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(Stock Exchange Code 7545)
April 25, 2022

To Shareholders with Voting Rights:

Koichi Ohmura
President and Director
NISHIMATSUYA CHAIN Co., Ltd.
266-1, Sho, Shikito-cho, Himeji-shi, Hyogo,
Japan

**NOTICE OF
THE 66TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby announce that the 66th Annual General Meeting of Shareholders of NISHIMATSUYA CHAIN Co., Ltd. (the “Company”) will be held for the purposes as described below.

If you do not attend the meeting, you can exercise your voting rights with either of the methods below. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 6:00 p.m. on Monday, May 16, 2022, Japan time.

[Exercise of Voting Rights in Writing]

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by the above exercise deadline.

[Exercise of Voting Rights via the Internet]

Please review the “Procedures for the Exercise of Voting Rights via the Internet” on page 3 when exercising voting rights via the Internet, and exercise your voting rights by the above exercise deadline.

- 1. Date and Time:** Tuesday, May 17, 2022 at 10:00 a.m. Japan time
- 2. Place:** Large Hall, 2nd Floor, Main Building, The Himeji Chamber of Commerce and Industry
43, Shimoderamachi, Himeji-shi, Hyogo, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:** The Business Report and Financial Statements for the Company’s 66th Fiscal Year (February 21, 2021 - February 20, 2022)
 - Proposals to be resolved:**
 - Proposal 1:** Partial Amendments to the Articles of Incorporation
 - Proposal 2:** Election of Five (5) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)
 - Proposal 3:** Issuance of Subscription Rights to Shares as Stock Options to Employees

End

(Notes)

We will not be presenting souvenirs at this Annual General Meeting of Shareholders. We appreciate for your understanding.

To prevent the spread of the novel coronavirus, we strongly recommend that, wherever possible, you refrain from attending this Annual General Meeting of Shareholders, and instead exercise your voting rights in writing or via the Internet.

In particular, we advise elderly shareholders, shareholders with underlying medical conditions, pregnant shareholders, and shareholders who are feeling unwell to exercise caution when attending the meeting.

If attending the meeting, we request that you first check the situation regarding the spread of infection as well as your own physical condition, and consider the prevention of infection through measures such as wearing a face mask.

Additionally, we request your cooperation with any measures we implement at the meeting venue to prevent infection, including taking the temperature of attendees.

Please note that any shareholders arriving at the venue who appear to be unwell or who fail to cooperate with measures to prevent infection, including the wearing of masks or having their temperature taken, may be asked to refrain from entering the Hall.

In the event that the venue or time of the meeting is unavoidably subject to change depending on the future situation, relevant information will be promptly posted on the Company's website (<https://www.24028.jp/>). Shareholders arriving at the venue on the date and time prior to any change (initially noted in this convocation notice) will be directed to the new location so that they are able to attend the Annual General Meeting of Shareholders at the new time. Nevertheless, we request that you check the above website prior to attending the meeting.

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Please bring this "Notice of Annual General Meeting of Shareholders" with you to save resources. Revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report and Financial Statements will be posted on the Company's website (<https://www.24028.jp/>).

[Procedures for the Exercise of Voting Rights via the Internet]

If exercising voting rights via the Internet, please review the following items.

If attending the meeting, it is not necessary to complete the procedures for exercising voting rights in writing (using the Voting Rights Exercise Form) or via the Internet.

1. Voting Rights Exercise Website

- (1) Exercise of your voting rights via the Internet is possible only by accessing the Voting Rights Exercise Website designated by the Company (<https://evote.tr.mufg.jp/>) (in Japanese) from a computer or smartphone. (Please note that access is unavailable from 2:00 a.m. to 5:00 a.m., Japan time, daily.)
- (2) The exercise of voting rights on the Voting Rights Exercise Website may not be possible in certain operating environments due to factors including the use of a firewall when accessing the Internet, the use of antivirus software, the lack of designation for TLS encrypted transmission or the use of a proxy server.
- (3) The exercise of voting rights via the Internet is possible until 6:00 p.m. on Monday, May 16, 2022, but please exercise your voting rights at an early opportunity, and if you have any questions, please contact the Help Desk described below in 5. "Inquiries."

2. Method of Exercising Voting Rights via the Internet

(1) When using personal computers

- On the Voting Rights Exercise Website (<https://evote.tr.mufg.jp/>) (in Japanese), please use the log-in ID and temporary password given on your Voting Rights Exercise Form and follow the on-screen instructions to indicate your approval or disapproval of each proposal.
- To prevent unauthorized access by persons who are not qualified shareholders ("impersonation") and manipulation of voting details, please be aware that shareholders using this site will be asked to change their temporary passwords.
- Every time a General Meeting of Shareholders is convened, new log-in IDs and temporary passwords will be issued.

(2) When using smartphones

- By reading the log-in QR code* shown on your Voting Rights Exercise Form with a smartphone, you will be automatically directed to the Voting Rights Exercise Website and be able to exercise your voting rights. (It is not necessary to enter the log-in ID and temporary password.)
*“QR code” is a registered trademark of DENSO WAVE INCORPORATED.
- For security reasons, the exercise of voting rights by reading the log-in QR code is permitted only once. From the second time, you will be required to enter the log-in ID and temporary password even when reading the QR code.
- It might not be possible to log in with the QR code depending on your smartphone model. If you cannot log in with the QR code, please exercise your voting rights using the method described in 2. (1) "When using personal computers" above.

3. Treatment of Voting Rights Exercised Multiple Times

- (1) If voting rights are exercised in duplicate in writing (using the Voting Rights Exercise Form) and via the Internet, the vote submitted via the Internet shall be treated as valid.
- (2) If voting rights are exercised multiple times via the Internet, the final vote submitted shall be treated as valid.

4. Costs Incurred when Accessing the Voting Rights Exercise Website

Any costs incurred when accessing the Voting Rights Exercise Website (Internet connection fees, etc.) shall be borne by the shareholder.

5. Inquiries

For inquiries on the use of a computer, etc., to exercise voting rights via the Internet, please contact the following.

Securities Business Division (Help Desk), Mitsubishi UFJ Trust and Banking Corporation
Phone (in Japanese): (0120) 173-027 (available from 9:00 a.m. to 9:00 p.m., toll free in Japan)

End

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

The system for electronic provision of materials for general meetings of shareholders as stipulated in the proviso to Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, we propose to establish provisions stipulating that information contained in the Reference Documents for the General Meeting of Shareholders, etc. shall be provided electronically and that the Company may limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.

The provision related to the internet disclosure and deemed provision of the Reference Documents for the General Meeting of Shareholders, etc. under the current Articles of Incorporation will become unnecessary and will therefore be deleted, and supplementary provisions related to the effective date, etc. in line with these amendments shall be established.

2. Details of the Amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
Articles 1 to 12 (Omitted)	Articles 1 to 12 (Unchanged)
Chapter III General Meeting of Shareholders	Chapter III General Meeting of Shareholders
Articles 13 to 17 (Omitted)	Articles 13 to 17 (Unchanged)
<u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u>	(Deleted)
<u>Article 18 The Company may, when convening a General Meeting of Shareholders, deem that it has provided its shareholders with information pertaining to matters to be described or indicated in the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial statements, by disclosing such information through the internet in accordance with the provisions stipulated in the Ordinance of the Ministry of Justice.</u>	
(Newly established)	<u>(Measures for Electronic Provision, Etc.)</u> <u>Article 18 The Company shall, when convening a General Meeting of Shareholders, provide information contained in the Reference Documents for the General Meeting of Shareholders, etc. electronically.</u>
	<u>(2) Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u>
Articles 19 to 36 (Omitted)	Article 19 to 36 (Unchanged)

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p data-bbox="810 219 1082 246"><u>(Supplementary Provisions)</u></p> <p data-bbox="810 271 1369 481"><u>Article 1 The deletion of Article 18 of the Articles of Incorporation before amendment (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) and the establishment of Article 18 thereof after amendment (Measures for Electronic Provision, Etc.) shall come into effect on September 1, 2022.</u></p> <p data-bbox="810 483 1369 719"><u>Article 2 Notwithstanding the provisions of the preceding article, Article 18 of the Articles of Incorporation before amendment (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain in force with respect to a General Meeting of Shareholders to be held on or before the last day of February 2023.</u></p> <p data-bbox="810 721 1369 853"><u>Article 3 These supplementary provisions shall be deleted on March 1, 2023 or after the lapse of three (3) months from the date of the General Meeting of Shareholders set forth in the preceding article, whichever is later.</u></p>

Proposal 2: Election of Five (5) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

The terms of office of all five (5) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of five (5) Directors (excluding Directors serving as Audit & Supervisory Committee Members) is proposed.

The Audit & Supervisory Committee has judged that each of candidates is qualified as the Company's Director (excluding Directors serving as Audit & Supervisory Committee Members)

The candidates for Directors (excluding Directors serving as Audit & Supervisory Committee Members) are as follows.

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Yoshifumi Ohmura (February 7, 1955)	<p>March 1979 Completed master's degree at Graduate School of Engineering, Kyoto University</p> <p>April 1979 Joined Sanyo Special Steel Co., Ltd.</p> <p>September 1985 Joined the Company Director</p> <p>April 1990 Senior Managing Director</p> <p>May 1996 Deputy President and Representative Director</p> <p>May 2000 President and Representative Director</p> <p>August 2020 Chairman and Representative Director (to present)</p> <p>[Significant concurrent positions] President and Representative Director, Yuko Estate Co., Ltd.</p> <p>[Reasons for nomination as a candidate for Director] Mr. Yoshifumi Ohmura has directed the management of the Company during his tenure as President with strong leadership skills, and has grown the Company into one of the largest specialty store chains for baby and children's products in Japan. Following his appointment as Chairman, he has been involved in the management of the Company by providing appropriate advice and support to his successor President. The Company has judged that his wealth of experience and insight as a manager will continue to be essential for the growth of the Company, and proposes him as a candidate for Director.</p>	4,854,488

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	Koichi Ohmura (October 31, 1987)	<p>March 2010 Graduated from Faculty of Law, The University of Tokyo</p> <p>April 2010 Joined Mizuho Bank, Ltd.</p> <p>March 2014 Joined the Company</p> <p>May 2018 Manager of Corporate Planning Office</p> <p>August 2018 Manager of Corporate Planning Office and Deputy Manager of Store Operations Headquarters</p> <p>January 2019 Executive Officer, Manager of President's Assistant Office</p> <p>February 2019 Executive Officer, Manager of President's Assistant Office and Manager of Product Audit Department</p> <p>May 2019 Director, Executive Officer, Manager of President's Assistant Office and Manager of Product Audit Department</p> <p>June 2019 Director, Executive Officer, Manager of President's Assistant Office, Controller and Manager of Product Audit Department</p> <p>January 2020 Director, Senior Executive Officer and Manager of President's Assistant Office</p> <p>August 2020 President and Representative Director (to present)</p>	3,760,400
<p>[Reasons for nomination as a candidate for Director]</p> <p>After joining the Company Mr. Koichi Ohmura gained a wide experience in the main operations of the Company. He had been assisting the previous President since assuming office as Manager of President's Assistant Office, and has engaged in management of the Company. During his tenure as Senior Executive Officer, he was in effect in charge of the business executed as the President and the reforms he undertook in inventory and purchasing management contributed significantly to the strong performance of the Company after his assumption of office as President. Since assuming office as President, he has been leading the management of the Company while upholding the expansion of the development of private brand products, aggressive store opening, and the strengthening of the Internet sales business among others as major management strategies. The Company has judged that his extensive knowledge, business execution capabilities and his ability to respond to change will continue to be essential for the management of the Company, and proposes him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
3	Kazunori Sakamoto (August 27, 1958)	March 1983	Completed master's degree at Graduate School of Engineering, Hiroshima University	-
		April 1983	Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Holdings Corporation)	
		July 2014	Joined the Company	
		August 2014	Manager of Toy Product Department, Childcare Product Headquarters, Product Headquarters	
		June 2015	Deputy Manager of Childcare Product Headquarters, Product Headquarters and Manager of Toy Product Department	
		August 2017	Manager of Store Operations Headquarters	
		September 2017	Executive Officer, Manager of Store Operations Headquarters	
		May 2018	Director, Executive Officer, Manager of Store Operations Headquarters	
		May 2019	Director, Managing Executive Officer, Manager of Store Operations Headquarters	
		October 2020	Director, Managing Executive Officer, Manager of Store Operations Headquarters and Manager of West Japan Store Management Business Department	
		March 2021	Director, Managing Executive Officer, Manager of Store Operations Headquarters	
May 2021	Director, Senior Executive Officer, Manager of Store Operations Headquarters (to present)			
<p>[Reasons for nomination as a candidate for Director] Mr. Kazunori Sakamoto worked vigorously as a manager on the purchase of toys and other childcare products after joining the Company. At present, he directs and supervises store business operations as Manager of Store Operations Headquarters, and has achieved great results in areas such as reducing store management costs, including through staffing optimization and streamlining of work procedures by utilizing IT, and strengthening of the Internet sales business such as launching "NISHIMATSUYA ONLINE STORE." The Company has judged that his extensive insight and experience will continue to be essential for the management of the Company, and proposes him as a candidate for Director.</p>				

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Yoshiaki Ohmura (November 17, 1959)	<p>March 1983 Graduated from Faculty of Engineering, Kyoto University</p> <p>April 1983 Joined Fujitsu Limited</p> <p>January 1991 Joined Shirahama Cast Iron Industrial Co., Ltd.</p> <p>November 2000 Joined Oyama Trading Co., Ltd. (currently Oyama Co., Ltd.)</p> <p>June 2015 Joined the Company</p> <p>September 2015 Manager of Business System Reformation Department, Administrative Headquarters</p> <p>February 2017 Executive Officer, Manager of Business System Reformation Department</p> <p>April 2017 Executive Officer, Deputy Manager of Product Headquarters and Manager of Business System Reformation Department</p> <p>February 2018 Executive Officer, President's Office (in charge of Shin-Osaka Headquarters) and Manager of Business System Reformation Department</p> <p>May 2018 Director, Executive Officer, Manager of Product Headquarters</p> <p>September 2019 Director, Executive Officer, Manager of Product Headquarters and Manager of Clothing Product Business Department</p> <p>January 2020 Director, Executive Officer, Manager of President's Office</p> <p>May 2020 Director, Executive Officer, Manager of President's Office and in charge of Logistics Department</p> <p>June 2020 Director, Executive Officer, Manager of President's Office, in charge of Logistics Department and in charge of Global Business Promotion Department</p> <p>May 2021 Director, Executive Officer, Manager of President's Office (in charge of Logistics Department, Private Brand Overseas Sales Department and Global Sourcing Development Department)</p> <p>June 2021 Director, Executive Officer, Manager of President's Office (in charge of Logistics Department, Information Technology Department, Private Brand Overseas Sales Department and Global Sourcing Development Department) (to present)</p>	22,106
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Yoshiaki Ohmura significantly promoted the optimization and streamlining of work procedures at stores after joining the Company. He subsequently directed and supervised the development, purchase and sales of products as Manager of Product Headquarters. At present, he is directing and supervising multiple important sections in charge of logistics, IT, overseas sales and overseas procurement, and has achieved great results in areas such as the rationalization of logistics, the stable operations and cost reductions of various systems, and the development of overseas markets while supporting the President as Manager of President's Office. The Company has judged that his wealth of experience and knowledge will continue to be essential for the management of the Company, and proposes him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	Yoshito Ishii (November 13, 1961)	<p>March 1984 Graduated from Faculty of Commerce and Economics, Kobe University of Commerce (currently University of Hyogo)</p> <p>April 1984 Joined the Company</p> <p>September 2008 Manager of No. 3 Product Development Department, Product Development Headquarters</p> <p>July 2010 Manager of Purchase Order Audit Office, Product Development Headquarters</p> <p>June 2011 Manager of No. 4 Product Department, Product Development Headquarters</p> <p>February 2013 Manager of Store Operations Department, Store Operations Headquarters</p> <p>February 2016 Manager of Kinki and Tokai Store Development Department, West Japan Store Development Business Department, Store Development Headquarters</p> <p>January 2017 Manager of West Japan Store Development Business Department and Manager of Kinki and Tokai Store Development Department</p> <p>February 2018 Executive Officer, Manager of West Japan Store Development Business Department</p> <p>November 2020 Executive Officer, Manager of West Japan and Hokkaido Store Development Business Department</p> <p>May 2021 Director, Executive Officer, Manager of West Japan and Hokkaido Store Development Business Department</p> <p>November 2021 Director, Executive Officer, Manager of Store Development Headquarters and Manager of West Japan and Hokkaido Store Development Business Department (to present)</p>	33,220
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Yoshito Ishii experienced the main operations of the Company, including product development, purchasing and sales, store management and store openings, after joining the Company. At present, he directs and supervises the opening of new stores across Japan as Manager of Store Development Headquarters, and has achieved great results in the expansion of the networks of stores, including through vigorously engaging in the expansion of store size and the opening of stores in densely populated areas such as the metropolitan area. The Company has judged that his wealth of experience and insight will continue to be essential for the management of the Company, and proposes him as a candidate for Director.</p>			

(Notes)

1. There are no special interests between the candidates for Director and the Company.
2. The Company has entered into a contract with an insurance company for directors and officers liability insurance as stipulated in Article 430-3, Paragraph 1 of the Companies Act. As an overview of this insurance contract, compensation for damages, litigation costs and other expenses incurred by the insured party due to claims for damages resulting from any act (including omissions) based on the position of the insured party as directors and officers of a company, shall be covered by said insurance company. Each candidate has been included as the insured under said insurance contract. If this Proposal is approved as originally proposed, each candidate will continue to be included in said insurance contract as an insured party. The Company plans to renew said insurance contract during the candidates' terms of office.

Proposal 3: Issuance of Subscription Rights to Shares as Stock Options to Employees

We propose to issue subscription rights to shares as stock options to the Company's employees without consideration, and to delegate to the Board of Directors the authority to determine the subscription requirements for the subscription rights to shares as described below.

I. Reason for necessity of issuing the subscription rights to shares on particularly favorable conditions
Stock options will be implemented with the aim of enhancing sound management and social trust of the Company by bolstering employees' motivation and morale toward improving performance.

II. Details of issuance of the subscription rights to shares

1. Persons to whom the subscription rights to shares will be allotted

The Company's employees (persons who have newly become eligible as defined by the Company, etc.)

2. Class and number of shares to be issued upon exercise of the subscription rights to shares

Not exceeding 200,000 common shares of the Company.

In the event that the Company conducts a share split or share consolidation after the date of allotment of the subscription rights to shares, the number of shares subject to the subscription rights to shares shall be adjusted according to the following formula. Such adjustment, however, shall be made only to the number of shares subject to the subscription rights to shares which are not yet exercised at that point of time, and any fractions less than one (1) share resulting from the adjustment shall be rounded down.

$$\begin{array}{rcccl} \text{Number of shares} & & & & \\ \text{after adjustment} & = & \text{Number of shares} & \times & \text{Ratio of share split or} \\ & & \text{before adjustment} & & \text{share consolidation} \end{array}$$

Also, in the event that the Company conducts a merger or share exchange with another company, or a company split, or in any other cases that for unavoidable reasons require the adjustment of the number of shares subject to the subscription rights to shares, the Company may adjust the number of shares to a reasonable extent.

3. Total number of the subscription rights to shares to be issued

Not exceeding 2,000 units. (The number of shares subject to each unit of the subscription rights to shares shall be 100. However, in the event that the adjustment set forth in II.2. is made to the number of shares, adjustment shall be made in the same manner.)

4. Cash payment for the subscription rights to shares

No cash payment shall be required for the subscription rights to shares.

5. Value of assets to be contributed upon exercise of the subscription rights to shares

Assets to be contributed upon exercise of the subscription rights to shares shall be cash. The amount to be paid upon exercise of each unit of the subscription rights to shares shall be the amount obtained by multiplying the amount to be paid per share determined as set forth below (hereinafter referred to as the "Exercise Price") by the number of shares subject to each unit of the subscription rights to shares set forth in II.3.

The Exercise Price shall be the highest of the amount multiplying 1.05 and the average closing price of the Company's common shares in regular trading at the Tokyo Stock Exchange on each day (excluding days with no transactions) of the month prior to the month including the day of issuance of the subscription rights to shares (fractions less than one (1) yen shall be rounded up to the nearest one (1) yen); the closing price of the Company's common shares in regular trading at the Tokyo Stock Exchange on the day of issuance of the subscription rights to shares (if there are no transactions on such day, the closing price of the immediately preceding day); or 1,741 yen (the Company's 29th subscription rights to shares).

In the event that the Company conducts a share split or share consolidation, the Exercise Price shall be adjusted according to the following formula, and any fractions less than one (1) yen resulting from such adjustment shall be rounded up to the nearest one (1) yen.

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

Also, the Company may adjust the Exercise Price in the event that the Company conducts a merger or share exchange with another company, or a company split.

In the event that the Company issues new shares or disposes of treasury stock at a price lower than the market price (excluding securities to be acquired by the Company or securities with rights of requesting acquisition by the Company, both in exchange for delivery of the Company's common shares, or exercise of subscription rights to shares through which delivery of the Company's common shares may be requested), the Exercise Price shall be adjusted according to the following formula, and any fractions less than one (1) yen resulting from such adjustment shall be rounded up to the nearest one (1) yen.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Number of shares issued} + \frac{\text{Number of common shares newly issued} \times \text{Amount to be paid per share}}{\text{Share price of common shares before issuing new shares}}}{\text{Number of shares issued} + \text{Number of common shares newly issued}}$$

In the formula above, "Number of shares issued" shall mean the number calculated by subtracting the number of treasury stock of common shares held by the Company from the total number of shares issued by the Company. In the event of disposal of treasury stock, "Number of common shares newly issued" and "Share price of common shares before issuing new shares" shall be replaced with "Number of treasury stock to be disposed of" and "Share price of common shares before disposal," respectively.

6. Exercise period of the subscription rights to shares
From June 1, 2024 to May 31, 2025
7. Matters regarding capital stock and legal capital surplus to be increased by issuance of shares upon exercise of the subscription rights to shares
 - (1) In the event of new share issuance by exercising the subscription rights to shares, the amount of capital stock increased shall be half of the limit of increase in capital stock, etc. calculated in accordance with Article 17, Paragraph 1 of the Ordinance on Accounting of Companies, and any fractions less than one (1) yen resulting from such calculation shall be rounded up to the nearest one (1) yen.
 - (2) In the event of new share issuance by exercising the subscription rights to shares, the amount of legal capital surplus increased shall be calculated by subtracting the amount of capital stock increased set forth in (1) above from the limit of increase in capital stock, etc. in (1) above.
8. Conditions for exercising the subscription rights to shares
 - (1) Those who received the allotment of the subscription rights to shares must be Directors, Audit & Supervisory Board Members, Executive Officers or employees of the Company or its subsidiaries and associates at the time of exercise of the subscription rights to shares.
 - (2) Notwithstanding the provision of the preceding item, those who received the allotment of the subscription rights to shares may exercise the subscription rights to shares in any of the following cases:
 - 1) Retirement from Director, Audit & Supervisory Board Member, Executive Officer of the Company or its subsidiaries and associates due to expiration of their term of office
 - 2) Mandatory age-limit retirement and other justifiable reasons
 - 3) In case of a contract employee, retirement due to completion of the employment period set forth in the employment contract, provided, however, that continuous years of service of such employee for the Company must be five (5) years or more

- (3) The successors of the persons who received the allotment of the subscription rights to shares shall not be able to exercise the subscription rights to shares.
 - (4) Other conditions for exercising the subscription rights to shares shall be determined by resolution of the Board of Directors.
9. Matters related to acquisition of the subscription rights to shares
- (1) The Company may acquire without consideration and cancel the subscription rights to shares by resolution of the Board of Directors if a proposal for approval of a merger agreement where the Company becomes a dissolving company, proposal for approval of a share exchange agreement where the Company becomes a wholly-owned subsidiary, or proposal for approval of a share transfer plan is approved at the General Meeting of Shareholders.
 - (2) When those who received the allotment of the subscription rights to shares no longer satisfy the conditions to exercise the subscription rights to shares, the Company may acquire the subscription rights to shares of such persons without consideration and cancel them by resolution of the Board of Directors.
10. Restriction on transfer of the subscription rights to shares
- Transfer of the subscription rights to shares shall require the approval of the Board of Directors.
11. Treatment of the subscription rights to shares upon implementation of reorganization
- If the Company conducts a merger (limited to the case where the Company becomes a dissolving company as a result of the merger), absorption-type company split, incorporation-type company split, share exchange or share transfer (hereinafter collectively referred to as the “Reorganization Transaction”), under the following conditions, subscription rights to shares of a joint stock corporation specified in Article 236, Paragraph 1, Item 8 (a) through (e) of the Companies Act (hereinafter referred to as the “Reorganized Corporation”) shall be delivered to holders of subscription rights to shares that remain in effect as of the effective date of the Reorganization Transaction (hereinafter referred to as the “Remaining Subscription Rights to Shares”). In such cases, the Remaining Subscription Rights to Shares shall expire, and the Reorganized Corporation shall issue new subscription rights to shares. However, the foregoing shall be limited to cases where it is prescribed in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement or share transfer plan that the subscription rights to shares of the Reorganized Corporation shall be issued under the following conditions:
- (1) Number of the subscription rights to shares of the Reorganized Corporation to be delivered:
The same number of the subscription rights to shares shall be delivered as the number of the subscription rights to shares held by the holders of the Remaining Subscription Rights to Shares.
 - (2) Class of shares of the Reorganized Corporation subject to the subscription rights to shares:
Common shares of the Reorganized Corporation
 - (3) Number of shares of the Reorganized Corporation subject to the subscription rights to shares:
The number shall be determined in consideration of the conditions for the Reorganization Transaction.
 - (4) Value of assets to be contributed upon exercise of the subscription rights to shares:
The value of assets to be contributed upon exercise of the subscription rights to shares for delivery shall be the amount obtained by multiplying the Exercise Price after reorganization calculated through adjustments, taking into consideration the conditions for the Reorganization Transaction, by the number of shares of the Reorganized Corporation subject to such subscription rights to shares as determined in (3) above.
 - (5) Exercise period of the subscription rights to shares:
The period shall commence on the starting date of the exercise period of the Remaining Subscription Rights to Shares or the effective date of the Reorganization Transaction, whichever is later, and end on the expiration date of the exercise period of the Remaining Subscription Rights to Shares.

- (6) Amount of increase in capital stock and legal capital surplus when new shares are issued upon exercise of the subscription rights to shares:
Amount of increase in capital stock and legal capital surplus shall be determined, taking into consideration the conditions of the Reorganization Transaction.
- (7) Restriction on acquisition of the subscription rights to shares through transfer:
Acquisition of the subscription rights to shares through transfer requires approval of the Board of Directors of the Reorganized Corporation.
- (8) Other conditions for exercising the subscription rights to shares:
The other conditions shall be determined in the same manner as described in II.8. above.

12. Other matters

Other matters related to the subscription rights to shares shall be determined by resolution of the Board of Directors.

End