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Securities code: 3918
December 6, 2021

To Shareholders with Voting Rights:

Toyomi Amano
Representative Director and Chairman
PCI Holdings, Inc.
21-19, Toranomon 1 Chome, Minato-ku,
Tokyo, Japan

**NOTICE OF
THE 17TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We are pleased to inform you that the 17th Ordinary General Meeting of Shareholders (the “Meeting”) of PCI Holdings, Inc. (the “Company,” together with its subsidiaries, the “Group”) will be held as described below. To prevent the spread of COVID-19, we request that shareholders make use of the methods for exercising their voting rights in writing or via the Internet in advance and consider refraining from physically attending the Meeting.

If you will refrain from attending the Meeting, please review the Reference Documents for the General Meeting of Shareholders below and indicate your votes for or against the proposals in writing or via the Internet by 5:30 p.m. Japan time on Tuesday, December 21, 2021.

- 1. Date and Time:** Wednesday, December 22, 2021 at 10:00 a.m. Japan time
- 2. Place:** Trust City Conference Kyobashi
4F Kyobashi Trust Tower
1-3, Kyobashi 2 Chome, Chuo-ku, Tokyo, Japan
- 3. Meeting Agenda:**
Matters to be reported:
 1. The business report and consolidated financial statements for the Company’s 17th fiscal year (October 1, 2020 – September 30, 2021) and results of audits of the consolidated financial statements by the accounting auditor and the Audit and Supervisory Committee
 2. Non-consolidated financial statements for the Company’s 17th fiscal year (October 1, 2020 – September 30, 2021)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Six (6) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal 3:** Issuance of Share Acquisition Rights as Stock Options

- If you are physically attending the Meeting, please submit the enclosed Voting Rights Exercise Form to the reception.
- If you are exercising your voting rights by proxy, the number of proxies you may appoint is limited to one (1) shareholder who is a shareholder of the Company entitled to vote, in which case, the proxy is required to submit a letter of power of attorney to the Company.
- The following matters, which should be provided together with this Notice, are posted on the Company's website (<https://www.pci-h.co.jp/>) pursuant to laws and regulations and Article 18 of the Company's Articles of Incorporation, and are therefore not included in the attachments to this Notice.
 - (1) The consolidated statements of changes in equity and notes to the consolidated financial statements
 - (2) The non-consolidated statements of changes in equity and notes to the non-consolidated financial statements
 - (3) The "Systems to Ensure Appropriate Business Operations" and "Status of Operations of Systems to Ensure Appropriate Business Operations" in the business reportAccordingly, the attachments to this Notice are part of the documents audited by the Audit and Supervisory Committee and the accounting auditor in preparing their respective audit reports.
- Any revisions to the Reference Documents for the General Meeting of Shareholders, the business report, or the consolidated and non-consolidated financial statements will be posted on the Company's website (<https://www.pci-h.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company believes the return of profits to shareholders to be one of its most significant management tasks. Taking future business development and other factors into account on the basis of maintaining stable dividends, the Company hereby proposes its year-end dividend for the 17th fiscal year as follows:

Year-end dividend

(1) Type of dividend property

Cash

(2) Allocation of dividend property and its total amount

16 yen per share of the Company's common shares at a total of 160,772,192 yen

As the Company paid 15 yen per share as an interim dividend, the annual dividend for the fiscal year under review will be 31 yen per share.

(3) Effective date of distribution of surplus

December 23, 2021

Proposal 2: Election of Six (6) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The terms of office of all six (6) Directors (excluding Directors serving as Audit and Supervisory Committee Members; the same shall apply hereinafter for this proposal) will expire at the conclusion of this Meeting. Accordingly, the election of six (6) Directors is proposed.

This proposal has been reviewed by the Company's Audit and Supervisory Committee which deems that all candidates for Director are suitable.

The candidates for Director are as follows:

| No. | Name (Date of birth) | Career summary and positions and responsibilities at the Company [Significant concurrent positions] | Number of shares of the Company held |
|--|------------------------------------|--|--|
| 1 | Toyomi Amano (February 9, 1949) | <p>April 1975 Joined Nihon NCR Co., Ltd. (currently NCR Japan, Ltd.)</p> <p>January 1996 Managing Director</p> <p>April 2005 Established M&S Co., Ltd. (currently the Company)</p> <p>September 2012 Representative Director and President</p> <p>December 2017 Representative Director and President, PCI Solutions INC.</p> <p>December 2017 Representative Director and Chairman, the Company</p> <p>September 2018 Representative Director and Chairman, VSE Inc. (currently PRIVATECH Inc.)</p> <p>December 2019 Representative Director and Chairman, PCI Solutions INC. (current position)</p> <p>January 2020 Director and Chairman, PRIVATECH Inc. (current position)</p> <p>December 2020 Director, leafnet Co., Ltd. (current position)</p> <p>December 2020 Representative Director, Chairman and President, the Company (current position)</p> <p>January 2021 Chairman, SORD CORPORATION (current position)</p> <p>May 2021 Representative Director and President, Infinitec Co., Ltd. (currently PRIVATECH Inc.)</p> | 71,996 |
| <p>Reason for nomination as candidate for Director</p> <p>Toyomi Amano is the Company's founder and has expanded the Company with outstanding leadership, resolution, and appropriate direction in its management. He also possesses a wealth of experience and achievements in the information services industry as well as insight and abilities in corporate management in general. Therefore, the Company has determined that he will be able to contribute to the sustainable enhancement of the Group's corporate value and has nominated him again as a candidate for Director.</p> | | | |

| No. | Name (Date of birth) | Career summary and positions and responsibilities at the Company [Significant concurrent positions] | Number of shares of the Company held |
|-----|------------------------------------|--|--|
| 2 | Yasuhiro Horibe (July 18, 1956) | April 1981 December 2008 January 2011 April 2017 June 2018 October 2018 December 2019 December 2020 [Significant concurrent positions] Director, TECNOS JAPAN INCORPORATED | 2,576 |
| | | <p>Reason for nomination as candidate for Director</p> <p>Yasuhiro Horibe serves as the Representative Director and President of PCI Solutions INC., which is responsible for the Group's main business, and possesses a wealth of operational experience in the information services industry where the Group operates. The Company has determined that he will be able to leverage his extensive experience and knowledge to contribute to the Group's sustainable business growth and the enhancement of its corporate value and has nominated him again as a candidate for Director.</p> | |
| 3 | Takefumi Oka (May 30, 1963) | June 1986 April 1988 July 2001 December 2017 December 2018 December 2020 January 2021 | 240,900 |
| | | <p>Reason for nomination as candidate for Director</p> <p>Takefumi Oka is the founder of leafnet Co., Ltd. and has been involved in internet-related businesses for some 20 years as its Representative Director. The Company has determined that his extensive experience, knowledge and business development skills will benefit the IoT/IoE solutions business, which is the pillar of the Group's growth strategy, and has nominated him again as a candidate for Director.</p> | |

| No. | Name (Date of birth) | Career summary and positions and responsibilities at the Company [Significant concurrent positions] | Number of shares of the Company held |
|--|-------------------------------------|---|--|
| 4 | Naohiro Iguchi (August 21, 1972) | <p>April 1996 Joined Future Technology, Inc. (currently SIOS Technology, Inc.)</p> <p>January 2008 Transferred to the Company Manager, Corporate Planning Office</p> <p>October 2009 General Manager, Corporate Planning Office</p> <p>December 2015 Director and General Manager, Administration Headquarters</p> <p>December 2016 Director, Syswave Corp. (currently PRIVATECH Inc.)</p> <p>February 2017 Director and General Manager, Corporate Planning Headquarters, the Company (current position)</p> <p>August 2017 Director, CLC corporation</p> <p>June 2018 Director, Safer Connected World Co., Ltd. (currently CLC corporation)</p> <p>May 2019 Director, Infinitec Co., Ltd. (currently PRIVATECH Inc.)</p> <p>January 2021 Corporate Auditor, SORD CORPORATION (current position)</p> | 36,329 |
| <p>Reason for nomination as candidate for Director</p> <p>Naohiro Iguchi has been engaged in the corporate planning and administration divisions since joining the Company, and after serving as General Manager of the Corporate Planning Office, now serves as the Director responsible for the corporate planning division overall. He has a wealth of experience and insight in the corporate planning and administration divisions. Therefore, the Company has determined that he will be able to contribute to the sustainable enhancement of the Group's corporate value and has nominated him again as a candidate for Director.</p> | | | |

| No. | Name (Date of birth) | Career summary and positions and responsibilities at the Company [Significant concurrent positions] | Number of shares of the Company held |
|--|---|--|--|
| 6 | * Kunio Yokoyama (August 4, 1956) | <p>April 1981 Joined The Sumitomo Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation)</p> <p>February 2006 Executive Officer, Japan Post Holdings Co., Ltd.</p> <p>October 2007 Senior Managing Executive Officer</p> <p>October 2009 Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>April 2011 Managing Executive Officer</p> <p>May 2013 Deputy President Executive Officer, Sumitomo Mitsui Asset Management Company, Limited (currently Sumitomo Mitsui DS Asset Management Company, Limited)</p> <p>June 2013 Director and Deputy President Executive Officer</p> <p>April 2014 Representative Director, President and CEO</p> <p>June 2016 President & CEO (Representative Executive Officer), Japan Post Co., Ltd.</p> <p>Director, Japan Post Holdings Co., Ltd.</p> <p>April 2021 Advisor, the Company (current position)</p> | — |
| <p>Reason for nomination as candidate for Director</p> <p>Kunio Yokoyama possesses expert knowledge and experience cultivated over years of service at financial institutions. He has also been engaged in corporate management at several entities. With his wealth of experience and achievements, and extensive insight concerning corporate management, the Company has determined that he will be able to contribute to the sustainable enhancement of the Group's corporate value and has nominated him as a candidate for Director.</p> | | | |

- Notes:
1. The candidate for Director marked with an asterisk (*) is newly nominated.
 2. There are no special interests between the candidates for Director and the Company.
 3. The number of shares of the Company held by each candidate for Director includes shares held through the officers' shareholding association as of September 30, 2021 (fractions of less than 1 share have been discarded).
 4. The Company has entered into a directors and officers liability insurance (D&O insurance) contract with an insurance company, and the candidates for Director will continue to be insured under this insurance contract. The Company intends to renew this insurance contract with the same contents when it is next due for renewal. Please refer to page 36 of the business report in Japanese for an overview, etc. of the contents of this insurance contract.

[Reference] Skills Matrix of the Board of Directors after this Meeting (to be determined)

Note: A matrix of the skills held by the Board of Directors may be summarized as below if the candidates stated in this Notice are elected as proposed.

| Name | Position | Expertise and experience/areas of expectation | | | | | | |
|-----------------|--|---|-------------------|-----------------------|-------------------|----------------------|---------------------------------|---|
| | | Corporate management | Business strategy | IT/Digital technology | New business/ M&A | Group administration | Financial/ Accounting/ Taxation | Governance/ Compliance/ Risk management |
| Toyomi Amano | Representative Director and Chairman | ○ | ○ | | ○ | | | |
| Yasuhiro Horibe | Managing Director | ○ | ○ | ○ | | | | |
| Takefumi Oka | Managing Director | ○ | ○ | ○ | | | | |
| Kunio Yokoyama | Director | ○ | | | ○ | | ○ | |
| Naohiro Iguchi | Director | ○ | | | ○ | ○ | | |
| Kazuya Sugizono | Director | | | | | ○ | ○ | ○ |
| Yuzuru Miyahara | Outside Independent Audit and Supervisory Committee Member | ○ | | | | | | ○ |
| Takanori Sato | Outside Independent Audit and Supervisory Committee Member | | | | | | | ○ |
| Akiko Takahara | Outside Independent Audit and Supervisory Committee Member | | ○ | | ○ | | | ○ |
| Shinnosuke Maki | Outside Independent Audit and Supervisory Committee Member | ○ | | | | | ○ | ○ |

* The above list indicates the areas of expertise in which the candidates excel based on their experience and other factors and is not an exhaustive list of their knowledge.

* Each candidate has been marked with a circle (○) in up to three main areas of their expertise and experience.

Proposal 3: Issuance of Share Acquisition Rights as Stock Options

Pursuant to the provisions of Articles 236, 238, and 239 of the Companies Act, the Company seeks approval to issue share acquisition rights as stock options for Directors (excluding Directors serving as Audit and Supervisory Committee Members, Outside Directors, and Part-time Directors), Executive Officers and employees of the Company, and Directors, Executive Officers and employees of the Company's subsidiaries for the reasons, etc. stated below, and to have the Board of Directors decide the subscription requirements for the share acquisition rights.

Approval was granted at the 16th Ordinary General Meeting of Shareholders held on December 18, 2020 for the amount of compensation to the Company's Directors (excluding Directors serving as Audit and Supervisory Committee Members) to be within 350 million yen per year. In addition, approval was granted at the 14th Ordinary General Meeting of Shareholders held on December 20, 2018 for monetary compensation claims granted in relation to shares with restrictions on transfer to be within 50 million yen per year. The Company also seeks approval for share acquisition rights to be allotted within the limit of 20 million yen per year as compensation to Directors (excluding Directors serving as Audit and Supervisory Committee Members, Outside Directors, and Part-time Directors), separately from the above compensation frameworks, for a limited time of within one year from the date of this Meeting.

In the event that Proposal 2: Election of Six (6) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members) is approved as proposed, the number of eligible Directors will be six.

1. Reason why it is necessary to issue share acquisition rights as stock options on particularly advantageous terms

The purpose is to further elevate the motivation and morale of Directors (excluding Directors serving as Audit and Supervisory Committee Members, Outside Directors, and Part-time Directors), Executive Officers and employees of the Company, and Directors, Executive Officers and employees of the Company's subsidiaries for the further enhancement of corporate value.

2. Maximum number of share acquisition rights

The maximum number will be 1,000 units.

This includes a maximum of 200 units of share acquisition rights granted to Directors (excluding Directors serving as Audit and Supervisory Committee Members, Outside Directors, and Part-time Directors) of the Company and a maximum of 800 units granted to Executive Officers and employees of the Company and Directors, Executive Officers and employees of the Company's subsidiaries to be issued within one year from the date of this Meeting. The maximum numbers stated above are the numbers of share acquisition rights planned for allotment. If some eligible persons do not apply for subscription or other events cause the total number of share acquisition right allotments to decline, share acquisition rights shall be issued in the total number of units of actual allotment.

3. Exercisable period for the share acquisition rights

The period from the date on which two years have elapsed since the date of resolution of allotment until the date on which six years have elapsed since that date of resolution.

4. Class and number of shares underlying the share acquisition rights

The class of shares underlying the share acquisition rights will be common shares of the Company, and the number of shares per unit of stock acquisition right (hereinafter the "Number of Shares Granted") shall be 100 shares.

Should the Company conduct a share split, gratis allotment of shares, or reverse share split after the conclusion of this Meeting, the Number of Shares Granted shall be adjusted according to the following formula, and any fraction resulting from the adjustment of less than 1 share shall be discarded.

$$\begin{array}{rcccl} \text{Number of Shares Granted after} & & \text{Number of Shares} & & \text{Ratio of share split, gratis} \\ \text{adjustment} & = & \text{Granted before} & \times & \text{allotment of shares, or reverse} \\ & & \text{adjustment} & & \text{share split} \end{array}$$

In the event of a share split or gratis allotment of shares, the Number of Shares Granted after adjustment shall be applied on and after the day following the record date of that share split or gratis allotment of shares, and in the event of a reverse share split, on and after the effective date of the reverse share split. However, in the event that a share split or gratis allotment of shares is conducted on the condition that a proposal to reduce the amount of surplus and increase share capital or reserve be approved by the Company's general meeting of shareholders, and the record date of the share split or gratis allotment of shares is to be a date prior to the date of conclusion of that general meeting of shareholders, the Number of Shares Granted after adjustment shall be applied on and after the day following the date of conclusion of that general meeting of shareholders.

If the Company conducts an absorption-type merger or incorporation-type merger, or a share exchange or share transfer in which the Company becomes a wholly owned subsidiary, and the share acquisition rights are succeeded by the surviving entity, the Company may adjust the Number of Shares Granted in accordance with the ratio of the merger or other such corporate action as necessary.

When adjusting the Number of Shares Granted, the Company will notify or publicly announce the necessary information to each of the persons holding share acquisition rights recorded in the register of share acquisition rights (hereinafter "Share Acquisition Right Holders") by the day immediately preceding the date on which the adjusted Number of Shares Granted is to be applied. However, if the Company is unable to notify or publicly announce accordingly by the day immediately preceding that application date, the Company shall do so promptly thereafter.

5. Amount of assets to be contributed upon exercise of share acquisition rights

The amount of assets to be contributed upon the exercise of each unit of share acquisition right shall be the amount to be paid in per share that may be delivered upon the exercise of the share acquisition rights (hereinafter "Exercise Price"), multiplied by the Number of Shares Granted. The Exercise Price shall be the amount obtained by multiplying by 1.05 the average closing price in ordinary trading of the Company's common shares on the Tokyo Stock Exchange on each day (excluding no-trading days) of the month immediately preceding the month of the day in which the share acquisition rights are allotted (fractions of less than 1 yen will be rounded up). However, if this amount falls below the closing price in ordinary trading of the Company's common shares on the Tokyo Stock Exchange on the date of allotment of the share acquisition rights (or, if no trades were made on that date, the closing price of the most recent prior date), that closing price shall be the Exercise Price.

However, in the event of any of i, ii, or iii below, the amount to be paid in shall be obtained by multiplying the Exercise Price adjusted according to each item by the number of shares underlying each unit of share acquisition right. Fractions of less than 1 yen resulting from the adjustment will be rounded up.

- i In the event that the Company conducts a share split or reverse share split

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

- ii In the event that the Company issues shares for subscription or disposes of treasury shares at a price below market value (including share issuance via gratis allotment of shares and delivery of treasury shares, but excluding share issuance by exercise of share acquisition rights (including corporate bonds with share acquisition rights) and conversion of securities that are convertible into common shares of the Company)

$$\text{Exercise Price after adjustment} = \frac{\text{Exercise Price before adjustment} \times \left(\frac{\text{Number of shares already issued} + \frac{\text{Number of shares newly issued} \times \text{Amount to be paid in per share}}{\text{Share price before issuance of shares for subscription}}}{\text{Number of shares already issued} + \text{Number of shares newly issued}} \right)}{1}$$

However, the “number of shares already issued” in this formula shall be the total number of issued shares of the Company on the day immediately preceding the effective date of the above share issuance less the number of treasury shares held by the Company at that point. Also, for the disposal of treasury shares, the “number of shares newly issued” shall be interpreted as the number of treasury shares for disposal and the “share price before issuance of shares for subscription” as the share price before disposal of treasury shares. In addition, the “share price before issuance of shares for subscription” in this formula shall be the Exercise Price before adjustment, if the Company’s shares do not have a market price, and the last traded price immediately beforehand on the Company’s primary exchange if the Company’s shares do have a market price.

- iii In the event of an absorption-type merger in which the Company becomes the surviving company, an absorption-type company split in which the Company is the successor company, a share exchange in which the Company becomes the wholly owning parent company, or other similar events requiring adjustment of the Exercise Price, the Company shall adjust the Exercise Price as necessary.
6. Increase in share capital and legal capital surplus in the case of issuance of shares through the exercise of share acquisition rights
- (1) When shares are issued through the exercise of share acquisition rights, the amount of share capital to increase shall be the amount obtained by multiplying the maximum amount of increase in share capital, etc. calculated in accordance with Article 17, Paragraph 1 of the Regulation on Corporate Accounting by 0.5. Fractions of less than 1 yen resulting from the calculation shall be rounded up.
 - (2) When shares are issued through the exercise of share acquisition rights, the amount of legal capital surplus to increase shall be the maximum amount of increase in share capital, etc. stated in (1) above less the amount of share capital to increase determined in (1) above.

7. Restrictions on transfer of share acquisition rights
The approval of the Company's Board of Directors shall be required to acquire share acquisition rights by transfer.
8. Conditions for acquisition of share acquisition rights
- (1) If any of the proposals i, ii, iii, iv, or v below are approved at a general meeting of shareholders of the Company (or resolved by the Company's Board of Directors if a resolution of the general meeting of shareholders is not required), the Company may acquire the share acquisition rights without consideration on a date to be separately determined by the Board of Directors.
- i Proposal for approval of a merger agreement in which the Company will become the non-surviving company
 - ii Proposal for approval of a company split agreement or incorporation-type company split plan in which the Company will become the splitting company
 - iii Proposal for approval of a share exchange agreement or share transfer plan in which the Company will become a wholly owned subsidiary
 - iv Proposal for approval to change the Articles of Incorporation with a provision regarding all shares issued by the Company to the extent that acquiring them by transfer requires the Company's approval
 - v Proposal for approval to change the Articles of Incorporation with a provision regarding shares underlying share acquisition rights to the extent that acquiring them by transfer requires the Company's approval, or the Company acquires all shares of the relevant class by resolution of the general meeting of shareholders
- (2) If a Share Acquisition Right Holder no longer satisfies the conditions for exercise of share acquisition rights set forth in 11. (1) below and is unable to exercise the share acquisition rights, or the Share Acquisition Right Holder passes away, the Company may acquire those share acquisition rights without consideration.
9. Handling of share acquisition rights in the event of merger, absorption-type company split, incorporation-type company split, share exchange, and share transfer
In the event that the Company carries out a merger (limited to where the Company is the non-surviving company), absorption-type or incorporation-type company split (limited to where the Company becomes the splitting company in either case), or share exchange or share transfer (limited to where the Company becomes a wholly owned subsidiary in either case; hereinafter collectively referred to as the "Reorganization"), the Share Acquisition Right Holders holding share acquisition rights that remain (hereinafter, "Remaining Share Acquisition Rights") immediately before the effective date of the Reorganization (referring to the effective date of absorption-type mergers, the incorporation date of the company established in an incorporation-type merger, the effective date of absorption-type company splits, the incorporation date of the company established in an incorporation-type company split, the effective date of share exchanges, and the incorporation date of the wholly owning parent company established by share transfer for a share transfer) shall receive delivery of share acquisition rights in the stock companies listed in Article 236, Paragraph 1, Item 8, a. to e. of the Companies Act (hereinafter "Reorganized Company") in each case. However, this shall be on the condition that the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, incorporation-type company split agreement, share exchange agreement, or share transfer plan stipulate that share acquisition rights in the Reorganized Company shall be delivered under the following terms:

- (1) Number of share acquisition rights in the Reorganized Company to be delivered
The number equivalent to that of the Remaining Share Acquisition Rights held by the Share Acquisition Right Holders shall be delivered in each case.
 - (2) Class of shares in the Reorganized Company underlying share acquisition rights
Common shares in the Reorganized Company
 - (3) Number of shares in the Reorganized Company underlying share acquisition rights
To be decided applying 4. above mutatis mutandis after taking into account the terms, etc. of the Reorganization.
 - (4) Amount of assets to be contributed upon exercise of share acquisition rights
 - i The amount of assets to be contributed upon the exercise of each unit of share acquisition right delivered shall be amount obtained by multiplying the amount to be paid in after the reorganization by the number of shares in the Reorganized Company underlying the said share acquisition right as decided according to (3) above.
 - ii The amount to be paid in after reorganization shall be the amount obtained by adjusting the Exercise Price set forth in 5. above after taking into account the terms, etc. of the Reorganization.
 - (5) Exercisable period for the share acquisition rights
From either the starting date of the exercisable period of the share acquisition rights in 3. above or the effective date of the Reorganization, whichever is later, until the expiry date of the exercisable period of the share acquisition rights in 3. above.
 - (6) Increase in share capital and legal capital surplus in the case of issuance of shares through the exercise of share acquisition rights
To be decided applying 6. above mutatis mutandis.
 - (7) Restrictions on acquisition of share acquisition rights by transfer
The approval by resolution of the Reorganized Company's Board of Directors shall be required to acquire share acquisition rights by transfer.
 - (8) Conditions for acquisition of share acquisition rights
To be decided applying 8. above mutatis mutandis.
 - (9) Other conditions on the exercise of share acquisition rights
To be decided applying 11. below mutatis mutandis.
10. Arrangement for fractions of less than 1 share resulting from the exercise of share acquisition rights
Any fractions of less than 1 share in the number of shares delivered to a Share Acquisition Right Holder who has exercised a share acquisition right will be discarded.
11. Other conditions on the exercise of share acquisition rights
- (1) The Share Acquisition Right Holder must hold the position of Director, Executive Officer, Corporate Auditor, or employee of the Company or its subsidiary at the time of exercise of a share acquisition right as well, unless there is a valid reason for exercising rights after retirement or resignation permitted by the Board of Directors.
 - (2) Share acquisition rights shall not be permitted to be inherited in the event of the demise of a Share Acquisition Right Holder.

12. Amount to be paid in for share acquisition rights

No payment of cash shall be required in exchange for share acquisition rights.

13. Reasons why the granting of share acquisition rights is deemed reasonable

In addition to the purposes stated above in “1. Reason why it is necessary to issue share acquisition rights as stock options on particularly advantageous terms,” taking into account the fact that the shares to be issued upon the exercise of share acquisition rights will account for around 1.0% of the total number of issued shares with the rate of dilution being immaterial, the Company has determined that the granting of these share acquisition rights is reasonable. The policy regarding decisions related to the content of compensation, etc. of individual Directors of the Company is as stated on page 37 of the business report in Japanese. As the granting of share acquisition rights based on this proposal aligns with this policy, the approval of this proposal does not require the Company to change the said policy.