

[**Translation:** Please note that the following purports to be a translation from the Japanese original Notice of Convocation of the 72nd Annual General Meeting of Shareholders of Onward Holdings Co., Ltd. prepared for the convenience of shareholders with voting rights. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail. Please also be advised that certain expressions regarding voting procedures for shareholders that are not applicable to the shareholders outside Japan are intentionally omitted or modified to avoid confusion.]

May 2, 2019

TSE# 8016
SEDOL#6483821JP
ISIN#JP3203500008

To Our Shareholders:

Onward Holdings Co., Ltd.
10-5, Nihonbashi 3-chome, Chuo-ku, Tokyo
Representative Director and President
Michinobu Yasumoto

**NOTICE OF CONVOCATION OF
THE 72ND ANNUAL GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 72nd Annual General Meeting of Shareholders of Onward Holdings Co., Ltd. (the “Company”) for the fiscal year ended February 28, 2019. The meeting will be held as described below.

If you are unable to attend the aforesaid meeting, your voting rights can be exercised either in writing or via the Internet. We would appreciate your exercise of voting rights by reviewing the “Reference Document Concerning the General Meeting of Shareholders” attached below, indicating whether you approve or disapprove each item on agenda on the enclosed Voting Rights Exercise Form and returning it to the Company before 5:20 PM (JST) of May 22, 2019 (Wednesday), or alternatively accessing to the designated website for exercising voting rights.

In an effort to enhance the convenience of institutional investors, the Company participates in the electronic voting platform operated by ICJ via ProxyEdge® system of Broadridge. For further details, please consult with your custodians, nominees and/or brokers. Voting via Internet other than ICJ platform is only available for registered shareholders in Japan with Japanese language only.

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NOTICE OF MEETING

1. **Date and Time:** 10:00 AM of May 23, 2019 (Thursday)
2. **Place:** Bellesalle Shiodome, 2nd Floor
Sumitomo Fudosan Shiodome Hamarikyu Building
21-1, Ginza 8-chome, Chuo-ku, Tokyo
3. **Purposes:**
Items to Be Reported:
 1. Report on matters of the Business Report and the Consolidated Financial Statements for the 72nd fiscal year (March 1, 2018 to February 28, 2019) and results of audit of the Consolidated Financial Statements by Accounting Auditor and the Audit & Supervisory Board; and
 2. Report on the Non-Consolidated Financial Statements for the 72nd fiscal year (March 1, 2018 to February 28, 2019)

Items to Be Resolved:

- | | |
|---------------------------|-------------------------------|
| Agenda Item No. 1: | Appropriation of Surplus |
| Agenda Item No. 2: | Election of Six (6) Directors |

4. **Items for Exercising Voting Rights:**
 - (1) **Treatment of duplicated exercises of voting rights in writing and via Internet**

In case that a voting right is exercised by both mail and the Internet, the vote registered via Internet will be recognized as valid.
 - (2) **Treatment of duplicated exercises of voting rights via Internet**

In case that a voting right is exercised more than once via the Internet, only the last vote will be recognized as valid. Similarly, in case that a voting right is exercised more than once using a PC, smartphone or mobile phone, only the last vote will be recognized as valid.

- End -

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- * If you attend the meeting in person, please submit the Voting Rights Exercise Form enclosed herewith to the receptionist of the Hall. For saving natural resources, please take this notice of convocation with you to the meeting.

The documents referred to below are published on the Company's website (<https://www.onward-hd.co.jp>) and written in Japanese only.

- * Notes to Consolidated and Non-Consolidated Financial Statements which should be provided with this notice of convocation shall be announced on the Company's website in accordance with laws and regulations, and the Articles of Incorporation of the Company. In addition to documents attached to this notice of convocation, Notes to Consolidated and Non-Consolidated Financial Statements posted on the Company's website are included in Consolidated and Non-Consolidated Financial Statements audited by Audit & Supervisory Board Members and the Accounting Auditor in the course of preparing Audit Report and Accounting Auditor's Report respectively.
- * If any amendment is needed to the Business Report, Consolidated Financial Statements, Non-Consolidated Financial Statements and the Reference Document Concerning the General Meeting of Shareholders, please be advised that such amendment when applicable shall be publicly announced on the Company's website.

**REFERENCE DOCUMENT CONCERNING
THE GENERAL MEETING OF SHAREHOLDERS**

Agenda Items and Reference Matters:

Agenda Item No. 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

Matters concerning the year-end dividend:

The Company considers the return of profits to shareholders to be one of the most important management issues. The Company targets a payout ratio of 35% or more and follows the basic policy of distributing appropriate amounts of profits to shareholders in a way that is stable and linked with the business performance of the Company.

Under this policy, it is proposed that a year-end dividend for the fiscal year under review be as stated below.

1. Type of dividend property:
Cash
2. Allocation of dividends and total amount:
24 yen per share of common stock of the Company
3,308,868,312 yen total
3. Effective date of the dividend of surplus:
May 24, 2019

Agenda Item No. 2: Election of Six (6) Directors

The term of office of seven Directors will expire at the closing of this Annual General Meeting of Shareholders. In this regard, it is proposed that six Directors, including two Outside Directors, be elected, lowering the number of Directors by one to enhance the efficiency of the management.

The candidates are as follows:

Candidate No.	Name		Current position and responsibility in the Company, and significant concurrent positions outside the Company
1	Michinobu Yasumoto	Reelection	Representative Director and President of the Company Director of Onward Kashiya Co., Ltd.
2	Michio Osawa	Reelection	Senior Managing Director in charge of Asian Operations of the Company Representative Director and President, and Executive Officer of Onward Kashiya Co., Ltd.
3	Hisayuki Ichinose	Reelection	Senior Managing Director in charge of Administration of the Company Director and Senior Managing Executive Officer of Onward Kashiya Co., Ltd.
4	Tsunenori Suzuki	New candidate	Senior Managing Executive Officer in charge of International Operations of the Company Director and Senior Managing Executive Officer of Onward Kashiya Co., Ltd.
5	Akira Kawamoto	Reelection Outside Director Independent Director	Outside Director of the Company Senior Partner of Aspirant Group Inc. Professor of Faculty of Economics of Keio University Outside Director of Future Corporation
6	Yoshie Komuro	New candidate Outside Director Independent Director	President of Work-Life Balance Co., Ltd. Outside Director of JAPAN POST INSURANCE Co., Ltd.

(Note) The name of Mr. Tsunenori Suzuki in the family register is Tsunenori Hasegawa, and the name of Ms. Yoshie Komuro in the family register is Yoshie Ishikawa.

Candi- date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Michinobu Yasumoto (Sept. 13, 1965)	<p>May 2006 Joined the Company</p> <p>Mar. 2007 Executive Officer of the Company</p> <p>Sept. 2007 Executive Officer of Onward Kashiya Co., Ltd.</p> <p>Mar. 2009 Executive Officer of the Company</p> <p>Mar. 2011 Managing Executive Officer of the Company Managing Executive Officer of Onward Kashiya Co., Ltd.</p> <p>May 2014 Director of the Company Director and Managing Executive Officer of Onward Kashiya Co., Ltd.</p> <p>Sept. 2014 Director and Senior Managing Executive Officer of Onward Kashiya Co., Ltd.</p> <p>Mar. 2015 Representative Director and President of the Company (current position) Director of Onward Kashiya Co., Ltd. (current position)</p> <p>[Significant concurrent positions outside the Company] Director of Onward Kashiya Co., Ltd.</p>	58,000
<p>Reasons for nomination</p> <p>Mr. Michinobu Yasumoto has held various management positions in the Corporate Planning, Digital Strategy, International Business and Product Planning Divisions, and he has extensive experience and advanced knowledge. He is currently responsible for the management execution of the Group and is leading its business execution as the Representative Director and President and is playing roles appropriately in, for example, making decisions on important management matters and supervising business execution. For these reasons, he has been nominated as a Director candidate for reelection.</p>			

Candi- date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Michio Osawa (Feb. 2, 1956)	<p>Apr. 1978 Joined the Company</p> <p>Mar. 2006 Executive Officer of the Company</p> <p>Sept. 2007 Managing Director of Onward Trading Co., Ltd.</p> <p>Mar. 2009 Representative Director and President of Onward Trading Co., Ltd.</p> <p>Sept. 2012 Managing Executive Officer of the Company</p> <p>Sept. 2015 Representative Director and Chairman of Onward Trading Co., Ltd. Representative Director and President of Onward J Bridge Co., Ltd.</p> <p>Mar. 2016 Senior Managing Executive Officer of the Company Director and Senior Managing Executive Officer of Onward Kashiya Co., Ltd. Director and Chairman of Onward Trading Co., Ltd.</p> <p>Mar. 2017 Representative Director and President, and Executive Officer of Onward Kashiya Co., Ltd. (current position)</p> <p>May 2018 Senior Managing Director in charge of Asian Operations of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Representative Director and President, and Executive Officer of Onward Kashiya Co., Ltd.</p>	32,200
<p>Reasons for nomination</p> <p>Mr. Michio Osawa has held various management positions in the Sales and Production Division, and he has extensive experience and advanced knowledge. Currently, as the Representative Director and President, and Executive Officer of Onward Kashiya Co. Ltd., the core operating company of the Group, he is promoting the brand business and the expansion of business areas to match diversifying markets. In addition, he is promoting business expansion as the Senior Managing Director in charge of Asian operations of the Company. As such, he is appropriately fulfilling his duties and, accordingly, has been nominated as a Director candidate for reelection.</p>			

Candi- date No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Hisayuki Ichinose (Sept. 24, 1955)	<p>Apr. 1979 Joined the Company</p> <p>Mar. 2006 Executive Officer of the Company</p> <p>Sept. 2007 Executive Officer of Onward Kashiyama Co., Ltd.</p> <p>Mar. 2013 Managing Executive Officer of the Company Managing Executive Officer of Onward Kashiyama Co., Ltd.</p> <p>Mar. 2015 Director and Managing Executive Officer of Onward Kashiyama Co., Ltd.</p> <p>May 2015 Director of the Company</p> <p>Mar. 2017 Managing Director of the Company</p> <p>Mar. 2018 Senior Managing Director in charge of the Administration of the Company (current position)</p> <p>Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd. (current position)</p> <p>[Significant concurrent positions outside the Company] Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd.</p>	22,100
<p>Reasons for nomination</p> <p>Mr. Hisayuki Ichinose has held various management positions in the sales and administrative divisions of the Company, and he has extensive experience and performance record. He currently holds a concurrent position as the Director and Senior Managing Executive Officer of Onward Kashiyama Co. Ltd., the core operating company of the Group. In particular, he is playing roles appropriately in charge of Administration of the Group as Senior Managing Director of the Company. For these reasons, he has been nominated as a Director candidate for reelection.</p>			

Candidate No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	<p><u>New candidate</u></p> <p>Tsunenori Suzuki (Name in family register: Tsunenori Hasegawa) (Apr. 2, 1958)</p>	<p>Apr. 1982 Joined the Company</p> <p>Mar. 2006 Executive Officer of Onward Kashiyama Co., Ltd.</p> <p>Mar. 2007 Managing Executive Officer of Onward Kashiyama Co., Ltd.</p> <p>Mar. 2012 Representative Director and President of Donna Karan Japan K.K.</p> <p>Mar. 2015 Managing Executive Officer of the Company</p> <p>Sept. 2017 Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd. (current position)</p> <p>Mar. 2018 Senior Managing Executive Officer in charge of International Operations of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd.</p>	22,300
<p>Reasons for nomination</p> <p>Mr. Tsunenori Suzuki has held various management positions in the Sales and International Business Divisions of the Company, and he has extensive experience and performance record. Currently, while taking a leading role in the overall sales operations as Director and Senior Managing Executive Officer of Onward Kashiyama Co., Ltd., a primary operating company in the Group, and working to expand the fields of the Company's business activities, he has been appropriately fulfilling his role as the Senior Managing Executive Officer of the Company as promoting the expansion of international business. For these reasons, he has been newly nominated as a Director candidate for election.</p>			
5	<p>Akira Kawamoto (Aug. 19, 1958)</p>	<p>Apr. 1981 Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)</p> <p>Aug. 1995 Organization for Economic Co-operation and Development (OECD) (Paris)</p> <p>Jan. 2001 Manager of Electricity Market Division, Electricity and Gas Industry Department, Agency for Natural Resources and Energy</p> <p>July 2009 Deputy Director-General of Economic and Industrial Policy Bureau, Ministry of Economy, Trade and Industry</p> <p>Oct. 2012 Senior Partner of Aspirant Group Inc. (current position)</p> <p>Apr. 2013 Professor of Faculty of Economics of Keio University (current position)</p> <p>Mar. 2014 Outside Director of Future Corporation (current position)</p> <p>May 2018 Director of the Company (current position)</p>	0
<p>Reasons for nomination</p> <p>Mr. Akira Kawamoto has extensive experience gained while working for the government for many years and diverse knowledge and insight from his academic experience. As Mr. Akira Kawamoto can be expected to provide valuable suggestions and opinions on the management of the Company, the Company deems that he is qualified to be an Outside Director. For these reasons, he has been nominated as an Outside Director candidate for reelection.</p>			

Candidate No.	Name (Date of Birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	<p style="text-align: center;"><u>New candidate</u></p> <p>Yoshie Komuro (Name in family register: Yoshie Ishikawa) (Apr. 16, 1975)</p>	<p>Apr. 1999 Joined Shiseido Company, Limited</p> <p>July 2006 President of Work-Life Balance Co., Ltd. (current position)</p> <p>Apr. 2008 Member of the Evaluation Working Group, Work-Life Balance Promotion and Evaluation Council, Cabinet Office</p> <p>Oct. 2009 Visiting Professor of Kanazawa Institute of Technology (current position)</p> <p>Apr. 2013 Member of the Children and Childcare Support Council, Cabinet Office (current position)</p> <p>Sept. 2014 Civil Member of the Industrial Competitiveness Council</p> <p>Feb. 2015 Member of the Central Council for Education, Ministry of Education, Culture, Sports, Science and Technology</p> <p>June 2017 Outside Director of JAPAN POST INSURANCE Co., Ltd. (current position)</p> <p>[Significant concurrent positions outside the Company] President of Work-Life Balance Co., Ltd.</p>	0
<p>Reasons for nomination</p> <p>Ms. Yoshie Komuro has extensive insight regarding the workstyle reform, which is an important issue for companies, and has experience and insight developed through serving in various roles as a specialist sitting on various government affiliated councils. As Ms. Yoshie Komuro can be expected to provide valuable suggestions and opinions on the management of the Company, the Company deems that she is qualified to be an Outside Director. For these reasons, she has been newly nominated as an Outside Director candidate for election.</p>			

(Notes)

1. Each candidate stated above has no special interests in the Company.
2. Mr. Akira Kawamoto is a candidate for Outside Director. The Company submitted Notifications of Independent Directors/Audit & Supervisory Board Members to the Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. that the Company designated Mr. Akira Kawamoto as Independent Director.
3. Ms. Yoshie Komuro is a candidate for Outside Director. The Company is going to submit Notifications of Independent Directors/Audit & Supervisory Board Members to the Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. that the Company designated Ms. Yoshie Komuro as Independent Director.
4. The independence of Outside Directors and the agreement to limit Outside Directors' liability:
 - (1) The independence of candidates for Outside Director:
 - (i) The duration of Mr. Akira Kawamoto's assumption of the office as Outside Director of the Company will have been one year upon the closing of this General Meeting of Shareholders.
 - (ii) Both of the candidates for Outside Director satisfy "Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members" (pp.11-12).
 - (2) Agreement with Outside Director to limit liabilities:
The Company has concluded an agreement with Mr. Akira Kawamoto to limit his liabilities prescribed in Article 423, Paragraph 1 of the Companies Act to the minimum liability amount as prescribed in Article 427, Paragraph 1 of the Companies Act.
In the event of the reelection of Mr. Kawamoto and the new election of Ms. Komuro are approved, the Company is going to conclude such agreements with them.

(Reference)

Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members

When a candidate for Outside Director or Outside Audit & Supervisory Board Member applies to any of the following, the Company considers that the candidate does not have the independence as Outside Director/Outside Audit & Supervisory Board Member.

1. Relationship with a company at which a person engaged in business execution¹ of the Company assumes a director or corporate executive position
Any person engaged in business execution of a company at which a person engaged in business execution of the Company assumes a corporate executive position.
2. Major business partner
Any party that considers the Company as a major business partner² or a person engaged in business execution of the party, or any major business partner of the Company³ or a person engaged in business execution of the business partner.
3. Accounting auditor firm of the Company
Any person belonging to an accounting auditor firm that performs audits concerning the Company based on the Companies Act or the Financial Instruments and Exchange Act.
4. External specialist
Any external specialist who receives a considerable amount⁴ of money or other assets from the Company in addition to remuneration as an Outside Director or an Audit & Supervisory Board Member (such a specialist refers to an attorney-at-law, accountant, tax accountant, patent attorney, judicial scrivener, consultant, etc.; if the party receiving the aforesaid assets is a corporation, union, or any other form of organization, the person belonging to such organization).
5. Recipient of contribution
Any party receiving a considerable amount⁵ of contribution from the Company (if the party receiving the aforesaid contribution is a corporation, union, or any other form of organization, the person engaged in business execution at such organization).
6. Major shareholder
Any party or a person engaged in business execution of a respective company that beneficially holds 10% or more of the Company's voting rights.
7. Former relevant person
Any person that was applicable to any of 1. through 5. above in the past five years.
8. Next of kin
Next of kin of a person applicable to any of 1. through 7. above (excluding a person of no importance).

Notes:

- 1 "A person engaged in business execution" refers to an executive director executive officer, general manager or employee (including adviser).
- 2 "Any party that considers the Company as a major business partner" refers to a party that has received from the Company an amount of payment equivalent to over 2% of its annual net sales in the most recent fiscal year.
- 3 "Major business partner of the Company" refers to a party that has paid the Company an amount equivalent to over 2% of the annual net sales of the Company or a party whose outstanding loan to the Company exceeds 2% of the total assets of the Company, in the most recent fiscal year.

- 4 “A considerable amount” with respect to assets received in the most recent fiscal year refers to, in case the party that has received the assets concerned is an individual, an annual amount of 10 million yen, and in case the party is a corporation, union, or any other form of organization, an amount over 2% of consolidated net sales or total revenue of the organization.
- 5 “A considerable amount” with respect to contribution received in the most recent fiscal year refers to, an annual amount of 10 million yen or 2% of the total revenue, whichever is higher.

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