

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities identification code: 7823  
June 8, 2020

To our shareholders:

Yoshikata Igarashi  
Chairman and President  
**ARTNATURE INC.**  
3-40-7 Yoyogi, Shibuya-ku, Tokyo

## **NOTICE OF THE 53RD ORDINARY GENERAL MEETING OF SHAREHOLDERS**

This is to notify you of the 53rd Ordinary General Meeting of Shareholders of ARTNATURE INC. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights by either of the following methods. After reviewing the attached Reference Documents for the General Meeting of Shareholders, please exercise your voting rights no later than 6:30 p.m. on Monday, June 22, 2020 (Japan Standard Time).

### **<Vote by postal mail>**

Please indicate your approval or disapproval of the proposals on the enclosed voting form and return it by postal mail to reach us no later than the above deadline.

### **<Vote via the Internet>**

Access the voting site designated by the Company (<https://soukai.mizuho-tb.co.jp/>), enter “the voting rights exercise code” and “the password” indicated on the enclosed voting form, and input your approval or disapproval of the proposals in accordance with the on-screen instructions. Please input and send your voting information no later than the above deadline.

When exercising voting rights via the Internet, please read through the “Guide to Exercising Voting Rights via the Internet” (Japanese only).

In the event that you vote redundantly by mail and via the Internet, we will consider only the vote via the Internet to be valid.

**1. Date and Time:** Tuesday, June 23, 2020, at 10:00 a.m. (Japan Standard Time)

**2. Venue:** The Ballroom on Level 39  
Park Hyatt Tokyo, Shinjuku Park Tower  
3-7-1 Nishi Shinjuku, Shinjuku-Ku, Tokyo

### **3. Purposes:**

#### **Items to be reported:**

1. Business Report and Consolidated Financial Statements for the 53rd Term (from April 1, 2019 to March 31, 2020) as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors
2. Non-Consolidated Financial Statements for the 53rd Term (from April 1, 2019 to March 31, 2020)

**Item to be resolved:**

- Proposal 1:** Appropriation of surplus  
**Proposal 2:** Election of nine (9) Directors  
**Proposal 3:** Election of one (1) Substitute Auditor

**4. Other Items Decided by the Board of Directors as Notice of the Meeting**

(1) Exercising voting rights by proxy

If exercising voting rights by proxy, another shareholder of the Company with voting rights can attend the meeting as your proxy. However, please note that the voting form and a document testifying to their authority to act as proxy must be submitted together with the registered seal certificate for the signature or seal on a document testifying to their authority to act as proxy and a copy of the proxy's passport, driver's license, health insurance certificate or other document verifying the identity of the shareholder.

(2) Notification method when exercising voting rights diversely

If you plan to exercise your voting rights in a non-uniform way, please inform the Company of this intention with the reason in writing at least three (3) days prior to the date of the general meeting of shareholders.

(3) Exercising voting rights redundantly

- 1) In the event that you vote redundantly, by mail and via the Internet, we will consider only the vote via the Internet to be valid.
- 2) If you vote redundantly via the Internet, we will consider the final vote to be valid.

If you will be attending the meeting in person, please submit the enclosed voting form to reception staff at the venue.

Moreover, in accordance with applicable laws and regulations and the provisions of Article 15 of the Company's Articles of Incorporation, the following items from the documents that should be provided will be made available on the Company's website (URL: <https://www.artnature.co.jp>) and are not therefore among the documents provided with this notice of Ordinary General Meeting of Shareholders.

- Status of items such as stock acquisition rights
- System for ensuring the appropriateness of business and an overview of the operating status of said system
- Notes to Consolidated Financial Statements
- Notes to Non-Consolidated Financial Statements

In the event of revisions to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-Consolidated Financial Statements, or Consolidated Financial Statements, the revised items will be posted on the Company's website (URL: <https://www.artnature.co.jp>) (Japanese only).

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Appropriation of surplus

The Company proposes appropriation of surplus as follows:

#### 1. Matters related to year-end dividends

The Company believes that returning profits to shareholders is one of its most important management issues. Our basic policy is to provide stable dividends to shareholders while strengthening our business foundation and financial structure and augmenting internal reserves for future business expansion.

Based on this basic policy and in light of a comprehensive assessment of earnings in this fiscal year, the Company proposes year-end dividends of ¥14 per common share for the 53rd Term.

##### (1) Type of dividend property

Cash

##### (2) Allocation of dividend property and total amount thereof

¥14 per common share of the Company

Total amount of dividends: ¥458,657,654

##### (3) Effective date of distribution of dividends of surplus

June 24, 2020

#### 2. Matters related to other appropriation of surplus

Not applicable.

**Proposal 2:** Election of nine (9) Directors

At the conclusion of this general meeting of shareholders, the terms of office of all nine (9) Directors will expire. Therefore, the Company proposes the election of nine (9) Directors.

The candidates for Directors are as follows:

No.	Name	Current position in the Company or position outside the Company	Attendance at Board of Directors meetings
1	Reelection Yoshikata Igarashi	Chairman and President	18/18
2	Reelection Hisakazu Moriyasu	Senior Managing Director, Senior Corporate Officer and Executive General Manager of Marketing Headquarters	18/18
3	Reelection Keisuke Igarashi	Managing Director	18/18
4	Reelection Isao Naito	Managing Director	18/18
5	Reelection Takashi Kawata	Managing Director, Senior Corporate Officer and Deputy Executive General Manager of Marketing Headquarters	18/18
6	Reelection Hisayuki Kawazoe	Director, Senior Corporate Officer and Executive General Manager of Production Headquarters	18/18
7	Reelection Keisuke Satake	Director, Senior Corporate Officer and Deputy Executive General Manager of Marketing Headquarters	18/18
8	Reelection Jiro Nagao	Outside Independent Director	18/18
9	Reelection Yasuko Kobashikawa	Outside Independent Director	18/18

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Yoshikata Igarashi (August 1, 1941)  <Reelection>	<p>Apr. 1967 Participated in the wig business run by the late Saburo Akutsu, founder of the Company (predecessor of the Company)</p> <p>June 1967 Joined the Company at establishment</p> <p>Oct. 1977 Established ARTNATURE KANSAI INC., President of ARTNATURE KANSAI INC.</p> <p>Oct. 1981 Established ARTNATURE SHIKOKU INC., President of ARTNATURE SHIKOKU INC.</p> <p>Apr. 2000 President of the Company</p> <p>Aug. 2000 President of ARTNATURE TOKYO INC.</p> <p>Mar. 2001 President of ARTNATURE CHIBA INC. President of ARTNATURE KOTO INC.</p> <p>Sept. 2002 Chairman of EUROTECH HAIR SYSTEMS, INC. (currently ARTNATURE PHILIPPINES INC.)</p> <p>Feb. 2004 Chairman of BICOL HAIR EXPORT CORPORATION</p> <p>July 2007 Chairman and President of the Company</p> <p>Aug. 2015 Chairman, President, and Senior Corporate Officer, General Manager of Publicity Department of the Company</p> <p>Apr. 2016 Chairman and President of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Chairman of ARTNATURE MANUFACTURING PHILIPPINES INC. Chairman of ARTNATURE LANDHOLDING PHILIPPINES INC. Chairman of ARTNATURE (SHANGHAI) INC. Chairman of ARTNATURE SINGAPORE PTE. LTD. Chairman of ARTNATURE MALAYSIA SDN. BHD. Chairman of ARTNATURE (THAILAND) CO., LTD.</p>	6,175,640
<p>Reasons for nomination as candidate for Director</p> <p>Yoshikata Igarashi is extremely knowledgeable about the Company's operations, having become familiar with a variety of its divisions over his many years with the Company since its foundation. He has also displayed strong leadership in his management role at the Company owing to his extensive experience as an executive and wide-ranging knowledge of the hair solutions industry. We have therefore nominated him for reappointment as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Hisakazu Moriyasu (November 15, 1958)  <Reelection>	May 1991    Joined ARTNATURE KANSAI INC. Apr. 2005    General Manager of Store Marketing Department of the Company Apr. 2008    Corporate Officer, Deputy Executive General Manager of Marketing Headquarters of the Company Apr. 2009    Senior Corporate Officer, Executive General Manager of Marketing Headquarters of the Company June 2009    Director and Senior Corporate Officer, Executive General Manager of Marketing Headquarters of the Company Apr. 2011    Director and Senior Corporate Officer, Executive General Manager of Men's Marketing Headquarters of the Company Apr. 2012    Managing Director and Senior Corporate Officer, Executive General Manager of Men's Marketing Headquarters and Executive General Manager of Ladies' Marketing Headquarters of the Company Aug. 2015    Managing Director and Senior Corporate Officer, Executive General Manager of Marketing Headquarters of the Company Aug. 2017    Senior Managing Director and Senior Corporate Officer, Executive General Manager of Marketing Headquarters of the Company (present position)	123,700
Reasons for nomination as candidate for Director Hisakazu Moriyasu has been involved in both Men's and Ladies' operations of the Company for many years. Having served as Executive General Manager of Marketing Headquarters since 2009, he possesses extensive experience and insight in his management role in the Company's marketing. We have therefore nominated him for reappointment as a Director.			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Keisuke Igarashi (December 8, 1971)  <Reelection>	Dec. 1998    Joined ARTNATURE KANSAI INC. Oct. 2007    General Manager of Publicity Department of the Company Apr. 2008    Corporate Officer, General Manager of Publicity Department of the Company June 2008    Director, General Manager of Publicity Department of the Company May 2009    Director and Senior Corporate Officer, General Manager of Publicity Department of the Company Oct. 2010    Director and Senior Corporate Officer, General Manager of Publicity Department and General Manager of Channel Development Section of the Company Apr. 2012    Managing Director of the Company Apr. 2013    Managing Director and Senior Corporate Officer, General Manager of Publicity Department of the Company Aug. 2015    Managing Director of the Company (present position) [Significant concurrent positions outside the Company] President of AI CORPORATION Ltd.	989,200
Reasons for nomination as candidate for Director Keisuke Igarashi has extensive experience with and insight into the Company's operations, having served as General Manager of the Publicity Department, an important strategic division of the Company, since 2007 and being responsible for regional consolidation as part of his role in charge of Marketing Headquarters since 2015. We have therefore nominated him for reappointment as a Director.			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Isao Naito (July 28, 1959)  <Reelection>	<p>Apr. 1982     Joined Fuji Bank, Limited (currently Mizuho Bank, Ltd.).</p> <p>May 2006     General Manager of Atsugi Branch of Mizuho Bank, Ltd.</p> <p>May 2009     Joined the Company, Senior Manager of Corporate Planning Department of the Company Corporate Officer, General Manager of Corporate Planning Department of the Company</p> <p>Apr. 2012     Senior Corporate Officer, Executive General Manager of Administration Headquarters and General Manager of Corporate Planning Department of the Company</p> <p>June 2012     Director and Senior Corporate Officer, Executive General Manager of Administration Headquarters and General Manager of Corporate Planning Department of the Company</p> <p>Apr. 2013     Director and Senior Corporate Officer, Executive General Manager of Business Administration Headquarters and General Manager of Corporate Planning Department of the Company</p> <p>Jan. 2014     Director and Senior Corporate Officer, Executive General Manager of Business Administration Headquarters, General Manager of Corporate Planning Department, and General Manager of Personnel Department of the Company</p> <p>Apr. 2016     Managing Director and Senior Corporate Officer, and General Manager of Personnel Department of the Company</p> <p>Aug. 2016     Managing Director of the Company (present position)</p> <p>[Significant concurrent positions outside the Company]  Director of ARTNATURE (SHANGHAI) INC.  Director of ARTNATURE SINGAPORE PTE. LTD.  Director of ARTNATURE MALAYSIA SDN. BHD.  Director of ARTNATURE (THAILAND) CO., LTD.  Director of NAO-ART Corp.</p>	98,000
<p>Reasons for nomination as candidate for Director</p> <p>Isao Naito has extensive experience with and insight into the Company's operations. He has served as General Manager of the Corporate Planning Department, the department responsible for the Company's business strategy, since joining the Company in 2009, assumed additional duties as Executive General Manager of Administration Headquarters in 2012, and took charge of overseas operations in 2016. We have therefore nominated him for reappointment as a Director.</p>			



No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	Takashi Kawata (November 16, 1958)  <Reelection>	<p>Apr. 1982    Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>Apr. 2008    General Manager of Yokohama Ekimae Branch, Sumitomo Mitsui Banking Corporation</p> <p>Mar. 2013    Joined the Company, Senior Manager of Marketing Planning Department of the Company</p> <p>Apr. 2013    General Manager of Marketing Planning Department of the Company</p> <p>Aug. 2015    Corporate Officer, General Manager of Marketing Planning Department of the Company</p> <p>Apr. 2016    Senior Corporate Officer, Deputy Executive General Manager of Marketing Headquarters and General Manager of Marketing Planning Department of the Company</p> <p>June 2016    Director, Senior Corporate Officer, Deputy Executive General Manager of Marketing Headquarters and General Manager of Marketing Planning Department of the Company</p> <p>Aug. 2017    Managing Director, Senior Corporate Officer, Deputy Executive General Manager of Marketing Headquarters and General Manager of Marketing Planning Department of the Company</p> <p>June 2018    Managing Director and Senior Corporate Officer, Deputy Executive General Manager of Marketing Headquarters of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Representative Director and President of AN TOMONOKAI INC. Director of NAO-ART Corp.</p>	45,400
<p>Reasons for nomination as candidate for Director Takashi Kawata has extensive experience with and insight into the Company's operations, having served as General Manager of the Marketing Planning Department, the department responsible for the Company's marketing strategy, since joining the Company in 2013 and demonstrating his skills in both administration and the pursuit of earnings as Deputy Executive General Manager of Marketing Headquarters since 2016. We have therefore nominated him for reappointment as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	Hisayuki Kawazoe (December 24, 1958)  <Reelection>	Nov. 1995    Joined ARTNATURE CHUBU INC. Apr. 2002    General Manager of Marketing Administration Department, Marketing General Headquarters of the Company Oct. 2003    General Manager of Murakami Product Center of the Company July 2004    Deputy Executive General Manager of Production Headquarters of the Company July 2007    Executive General Manager of Production Headquarters of the Company Apr. 2008    Senior Corporate Officer, Executive General Manager of Production Headquarters of the Company June 2009    Director and Senior Corporate Officer, Executive General Manager of Production Headquarters of the Company (present position)  [Significant concurrent positions outside the Company] President of ARTNATURE MANUFACTURING PHILIPPINES INC. Vice Chairman of ARTNATURE LANDHOLDING PHILIPPINES INC.	22,000
<p>Reasons for nomination as candidate for Director</p> <p>Hisayuki Kawazoe has extensive experience with and insight into the Company's operations. He possesses detailed knowledge of global production networks as President of the Company's manufacturing subsidiary in the Philippines, an important base for the Group's production strategy, while serving as Executive General Manager of Production Headquarters since 2007. We have therefore nominated him for reappointment as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	<p style="text-align: center;">Keisuke Satake (October 5, 1956)</p> <p style="text-align: center;">&lt;Reelection&gt;</p>	<p>Jan. 1992     Joined ARTNATURE KANSAI INC.</p> <p>Apr. 2005     General Manager of New Marketing Department of the Company</p> <p>Apr. 2008     Corporate Officer, Deputy Executive General Manager of Marketing Headquarters of the Company</p> <p>Apr. 2010     Senior Corporate Officer, Executive General Manager of JO Marketing Headquarters of the Company</p> <p>Apr. 2012     Senior Corporate Officer, Executive General Manager of JO Marketing Headquarters and General Manager of JO Marketing Department of the Company</p> <p>June 2012     Director and Senior Corporate Officer, Executive General Manager of JO Marketing Headquarters and General Manager of JO Marketing Department of the Company</p> <p>Apr. 2014     Director and Senior Corporate Officer, Executive General Manager of JO Marketing Headquarters and General Manager of JO Business Development Department of the Company</p> <p>Dec. 2015     Director and Senior Corporate Officer, Executive General Manager of JO Marketing Headquarters, General Manager of JO Store Marketing Department and General Manager of JO Business Development Department of the Company</p> <p>Apr. 2016     Director and Senior Corporate Officer, Executive General Manager of JO Marketing Headquarters and General Manager of JO Marketing Department of the Company</p> <p>June 2016     Director and Senior Corporate Officer, Executive General Manager of Jullia Olger Marketing Headquarters and General Manager of Jullia Olger Marketing Department of the Company</p> <p>Apr. 2017     Director and Senior Corporate Officer, Executive General Manager of Jullia Olger Marketing Headquarters of the Company</p> <p>June 2018     Director and Senior Corporate Officer, Deputy Executive General Manager of Marketing Headquarters of the Company (present position)</p> <p>[Significant concurrent positions outside the Company] Director of ART MIKAWAYA INC.</p>	32,900
<p>Reasons for nomination as candidate for Director</p> <p>Keisuke Satake has extensive experience with and insight into the Company's operations as head of marketing at the Company. He has been involved in the Company's marketing divisions for many years and served as Executive General Manager of Jullia Olger Marketing Headquarters, the Company's ready-made ladies' wig business unit, since 2010. We have therefore nominated him for reappointment as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
8	Jiro Nagao (October 6, 1967)  <Reelection>  <Outside Director>  <Independent Officer>	Apr. 1995 Registered as Lawyer Joined AOKI, SEKINE & TANAKA law office	-
		Apr. 2012 Practicing attorney-professor for civil advocacy of Supreme Court Legal Training and Research Institute of Japan	
		Jan. 2014 Joined Samon-cho Law Office (present position)	
		June 2014 Director of the Company (present position)	
Reasons for nomination as candidate for Outside Director The Company has nominated Jiro Nagao for reappointment as an Outside Director because we expect that he will provide valuable advice based on his expert knowledge and wealth of practical experience built up over many years as a lawyer, and that his oversight of business execution by Corporate Officers and others from an independent perspective will strengthen the Board's auditing function.			
9	Yasuko Kobashikawa (July 9, 1965)  <Reelection>  <Outside Director>  <Independent Officer>	Oct. 1990 Joined CHUO Shinko Audit Corporation	-
		Feb. 2001 Registered as Certified Public Accountant Opened Kobashikawa Accounting Office	
		June 2006 Established Mikasa Audit Corporation	
		June 2015 Director of the Company (present position)	
		Dec. 2017 Established JK & CREW Tax Accountant's Corporation (present position)	
Reasons for nomination as candidate for Outside Director The Company has nominated Yasuko Kobashikawa for reappointment as an Outside Director because we expect that she will provide valuable advice based on her expert knowledge and wealth of practical experience built up over many years as a certified public accountant, and that her oversight of business execution by Corporate Officers and others from an independent perspective will strengthen the Board's auditing function.			

- Notes:
1. There is no special interest between the candidates for Directors and the Company.
  2. Keisuke Igarashi is the President of AI CORPORATION Ltd., but there is no business relationship between AI CORPORATION Ltd. and the Company.
  3. Jiro Nagao and Yasuko Kobashikawa are candidates for Outside Directors.
  4. Jiro Nagao and Yasuko Kobashikawa currently serve as Outside Directors of the Company. At the conclusion of this meeting, their terms as Outside Directors will have been six (6) years for Jiro Nagao and five (5) years for Yasuko Kobashikawa.
  5. The Company has entered into limited liability agreements with Jiro Nagao and Yasuko Kobashikawa that limit the liability for damages to the minimum liability amount stipulated by laws and regulations. If their reelections are approved, the Company plans to continue these agreements with them.
  6. The Company has registered Jiro Nagao and Yasuko Kobashikawa as Independent Officers in line with the regulations of the Tokyo Stock Exchange. If their reelections are approved, the Company plans to maintain their status as Independent Officers.

**Proposal 3:** Election of one (1) Substitute Auditor

On the basis of the stipulations of Article 329, paragraph 3 of the Companies Act, the Company requests approval for the election of one (1) Substitute Auditor to be ready to fill a vacant position should the number of Auditors fall below the number required by laws and regulations.

In addition, the consent of the Board of Auditors has been obtained for this proposal.

The candidate for Substitute Auditor is as follows:

Name (Date of birth)	Career summary and position in the Company [Significant concurrent positions outside the Company]	Number of the Company's shares owned	
Yoshiaki Hombo (October 17, 1969)	Oct. 1994	Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC)	-
	Apr. 1998	Registered as Certified Public Accountant	
	July 2006	Joined Ernst & Young Transaction Advisory Services Co., Ltd.	
	Jan. 2010	Established the Hombo CPA Office (present position)	
	Oct. 2010	Registered as Tax Accountant	
	Oct. 2010	Established the Yoshiaki Hombo Tax Accountant Office (present position)	
	July 2016	Assumed position as an employee of Seisen Audit Corporation (present position)	

- Notes:
1. There is no special interest between the candidate for Substitute Auditor and the Company.
  2. Yoshiaki Hombo is a candidate for Substitute Outside Auditor.
  3. From his expert knowledge and wealth of experience gained during his time spent as a certified public accountant and tax accountant, the Company judges that Yoshiaki Hombo will appropriately fulfill his duties as an Outside Auditor.
  4. If Yoshiaki Hombo assumes the position of Outside Auditor, the Company plans to enter into a limited liability agreement with him that limits his liability for damages to the minimum liability amount stipulated by laws and regulations.
  5. If Yoshiaki Hombo assumes the position of Outside Auditor, the Company plans to register him as an Independent Officer in line with the regulations of the Tokyo Stock Exchange.