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Securities Code: 8999

June 9, 2022

To our shareholders:

Yasuro Hayashi  
President  
**Grandy House Corporation**  
4-3-18 Odori, Utsunomiya-shi, Tochigi

## Notice of the 31st Annual General Meeting of Shareholders

We are pleased to announce the 31st Annual General Meeting of Shareholders of Grandy House Corporation (the “Company”), which will be held as indicated below.

We have decided to hold this General Meeting of Shareholders after implementing appropriate infection prevention measures from the viewpoint of preventing the spread of the coronavirus.

**From the viewpoint of preventing the spread of coronavirus, we would like to ask you to consider exercising your voting rights by mail (in writing) or electromagnetic means (the Internet, etc.) rather than coming to the venue on the day of the meeting. In this case, please review the Reference Documents for the General Meeting of Shareholders as described on page 2 and exercise your voting rights by 5:30 p.m. on Tuesday, June 28, 2022 (JST), in the following manner.**

- 1. Date and Time** Wednesday, June 29, 2022, at 11:00 a.m. (JST) (Reception starts at 10:00 a.m.)
- 2. Venue** Hotel New Itaya, 3rd floor, Tenpyo-no-Ma  
2-4-6 Odori, Utsunomiya-shi, Tochigi  
To prevent infection, we are considering seating layouts with space between seats, and we ask for your understanding that we may have to move you to another venue in the same hotel if the above-mentioned venue is full.

### 3. Purpose of the Meeting

#### Matters to be reported:

1. Reports on the Business Report and Consolidated Financial Statements for the 31st Fiscal Year (from April 1, 2021 to March 31, 2022) and the Audits Results of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. Reports on the Non-consolidated Financial Statements for the 31st Fiscal Year (from April 1, 2021 to March 31, 2022)

#### Matters to be resolved:

- |                       |                                                                                                                                                                         |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Proposal No. 1</b> | Amendment to the Articles of Incorporation                                                                                                                              |
| <b>Proposal No. 2</b> | Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)                                                                       |
| <b>Proposal No. 3</b> | Revision of the Amount and Method of Calculation of Performance-Linked Remuneration for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| <b>Proposal No. 4</b> | Payment of Retirement Bonus to Retiring Director (Excluding Directors Who Are Audit and Supervisory Committee Members)                                                  |

[If attending the General Meeting of Shareholders]

If you plan to attend the meeting in person, please submit the enclosed voting form to the receptionist at the meeting. Please note that persons other than shareholders who are entitled to exercise their voting rights, such as proxies or accompanying persons who are not shareholders, will not be admitted to the meeting.

[If exercising voting rights by mail (in writing)]

Please indicate your approval or disapproval of the proposals on the enclosed voting form and return the form to us so that it arrives by the exercise deadline.

[If exercising voting rights via electromagnetic means]

Please refer to “Exercising Voting Rights via Electromagnetic Means” on page 3 (in Japanese only) and register your approval or disapproval of the proposals by the exercise deadline.

Any amendments to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements will be posted on the Company’s website on the Internet (<https://www.grandy.co.jp/>).

(Request to Shareholders)

- Shareholders who plan to attend the meeting are requested to wear masks after checking the infection situation in Japan and their own physical condition as of the date of the meeting.
- We ask for your cooperation in disinfecting your hands before entering the venue, as alcohol disinfectant solution will be available at the reception desk. We may also ask for your cooperation in taking your temperature using a non-contact thermometer.
- In order to prevent the spread of infection, we reserve the right to refuse admission to those who appear to be in poor health or who do not cooperate in wearing a mask.
- Please be advised that the Company’s officers and related personnel will wear masks after checking their physical condition, including taking their temperatures.
- If there are any major changes to the operation of the General Meeting of Shareholders due to future circumstances, we will announce such changes on our website (<https://www.grandy.co.jp/>).

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1      Amendment to the Articles of Incorporation

#### 1. Reasons for the Proposal

In accordance with the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) being enforced on September 1, 2022, the system for providing informational materials for the general meeting of shareholders in electronic format will be introduced. Accordingly, the Company proposes to make the following changes to the Articles of Incorporation.

- (1) As the Company will be required to establish provisions in the Articles of Incorporation to the effect that it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format, Article 15 (Measures, etc. for Providing Information in Electronic Format), paragraph (1) in “Proposed amendments” will be newly created.
- (2) In order to enable the Company to limit the scope of matters to be provided in paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents to the scope set forth in the Ministry of Justice Order, from among the information that constitutes the content of reference documents for the general meeting of shareholders, etc. for which the Company will take measures to provide in electronic format, Article 15 (Measures, etc. for Providing Information in Electronic Format), paragraph (2) in “Proposed amendments” will be newly created.
- (3) Since the provisions of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation will no longer be required when the system for providing informational materials for the general meeting of shareholders in electronic format is introduced, they will be deleted.
- (4) Supplementary provisions regarding the effectiveness of the provisions to be established and deleted, as described above, will be established. Furthermore, these supplementary provisions will be deleted after a certain date has elapsed.

#### 2. Details of the Amendment

The details of the amendment are as follows:

(Underlined sections indicate changed parts)

Current Articles of Incorporation	Proposed amendments
<p><u>Article 15. (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">(Deleted)</p> <p><u>Article 15. (Measures, etc. for Providing Information in Electronic Format)</u></p> <p>1. <u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></p>

Current Articles of Incorporation	Proposed amendments
<p>Supplementary Provisions (Transitional Measures Concerning Limited Liability Agreement for Outside Audit &amp; Supervisory Board Members) (Omitted)</p> <p>(Newly established)</p>	<p>2. <u>Among items for which the measures for providing information in electronic format will be taken, the Company shall not be required to provide all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p>Supplementary Provisions (Transitional Measures Concerning Limited Liability Agreement for Outside Audit &amp; Supervisory Board Members)</p> <p><u>Article 1. (Unchanged)</u></p> <p><u>Article 2. (Transitional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</u></p> <p>1. <u>The deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the Articles of Incorporation and the establishment of Article 15 (Measures, etc. for Providing Information in Electronic Format) of the Articles of Incorporation shall become effective from September 1, 2022.</u></p> <p>2. <u>Notwithstanding the provisions of the preceding paragraph, Article 15 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held on a date within six months from September 1, 2022.</u></p> <p>3. <u>The provisions of this article shall be deleted on the date when six months have elapsed from September 1, 2022 or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

**Proposal No. 2** Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The term of office of all eight Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter in this proposal) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of seven Directors, decreasing the number of Directors by one, from the perspective of making management more efficient in accordance with the current status of the Group.

The Audit and Supervisory Committee considered this proposal, and there were no objections.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company (Note 3))	Number of the Company's shares owned
1	Hiroyuki Murata (September 17, 1960)	May 1988      Joined Subaru Housing Co., Ltd. Dec. 1998      Joined the Company Sept. 2000      Director Feb. 2003      Managing Director June 2004      Senior Managing Director Mar. 2008      Director (Note 4) Mar. 2010      Director and Vice President Mar. 2011      President Apr. 2018      Chairman (current position)	197,867 shares
2	Yasuro Hayashi (February 23, 1959)	Apr. 1982      Joined The Ashikaga Bank, Ltd. Apr. 2010      Joined the Company General Manager of Finance Department, Administration Division June 2010      Managing Director Apr. 2011      Supervisor of Finance Department, Administration Division Mar. 2012      Senior Managing Director General Manager of President's Office June 2013      Supervisor Responsible for the Entire Company Management Apr. 2014      Vice President Apr. 2018      President (current position)	59,224 shares
3	Atsuo Saito (April 26, 1956)	Apr. 1990      Joined Elleair Paper Tech Co. Ltd. Mar. 1997      Joined the Company June 2002      Director Apr. 2006      Managing Director Mar. 2008      General Administration Manager Mar. 2012      Senior Managing Director Apr. 2017      Vice President (current position) June 2020      General Administration Manager (current position)	229,109 shares
4	Yutaka Koiso (March 6, 1957)	Apr. 1979      Joined The Ashikaga Bank, Ltd. July 2012      Joined the Company Executive Officer General Manager of Finance Department June 2013      Director May 2014      Managing Director Supervisor of Finance Department Apr. 2016      Senior Managing Director Oct. 2019      Vice President (current position) June 2020      Supervisor of Finance Department (current position)	19,428 shares

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company (Note 3))		Number of the Company's shares owned
5	Yasushi Sayama (October 31, 1969)	Apr. 1992	Joined Watanabe General Construction	89,070 shares
		Apr. 1997	Joined the Company	
		June 2005	Director	
		Mar. 2008	Managing Director General Manager of Development Division (current position)	
		June 2013	Senior Managing Director (current position)	
6	Hideki Tani (April 15, 1973)	Oct. 1999	Joined the Company	35,199 shares
		Feb. 2003	Joined Houshou Kensetsu	
		Dec. 2003	Joined the Company	
		Jan. 2010	General Manager of Construction Department, Construction Division	
		Apr. 2011	General Manager of Construction Division (current position)	
		June 2011	Director	
		Oct. 2013	Managing Director (current position)	
7	Masayasu Ishikawa (May 31, 1976)	Apr. 1995	Joined TOBU CONSTRUCTION Co., Ltd.	45,512 shares
		Feb. 1997	Joined the Company	
		Apr. 2009	General Manager of Head Office Sales Department, Sales Division	
		Apr. 2011	General Manager of Sales Division (current position)	
		June 2011	Director	
		May 2014	Managing Director	
		June 2016	Director	
		Apr. 2018	Managing Director (current position)	

- Notes: 1. There is no special interest between any of the Director candidates and the Company.
2. In principle, Directors (excluding Directors who are Audit and Supervisory Committee Members) are appointed as Executive Directors, and the Company's policy is to select candidates in consideration of their abilities, qualifications, experience, track record, etc., based on the principle that the directors will supervise each other and be involved in decision-making on important matters from the standpoint of being in charge of different areas of operations.

The reasons for the election of each Director candidate are as follows.

- Hiroyuki Murata has held various important positions since his appointment as Director in charge of sales and marketing, and has a proven track record of expanding the Company's business as President since 2011 and as Chairman since April 2018, as well as excellent insight into corporate management. Therefore, we request that he be elected to continue to serve as Chairman.
- Yasuro Hayashi has held various important positions since his appointment as Director in charge of finance, up to Vice President, and has contributed to strengthening the Company's management structure, as well as making efforts in management as President since April 2018. Therefore, we request that he be elected to continue to serve as President.
- Atsuo Saito has a proven track record of contributing to the establishment and strengthening of corporate governance, compliance, financial reporting, and other systems as a Director in charge of administration divisions, and has worked to strengthen the Company's management structure as Vice President since April 2017. Therefore, we request that he be elected to continue to serve as Vice President.
- Yutaka Koiso has a proven track record of contributing to the smooth procurement of business funds and the strengthening of the finance department as a Director in charge of the finance department by utilizing his abundant knowledge and experience in finance from his previous positions, and he has been working to strengthen the Company's management structure as Vice President since October 2019. Therefore, we request that he be elected to continue to serve as Vice President.
- Yasushi Sayama has a proven track record of contributing to business expansion in the acquisition and development of land for sale, which is a key element of the Group's business, as a Director in charge of the development division. Therefore, we request that he be elected to continue to serve as Director.
- Hideki Tani, as Director in charge of the construction division, has a proven track record of contributing to the improvement of housing quality and performance, etc. and the establishment of a production system to accommodate business expansion. Therefore, we request that he be elected to continue to serve as Director.

- Masayasu Ishikawa, as Director in charge of the sales division of the Company, has a proven track record of contributing to the promotion of sales, as well as for his contribution to strengthening the sales management system of the Company's group as a whole. Therefore, we request that he be elected to continue to serve as Director.
3. Significant concurrent positions outside the company held by each candidate are as follows
    - Hiroyuki Murata concurrently serves as a Director of Ibaraki Grandy House, Gunma Grandy House, Chiba Grandy House, General Livtech Co., Ltd., Chuko House Information Center Co., Ltd., Grandy Reform Co., Ltd., and Kanagawa Grandy House INC. (all consolidated subsidiaries of the Company).
    - Yasuro Hayashi concurrently serves as a Director of Ibaraki Grandy House, Gunma Grandy House, Chiba Grandy House, General Livtech Co., Ltd., Chuko House Information Center Co., Ltd., Grandy Reform Co., Ltd., and Kanagawa Grandy House INC.
    - Yutaka Koiso concurrently serves as a Director of Kanagawa Grandy House INC. (a consolidated subsidiary of the Company).
    - Yasushi Sayama concurrently serves as Representative Director of Welcome House Co., Ltd. (a consolidated subsidiary of the Company).
  4. Hiroyuki Murata served as President of Ibaraki Grandy House from November 2007 to March 2010, and was appointed as a Director in order to devote himself full-time to his duties.
  5. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3 of the Companies Act, which insures Directors (including Directors who are Audit and Supervisory Committee Members), Audit & Supervisory Board Members, and Executive Officers of the Company and its subsidiaries, and a summary of the contents of such insurance policy is shown on page 15 (in Japanese only) of the Business Report. If each of the candidates is appointed as a Director under this proposal, the insurance policy will expire during his term of office, but the Company intends to continue to conclude an equivalent corporate officers' liability insurance policy insuring all of the candidates.
  6. The number of the Company's shares owned is the number of shares as of March 31, 2022.

[Reference]

Skills Matrix of Directors (Including Directors Who Are Audit and Supervisory Committee Members)

Name	Expertise and experience						
	Corporate management Organizational operation	Sales Sales strategies	Technology/quality Development	Finance Accounting	Internal controls Risk management Legal affairs	Human resources development Personnel/labor affairs	ESG Sustainability
Hiroyuki Murata	●	●	●				
Yasuro Hayashi	●	●		●			●
Atsuo Saito	●			●	●	●	●
Yutaka Koiso	●	●		●		●	
Yasushi Sayama	●	●	●				
Hideki Tani	●	●	●				●
Masayasu Ishikawa	●	●	●				
Hajime Yuzawa (Audit and Supervisory Committee Member)				●	●		
Hajime Ito* (Audit and Supervisory Committee Member)				●	●		
Takehiko Kobayashi* (Audit and Supervisory Committee Member)				●	●		

(\*) Independent Outside Director



**Proposal No. 3** Revision of the Amount and Method of Calculation of Performance-Linked Remuneration for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

With regard to remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter in this proposal (excluding independent Outside Directors)) of the Company, at the 30th Annual General Meeting of Shareholders held on June 29, 2021, approval was received for the introduction of performance-linked remuneration and for a total annual amount of remuneration, consisting of fixed remuneration and performance-linked remuneration, of an annual amount not exceeding 450 million yen (not including salary as an employee for Directors serving concurrently as employees).

In order to ensure an even higher level of objectivity and transparency for performance-linked remuneration to which performance for each fiscal year from the fiscal year ending March 2023 applies, the Company requests approval to make the amount of performance-linked remuneration an amount not exceeding 50 million yen out of the annual amount not exceeding 450 million yen as well as to change the method of calculation (including the payment standard) as described below (the method of calculation prior to the change, etc. is as presented in “3. Company Officers, (4) Remuneration for Directors, e. Policy for determining the details of officer remuneration” on page 18 of the Business Report) (in Japanese only).

The overview of the details of the policy for determining the details of individual remuneration for Directors of the Company is as presented in “3. Company Officers, (4) Remuneration for Directors, e. Policy for determining the details of officer remuneration” on pages 17 to 18 of the Business Report (in Japanese only). On the condition of it being approved and adopted, the Company plans to change paragraph d in this proposal, which pertains to performance-linked remuneration in the said policy, etc. However, the Company believes that these details are appropriate as they ensure an even higher level of objectivity and transparency, such as by making the individual amount paid through the introduction of points per position more objective and adding performance in the previous fiscal year through the introduction of point value, and because this proposal was determined after listening to the opinions of the independent Outside Directors.

The Audit and Supervisory Committee considered this proposal, and there were no objections.

The current number of Directors is eight, and if Proposal No. 2 is approved in its original form, the number of Directors will be seven.

(Method of calculating the amount of performance-linked remuneration)

The payment shall be made to Executive Directors, excluding Outside Directors and Audit and Supervisory Committee Members.

Individual amount to be paid to each Director = Points per position (Representative Directors will have Representative Director points added) × performance achievement payment factor × point value

[Points per position and Representative Director points]

Points per position						Representative Director points
Chairman	President	Vice President	Senior Managing	Managing	No position	
50	40	30	20	15	12	10

[Performance achievement payment factor]

Achievement rate	50% or less	50% to 70% or less	70% to 130% or less	130% to 150% or less	150% or more
Payment factor	0.0	0.5	1.0	1.5	2.0

Note: Achievement rate = consolidated ordinary income for the target fiscal year ÷ initial consolidated ordinary income forecast announced in the financial results, etc.

If either or both of “consolidated ordinary income for the target fiscal year” and “initial consolidated ordinary income forecast announced in the financial results, etc.” are 0 or loss, the payment factor will be 0.

[Point value]

- Point value is determined by multiplying the basic point value (10,000 yen) by the point adjustment factor.

Change in forecast business performance	50% or less	50% to 70% or less	70% to 90% or less	90% or more
Point adjustment factor	5	6	8	10

Note: Change in forecast business performance = initial consolidated ordinary income forecast announced in the financial results, etc. ÷ consolidated ordinary income for the fiscal year preceding the target fiscal year

If “consolidated ordinary income for the fiscal year preceding the target fiscal year” is 0 or a loss, the point adjustment factor will be 10.

<Payment standard>

- If the results for consolidated ordinary income for the target fiscal year fall under ¥1.0 billion, performance-linked remuneration will not be paid.
- If there is a change in position during the period for execution of duties (including appointment and retirement of Representative Directors), the Director’s points per position (Representative Directors will have Representative Director points added; the same shall apply hereinafter) will be the sum of the number points calculated using the method in a. below plus the number of points calculated using the method in b. below.
  - a. Points in accordance with length in position prior to change  
Points per position prior to change × (Number of months in position prior to change ÷ Number of months in period for execution of duties)
  - b. Points in accordance with length in position after change  
Points per position after change × (Number of months in position after change ÷ Number of months in period for execution of duties)

Notes: 1. Points calculated using both a. and b. shall be rounded to the nearest number.  
2. Positions after the change will be applied for months with changes to positions.

**Proposal No. 4** Payment of Retirement Bonus to Retiring Director (Excluding Directors Who Are Audit and Supervisory Committee Members)

Director Kazuhisa Hayashi will retire owing to the expiration of his term of office at the conclusion of this General Meeting of Shareholders. Accordingly, in order to reward him for his service while in office, the Company proposes to pay a retirement bonus within an appropriate range, in line with certain standards of the Company.

Furthermore, the Company proposes that the specific amount, timing and method of payment, and other details be delegated to the Board of Directors.

This proposal has been determined by the Board of Directors in accordance with policies and internal regulations related to determining the content of individual remuneration, etc., for Directors set forth by the Board of Directors in advance, and the Company has thus judged that it is appropriate. The overview of the content of the policies for determining the content of individual remuneration, etc., for Directors of the Company is provided on pages 17 to 18 of the Business Report (in Japanese only).

In addition, the Audit and Supervisory Committee considered this proposal, and there were no objections.

The career summary of the retiring Director is as follows:

Name	Career summary	
Kazuhisa Hayashi	June 2013	Director of the Company
	May 2014	Managing Director
	Apr. 2022	Director (current position)