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**To Shareholders with Voting Rights:**

Visional, Inc.  
Soichiro Minami  
Representative Director and CEO  
15-1, Shibuya 2-chome  
Shibuya-ku, Tokyo

**NOTICE OF  
THE 3rd ANNUAL GENERAL MEETING OF SHAREHOLDERS**

We would like to express our appreciation for your continued support and patronage.

We hereby inform you that the 3rd Annual General Meeting of Shareholders of Visional, Inc. (the “Company”) will be held as presented below. The meeting will take place after appropriate precautions have been taken to prevent the spread of COVID-19 and ensure the safety of all shareholders. Shareholders may exercise voting rights in writing or electronically (via the Internet, etc.), so in order to prevent the risk of infection, we would request that shareholders review the attached Reference Documents for the General Meeting of Shareholders and return the voting form by mail so that it arrives by 6:00 p.m. JST on Tuesday, October 25, 2022, or vote electronically (via the Internet, etc.) prior to 6:00 p.m. JST on Tuesday, October 25, 2022. If you wish to attend the meeting, please confirm the state of virus spread on the day of the meeting and your physical condition and give priority to your health and safety, which includes refraining from attending the meeting in person.

For instructions on exercising voting rights electronically (via the Internet, etc.), please refer to pages 3 and 4 of the original Japanese language document.

- 1. Date and Time:** Wednesday, October 26, 2022, at 10:00 a.m. JST  
(Doors open at 9:30 a.m.)
- 2. Place:** Hall 4C, TKP Garden City Shibuya  
Shibuya Higashiguchi Bldg. 4th Floor  
22-3, Shibuya 2-chome, Shibuya-ku, Tokyo  
(As the venue is different from that for the previous year, please refer to the guide map of the venue at the end of the original Japanese language document.)
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report and Consolidated Financial Statements for the Company’s 3rd Fiscal Year (August 1, 2021 - July 31, 2022) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company’s 3rd Fiscal Year (August 1, 2021 - July 31, 2022)
  - Proposals to be resolved:**
    - Proposal 1:** Partial Amendments to the Articles of Incorporation
    - Proposal 2:** Election of Five Directors (excluding Directors Who Are Audit and Supervisory Committee Members)
    - Proposal 3:** Election of One Substitute Director Who Is an Audit and Supervisory Committee Member
    - Proposal 4:** Authorization for the Company’s Board of Directors to Determine Offering Terms for Stock Acquisition Rights Provided as Stock Options

- As mentioned above, we ask you to refrain from attending the meeting where possible to prevent the spread of the novel corona virus disease (COVID-19) and to ensure the safety of shareholders. Please note that we may restrict entry in case the venue is filled to capacity on the day.
- We ask that shareholders attending the meeting present the voting form at the reception.
- Among the documents to be provided to this Notice, the items below are posted on the Company's website (<https://www.visional.inc/ja/ir/stock/information2.html>) pursuant to laws and regulations, as well as Article 17 of the Articles of Incorporation, and are accordingly not included with this Notice.
  - (1) "Stock acquisition rights" and "System to Ensure the Appropriateness of Business Operations and the Status of its Implementation" of the Business Report
  - (2) "Consolidated Statements of Changes in Equity" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements
  - (3) "Statements of Changes in Equity" and "Notes to the Non-consolidated Financial Statements" of the Non-consolidated Financial Statements
- Consequently, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements attached to this Notice consist of part of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Independent Auditor and the Audit and Supervisory Committee members in preparing their audit reports.
- If any revisions are made to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements, revised contents will be presented on the above Company's website.
- With respect to the Notice of the Resolutions of this General Meeting of Shareholders, the contents will be presented on the above Company's website.
- Since we plan to receive questions for the Meeting Agenda of this General Meeting of Shareholders in advance on the Company's website (<https://cloud.swcms.net/visionalPublic/ja/inquiry/inquiry8.html>), you can post any questions through it. Matters which are of high interest to the shareholders among the questions posted will be, on Chairperson's decision, explained at the General Meeting of Shareholders.
- Souvenirs, samples and so forth will not be provided at the General Meeting of Shareholders.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Partial Amendments to the Articles of Incorporation

#### 1. Reasons for the proposal

- (1) On June 16, 2021, the “Act for Partially Amending the Industrial Competitiveness Enhancement Act and Other Related Acts” (Act No. 70 of 2021) was enforced, which enables listed companies to hold general meetings of shareholders without designated locations (so-called virtual-only general meetings of shareholders) under certain conditions by stipulating such in the articles of incorporation. Following this amendment, in consideration of responses to large-scale disasters including infectious diseases and natural disasters and advancement of digitalization across society as a whole, the Company believes that expanding choices for the method of holding general meetings of shareholders will contribute to the interests of our shareholders and thus proposes to amend Article 12 of the current Articles of Incorporation. With respect to this amendment, the Company received confirmation from the Minister of Economy, Trade and Industry and the Minister of Justice to the effect that the requirements for the above, as stipulated by the Ordinance of the Ministry of Economy, Trade and Industry and the Ordinance of the Ministry of Justice, are satisfied.
- (2) The revised stipulations stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) was enforced on September 1, 2022, and the Company proposes the following amendments to the Company’s Articles of Incorporation in line with the implementation of the system for electronic provision of materials for general meetings of shareholders.
  - (i) Article 17, Paragraph 1 of the proposed amendments stipulates that information that is the content of reference documents for the general meeting of shareholders, etc., shall be provided electronically.
  - (ii) Article 17, Paragraph 2 of the proposed amendments establishes stipulations to limits on the scope of matters to be recorded in physical documents that are provided to shareholders who request provision of physical documents.
  - (iii) As stipulations concerning internet disclosure and deemed provision of reference documents for general meetings of shareholders (Article 17 of the current Articles of Incorporation) will no longer be necessary, these shall be deleted.
  - (iv) Supplementary provisions shall be established concerning transitional measures, etc., in line with the new establishments and deletions above.

2. Contents of the amendments

The contents of the amendments are as follows.

(Underlines indicate amended sections)

Before amendments (Current Articles of Incorporation)	Proposed amendments
<p>(Convocation of general meetings of shareholders) Article 12 The annual general meeting of shareholders of the Company shall be convened within three months from the date following the end of each fiscal year, and the extraordinary general meeting of shareholders shall be convened whenever necessary. &lt;Newly established&gt;</p> <p><u>(Internet disclosure and deemed provision of reference documents for the general meetings of shareholders)</u> Article 17 <u>In the convocation of general meetings of shareholders, the Company may deem that it has provided to shareholders information concerning matters that must be displayed in the reference documents for the general meetings of shareholders, business report, non-consolidated financial statements, and consolidated financial statements via internet disclosure in conformity with definitions provided in the Ordinance of the Ministry of Justice.</u> &lt;Newly established&gt;</p>	<p>(Convocation of general meetings of shareholders) Article 12 The annual general meeting of shareholders of the Company shall be convened within three months from the date following the end of each fiscal year, and the extraordinary general meeting of shareholders shall be convened whenever necessary. <u>2. The Company may convene a general meeting of shareholders without a designated location.</u> &lt;Deleted&gt;</p> <p><u>(Measures for electronic provision, etc.)</u> Article 17 <u>In the convocation of general meetings of shareholders, the Company shall provide electronically information that is the content of reference documents for the general meeting of shareholders, etc.</u> <u>2. Of the matters to which electronic provision measures apply, the Company may choose not to record all or part of matters stipulated in the Ordinance of the Ministry of Justice in the physical documents provided to shareholders who made requests for provision of physical documents by the record date for voting rights.</u></p>



**Proposal 2:** Election of Five Directors (excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all four Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. Also, Director Yosuke Tada retired from office on July 2, 2022, as he passed away. The Company proposes to elect five Directors (excluding Directors who are Audit and Supervisory Committee Members). This proposal was examined by the Audit and Supervisory Committee, and there were no particular points to note.

The candidates for Director (excluding Directors who are Audit and Supervisory Committee Members) are as follows.

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Soichiro Minami (June 15, 1976)  [Reappointment]	<p>July 1999      Joined Morgan Stanley Dean Witter Japan Limited (currently Morgan Stanley MUFG Securities Co., Ltd.)</p> <p>January 2001      Joined Pacific Century CyberWorks Japan K.K. (currently PCCW Limited)</p> <p>September 2004      Joined Rakuten Baseball, Inc.</p> <p>August 2007      Founded BizReach, Inc. Representative Director and President of BizReach, Inc.</p> <p>October 2010      Representative Director of LUXA, Inc. (currently au Commerce &amp; Life, Inc.)</p> <p>December 2017      Representative Director and President of BizReach Trading, Inc. (currently Stanby, Inc.) (current position)</p> <p>February 2020      Representative Director and CEO of the Company (current position)</p> <p>July 2022      Chairman of BizReach, Inc. (current position)</p>	16,159,000
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Soichiro Minami founded BizReach, Inc., the Group's core company, and guided its business operations as its Representative Director and CEO. Following the company's change to a holding company system, he has overseen group management as the Company's Representative Director and CEO up to the present. Utilizing the knowledge and experience he has cultivated in all aspects of management, he is capable of making decisions on important matters pertaining to the Company's and the Group's management and to demonstrate leadership with respect to all executives and employees. The Company believes that he is well qualified for the position and has therefore renominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Shin Takeuchi (July 5, 1978)  [Reappointment]	April 2001      Joined FUJISOFT ABC Incorporated (currently FUJISOFT Incorporated)	920,200
		March 2007      Began freelancing April 2012      Joined BizReach, Inc. January 2013    Director of BizReach, Inc. September 2019 Director of Japan CTO Association (current position) February 2020   Director and CTO of the Company (current position) October 2021    Non-executive Director of TSUKURUBA Inc. (current position)	
[Reason for nomination as candidate for Director] Mr. Shin Takeuchi occupied important positions in IT development at BizReach, Inc., drawing on his work experience at an IT vendor and his experience in numerous projects as a freelance contractor. He is fully acquainted with all aspects of IT services, from planning to development. The Company believes that he is well qualified to make important decisions on business execution on the Board of Directors and oversee the direction of project development at the Group for the sake of the Company's and the Group's business growth, and has therefore renominated him as a candidate for Director.			
3	Satoshi Murata (April 13, 1979)  [Reappointment]	May 2003      Joined Global Media Online, Inc. (currently GMO Internet, Inc.) May 2006      Joined Viacom International Japan K.K. (currently Viacom Networks Japan K.K.) December 2008    Joined SELECT SQUARE Co., Ltd. February 2011    Joined LUXA, Inc. (currently au Commerce & Life, Inc.) November 2012    Representative Director of LUXA, Inc. August 2019      Joined BizReach, Inc. Director of BizReach, Inc. February 2020    Director, Executive Officer and COO of the Company August 2021      Director and Executive Officer of the Company Representative Director and CEO of Visional Incubation, Inc. (currently M&A Succeed, Inc.) November 2021    Representative Director and CEO of Visional Incubation, Inc. (currently Assured, Inc.) August 2022      Director of the Company (current position) Representative Director and CEO of Trabox, Inc. (current position)	293,000
		[Reason for nomination as candidate for Director] Mr. Satoshi Murata has extensive experience and a broad range of insight in Internet services and general management from serving as a representative director of a publicly listed company's subsidiary and in other capacities. The Company believes that he is well qualified to decide important matters of business execution on the Board of Directors and promote business in his areas of responsibility for the sake of the Company's and the Group's business growth, and has therefore renominated him as a candidate for Director.	

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p>Tetsuya Sakai (April 6, 1980)</p> <p>[New appointment]</p>	<p>April 2003      Joined Japan Sports Vision Co., Ltd.</p> <p>October 2004    Joined Recruit Ablic Inc. (currently Recruit Co., Ltd.)</p> <p>November 2015    Joined BizReach, Inc.</p> <p>February 2020    Executive Officer of the Company (current position)</p> <p>                         Vice President of BizReach, Inc.</p> <p>July 2022        Representative Director and CEO of BizReach, Inc. (current position)</p>	86,500
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Tetsuya Sakai held various positions such as Head of the BizReach Division, Head of the Recruiting Platform Division, and Director and Vice President after joining BizReach, Inc., contributing to its business expansion. In July 2022, he assumed office as Representative Director and CEO of the same company. He plays a key role for business growth in the area of HR tech of the Group and the Company believes that he is well qualified to decide important matters of business execution on the Board of Directors and promote business in his areas of responsibility, and has therefore nominated him as a candidate for Director.</p>			



No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	Toru Shimada (March 3, 1965)  [Reappointment] [Outside]	<p>April 1987      Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.)</p> <p>June 1989      Founded Intelligence, Ltd. (currently Persol Career Co., Ltd.)</p> <p>September 1989      Director of Intelligence, Ltd.</p> <p>November 2004      Director and Vice-President of Rakuten Baseball, Inc.</p> <p>December 2004      President &amp; CEO of Rakuten Baseball, Inc.</p> <p>March 2005      Director of Rakuten, Inc.</p> <p>March 2006      Senior Executive Officer of Rakuten, Inc.</p> <p>January 2008      CEO &amp; Owner of Rakuten Baseball, Inc.</p> <p>August 2014      Executive Vice-President of Rakuten, Inc.</p> <p>November 2014      Representative Director of Rakuten, Inc.</p> <p>June 2016      Outside Director of transcosmos inc. (current position)</p> <p>January 2017      Special Advisor to U-NEXT Co., Ltd.</p> <p>December 2017      Director, Executive Vice-President and COO of USEN-NEXT HOLDINGS Co., Ltd., which was established by a merger of U-NEXT Co., Ltd. and USEN Corporation and organizational restructuring</p> <p>June 2018      Outside Director of TSUKUI CORPORATION</p> <p>April 2019      Outside Director of BizReach, Inc.</p> <p>June 2019      External Director of MITANI SANGYO Co., Ltd. (current position)</p> <p>February 2020      Outside Director of the Company (current position)</p>	15,000
<p>[Reason for nomination as candidate for Outside Director and expected roles]</p> <p>Mr. Toru Shimada has a wealth of experience in corporate management and a broad range of insight from serving as a representative director of a listed company and in other capacities, and the Company expects him to view the dynamism in corporate management from a higher perspective and give well-balanced, valuable advice about the Company's investment strategy and business portfolio as the Company focuses on reinforcing its business portfolio for future growth, including M&amp;As and other active investments, amid a rapidly changing social structure and business environment. The Company has therefore renominated him as a candidate for Outside Director.</p>			

- Notes:
1. There are no special interest relationships between the candidates and the Company.
  2. Mr. Toru Shimada is a candidate for Outside Director.
  3. Mr. Toru Shimada was an Outside Director of BizReach, Inc., a subsidiary of the Company, from April 2019 to February 2020.
  4. The Company has registered Mr. Toru Shimada with the Tokyo Stock Exchange as an independent officer under the criteria set forth by the Exchange. If he is elected as proposed, he will continue as an independent officer.
  5. As of the conclusion of this General Meeting of Shareholders, Mr. Shimada will have been an Outside Director of the Company for two years and eight months.
  6. The Company has entered into an agreement with Mr. Shimada that limits his liability pursuant to Article 423, Paragraph 1 of the Companies Act to the amount stipulated by laws and regulations. If this proposal is approved as written, the Company intends to continue this agreement with him.

7. The Company has taken out a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act with them as the persons insured. If damage claims are made stemming from actions taken by (or the inaction of) a person insured by the policy based on their position as a company officer, etc., the policy covers compensation for damages, litigation costs, and other such expenses incurred by that person. The Company intends to renew the policy with the same provisions at the next renewal date.

**Proposal 3: Election of One Substitute Director Who Is an Audit and Supervisory Committee Member**

The Company proposes to elect one substitute Director who is an Audit and Supervisory Committee Member in advance to provide for the possibility of an insufficient number of Directors who are Audit and Supervisory Committee Members as stipulated by laws and regulations. It shall be possible for this election to be retracted by resolution of the Board of Directors upon approval by the Audit and Supervisory Committee provided the office has not yet been assumed. This proposal has been approved by the Audit and Supervisory Committee.

The candidate for substitute Director who is an Audit and Supervisory Committee Member is as follows.

Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
Yukihiro Hattori (November 22, 1974)	April 1996      Joined Japan Sports Vision Co., Ltd. August 2004      Joined CYBIRD Co., Ltd. April 2009      Auditor of GIGAFLOPS Japan Inc. April 2009      Auditor of S-CREW Co., Ltd. September 2013      Joined BizReach, Inc. August 2014      General Manager of Administration Division of BizReach, Inc. February 2020      Transferred to the Company Head of Finance Division, Group Strategy Office of the Company (current position)	34,000

[Reason for nomination as candidate for substitute Director who is an Audit and Supervisory Committee Member]  
Mr. Yukihiro Hattori has experience as an auditor at multiple companies involved in Internet services, and has extensive experience and knowledge related to management in Internet services. He has also served as General Manager of the Administration Division at BizReach, Inc. and as Head of the Company's Group Strategy Office. He also possesses a broad range of insight in finance and accounting. The Company has nominated him as a candidate for substitute Director who is an Audit and Supervisory Committee Member with the expectation that he could draw on his knowledge and experience in audit system of the Company in the event of an insufficient number of Directors who are Audit and Supervisory Committee Members as stipulated by laws and regulations.

- Notes:
1. There are no special interest relationships between Mr. Yukihiro Hattori and the Company.
  2. The Company has stipulated in its Articles of Incorporation that it may conclude an agreement with Directors (excluding executive Directors) that limits their liability pursuant to Article 423, Paragraph 1 of the Companies Act to the amount stipulated by laws and regulations. If Mr. Yukihiro Hattori takes office, the Company intends to conclude this agreement with him.
  3. The Company has taken out a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act with Directors as the persons insured. If damage claims are made stemming from actions taken by (or the inaction of) a person insured by the policy based on their position as a company officer, etc., the policy covers compensation for damages, litigation costs, and other such expenses incurred by that person. If Mr. Yukihiro Hattori assumes office, he will be included in the persons insured by the policy.

**Proposal 4:** Authorization for the Company’s Board of Directors to Determine Offering Terms for Stock Acquisition Rights Provided as Stock Options

In accordance with the provisions of Articles 236, 238, and 239 of the Companies Act, the Company hereby requests approval to authorize the Board of Directors of the Company to determine offering terms for stock acquisition rights issued as stock options to employees of the Company and to directors, auditors, and employees of the Company’s subsidiaries, as summarized below.

I. Reason for the need to solicit subscribers to stock acquisition rights under particularly favorable terms

The solicitation to employees of the Company and directors, auditors, and employees of the Company’s subsidiaries is for the purpose of acquiring exceptional human resources for the Company group and helping to increase the corporate value of the Company group overall by providing further incentive and motivation to improve the Company group’s performance.

II. Upper limit on the number of stock acquisition rights for which offering terms may be determined based on the matters resolved at this General Meeting of Shareholders and the need for monetary payment

1. The upper limit for stock acquisition rights for which offering terms may be determined based on this authorization

The upper limit of stock acquisition rights whose details are stipulated in III below shall be 1,500. The upper limit on the number of shares granted with exercise of stock acquisition rights shall be 150,000 shares of common stock of the Company, and if the number of shares granted (defined below) is adjusted as stipulated in III-1 below, the upper limit shall be the number of granted shares after adjustment multiplied by the maximum number of stock acquisition rights stated above.

2. No monetary payment shall be required for stock acquisition rights whose offering terms may be determined based on this authorization.

III. Details of stock acquisition rights whose offering terms may be determined based on this authorization

1. Class and number of shares granted upon exercise of stock acquisition rights

The class of shares granted upon exercise of stock acquisition rights shall be common stock of the Company, and the number of shares granted upon each exercise of stock acquisition rights (hereinafter referred to as the “Number of Shares Granted”) shall be 100 shares. However, if the Company conducts a stock split of common stock of the Company (including gratis allotment of common stock of the Company; the same applies to stock splits below) or a reverse stock split of common stock of the Company after the day stock acquisition rights are allotted (hereinafter referred to as the “Allotment Date”), the Number of Shares Granted shall be adjusted with the following formula, and any fraction less than one share resulting from such adjustment shall be disregarded.

$$\begin{array}{l} \text{Number of Shares} \\ \text{Granted after} \\ \text{adjustment} \end{array} = \begin{array}{l} \text{Number of Shares} \\ \text{Granted before} \\ \text{adjustment} \end{array} \times \text{Ratio of stock split or reverse stock split}$$

If the Company conducts a merger, company split, share exchange, or share transfer (hereinafter referred to collectively as “Merger, etc.”) or it otherwise becomes necessary to adjust the Number of Shares

Granted, the Number of Shares Granted may be adjusted within a reasonable scope after the conditions, etc. of the Merger, etc. are considered.

2. Value of property contributed upon exercise of each stock acquisition right

The value of property to be invested when exercising one unit of stock acquisition rights shall be the amount calculated by multiplying the payment amount per share which can be delivered when exercising stock acquisition rights (the “Exercise Price”) to be determined as follows, by the number of shares to be granted. The Exercise Price shall be the average value of closing prices of the Company’s shares on the Tokyo Stock Exchange for each day (excluding days on which no trading was reported) of the month immediately before the month to which the Allotment Date of the stock acquisition rights belongs, with any fractions less than one yen rounded up. However, if the amount obtained is lower than the closing price on the Allotment Date of the stock acquisition rights (if no trading was reported, the closing price on the day immediately before that day), the closing price on the Allotment Date of the stock acquisition rights shall be used as the Exercise Price.

3. Adjustment of the Exercise Price

(1) If the Company conducts (i) or (ii) below for the Company’s common stock after the Allotment Date, the Exercise Price in each case shall be adjusted by the following formula (the “Exercise Price Adjustment Formula”) and any fractions less than one yen resulting from the adjustment shall be rounded up.

(i) In the case that the Company conducts a stock split or a reverse stock split

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Ratio of stock split or reverse stock split}}$$

(ii) In the case that the Company issues new shares of the Company’s common stock or disposes of its treasury shares at a price below the market value (excluding a case of issuing new shares by exercising stock acquisition rights) after the Allotment Date of stock acquisition rights, the above Exercise Price shall be adjusted by the following formula and any fractions less than one yen resulting from the adjustment shall be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Number of already issued shares} + \frac{\text{Number of newly issued shares} \times \text{Payment amount per share}}{\text{Market value per share}}}{\text{Number of already issued shares} + \text{Number of newly issued shares}}$$

- i. The “market value” used in the above Exercise Price Adjustment Formula shall be the average of the closing prices (including indicative prices; the same applies below) for 30 trading days (excluding days when no trading occurs) beginning 45 trading days prior to the effective date of the adjusted Exercise Price (hereinafter referred to as the “Effective Date”) stipulated in (2) below. The average price is calculated to the first decimal place by rounding the second decimal place of amounts less than one yen.
- ii. The “number of already issued shares” used in the above Exercise Price Adjustment Formula shall be the total number of shares of common stock issued by the Company as of the record

date if there is one, or, if not, as of the day one month prior to the Effective Date, less the number of shares of common stock held by the Company as treasury shares.

iii. If the Company disposes of treasury shares, then “number of newly issued shares” shall be replaced with “number of treasury shares disposed of” in the Exercise Price Adjustment Formula.

(2) The Effective Date of the adjusted Exercise Price shall be determined as follows.

(i) If adjustment is conducted in accordance with (1)-(i) above, the adjusted Exercise Price, in the case of a stock split, shall take effect on the day following the record date of the stock split (or, if there is no record date, the date the stock split goes into effect), and in the case of a reverse stock split, shall take effect on or after the day the reverse stock split goes into effect. However, if a stock split is conducted on the condition that a proposal to decrease the amount of surplus and increase share capital or legal capital surplus is approved by the Company’s General Meeting of Shareholders and the record date for the stock split is prior to the date of the close of the meeting, the adjusted Exercise Price shall be applied retroactively to the day following the record date beginning on the day after the date of the close of meeting. In the case stipulated in the above exception, the number of shares of common stock in the Company issued to holders of stock acquisition rights who exercised those rights between the day after the record date of the stock split and the day of the close of the General Meeting of Shareholders (the number of shares that may be acquired by exercise of the corresponding stock acquisition rights hereinafter referred to as the “Pre-split Number of Shares”) shall be adjusted using the following formula, and any fraction less than one share resulting from such adjustment shall be disregarded.

$$\text{Number of shares newly issued} = \frac{(\text{Exercise Price before adjustment} - \text{Exercise Price after adjustment}) \times \text{Pre-split Number of Shares}}{\text{Exercise Price after adjustment}}$$

(ii) If adjustment is conducted in accordance with (1)-(ii) above, the Exercise Price after adjustment shall take effect beginning the day (if there is a record date, then beginning the day after that date) following the payment date for that issuance or disposal (if a payment period has been specified, then the final day of that period).

(3) In addition to the cases stipulated in (1)-(i) and (ii) above, if after the Allotment Date a gratis allotment of another class of shares is made to ordinary shareholders, or shares of another company are allocated to ordinary shareholders as stock dividend, and in other such cases where the Exercise Price needs to be adjusted, the Company may adjust the Exercise Price within a reasonable scope upon considering the terms of the allotment or dividend, etc. and other such matters.

(4) When the Exercise Price is adjusted, the Company shall inform holders of stock acquisition rights of necessary matters, or publicly announce them, by the day prior to the Effective Date. However, if notification or announcement cannot be made by the day prior to the Effective Date, notification or announcement shall be promptly made thereafter.

#### 4. Exercise period for stock acquisition rights

The exercise period shall be from the day on which two years have elapsed after the day on which issuance of stock acquisition rights is resolved through the day on which 10 years have elapsed after the day on which said issuance is resolved.

If the first day of the exercise period falls on a holiday of the Company, the first day shall be the business day following the first day and if the final day of the exercise period falls on a holiday of the Company, the final day shall be the business day immediately before the final day.

#### 5. Conditions for exercise of stock acquisition rights

- (1) A stock acquisition right holder who has lost their position as a director, auditor, or employee of the Company or one of the Company's subsidiaries may not exercise the stock acquisition rights; except where the Company deems that there is any reasonable cause for loss of said positions.
- (2) A stock acquisition rights holder shall be required to be judged by the Company that he/she has not caused any harm to the Company due to his/her default of obligation and/or unlawful acts and the relation of trust between the Company or its subsidiary and the holder is not judged to be lost at the time of his/her exercise of stock acquisition rights.
- (3) Transferring the stock acquisition rights, establishing a pledge or other security interest, or otherwise disposing of the stock acquisition rights is not permitted.
- (4) In the case of death of a stock acquisition right holder, their successor is not permitted to exercise the stock acquisition rights.
- (5) Other conditions for allotment of the stock acquisition rights shall be determined by a contract to be concluded between the Company and the person to whom stock acquisition rights will be allotted, based on resolutions of the General Meeting of Shareholders and the Board of Directors concerning issuance of stock acquisition rights.

#### 6. Restriction on transfer of stock acquisition rights

Any acquisition of stock acquisition rights by transfer shall require approval of the Board of Directors of the Company.

#### 7. Terms for acquisition of stock acquisition rights

If any of the following events occurs, the Company may acquire the stock acquisition rights gratis; provided that in the case of (1) or (4), the acquisition date shall be separately determined by a resolution of the Company's Board of Directors.

- (1) A proposal to approve a merger contract under which the Company becomes a dissolved company, a proposal to approve a split contract or split plan under which the Company becomes a split company or a proposal to approve a share exchange contract or share transfer plan under which the Company becomes a wholly-owned company has been approved at the Company's General Meeting of Shareholders (or by a resolution of the Company's Board of Directors, if a resolution of the General Meeting of Shareholders is not required).
- (2) A stock acquisition right holder no longer falls under the conditions for the exercise of stock acquisition rights.
- (3) A stock acquisition right holder has waived all or part of the stock acquisition rights in a written form designated by the Company.

- (4) In addition to the preceding paragraphs, the Company's Board of Directors meeting has resolved to acquire all or part of the stock acquisition rights.

8. Treatment in the case of reorganization, etc.

If the Company conducts a merger (limited to the case where the Company is dissolved by merger), an absorption-type company split, an incorporation-type company split, a share exchange or a share transfer (collectively the "Reorganization Activities"), the stock acquisition rights of stock companies as listed in (a) to (e) of Article 236, Paragraph 1, Item 8 of the Companies Act (the "Reorganized Company") shall be delivered, in each of the above cases, to stock acquisition right holders holding the stock acquisition rights remaining at the time immediately before the effective date of the "Reorganization Activities" (the "Remaining Stock Acquisition Rights") in accordance with the following conditions. In this case, the Remaining Stock Acquisition Rights shall be extinguished and the Reorganized Company shall issue new stock acquisition rights; provided that delivery of stock acquisition rights of the Reorganized Company in accordance with the following conditions is stipulated in an absorption-type merger contract, a consolidation-type merger contract, an absorption-type company split contract, an incorporation-type company split plan, a share exchange contract, or a share transfer plan.

- (1) Number of stock acquisition rights of the Reorganized Company to be delivered  
The same number of the rights as the stock acquisition rights held by stock acquisition right holders of the Remaining Stock Acquisition Rights shall be delivered respectively.
- (2) Class of shares of the Reorganized Company for the purpose of stock acquisition rights  
Shares of common stock of the Reorganized Company.
- (3) Number of shares of the Reorganized Company for the purpose of stock acquisition rights  
Determined in accordance with 1 above, taking into account conditions for the Reorganization Activities, etc.
- (4) Value of property invested in exercising stock acquisition rights  
The value of property invested in exercising the respective stock acquisition rights to be delivered shall be the amount obtained by multiplying the Exercise Price after a reorganization obtained by adjusting the Exercise Price determined in 2 above by the number of shares of the Reorganized Company for the purpose of such stock acquisition rights determined in accordance with (3) above, taking into account conditions for the Reorganization Activities, etc.
- (5) Period during which stock acquisition rights can be exercised  
From the first day of the period during which stock acquisition rights can be exercised stipulated in 4 above or the effective date of the Reorganization Activities, whichever comes later, through the expiration date of the period during which stock acquisition rights can be exercised stipulated in 4 above.
- (6) Matters concerning share capital and legal capital surplus to be increased upon issuance of shares through exercise of stock acquisition rights  
It shall be determined in accordance with 9 below.
- (7) Restriction on acquisition of stock acquisition rights by transfer  
Any acquisition of stock acquisition rights by transfer shall require the approval of the Reorganized Company.
- (8) Conditions for acquisition of stock acquisition rights  
It shall be determined in accordance with 7 above.
- (9) Conditions for exercise of stock acquisition rights  
It shall be determined in accordance with 5 above.



9. Amounts of share capital and legal capital surplus to be increased upon issuance of shares through exercise of stock acquisition rights

- (1) The amount of share capital to be increased upon issuing new shares through the exercise of stock acquisition rights shall be one-half of the maximum amount of an increase in share capital, etc., calculated pursuant to Article 17, paragraph 1 of the Rules of Corporate Accounting and any fractions less than one yen resulting from the calculation shall be rounded up.
- (2) The amount of legal capital surplus to be increased upon issuing new shares through the exercise of stock acquisition rights shall be the amount obtained by subtracting the amount of share capital to be increased set forth in (1) above from the maximum amount of an increase in share capital, etc., as stated in (1) above.

10. Other details

Other matters related to stock acquisition rights shall be stipulated by resolution of the Company's Board of Directors at its meeting convened separately.