company’s Directors and Corporate Auditors are as follow.

Skill matrix

		Attribute		Composition		Business experience/knowledge										expertise
Officer		Independence <small>Company standard ○ Notification filed with TSE ●</small>	gender <small>Male ● Female ○</small>	The Board of Directors <small>Chairman ●</small>	the Nomination and Compensation Committee <small>Chairman ●</small>	Corporate management <small>Experience serving as director/corporate auditor at a listed company.</small>	Experience in Company's business and industry	Brand strategy/marketing/sales	IT/Digital development experience & knowledge	HR/human resource development experience & knowledge	Global business/international experience and language skills	CFO experience/finance/accounting/tax accounting/ M&A experience & knowledge	Legal/compliance/risk management/internal audit experience & knowledge	Experience in ESG/sustainability initiatives	Professional licensure/relevant qualifications	
Director																
Michikatsu Ochi	Director		●	○	○	●	●	●	●		●			●		
Takatsugu Suzuki	Director		●	●	○	●	●	●	●	●	●					
Megumi Kawai	Director		○	○		●	●	●	●	●						
Teruyuki Terada	Director	New appointment	●	○				●	●	●						
Takuo Iwasaki	Director	New appointment	●	○				●	●	●						
Taisuke Igaki	Outside Director		○	●	○	●	▲	●			●	●	●	●	Japanese Attorney/Attorney in the state of New York	
Kayo Murakami	Independent Outside Director		●	○	○	○	▲		●	●	●				Graduate School of Management, GLOBIS University/MBA	
Wataru Sakakura	Independent Outside Director	New appointment	●	●	○		▲		●	●		●				
Corporate Auditor																
Masahiko Ohdo	Full-time Outside Auditor		●	●	○		▲				●		●			
Naoki Otani	Independent Outside Auditor		●	●	○	○	▲	●				●	●		Japanese Attorney	
Toshihiko Ishikawa	Independent Outside Auditor	New appointment	●	●	○		●	●		●		●			Certified Public Accountant, Licensed Tax Accountant	

- Note: 1. The above does not represent all the skills, experience, abilities, and other knowledge and expertise possessed by each person.
2. As a general rule, the “▲” symbol in the corporate management column indicates a total of three or more years of experience, and the “●” symbol a total of five or more years of experience.
3. “Experience” in each column means, as a general rule, having worked in the relevant area or having served in the relevant position for a total of three or more years.

Item No. 5: Election of One (1) Substitute Corporate Auditor

In order to prepare for the case where the number of Corporate Auditors falls short of the number stipulated by laws and regulations, the Company requests the election of one (1) substitute Corporate Auditor in advance.

The effectiveness of election in this proposal may be cancelled based on the concurrence of the Board of Corporate Auditors and by resolution of the Board of Directors provided that the cancellation is made prior to the assumption of office by the nominee.

With regard to this agenda item, the consent of the Board of Corporate Auditors has been obtained.

The candidate for substitute Corporate Auditor is as follows.

Name (Date of birth)	Brief profile and positions	Number of the Company's shares owned
<p>Tomoyuki Otsuki Male (April 1, 1972)</p>	<p>Apr. 1994 Joined Otsuki Management & Labor Consulting Office</p> <p>Jan. 2006 Registered as Labor and Social Security Attorney Head of Ginza Branch Office of Otsuki Management & Labor Consulting Office</p> <p>Jan. 2011 Control Office Manager of Otsuki Management & Labor Consulting Office</p> <p>Dec. 2013 Representative Director of OTSUKI M Co., Ltd. (incumbent) Representative Director of OTSUKI M SINGAPORE PTE, LTD.</p> <p>Jul. 2016 Representative Partner of Otsuki Management & Labor Consulting Office (incumbent)</p> <p>Jun. 2019 Director of Tokyo Metropolitan Labor and Social Security Attorney's Associations (incumbent)</p> <p>[Significant concurrent positions] Representative Partner of Otsuki Management & Labor Consulting Office Representative Director of OTSUKI M Co., Ltd.</p> <p>Reasons for nomination as candidate for substitute Corporate Auditor Mr. Tomoyuki Otsuki has extensive knowledge and experience as a labor and social security attorney. The Company believes that he can leverage his expertise in enhancing its risk management structure and nominates him as a candidate for substitute Outside Corporate Auditor.</p>	<p>- shares</p>

Notes:

1. The Company entered into an advisory contract with Otsuki Management & Labor Consulting Office, for which Mr. Tomoyuki Otsuki serves as a Representative Director, but the amount of remuneration is not more than 5 million yen per year. Because such contract satisfies the Rules for Determining Independence of Outside Officers established by the Company, the Company has determined that there are no issues concerning his independence.
2. Mr. Tomoyuki Otsuki is the candidate for substitute Outside Corporate Auditor.
3. If Mr. Tomoyuki Otsuki assumes the office of Corporate Auditor, the Company plans to register Mr. Otsuki as an Independent Officer stipulated under the rules of the Tokyo Stock Exchange.
4. If Mr. Tomoyuki Otsuki assumes the office of Corporate Auditor, the Company will enter into a limited liability agreement with Mr. Otsuki based on the provisions of its Articles of Incorporation to limit his damage compensation liability as provided for by Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the said Act. The maximum amount of liability under the said agreement shall be the amount prescribed in laws and regulations.
5. The Company has concluded liability insurance contracts for Officers with an insurance company, that cover Directors, Corporate Auditors, Executive Officers, and Officers of subsidiaries as the insured. These insurance contracts compensate for damages caused at the responsibility assumed by the insured for the execution of their duties or damages claimed related to the pursuit of such responsibility. The Company pays all the insurance premiums. The above insurance contracts do not cover claims for damages caused by intentional acts or gross negligence of the insured. If Mr. Tomoyuki Otsuki assumes the office of Director, he will become the insured of the above insurance contracts, and the Company plans to renew the above insurance contracts in January 2022.

Item No. 6: Revision of Amount of Remuneration for Directors

After consulting the Nomination and Compensation Committee, which is mainly composed of outside officers, the Company Board of Directors has decided, in light of the recommendations from the committee, to introduce a bonus for Internal Directors (within the current remuneration range) in addition to the existing fixed remuneration with the aim of improving short-term performance results.

The meeting of shareholders held on March 27, 2008 approved 200 million yen per annum as the maximum total amount of remuneration for a Director of the Company, and this amount has been adopted to the present. In this Annual Meeting of Shareholders, since the Company proposes to increase the number of Directors by three (3) to further reinforce the management system of the Company as described in Item No. 3, the Company requests to revise the maximum amount of remuneration from 200 million yen per annum in total to 300 million yen per annum in total, in addition to the introduction of the above new remuneration scheme.

Objectivity and transparency are ensured in the remuneration determination process. This is because the bonus to be introduced will be calculated for each Director by multiplying the base amount specified according to the Director's position and responsibility by the payout rate based on evaluation weights of three indicators—consolidated net sales, consolidated operating income, consolidated profit—as well as the target achievement rate. The Company also believes that introducing the bonus will lead to further sharing of value with shareholders and has proposed to increase the number of Directors. Furthermore, the Company has consulted with and been advised by the Nomination and Compensation Committee on the proposed revision. Therefore, the Company believes that the above revision of the maximum remuneration is appropriate.

The meeting of shareholders held on June 25, 2014 approved 100 million yen as the maximum total amount of share-remuneration type stock options granted as remuneration for an Inside Director, aside from the aforementioned remuneration for Directors. The Company proposes to exclude these share-remuneration type stock options from the remuneration amounts for Directors of the Company after revision based on this agenda item.

The Company also proposes that the remuneration for Directors does not include employee salaries for Directors who concurrently serve as employees.

While the current number of Directors is five (5) (including two (2) Outside Directors), the number of Directors will be eight (8) (including three (3) Outside Directors) if Item No. 3 is adopted as proposed.

(Exhibit)

Business Report

From April 1, 2020
to March 31, 2021

1. State of Corporate Group

(1) State of Business for the Current Fiscal Year

1) Business progress and results

(unit: Million yen)

Net Sales	Prior Fiscal Year (From April 1, 2019 to March 31, 2020)	Current Fiscal Year (From April 1, 2020 to March 31, 2021)	Change	Percent change (%)
Domestic Job Board	32,126	21,774	-10,352	-32.2%
Domestic Permanent Recruitment	11,878	9,385	-2,493	-21.0%
Overseas	10,745	8,011	-2,733	-25.4%
HR-Tech	475	1,215	739	155.7%
Other business/Subsidiaries	2,113	2,694	580	27.5%

(a) Domestic Job Board

The number of postings on job advertisement websites in Japan dropped sharply as the spread of COVID-19 resulted in a decline in recruitment demand and a suspension of hiring. The number of job openings continued to recover at a moderate pace after bottoming out last May during the first half of the previous fiscal year. In the second fiscal half, client companies saw their performance and outlook for their business environments improve, although there were some differences between industries. This resulted in an increased hiring demand in anticipation of the next fiscal year and beyond, which spurred the recovery.

As a result, net sales of Domestic Job Board amounted to ¥21,774 million down 32.2% year on year.

(b) Domestic Permanent Recruitment

Domestic Permanent Recruitment was affected by the declining hiring demand due to the spread of COVID-19, but experienced a smaller decrease in overall sales than did job advertisement websites in Japan. The recruitment and hiring rate of young people, or those with potential, is unlikely to return to the pre-COVID level due primarily to the strong demand from corporations looking to employ work-ready personnel. This caused net sales to fall substantially and take a long time to recover. Net sales for recruitment of specialists and those with a high level of expertise recovered steadily without falling sharply, although this was also affected by the declining hiring demand.

As a result, net sales of Domestic Permanent Recruitment amounted to ¥9,385 million down 21.0% year on year.

(c) Overseas

Outside Japan, the Company operates mainly in Vietnam and India. Financial results of overseas operations are accounted for three months later.

Overall, the overseas business saw its net sales hit bottom in the third quarter (from July to September 2020 local time) of the fiscal year ended March 31, 2021, and get back on a recovery track in the fourth quarter.

In Vietnam, where the operation of job advertisement websites is the primary business, net sales for the second quarter (from April to June 2020 local time) of the fiscal year ended March 31, 2021, significantly dropped due to a rapid downturn in economic activity and dwindling hiring demand. Hiring demand subsequently recovered, although at a moderate pace, as economic activity resumed in Vietnam, narrowing the quarterly decline in sales.

In India, where the Company operates primarily an IT-related temporary staffing business, it remained in operation through teleworking and other means, although the business was affected by the spread of COVID-19. Net sales hit bottom in the third quarter (from July to September 2020 local time) of the fiscal year ended March 31, 2021, and got on the recovery track in the fourth quarter.

As a result of the above, net sales of overseas business amounted to ¥8,011 million down 25.4% year on year.

(d) HR-Tech

The total number of user companies of “engage” steadily increased to 330,000 (as of March 2021). The number of job offers created via “engage” (both via fee-based and free services) steadily increased, promoting active use by client companies.

Affected by the spread of COVID-19, the number of companies using the fee-based service decreased in the first quarter of the fiscal year ended March 31, 2021, on a quarter-on-quarter basis, but began to increase in the second quarter. In March 2021, the Company launched Engage, a job posting site consolidating job advertisements created via “engage.” The site has been up and running with the largest number of job postings in Japan for everything from full-time positions to part-time job and intern opportunities at some 100,000 companies.

As a result of the above, net sales of HR-Tech amounted to ¥1,215 million up 155.7 % year on year. As a result, net sales in the current consolidated fiscal year amounted to ¥42,725 million (a decrease of 24.8% year on year), operating income amounted to ¥7,771 million (a decrease of 29.4% year on year), ordinary income amounted to ¥7,939 million (a decrease of 28.2% year on year) and Profit attributable to owners of parent amounted to ¥3,502 million (a decrease of 50.9% year on year).

(Unit: Million yen)

	Current Fiscal Year (From April 1, 2020 to March 31, 2021)	Percent change (%)
Net sales	42,725	Down 24.8%
Operating income	7,771	Down 29.4%
Ordinary income	7,939	Down 28.2%
Profit attributable to owners of parent	3,502	Down 50.9%

2) Capital investment

During the current fiscal year, the Company invested a total of ¥1,818 million, and investments are mainly as follows.

- Websites development, additional repairs, etc.

3) Fund procurement

The Company has concluded an overdraft facility agreement (maximum amount of ¥1,000 million) and a committed credit line (maximum amount of ¥5,000 million) with a bank. There are no borrowings outstanding as of the end of the current fiscal year.

4) Business transfers, Absorption-type Demerger or Incorporation-type Demerger

Not applicable.

5) Assignment of business from other companies

Not applicable.

6) Succession of right obligation related to other entities business through an absorption-type merger or an absorption-type Demerger

Not applicable.

7) Acquisition or Disposal of shares, other equity interests or subscription rights to shares, etc. of other companies

Not applicable.

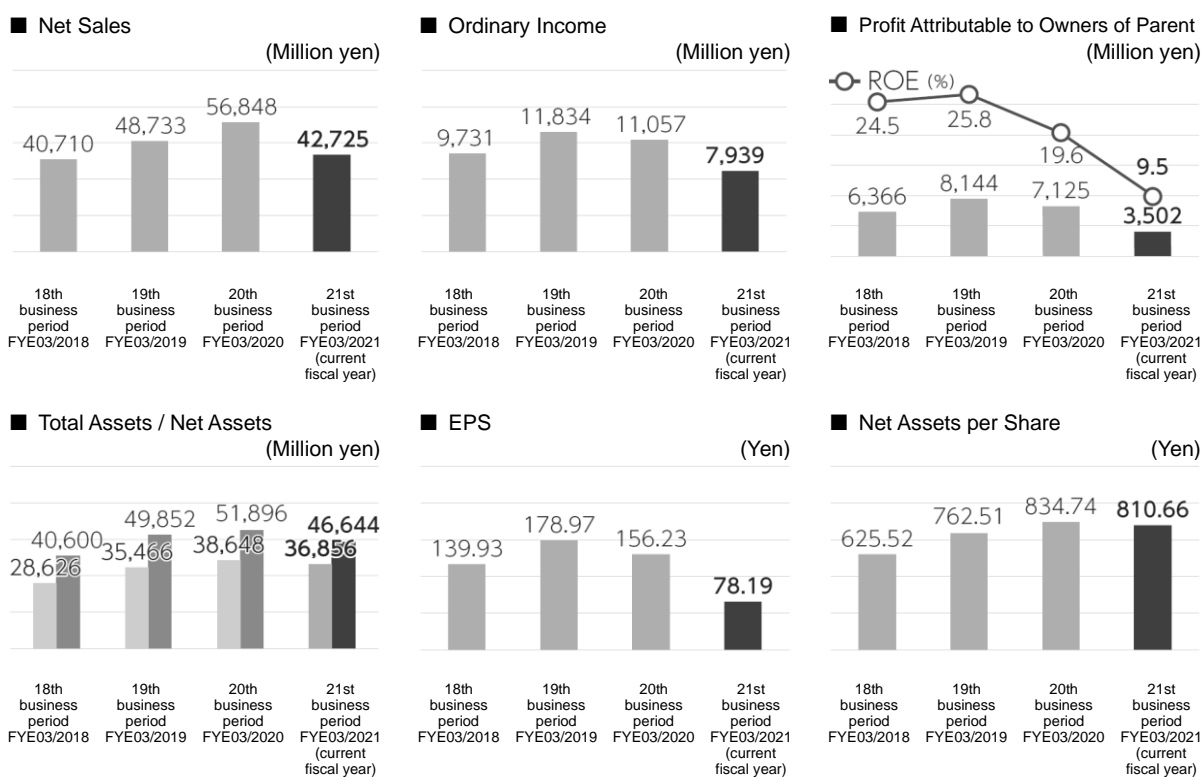
(2) Trends in Assets, Profits and Losses

(Unit: Millions of yen)

Item	Fiscal 2018 18th business period	Fiscal 2019 19th business period	Fiscal 2020 20th business period	Fiscal 2021 21st business period (current fiscal year)
Net sales	40,710	48,733	56,848	42,725
Ordinary income	9,731	11,834	11,057	7,939
Profit attributable to owners of parent	6,366	8,144	7,125	3,502
Profit per share (yen)	139.93	178.97	156.23	78.19
Total assets	40,600	49,852	51,896	46,644
Net assets	28,626	35,466	38,648	36,856
Net asset per share (yen)	625.52	762.51	834.74	810.66
ROE (%)	24.5	25.8	19.6	9.5

Notes:

1. Consumption tax is not included in net sales.
2. In the 19th business period, the Company finalized the accounting treatment related to business combinations. For assets, profits, and losses for the 18th business period, the amounts shown above reflect significant revisions in the initial allocation amounts of the acquisition cost that have been determined as a result of provisional accounting treatment.



(3) Important Information on Parent Company and Subsidiaries

a) Relationship with parent company

Not applicable

b) Status of important subsidiaries

Name	Capital stock	Ratio of voting rights	Main Business
en world Japan K.K.	65 million yen	100%	Permanent Recruitment, Temporary staffing
Navigos Group Vietnam Joint Stock Company	63,912 million VND	100%	Job Board business Permanent Recruitment
Future Focus Infotech Pvt,Ltd.	25 million INR	85.8%	IT Permanent Recruitment

Notes:

1. Of the ratio of voting rights of the Company for Navigos Group Vietnam Joint Stock Company, 100.0% is based on indirect ownership through consolidated subsidiaries of the Company.
2. Of the ratio of voting of the Company for Future Focus Infotech Pvt, Ltd., 85.8% is based on indirect ownership through consolidated subsidiaries of the Company.
3. There are no subsidiaries that fall within the category of specified wholly-owned subsidiary.

(4) Issues to Deal with

We project that the operating environment of Japan's human resources business market to which the en-japan Group belongs will, in general, continue to see resilient hiring demand from corporations. This is against the backdrop of a structural shortage of workers caused by a decline in the working population, changes in industrial structures and other factors.

In the short term, while economic activities and recruitment activities have stagnated due to the COVID-19 pandemic, recruitment demand is expected to recover to the pre-pandemic level as daily life goes back to normal due to the spread of vaccines, etc. In addition, owing to a change in the way of working including teleworking and the promotion of digital transformation at companies, the Group expects a change in job seekers' attitude toward job changes and growth industries. In these circumstances, the Company believes that job changes across industries will be promoted, potentially resulting in more liquidity in employment.

In the overseas human resources business market, both Vietnam and India, which we are focusing on, have delivered economic growth faster than that of major developed countries. Given the large population and low average age, we see high growth potential over the medium to long term. Additionally, the IT and technology markets are widely expected to grow, and the need for human resources in these areas is high. As such, we anticipate strong growth, especially of IT-related offshore development in these two countries.

In these circumstances, the Group expects the diversified use and selection of its services among the job seekers and companies hiring them, in addition to higher liquidity of employment. Therefore, the Group will improve the quality of user-first services, which are its traditional strengths, and take advantage of know-how to support job hunting and job changes, with the goal of "Success after Joining." By connecting this with client companies' successful recruitment and new employees' success after joining that contributes to the performance of client companies, the Group will reinforce its inimitable and unique services.

In addition, the shift to HR-Tech services such as "engage" will enable us to efficiently provide our services to customers in regions or with enterprise sizes that were hard for us to reach in a conventional way. The number of options for job seekers will increase, and we will be able to pursue "Success After Joining" for more client companies and job seekers.

Furthermore, we intend to strengthen M&A and investment activities in DX support as well as the human resource / non-human resource services where robust growth is expected. Through these measures, the Group will reinforce the linkage with databases of client companies and job seekers that the Group owns in order to generate new businesses and quickly enter and drive growth of promising areas that have potential to expand.

(5) Main Businesses (As of March 31, 2021)

Business	Main Service
Human Resource Service	<ul style="list-style-type: none">▪ Job Board business Main boards are en TENSHOKU, en HAKEN, MIDDLE NO TESHOKU, VietnamWorks, etc.▪ Permanent Recruitment Main brands are en world Japan K.K., en AGENTS, etc.▪ Temporary staffing Future Focus Infotech Pvt, Ltd. (IT staffing), part of en world Japan K.K. business (specialist staffing)▪ HR-Tech service Mainly engage▪ Others Providing recruiting management and business management, supporting service for promoting various human resource such as encourage

(6) Main Offices (As of March 31, 2021)

1) The Company

Name	Location
Head Office	Shinjuku-ku, Tokyo
Branch Office	Osaka, Nagoya, Yokohama, Fukuoka, Others

2) Subsidiaries

Name	Location
en world Japan K.K.	Chuo-ku, Tokyo
Navigos Group Vietnam Joint Stock Company	Ho Chi Minh city, Vietnam
Future Focus Infotech Pvt,Ltd..	Chennai, India

(7) Employees (As of March 31, 2021)

1) The Group

Number of employees	Change from the end of the previous fiscal year
2,853	Down 694

Note: 1. The number of employees represents the number of full-time employees and does not include twenty (20) temporary (part-time) employees.

2. The major reasons for the decline in the number of employees compared with the end of the previous consolidated fiscal year include restricted recruitment activities and a natural reduction in voluntary resignations in Japan, and personnel cuts in overseas.

2) The Company

Number of employees	Change from the end of the previous fiscal year	Average age	Average years of service
1,407	Down 210	29 years 10 months	4 years 8 months

Note: 1. The number of employees represents the number of full-time employees and does not include twenty-four (24) employees loaned to other companies and five (5) temporary (part-time) employees.

2. The major reasons for the decline in the number of employees compared with the end of the previous consolidated fiscal year include restricted recruitment activities and a natural reduction in voluntary resignations.

(8) Major Creditors (As of March 31, 2021)

Not applicable.

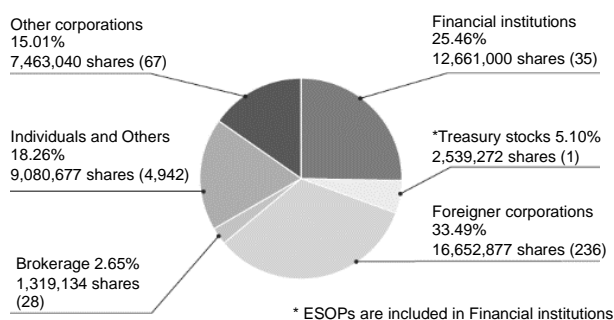
(9) Other Important Matters concerning the Group

Not applicable.

2. State of the Company

(1) Shares (As of March 31, 2021)

- 1) Total Number of Shares
Authorized to Be Issued: 187,200,000
- 2) Total Number of
Shares Outstanding: 44,792,328
(Excluding treasury shares of 4,923,672)
- 3) Number of Shareholders: 5,309
- 4) Major Shareholders (Top 10):



Name of shareholder	Number of shares owned	Ratio of shareholding
Michikatsu Ochi	4,383,900	9.79%
The Master Trust Bank of Japan, Ltd. (Account in trust)	3,523,300	7.87
en Foundation for HR development	3,060,000	6.83
Custody Bank of Japan, Ltd. (Account in trust)	2,884,500	6.44
en Kikaku, Ltd.	2,184,800	4.88
MO Research Institute inc.	2,127,000	4.75
THE BANK OF NEW YORK MELLON 140044	1,609,200	3.59
Akiyuki Ochi	1,475,200	3.29
NORTHERN TRUST CO.(AVFC) RE MONDRIAN INTERNATIONAL SMALL CAP EQUITY FUND,L.P.	1,451,400	3.24
THE BANK OF NEW YORK MELLON 140042	777,310	1.74

Note: 1. The above excludes 2,539,272 treasury shares owned by the Company, which are ranked fifth, and 2,384,400 shares of the Company owned by Custody Bank of Japan, Ltd. (Trust E Account), which are ranked sixth.

2. The ratio of shareholding was calculated by subtracting the number of treasury shares (4,923,672 shares).

- 5) Share Warrants Granted to the Company's Directors as Compensation for the Execution of Duties during the Current Fiscal Year
Not applicable.

6) Other Important Matters Concerning Shares

The Company resolved to acquire treasury shares in a written resolution dated March 25, 2020 in lieu of a resolution of the Board of Directors and acquired the following in accordance with Article 156 of the Companies Act whose text is deemed to be replaced under Article 165-3 of the Companies Act.

- a. Type of stock acquired: Common stock
- b. Total number of shares acquired: 496,200 shares
- c. Acquisition Price: 1,000,000,000 yen
- d. Period of buying back own shares: From April 1, 2020 to April 24, 2020

(2) Share Warrants and Others

1) Warrants Held by the Company's Executive Officers as Compensation for the Execution of Duties

Share warrants by resolution of the Board of Directors held on May 29, 2015

Section	Directors (excluding Outside Directors)
Amount paid for share warrants	No payment required
Execution price for share warrants	200 yen per share
Execution period for share warrants	From July 1, 2015 to June 30, 2033
Execution condition for share warrants	Share warrants can be exercised on and after a date that is earlier of the date three (3) years from the next day of the allocation date or the next day of the date of losing the status of Director, Corporate Auditor, or Executive Officer of the Company or subsidiaries of the Company.
Number of holders	3
Number of share warrants	244
Type and number of share to be delivered upon exercise	Common stock, 48,800shares

Note: 1. The number of shares underlying 1 (one) share warrant is 200.

2. The execution period and the execution conditions have been amended by an allocation contract as follows:

Exercise period: From July 1, 2020 to June 30, 2033

Exercise condition:

- 1) At the time of executing share warrants, the holder must be an officer or an employee of the Company or an affiliate of the Company. However, in the case that the holder becomes an officer or an employee of a company other than the Company or affiliates of the Company for reasons to do with the Company, the execution of share warrants is permitted.
- 2) The share warrant holder must achieve performance goals, etc. that have been set individually.
- 3) The details of the conditions shown in 1) and 2) above and other conditions shall be provided in the allocation contract.

2) Share Warrants Granted to the Company's Employees and Other Staff as Compensation for the Execution of Duties during the Current Fiscal Year

Not applicable.

3) Other Important Matters Concerning Share Warrants

Not applicable.

3. Executive Officers

(1) Directors and Corporate Auditors (As of March 31, 2021)

Position and responsibility	Name	Significant concurrent positions
Chairman	Michikatsu Ochi	Executive Officer
President	Takatsugu Suzuki	Executive Officer Chairman and Representative Director of en world Japan K.K. Chairman of Navigos Group Vietnam Joint Stock Company
Director	Megumi Kawai	Executive Officer Manager of Brand Planning Office of the Company
Director (Outside)	Taisuke Igaki	LPC Partner of Nishimura & Asahi LPC Outside Director of UT Group Co., Ltd.
Director (Outside) (Independent)	Kayo Murakami	Representative Partner of Kazu and Company LLC Director of Medicalgeek, Ltd.—
Full-time Corporate Auditor (Outside) (Independent)	Masahiko Ohdo	—
Corporate Auditor (Outside) (Independent)	Atsuo Yoshida	Representative of Yoshida Atsuo Accounting Firm
Corporate Auditor (Outside) (Independent)	Naoki Otani	Outside Director of MYSTAR ENGINEERING CORP. Head of Buyout Investments of Japan Post Investment Corporation

Notes:

1. Directors Mr. Taisuke Igaki and Ms. Kayo Murakami are Outside Directors.
2. Corporate Auditors Mr. Masahiko Ohdo, Mr. Atsuo Yoshida and Mr. Naoki Otani are Outside Corporate Auditors.
3. Corporate Auditor Mr. Atsuo Yoshida is a licensed tax accountant and has considerable knowledge of fiancé and accounting.
4. The Company has registered Director Ms. Kayo Murakami and Corporate Auditors Mr. Masahiko Ohdo, Mr. Atsuo Yoshida and Mr. Naoki Otani as Independent Officers stipulated under the rules of the Tokyo Stock Exchange.

5. Directors and Corporate Auditors who retired during the current fiscal year

Position at the time of retirement	Name	Responsibility at the time of retirement and significant concurrent positions	Date of retirement
Director	Yasunori Kusumi		June 24, 2020
Director	Kazunori Saito	CEO of Accurious, Ltd. Representative Director of Exponential Japan Co., Ltd. Director and CFO of Spectee Inc. Director of Irobotics Co, Ltd.	June 24, 2020
Director	Taisuke Igaki	LPC Partner of Nishimura & Asahi LPC Outside Director of UT Group Co., Ltd.	June 24, 2020

Note: Mr. Yasunori Kusumi and Mr. Kazunori Saito retired due to the expiration of their term of office. Mr. Taisuke Igaki retired due to assuming the office of Director.

(2) Outline of contracts for limitations of liability

The Company has concluded liability limitation agreements with all Outside Directors and Corporate Auditors as stipulated in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability based on such agreements is the amount as stipulated in Article 425, Paragraph 1 of the Companies Act.

(3) Outline of contracts for Officer Liability Insurance

The Company has concluded officer liability insurance contracts in which the insured include Directors, Corporate Auditors, Executive Officers, and officers of the subsidiaries who are incumbent in and after January 2021, in order to indemnify the insured for damages caused by the responsibility assumed by the insured for their execution of duties and claims made related to the pursuit of such responsibility. The Company pays all the insurance premiums. Since claims for damages caused by the willful misconduct or gross negligence of the insured are not covered by the above insurance policy, the Company has taken measures to ensure that nothing will impede officers and other personnel from appropriately executing their duties.

(4) Compensation and Other Amounts to Directors and Corporate Auditors for the Current Fiscal Year

a. Matters related to the policy for determining compensation and other amounts to individual Directors and Corporate Auditors

The Company, at the Board of Directors Meeting held in February 26, 2021, has defined the policy for determining (hereinafter referred to as “determination policy”) remuneration for individual Directors linked with shareholder interests so that remuneration adequately functions as an incentive to sustainably improve corporate value. Remuneration for Directors is examined by the Nomination and Compensation Committee, which was established on April 24, 2020 as an advisory body of the Board of Directors and is composed mainly of Outside Officers. Then the Committee reports its recommendations to the Board of Directors, and Representative Director, who is given the authority of determination from the Board of Directors shall determine the amounts of remuneration for individual Directors based on the said recommendations.

The remuneration for Corporate Auditors consists only of a fixed compensation amount paid on a regular basis (basic remuneration) in order to ensure independence and objectivity in auditing management. The amount of remuneration for each Corporate Auditor is determined through consultation with the Board of Corporate Auditors.

b. Matters related to the resolution for compensation and other amounts to Directors and Corporate Auditors at the meeting of shareholders

The maximum remuneration for a Director was set at 200 million yen per annum in total at a resolution of the meeting of shareholders held on March 27, 2008. The number of Directors as of the conclusion of the said meeting of shareholders was six (6). In addition, the maximum total amount of share-remuneration type stock options granted as remuneration for an Inside Director was set at 100 million yen per annum by a resolution of the meeting of shareholders held on June 25, 2014. The number of Directors (excluding Outside Directors) as of the conclusion of the said meeting of shareholders was four (4) and the number of Outside Directors was zero (0).

The maximum remuneration for a Corporate Auditor was set at 30 million yen per annum in total by a resolution of the meeting of shareholders held on March 27, 2008. The number of Corporate Auditors as of the conclusion of the said meeting of shareholders was three (3).

c. Matters related to delegation of authority for determining compensation and other amounts to individual Directors

For the current fiscal year, the fixed amounts of remuneration for individual Directors were determined under the leadership of Chairman and Representative Director Michikatsu Ochi based on a resolution of the Board of Directors meeting held on June 24, 2020 to delegate the authority of determination. The authority of determination was delegated because the Company determined that determination through discussions of Internal Directors is the most appropriate way. The Board of Directors consulted and received recommendations from the Nomination and Compensation Committee, which is composed mainly of Outside Officers, so that the said authority is exercised appropriately, and the amounts of remuneration were determined based on the said recommendations. Thus, the Company determined that it is in accordance with the determination policy. It should be noted that officer's remuneration for the current fiscal year was fixed remuneration only and share-remuneration type stock option was not granted.

d. Compensation and Other Amounts to Directors and Corporate Auditors

Category	Total amount of compensation (million yen)	Compensation and other amount by type (million yen)			Number of eligible Officers
		Basic compensation	Performance-linked compensation, etc.	Non-monetary compensation, etc.	
Directors (of which, Outside Directors)	86 (6)	85 (6)	1	-	7 (4)
Corporate Auditors (of which, Outside Directors)	10 (10)	10 (10)	-	-	4 (4)

Notes: 1. The amount of performance-based remuneration, etc. is the amount of expenses recorded during the fiscal year under review related to stock acquisition rights granted as stock options to Directors (excluding Outside Directors).

2. The number of Directors and Corporate Auditors shown above include two Directors and one Corporate Auditor who retired at the conclusion of the 20th Annual Meeting of Shareholders held on June 24, 2020.

(5) Outside Executive Officers

1) Major activities at the Company

Position	Name	Status of attendance of the Board of Directors Meetings	Status of attendance of the Board of the Auditors Meetings	Major activities at the Company
Outside Director	Taisuke Igaki	12 / 12 (100%)	2 / 2 (100%)	Director Taisuke Igaki has provided indications and opinions useful for the Company's management based on his professional view as an attorney.
	Kayo Murakami	10 / 10 (100%)	-	Director Kayo Murakami has provided indications and opinions useful for the Company's management based on her extensive experience related to web, digital marketing and DX, and unique perspective as a woman.
Outside Corporate Auditor	Masahiko Ohdo	12 / 12 (100%)	12 / 12 (100%)	Corporate Auditor Masahiko Ohdo has provided indications and opinions useful for the Company's management based on his extensive experience and knowledge on corporate management.
	Atsuo Yoshida	12 / 12 (100%)	12 / 12 (100%)	Corporate Auditor Atsuo Yoshida has provided indications and opinions useful for the Company's management based on his professional view as a licensed tax accountant.
	Naoki Otani	10 / 10 (100%)	10 / 10 (100%)	Corporate Auditor Naoki Otani has provided indications and opinions useful for the Company's management based on his extensive experience on corporate management and PE investment, as well as his professional view as an attorney.

Note: 1. Mr. Taisuke Igaki retired from the position of Corporate Auditor and assumed office of Director at the Annual Meeting of Shareholders held on June 24, 2020. Therefore, he did not attend the meetings of the Board of Directors held in April and May 2020 as a Director.

2. Ms. Kayo Murakami assumed office of Director at the Annual Meeting of Shareholders held on June 24, 2020. Therefore, she did not attend the meetings of the Board of Directors held in April and May 2020.

3. Mr. Naoki Otani assumed office of Corporate Auditor at the Annual Meeting of Shareholders held on June 24, 2020. Therefore, he did not attend the meetings of the Board of Directors and the Board of Auditors held in April and May 2020.

2) Outline of duties executed for the roles expected to be played by Outside Directors

Director Taisuke Igaki has provided indications and opinions useful for the Company's management in the meetings of the Board of Directors primarily from the professional perspective of an attorney. He has also improved transparency and fairness in the election and dismissal of officers and the process of determining remuneration as the chair of the Nomination and Compensation Committee.

Director Kayo Murakami has provided indications and opinions useful for the Company's management in the meetings of the Board of Directors and the management meetings based on her extensive experience related to the web, digital marketing, and DX from the perspective unique to a female. She has also improved transparency and fairness in the election and dismissal of officers and the process of determining remuneration as a member of the Nomination and Compensation Committee.

3) Significant concurrent positions and their relationship to the Company

Director Taisuke Igaki concurrently serves as LPC Partner of Nishimura & Asahi LPC and Outside Director of UT Group Co., Ltd. The Company has received legal advice from Nishimura & Asahi LPC. However, the amount of the transaction with the law firm is not more than 5 million yen per year, which the Company believes is a small amount. There are no other interests that should be disclosed.

Director Kayo Murakami concurrently serves as Representative Partner of Kazu and Company LLC and Director of Medicalgeek, Ltd. There are no special interests between those corporations and the Company

Corporate Auditor Atsuo Yoshida concurrently serves as Representative of Yoshida Atsuo Accounting Office. Yoshida Atsuo Accounting Office has used en TENSHOKU, but all the transactions were carried out under conditions similar to those for normal transactions, and account for not more than 1% of the consolidated net sales of the Company, which the Company believes is a small amount. There are no other interests that should be disclosed.

Corporate Auditor Naoki Otani concurrently serves as Outside Director of MYSTAR ENGINEERING CORP. and Head of Buyout Investments of Japan Post Investment Corporation. There are no special interests between those corporations and the Company.

4. Accounting Auditor

(1) Name of Accounting Auditor

Ernst & Young ShinNihon LLC

(2) Compensations and Other Amounts to the Accounting Auditor for the Current Fiscal Year

	Amount of payment
Compensations and other amounts related to services stipulated in Article 2 Paragraph 1 of Certified Public Accountants act	32,000,000 yen
Compensations and other amounts for services other than those stipulated in Article 2 Paragraph 1 of Certified Public Accountants act	18,000,000 yen
Total amount of cash and other property benefits paid to the Accounting Auditor by the Company and its subsidiaries	50,000,000 yen

Notes:

1. Some consolidated subsidiaries of the Company are audited by an auditing firm other than the Accounting Auditor of the Company.
2. Reasons why the Board of Corporate Auditors agreed on the remuneration for the Accounting Auditor

The Board of Corporate Auditors has given consent, as stipulated in Article 399, Paragraph 1 of the Companies Act, to the remuneration for the Accounting Auditor as a result of a review of the trends in audit hours and audit fees in the audit plan as well as the audit plans and results in past fiscal years, and the examination of appropriateness of the estimated remuneration amounts, based on the “Practical Guidelines for Cooperation with Accounting Auditors” published by the Japan Audit & Supervisory Board Members Association.
3. The audit contract between the Company and the Accounting Auditor has not differentiated between the amount of the fee for an audit based on the Companies Act and the amount of the fee for an audit based on the Financial Instruments and Exchange Act, and it is also impossible to distinguish those amounts practically. Therefore, the amounts shown above represent the total of those amounts.

4. The Company has paid fees for advisory and instruction services related to the application of accounting standards for revenue recognition, which are services other than ones under Article 2, Paragraph 1 of the Certified Public Accountants Act.

(3) Policy for Determining the Dismissal or Non-reappointment of the Accounting Auditor

The Board of Corporate Auditors shall decide proposals for dismissal or non-reappointment of the Accounting Auditor in the event that there is an obstacle to the execution of duties by the Accounting Auditor or in other cases where the Board finds it necessary. Based on this decision, the Board of Directors shall submit those proposals to the general meeting of shareholders.

In addition, if the Accounting Auditor is found to fall under matters stipulated in any Item of Article 340, Paragraph 1 of the Companies Act, the Board of Corporate Auditors shall dismiss the Accounting Auditor based on the unanimous agreement of the Corporate Auditors. In this case, the Corporate Auditors selected by the Board of Corporate Auditors shall report the dismissal of the Accounting Auditor and the reasons for the dismissal in the general meeting of shareholders held for the first time after the dismissal.

5. Systems to Ensure the Appropriateness of Business Operations

The following is an outline of resolutions for systems to ensure that Directors perform their duties in compliance with laws, regulations and the Company's Articles of Incorporation, and other systems to ensure the appropriateness of the Company's business operations.

(Basic Policy regarding Internal Control System, and its Maintenance and Operations)

(1) Basic Policy

Through our business, we aim to be a company that delivers wide ranging benefits to society, including our shareholders, clients, and other stakeholders. To this end, we have positioned the establishment of an organizational structure that can respond to changes in the business environment as an important measure for the Group as a whole. To support strong growth of our Group, we are working to strengthen and enhance corporate governance and undertaking the creation of a fair management system.

In addition, we believe that enhancing the ethics and integrity of our officers and employees is a basic prerequisite for gaining the genuine trust of our various stakeholders. The corporate philosophy of the Company includes social justice, which is an expression of the Company's *raison d'être* that the Company must do right things in the world and become useful to the world. Going forward, we will continue to position this philosophy and mindset as a keystone of our officers and employees' conduct, and ensure sound management by further refining our internal control systems through means such as thoroughgoing compliance education, and ensuring the proper functioning of those systems.

(2) Status of Progress on Establishing Internal Controls

- a. System to ensure efficient performance of duties by directors and employees of the Company and Group companies

The Company holds regular Board of Directors meetings once a month, and holds additional Board of Directors meetings when necessary. We have established a system that enables agility and swift decision-making on matters of importance to the en Japan Group. The Board of Directors has

also established a body to oversee the performance of duties by directors to ensure that those duties are properly performed. The Board of Directors formulates and promotes concrete policies and measures aimed at achieving the management plan, ascertains the status of progress on achieving goals and challenges that exist, and takes steps to resolve any challenges.

- b. System for ensuring that the performance of duties by directors and employees of the Company and Group is in accordance with laws, regulations and the Articles of Incorporation

The Company has established a compliance structure for overseeing the compliance function in the entire group. The Compliance Division is responsible for the work involved in promoting compliance activities across all organizations in the group. The Compliance Division works with each company in the group to establish a compliance structure for the region it is in charge of, and promotes compliance with laws and regulations and internal company rules as well as other compliance activities. The Internal Audit Department, which reports directly to the president and representative director, is in charge of the internal auditing function, and works to monitor the status of compliance with internal controls. It also performs regular internal audits and works together with the Board of Corporate Auditors by exchanging opinions on the results of such audits, and cooperating in other ways. Internal audit reports are submitted to the president and representative director from the head of the Internal Audit Department.

Whistleblowing system: The Company has established a system to protect whistleblowers by establishing the Rules on Treatment of Public-Interest Whistleblowers. Under this system, an employee who has become aware of actions that he or she suspects is a compliance violation can report it to the internal whistleblowing hotline and the company will protect the whistleblower from any repercussions.

- c. System for retaining and managing information relating to performance of duties by Company directors

The Company has established rules on the retention period and method of management for documents (including electronically recorded documents) that contain information on the performance of duties by directors. The information is retained and properly managed in accordance with these rules.

- d. Rules on and system for managing the risk of loss at the Company and Group companies

The person responsible for risks associated with routine conduct of business in each division works to predict and gauge the extent of such risks and takes steps to prevent them from materializing. Risks associated with each division are also reported to the Board of Directors and the president and representative director, who then swiftly take the appropriate

steps to address them. In an emergency, the Company will activate an emergency response headquarters with the president in charge. The emergency response headquarters will work together with an attorney and other external experts to respond rapidly to prevent greater damages or loss and mitigate it to the extent possible.

- e. System to ensure proper conduct of operations by the Company and companies that are part of Company groups that make up the en Japan Group

The management of affiliated companies is handled by the Administrative Division in accordance with the Rules on Management of Affiliated Companies. It works together with the administrative division at each affiliated company. Based on those rules, some management matters require approval by the Board of Directors or mandate reporting to the Board of Directors and the division concerned.

- f. System for employees that assist the members of the Board of Corporate Auditors in the performance of their duties

When the Board of Corporate Auditors requests an employee to assist with the Board of Corporate Auditors duties, directors will allocate an appropriate person to assist with those duties. This assistant will work alone or together with the relevant division to perform the research, analysis, and reporting subject to audit at the direction of the Board of Corporate Auditors, and will assist the Board of Corporate Auditors in performing onsite audits when necessary.

- g. Matters concerning the independence of employees who assist the Board of Corporate Auditors from the directors and matters concerning ensuring the viability of instructions to such assistants

The human resources director will report personnel evaluations, personnel transfers, and disciplinary measures taken with respect to an employee who is assisting with the Board of Corporate Auditors duties to the Board of Corporate Auditors in advance, and shall obtain approval of the Board of Corporate Auditors when necessary. The assisting employee will also report directly to the Board of Corporate Auditors.

- h. System for directors and employees to report to the Board of Corporate Auditors and system for ensuring that persons who have reported are not subjected to retaliation because they reported

Directors or employees will promptly report legally mandated matters and matters that would have a serious impact on the entire company. In addition to this, they will also promptly report on the status of internal audit implementation, protection and management of personal information, and

the details regarding such matters upon request of the Board of Corporate Auditors.

Moreover, when a director or employee is convinced that company policies and business activities are in violation of (or is in danger of violating) laws, regulations or internal company rules and policies; the Company encourages that person to immediately report that fact.

The company has established and maintains a system for treating people who make such reports fairly and not permitting any retaliatory action against them, regardless of whether the report was made to the Board of Corporate Auditors or not.

- i. System to ensure that other audits by the Board of Corporate Auditors are performed efficiently

Directors provide an environment that enables the Board of Corporate Auditors to work with an attorney, CPA, or other external expert in the course of performing the Board of Corporate Auditors duties, when the Board of Corporate Auditors deems it necessary.

(3) Operations

The Company has established the internal system and is making effort for its proper operations based on “Systems to Ensure the Appropriateness of Business Operations.” The following outlines the operations in the current fiscal year under review.

a. Performance of duties by Directors

Duties of Directors of the Company and Group companies are being performed in accordance with the internal company rules, compliance, and risk management. The members at the meetings of the Board of Directors are actively exchanging opinions about and supervising important decision-making and they report on the performance of duties. In this way, viability is being ensured. Materials and minutes of the meetings of the Board of Directors are stored appropriately.

b. Risk management system

Under the leadership of the person responsible for the Administration Division, the risk management system has been established, including classification, understanding, and reporting of risks for the Group companies, and formulation and establishment of rules. In addition, the formulation and implementation of preventive measures and countermeasures and the implementation of other necessary matters are monitored and their progress is reported to the Board of Directors of the Company.

c. Implementation of internal audits

The Internal Audit Department has been established and is implementing audits, through document review and interviews, to check whether the departments in the Company are operating their business properly in accordance with laws and regulations, the Articles of Incorporation, rules, other social norms, etc. The head

of the Internal Audit Department reports the results of those audits to the president and representative director and the Board of Corporate Auditors.

d. Performance of duties by Corporate Auditors

One full-time Corporate Auditor is checking the performance of duties by Directors and compliance problems by attending the meetings of the Board of Directors and interviewing individual officers and employees, and is exchanging opinions with the Accounting Auditor and the Internal Audit Committee, in order to reinforce and enhance the management monitoring function.

(Basic Policy on Elimination of Organized Crime)

Our basic policy regarding organized crime that affects social order and the sound activities of companies is to cooperate with the police and other related organizations and firmly respond in a systematic manner. We work to instill this policy among management and staff.

6. Basic Policy on the Control of the Company

The Company has not established a basic policy on the status of a person who shall control the decision on the policy of finance and business of the Company.

(Note) Figures and the numbers of shares listed in the business report do not show amounts less than the units of display. Percentages are rounded to the nearest units of display.

Consolidated Financial Statements

Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021
Assets	
Current assets	33,724
Cash and deposits	26,374
Notes and accounts receivable-trade	4,347
Securities	2,031
Work in process	0
Supplies	16
Other	1,062
Allowance for doubtful accounts	-108
Non-current assets	12,920
Property, plant and equipment	621
Buildings	178
Vehicles	18
Furniture and fixtures	188
Leased assets	225
Construction in progress	10
Intangible assets	6,999
Software	3,531
Goodwill	2,840
Other	626
Investments and other assets	5,299
Investment securities	2,285
Shares of subsidiaries and associates	132
Long-term loans receivable	874
Deferred tax assets	868
Other	1,497
Allowance for doubtful accounts	-359
Total assets	46,644

	As of March 31, 2021
Liabilities	
Current liabilities	8,260
Accounts payable-trade	434
Lease obligations	86
Accounts payable-other	2,369
Income taxes payable	955
Provision for bonuses	1,122
Provision for directors' bonuses	2
Advances received	2,307
Other	982
Non-current liabilities	1,527
Lease obligations	164
Long-term accounts payable-other	642
Deferred tax liabilities	126
Provision for share benefits	389
Asset retirement obligations	203
Other	1
Total liabilities	9,788
Net assets	
Shareholders' equity	36,365
Capital stock	1,194
Capital surplus	998
Retained earnings	39,399
Treasury shares	-5,288
Accumulated other comprehensive income	-53
Valuation difference on available-for-sale securities	113
Foreign currency translation adjustment	-167
Subscription rights to shares	136
Non-controlling interests	408
Total net assets	36,856
Total liabilities and net assets	46,644

Consolidated Statements of Income

(Million yen)

	From April 1, 2020 to March 31, 2021	
Net sales		42,725
Cost of sales		8,566
Gross profit		34,159
Selling, general and administrative expenses		26,387
Operating income		7,771
Non-operating income		256
Non-operating expenses		88
Ordinary income		7,939
Extraordinary income		
Gain on sales of non-current assets	2	
Gain on sales of shares of subsidiaries and associates	19	22
Extraordinary losses		
Loss on retirement of non-current assets	142	
Loss on valuation of shares of subsidiaries and associates	16	
Loss on sales of shares of subsidiaries and associates	15	
Loss on valuation of investment securities	1,390	
Impairment loss	572	
Other	9	2,147
Income before income taxes		5,813
Income taxes - current	2,341	
Income taxes - deferred	-80	2,261
Profit		3,552
Profit attributable to non-controlling interests		50
Profit attributable to owners of parent		3,502

Consolidated Statements of Changes in Net Assets (from April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income			Subscripti on rights to shares	Non- controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders ' equity	Valuation difference o available- for-sale securities	Foreign currency translation adjustment	Total accumulat ed other comprehen sive income			
Balance at beginning of current period	1,194	1,133	39,588	-4,253	37,663	-7	126	119	154	710	38,648
Changes of items during the period											
Dividends of surplus			-3,565		-3,565						-3,565
Profit attributable to owners of parent			3,502		3,502						3,502
Purchase of treasury shares				-1,000	-1,000						-1,000
Disposal of treasury shares		1		25	26						26
Change in scope of consolidation		46	-126		-79						-79
Change in ownership interest of parent due to transactions with non-controlling interests		-182			-182						-182
Net changes of items other than shareholders' equity					-	120	-294	-173	-17	-301	-493
Total changes of items during period	-	-134	-189	-975	-1,298	120	-294	-173	-17	-301	-1,792
Balance at end of current period	1,194	998	39,399	-5,228	36,365	113	-167	-53	136	408	36,856

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Million yen)

	As of March 31, 2021
Assets	
Current assets	26,184
Cash and deposits	21,064
Notes receivable-trade	0
Accounts receivable-trade	2,505
Securities	2,000
Supplies	12
Prepaid expenses	275
Other	347
Allowance for doubtful accounts	-21
Non-current assets	19,380
Property, plant and equipment	210
Buildings	152
Furniture and fixtures	56
Construction in progress	2
Intangible assets	3,571
Trademark right	12
Software	3,409
Other	149
Investments and other assets	15,598
Investment securities	2,285
Shares of subsidiaries and associates	10,505
Long-term loans receivable	1,431
Distressed receivables	18
Deferred tax assets	629
Other	1,086
Allowance for doubtful accounts	-359
Total assets	45,565

	As of March 31, 2021
Liabilities	
Current liabilities	7,663
Accounts payable-trade	138
Short-term borrowings	2,400
Accounts payable-other	1,565
Accrued expenses	169
Income taxes payable	660
Advances received	1,799
Deposits	67
Unearned revenue	0
Provision for bonuses	750
Other	111
Non-current liabilities	1,202
Long-term accounts payable-other	642
Provision for share benefits	389
Asset retirement obligations	171
Total liabilities	8,866
Net assets	
Shareholders' equity	36,448
Capital stock	1,194
Capital surplus	2,929
Legal capital surplus	2,500
Other capital surplus	428
Retained earnings	37,552
Other retained earnings	37,552
General reserve	2,030
Retained earnings brought forward	35,522
Treasury shares	-5,228
Valuation and translation adjustments	113
Valuation difference on available-for-sale securities	113
Subscription rights to shares	136
Total net assets	36,698
Total liabilities and net assets	45,565

Non-consolidated Statements of Income

(Million yen)

	From April 1, 2020 to March 31, 2021	
Net sales		26,919
Cost of sales		2,668
Gross profit		24,250
Selling, general and administrative expenses		17,458
Operating income		6,792
Non-operating income		188
Non-operating expenses		217
Ordinary income		6,763
Extraordinary income		
Gain on sales of shares of subsidiaries and associates	19	
Other	16	36
Extraordinary losses		
Impairment loss	171	
Loss on retirement of non-current assets	108	
Loss on valuation of shares of subsidiaries and associates	229	
Loss on valuation of investment securities	1,390	
Other	17	1,916
Income before income taxes		4,882
Income taxes - current	1,846	
Income taxes - deferred	-46	1,799
Profit		3,082

Non-consolidated Statements of Changes in Net Assets (from April 1, 2020 to March 31, 2021)

(Million yen)

	Shareholders' equity								
	Capital stock	Capital surplus			Retained earnings			Treasury shares	Total Shareholders' equity
		Legal capital surplus	Other capital surplus	Total Capital surplus	Other retained earnings		Total Retained earnings		
					General reserve	Retained earnings brought forward			
Balance at beginning of current period	1,194	2,500	426	2,927	2,000	36,035	38,035	-4,253	37,904
Changes of items during the period									
Dividends of surplus						-3,565	-3,565		-3,565
Provision of general reserve					30	-30			
Profit						3,082	3,082		3,082
Purchase of treasury shares								-1,000	-1,000
Disposal of treasury shares			1	1				25	26
Net changes of items other than shareholders' equity				-			-	-	-
Total changes of items during period	-	-	1	1	30	-512	-482	-975	-1,455
Balance at end of current period	1,194	2,500	428	2,929	2,030	35,522	37,552	-5,228	36,448

	Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Total Valuation and translation adjustments		
Balance at beginning of current period	-7	-7	154	38,051
Changes of items during the period				
Dividends of surplus				-3,565
Profit				3,082
Purchase of treasury shares				-1,000
Disposal of treasury shares				26
Net changes of items other than shareholders' equity	120	120	-17	102
Total changes of items during period	120	120	-17	-1,353
Balance at end of current period	113	113	136	36,698

Accounting Audit Report regarding Consolidated Financial Statements

Independent Auditor's Report

May 26, 2021

en-japan inc.

The Board of Directors

Ernst & Young ShinNihon LLC

Designated and
Engagement Partner

Certified Public Accountant
Sayaka Shimura (Seal)

Designated and
Engagement Partner

Certified Public Accountant
Ryo Kayama (Seal)

Audit Opinion

The independent auditor has audited the consolidated financial statements, including the consolidated balance sheet, the consolidated statements of income, the consolidated statements of changes in equity and the notes to the consolidated financial statements of en-japan inc. for the fiscal year from April 1, 2020 to March 31, 2021, in accordance with Article 444, Paragraph 4 of the Companies Act.

In the independent auditor's opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group, comprising en-japan inc. and its consolidated subsidiaries, as of March 31, 2021 and the consolidated results of their operations for the year then ended, in conformity with accounting principles generally accepted in Japan.

Grounds for Auditor's Opinion

We conducted the audit in accordance with auditing standards generally accepted in Japan. Our responsibility in the auditing standards is described in the section "Auditor's Responsibility for the Audit of Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with rules of business ethics in Japan, and have fulfilled our ethical responsibility as an auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management, Corporate Auditors and Board of Corporate Auditors' Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with generally accepted accounting principles in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting standards generally accepted in Japan, matters related to a going concern.

The responsibility of Corporate Auditors and the Board of Corporate Auditors is to monitor the execution of duties by Directors in the establishment and operation of the financial reporting process.

Auditor's Responsibility for the Audit of Consolidated Financial Statements

The responsibility of the auditor is to obtain reasonable assurance about whether the overall consolidated financial statements are free from material misstatement, whether due to fraud or error, and express independent opinions on the consolidated financial statements in the audit report based on the auditor's audit. Material misstatement may arise from fraud or error, and is considered material when it is reasonably expected to affect, whether individually or in aggregate, the decision-making of the users of the consolidated financial statements.

The auditor makes judgments as a professional and carries out the following with professional skepticism through audit procedures in accordance with auditing standards generally accepted in Japan.

- The auditor identifies and assesses material misstatement risks due to fraud or error. The auditor also formulates and implements audit procedures suitable for material misstatement risks. The audit procedures are selected and applied based on the auditor's judgment. Moreover, the auditor obtains adequate and appropriate audit evidence as a basis of expressing opinions.

- The purpose of the audit of the consolidated financial statements is not to express opinions on the effectiveness of internal controls. In making those risk assessments, meanwhile, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- The auditor evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the appropriateness of relevant notes to the consolidated financial statements.

- The auditor concludes the Company's ability to continue as a going concern for preparing the consolidated financial statements, and whether material uncertainty exists regarding events or circumstances that may cast significant doubt on the ability to continue as a going concern, based on audit evidence obtained by the auditor. If there is significant uncertainty on the ability to continue as a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report. If the notes to the consolidated financial statements regarding the significant uncertainty are not appropriate, the auditor is required to express a modified opinion on the consolidated financial statements. The auditor's conclusion is based on audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- The auditor evaluates whether the presentation of the consolidated financial statements and the notes thereto are in accordance with auditing standards generally accepted in Japan. The auditor also evaluates the presentation, structure, and contents of the consolidated financial statements including relevant notes thereto, and whether the consolidated financial statements appropriately present their underlying transactions and accounting events.

- The auditor obtains adequate and appropriate audit evidence on financial information of the Company and its consolidated subsidiaries in order to express opinions to the consolidated financial statements. The auditor is responsible for instruction, supervision, and implementation of the audit of the consolidated financial statements. The auditor is solely responsible for audit opinions.

The auditor makes a report to Corporate Auditors and the Board of Corporate Auditors regarding the scope and period of the planned audit, material audit findings including material defects in internal controls identified during the implementation process of the audit, and other matters required by the audit standards.

The auditor makes a report to Corporate Auditors and the Board of Corporate Auditors regarding compliance with rules of business ethics for independence in Japan, matters reasonably expected to affect the independence of the auditor, and any safeguard measures taken to eliminate or mitigate obstructive factors.

Interest

The independent auditor and engagement partners have no interest in the Company and its consolidated subsidiaries which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Accounting Audit Report regarding Non-consolidated Financial Statements

Independent Auditor's Report

May 26, 2021

en-japan inc.

The Board of Directors

Ernst & Young ShinNihon LLC

Designated and Engagement Partner Certified Public Accountant
Sayaka Shimura (Seal)

Designated and Engagement Partner Certified Public Accountant
Ryo Kayama (Seal)

The independent auditor has audited the non-consolidated financial statements, including the non-consolidated balance sheet, the non-consolidated statements of income, the non-consolidated statements of changes in equity and the notes to the non-consolidated financial statements (hereinafter referred to as "Non-consolidated financial statements"), as well as the supporting schedules of en-japan inc. for the 21st fiscal year from April 1, 2020 to March 31, 2021, in accordance with Article 436, Paragraph 2, Item 1 of the Companies Act.

In the independent auditor's opinion, the non-consolidated financial statements referred to above present fairly, in all material respects, the non-consolidated financial position of the Company as of March 31, 2021 and the non-consolidated results of its operations for the year then ended, in conformity with accounting principles generally accepted in Japan.

Grounds for Auditor's Opinion

We conducted the audit in accordance with auditing standards generally accepted in Japan. Our responsibility in the auditing standards is described in the section "Auditor's Responsibility for the Audit of Non-consolidated Financial Statements." We are independent of the Company in accordance with rules of business ethics in Japan, and have fulfilled our ethical responsibility as an auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management, Corporate Auditors and Board of Corporate Auditors' Responsibility for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with generally accepted accounting principles in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting standards generally accepted in Japan, matters related to a going concern.

The responsibility of Corporate Auditors and the Board of Corporate Auditors is to monitor the execution of duties by Directors in the establishment and operation of the financial reporting process.

Auditor's Responsibility for the Audit of Non-consolidated Financial Statements

The responsibility of the auditor is to obtain reasonable assurance about whether the overall non-consolidated financial statements are free from material misstatement, whether due to fraud or error, and express independent opinions on the non-consolidated financial statements in the audit report based on the auditor's audit. Material misstatement may arise from fraud or error, and is considered material when it is reasonably expected to affect, whether individually or in aggregate, the decision-making of the users of the non-consolidated financial statements.

The auditor makes judgments as a professional and carries out the following with professional skepticism through audit procedures in accordance with auditing standards generally accepted in Japan.

- The auditor identifies and assesses material misstatement risks due to fraud or error. The auditor also formulates and implements audit procedures suitable for material misstatement risks. The audit procedures are selected and applied based on the auditor's judgment. Moreover, the auditor obtains adequate and appropriate audit evidence as a basis of expressing opinions.

- The purpose of the audit of the non-consolidated financial statements is not to express opinions on the effectiveness of internal controls. In making those risk assessments, meanwhile, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- The auditor evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the appropriateness of relevant notes to the consolidated financial statements.

- The auditor concludes the Company's ability to continue as a going concern for preparing the non-consolidated financial statements, and whether material uncertainty exists regarding events or circumstances that may cast significant doubt on the ability to continue as a going concern, based on audit evidence obtained by the auditor. If there is significant uncertainty on the ability to continue as a going concern, the auditor is required to call attention to the notes to the non-consolidated financial statements in the audit report. If the notes to the non-consolidated financial statements regarding the significant uncertainty are not appropriate, the auditor is required to express a modified opinion on the non-consolidated financial statements. The auditor's conclusion is based on audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- The auditor evaluates whether the presentation of the non-consolidated financial statements and the notes thereto are in accordance with auditing standards generally accepted in Japan. The auditor also evaluates the presentation, structure, and contents of the non-consolidated financial statements including relevant notes thereto, and whether the non-consolidated financial statements appropriately present their underlying transactions and accounting events.

The auditor makes a report to Corporate Auditors and the Board of Corporate Auditors regarding the scope and period of the planned audit, material audit findings including material defects in internal controls identified during the implementation process of the audit, and other matters required by the audit standards.

The auditor makes a report to Corporate Auditors and the Board of Corporate Auditors regarding compliance with rules of business ethics for independence in Japan, matters reasonably expected to affect the independence of the auditor, and any safeguard measures taken to eliminate or mitigate obstructive factors.

Interest

The independent auditor and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Corporate Auditors' Report

Audit Report

The Board of Corporate Auditors discussed the performance of duties by Directors for the 21st fiscal year from April 1, 2020 to March 31, 2021, based on the audit reports prepared by the respective Corporate Auditors, and prepared this Audit Report. The Board hereby reports the details as follows.

1. Audit Method and Details by Corporate Auditors and the Board of Corporate Auditors

The Board of Corporate Auditors established audit policies including the audit plans and other rules, and received reports from each Corporate Auditor regarding the implementation of audits and results thereof, as well as reports from the Directors, and the Accounting Auditor regarding the execution of their duties, and sought explanations as necessary.

Each Corporate Auditor, in accordance with the auditing standards determined by the Board of Corporate Auditors, conformed to the auditing policies, the audit plans and other rules; communicated with Directors, the Internal Audit Committee, and employees; strove to establish an environment for information collection and auditing.

Each Corporate Auditor attended the meetings of Board of Directors and other important meetings; received reports from Directors, employees and other staff on the performance of their duties; requested explanations whenever necessary; inspected important written approvals and other documents; and examined the status of operations and assets at the headquarters and principal offices. Meanwhile, the Board of Corporate Auditors communicated and exchanged information with Directors, Corporate Auditors and other staff of subsidiaries, and received business reports from subsidiaries whenever necessary.

Also, each Corporate Auditor regularly received reports on the establishment and operations thereof from Directors and employees and sought explanations as necessary to express opinions about the system in order to ensure that the Directors' performance of duties as stated in the Business Report conforms to the relevant laws, regulations and the Articles of Incorporation; and the status of the system established based on the details and resolution of the Board of Directors concerning the establishment of the system stipulated in Article 100, Paragraph 1 and Paragraph 3 of the Enforcement Regulations of the Companies Act, which is required to ensure the appropriateness of operations of joint-stock companies (internal control system). Based on the above method, we examined the Business Report and supporting schedules for the current fiscal year.

Further, the Board of Corporate Auditors monitored and verified whether the Accounting Auditor maintained independence and implemented appropriate audits; received reports from the Accounting Auditor on performance of their duties, and sought explanations whenever necessary. Furthermore, the Board of Corporate Auditors received notice from the Accounting Auditor that the "System for ensuring that duties are performed properly" (matters set forth in each item of Article 131 of the Ordinance on Accounting of Companies) is established in accordance with the "Quality Management Standards Regarding Audits" (Business Accounting Council; October 28, 2005) and other standards, and sought explanations whenever necessary.

Based on the above methods, the Board of Corporate Auditors examined the non-consolidated financial statements (balance sheet, statements of income, statements of changes in equity, and notes to financial statements), the supporting schedules, and the consolidated financial statements (balance sheet, statements of income, statements of changes in equity, and notes to financial statements) for the current fiscal year.

2. Audit Results

(1) Audit Results of Business Report and Others

- 1) The Board of Corporate Auditors acknowledges that the business report and the supporting schedules fairly present the Company's conditions in accordance with laws, regulations and the Articles of Incorporation.
- 2) With regard to the performance of duties by Directors, the Board of Corporate Auditors finds no significant evidence of wrongful acts, nor violations of laws, regulations, or the Articles of Incorporation.
- 3) The Board of Corporate Auditors acknowledges that the content of the resolution by the Board of Directors concerning the internal control system is appropriate. In addition, the Board finds no matters on which to remark with regard to the contents of the business report or the performance of duties by Directors regarding the internal control system.

(2) Audit Results on the Non-consolidated Financial Statements and the Supporting Schedules

The Board of Corporate Auditors acknowledges that the audit method of the Accounting Auditor, Ernst & Young ShinNihon LLC, and the results thereof are appropriate.

(3) Audit Results of Consolidated Financial Statements

The Board of Corporate Auditors acknowledges that the audit method of the Accounting Auditor, Ernst & Young ShinNihon LLC, and the results thereof are appropriate.

May 28, 2021

en-japan inc.	
Outside Corporate Auditor (full-time)	Masahiko Ohdo (Seal)
Outside Corporate Auditor	Atsuo Yoshida (Seal)
Outside Corporate Auditor	Naoki Otani (Seal)