

EAT&HOLDINGS CO., LTD.

Chairman and representative director, CEO Naoki Fumino

NOTICE OF THE 45th ANNUAL GENERAL MEETING OF SHAREHOLDERS

To all, I would like to express my sincere appreciation for your continued support.

You are hereby notified that the 45th Annual General Meeting of Shareholders of EAT&HOLDINGS Co., Ltd. (“Company”) will be held as follows.

From the perspective of preventing the spread of COVID-19 infection, the Company requests the shareholders to exercise their voting rights to greatest extent possible in advance of this Annual General Meeting of Shareholders via the Internet or by mailing the enclosed “Voting Rights Exercise Form” and to also refrain from attending on the date of the Annual General Meeting of Shareholders, regardless of the status of the shareholder’s physical health. In addition, please note that, due to the prepared spacing of seats at the site of the Annual General Meeting of Shareholders, you may not be allowed to enter even if you arrive at the site on that day.

If you exercise your voting rights in writing, after reviewing the Reference Documents for Shareholders Meeting on the following pages, please indicate your approval or disapproval of the proposals on the enclosed “Voting Rights Exercise Form” and should arrive no later than 6:00 p.m. on May 26, 2022.

Date/Time	May 27, 2022 (Friday) 10 a.m. (Reception opens at 9 a.m.)
Place	Hotel Elseraine Osaka, 5th Floor 1-5-25 Dojima, Kita-ku, Osaka *Please refer to the map for the venue of the General Meeting of Shareholders at the end of this document.
Agenda Items	<p>Reporting Matters</p> <ol style="list-style-type: none">1. Report on the Business Report and the Consolidated Financial Statements for the 45th fiscal year (from March 1, 2021 to February 28, 2022) and the results of audits of the Consolidated Financial Statements by the Independent Auditor and the Audit Committee2. Report on the Non-Consolidated Financial Statements for the 45th fiscal year (from March 1, 2021 to February 28, 2022) <p>Voting Matters</p> <p>Proposal 1: Disposition of surplus amounts Proposal 2: Partial amendments to the Articles of Incorporation Proposal 3: Election of six (6) Directors (excluding Directors who are Audit Committee Members) Proposal 4: Election of one (1) Director who is a substitute member of the Audit Committee to fill a vacancy Proposal 5: Final payments associated with abolition of retirement allowance benefit payment system for retiring directors Proposal 6: Determining remuneration payments to directors (excluding outside directors) for the grant of restricted shares</p>

- When you attend the meeting on that day, please submit the enclosed “Voting Rights Exercise Form” at the reception.
- Of the documents that should be provided in this Notice of the Annual General Meeting of Shareholders, the following items are not included in this Notice since they are posted on the Company’s website on the Internet in accordance with laws and regulations and Article 18 of the Articles of Incorporation (1) Notes to Consolidated Financial Statements (2) Individual Notes to Non-Consolidated Financial Statements
- If any revisions are made to the Reference Documents for Shareholders Meeting, the Business Report, the Non-Consolidated Financial Statements, or the Consolidated Financial Statements, the revisions will be posted on the Company’s website on the Internet.

Company’s website

<https://www.eat-and.jp/>

Reference Documents for Shareholders Meeting

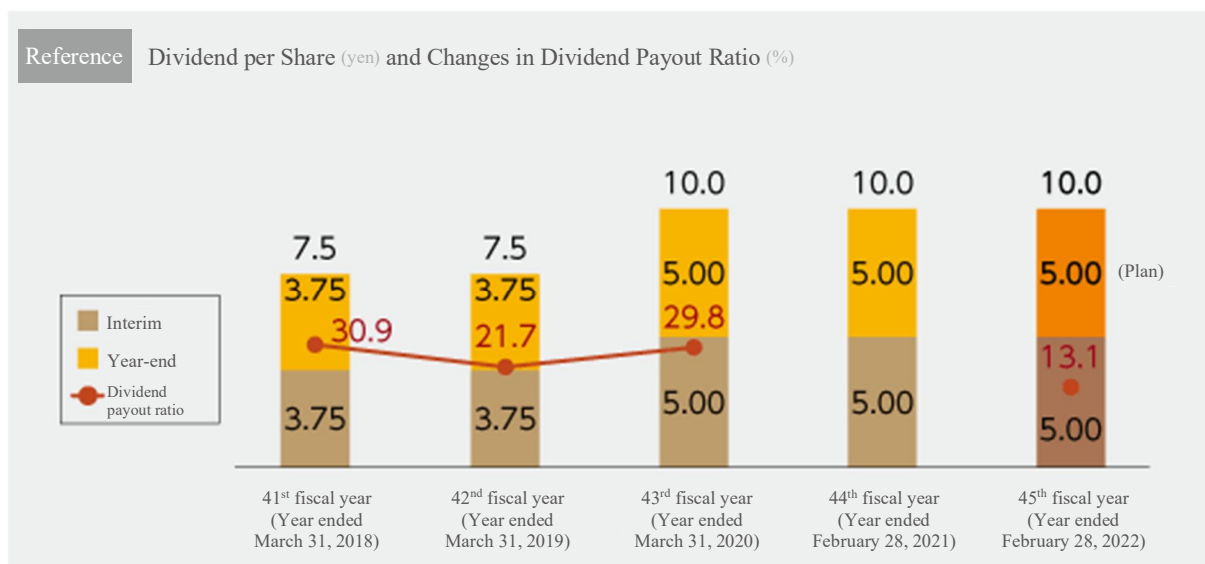
Agenda and Reference Matters

Proposal 1 Disposition of Surplus

The Company believes that returning earnings to all shareholders is one of the top management priorities, and, while maintaining a stable dividend as a basic policy, we would like to pay a year-end dividend for the 45th fiscal year as indicated below, taking into consideration, among other factors, our ongoing business expansion.

Matters Related to Year-end Dividends

1	Type of dividend property	The dividend property will be allocated in cash.
2	Matters concerning allocation of dividend property and its total amount	The Company would like to pay 5 yen per common share. The total amount for the dividends in this case would be 50,786,155 yen.
3	Effective date of surplus dividend	Proposed date: May 30, 2022



- (Notes) 1. Although the Company conducted a 2-for-1 stock split of common shares as of January 1, 2018, the amount of the dividend shown assumes that the stock split occurred at the beginning of the 41st fiscal year.
2. The dividend payout ratio for the 44th fiscal year is not shown due to the declaration of loss attributable to owners of parent.

Proposal 2

Partial Amendments to the Articles of Incorporation

1. Reason for Proposal

The following amendments to the Articles of Incorporation are in preparation for “The Act Partially Amending the Companies Act (Act No. 70 of 2019)”, which establishes a new system with measures to provide documents for shareholder meetings electronically (Article 325-2 to 325-5), whose provisions will come into effect on September 1, 2022.

2. Details of Amendments

The details of the amendments are as follows.

(The underlined text indicates the amended portions.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure of Reference Documents for Shareholders Meeting, etc. and Deemed Provision)</u> <u>Article 18. When convening a shareholders meeting, the Company may deem that it has provided information to shareholders pertaining to matters that should be mentioned or shown in the reference documents for shareholders meeting, the business report, non-consolidated financial statements as well as consolidated financial statements by disclosing such information via the Internet as specified by an ordinance of the Ministry of Justice.</u></p> <p>(Newly created)</p>	<p>(Deleted)</p> <p><u>(Measures for Electronic Provision)</u> <u>Article 18. When convening a shareholders meeting, the Company shall take measures to provide information which constitutes the contents of the reference documents for shareholders meetings electronically.</u> <u>2. The Company may choose not to include all or part of the matters for which electronic provision measures are taken, which are specified by an ordinance of the Ministry of Justice, in the document to be delivered to shareholders who have made a request for delivery of documents in paper-based format by the record date for exercising voting rights.</u></p>

Current Articles of Incorporation	Proposed Amendments
(Newly created)	<p>(Supplementary Provisions)</p> <p><u>2. The deletion of Article 18 of the current Articles of Incorporation (Internet Disclosure of Reference Documents for Shareholders Meeting, etc. and Deemed Provision) and the proposed amended Article 18 (Measures for Electronic Provision) shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the Supplementary Provisions to the Act Partially Amending the Companies Act (Act No. 70 of 2019) (“the enforcement date”).</u></p> <p><u>3. Notwithstanding the provisions of the preceding paragraph, Article 18 of the current Articles of Incorporation shall remain in effect with respect to general shareholders meeting whose falls within six (6) months from the enforcement date.</u></p> <p><u>4. The preceding two paragraphs and this paragraph shall be deleted after six (6) months from the enforcement date or three (3) months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

Proposal 3

Election of Six (6) Directors (Excluding Directors who are Audit Committee Members)

At the conclusion of the Annual General Meeting of Shareholders, the term of office of five (5) of the Directors will expire (excluding Directors who are Audit Committee Members. The same applies below in this proposal.). Accordingly, the Company proposes the election of six (6) Directors, including the new election of one (1) additional nominee as Director.

In electing nominees to become Directors, the Nomination and Remuneration Committee (a majority of whose members are Outside Directors) was consulted and the Board of Directors made a decision based on the deliberations and report of this Committee.

If this proposal is approved as originally drafted, it is expected that three (3) of all the nine (9) Directors (including Directors who are Audit Committee Members) will be independent directors as stipulated by the Tokyo Stock Exchange, and more than one-third of the Company's Directors will consist of independent Directors.

Further, the Audit Committee considered this proposal and had no opinion.

The nominees for Director are as below.

Nominee
No.

1

Naoki Fumino

(Date of birth: Nov. 29, 1959)

Re-election



No. terms of office as
Director

41 years and 7 months

Number of shares held in the
Company

297,840 shares

Career summary, positions, and responsibility at the Company (material concurrent situations)

Apr. 1980	Joined the Company
Oct. 1980	Appointed as Director
Jul. 1985	Appointed as Representative Director, President
Jun. 2017	Appointed as Representative Director, Chairman
Oct. 2020	Appointed as Chairman and Representative Director, CEO (current)

Reasons for Nomination as Director

As the Company's Chairman and Representative Director, CEO (Chief Executive Officer), Mr. Fumino has a proven track record of propelling the Company forward with his strong leadership and wealth of experience, and is expected to lead the Company's overall management going forward. For these reasons, Mr. Fumino has been found to be qualified to continue as a Director.

Nominee
No.

2

Hiroyasu Nakata

(Date of birth: Apr. 26, 1964)

Re-election



No. terms of office as
Director

17 years and 11 months

Number of shares held in the
Company

143,500 shares

Career summary, positions, and responsibility at the Company (material concurrent situations)

Aug. 2000 Joined the Company
Jun. 2004 Appointed as Director
Apr. 2012 Appointed as Senior Managing Director
Jun. 2017 Appointed as Representative Director, President
Oct. 2020 Appointed as Director, President, COO (current)
 Appointed as Representative Director, President of EAT&FOODS Co., Ltd. (current)

Reasons for Nomination as Director

As the Company's Director, President, COO (Chief Operating Officer), Mr. Nakata has made significant contributions to strengthening the business operating system and has rich experience and achievements in the food and other industries, and is expected to lead the Company's overall management going forward. For these reasons, Mr. Nakata has been found to be qualified to continue as a Director.

Nominee
No.

3

Takeshi Uetsuki

(Date of birth: Jul. 13, 1972)

Re-election



No. terms of office as
Director

15 years and 11 months

Number of shares held in the
Company

73,680 shares

Career summary, positions, and responsibility at the Company (material concurrent situations)

Apr. 1995 Joined the Company
Jun. 2006 Appointed as Director
Apr. 2019 Appointed as Managing Director
Oct. 2020 Appointed as Director (current)
 Appointed as Representative Director, President of OSAKA-OHSHO Co., Ltd.
(current)

Reasons for Nomination as Director

In addition to his track record of supervising the Company Group's restaurant operations, Mr. Uetsuki has a deep familiarity with overseas businesses and franchise operations, and accordingly, Mr. Uetsuki has been found to be qualified to continue as a Director.

Nominee
No.

4

Hiroshi Yamamoto

(Date of birth: Sept. 30, 1970)

Re-election



No. terms of office as
Director

4 years and 11 months

Number of shares held in the
Company

11,000 shares

Career summary, positions, and responsibility at the Company (material concurrent situations)

Jan. 2007 Joined the Company
Jun. 2017 Appointed as Director, Executive Officer
Apr. 2019 Appointed as Director, Managing Executive Officer
Oct. 2020 Appointed as Director (current)
Appointed as Director, Senior Executive Officer of EAT&FOODS Co., Ltd. (current)

Reasons for Nomination as Director

Mr. Yamamoto has a proven track record and a wealth of experience in supervising the production, purchasing, and logistics departments of our Company Group. For this reason, he has been found to be qualified to continue as a Director.

Nominee
No.

5

Tatsuya Kato

(Date of birth: May 8, 1964)

Re-election



No. terms of office as
Director

1 year and 11 months

Number of shares held in the
Company

300 shares

Career summary, positions, and responsibility at the Company (material concurrent situations)

Apr. 1989 Joined The Daiei, Inc.
Apr. 1997 Joined Tohmatsu Consulting Co., Ltd. as Consulting Manager
May 2003 Joined JTEC's, Co., Ltd. as Director and Manager of Business Development Division
Feb. 2006 Joined Doutor Coffee Co., Ltd. as General Manager of Excelsior Division
Jan. 2010 Joined Take and Give Needs Co., Ltd. as Executive Officer and General Manager of Marketing
Oct. 2019 Joined the Company
Apr. 2020 Appointed as Executive Officer and General Manager of Corporate Strategy Division
Jun. 2020 Appointed as Director, Executive Officer, and General Manager of Corporate Strategy Division
Mar. 2021 Appointed as Director-general administrative headquarters (current)

Reasons for Nomination as Director

Due to his broad knowledge and abilities in all aspects of management based on his experience in the retail, restaurant, and service business sectors, Mr. Kato has been found to be qualified to continue as a Director.



No. terms of office as
Director

-

Number of shares held in the
Company

-

Career summary, positions, and responsibility at the Company (material concurrent situations)

Apr. 1989	Joined Motorola, Inc.
Jun. 1991	Joined The Boston Consulting Group K.K.
Jan. 2007	Joined Globis Corporation
Apr. 2014	Globis University Graduate School of Management, Professor (current)
Jul. 2014	Globis University Graduate School of Management, Managing Director, General Manager, Corporate Administration Division
Jul. 2019	Senior Faculty Director, Faculty Division of the same company, Leader, Organization and HR Research Group (current)

Reasons for Nomination as Director and Expected Roles

With her extensive experience with diversity, work-style reform, and the promotion of DX in the management division, Ms. Hayashi is expected to participate in management from an objective viewpoint with an independent perspective. It has been decided that her rich experience and knowledge are necessary for the Company Group to continuously improve its corporate value going forward.

(Notes)

1. There is no conflict of interest between the Company and any nominee.
2. Ms. Kyoko Hayashi is a new nominee as an Outside Director. Her name in the family register is Kyoko Otani.
3. If Ms. Kyoko Hayashi is appointed as an Outside Director, the Company plans to enter into a contract for limitation of liability with her in accordance with Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability for an Outside Director under such contract will be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
4. The Company has concluded a directors' and officers' liability insurance policy with an insurance company, and each nominee, if appointed as a director, will be insured by such insurance policy. Please refer to page 34 of the Business Report for an outline of the contents of the insurance policy. The Company plans to renew the insurance policy with the same contents at the time of the next renewal.
5. The Company plans to submit a filing with the Tokyo Stock Exchange designating Ms. Kyoko Hayashi as an Independent Officer.

(Reference) Skill Matrix of Members of the Board of Directors after the 45th Annual General Meeting of Shareholders

The following table represents the structure and the particular expertise and experience of the Directors if Proposal 3 is approved.

Name	Business Management Business Strategy	Marketing	Food Business	Food Manufacturing Technology Research & Development	Eating Out	Finance Accounting	Human Resources Labor Relationship HR Development	Legal Risk Management	International Experience	ESG Sustainability
Chairman and Representative Director, CEO Naoki Fumino	●				●					●
Director, President, COO Hiroyasu Nakata	●		●	●						
Director Takeshi Uetsuki	●	●			●				●	
Director Hiroshi Yamamoto		●		●						
Director Tatsuya Kato	●	●			●		●			●
Director (Outside) Kyoko Hayashi							●		●	●
Director, Member of Audit Committee Takashi Shiiki						●				
Director, Member of Audit Committee (Outside) Mitsuhiro Nishikimi						●				
Director, Member of Audit Committee (Outside) Yoshifumi Ikeda								●	●	

(Note) The list above does not represent all the experience and expertise possessed by each individual.

Proposal 4

Election of One (1) Director who is a Substitute Member of the Audit Committee to Fill a Vacancy

Since the effect of the election of substitute Audit Committee member, Director Go Morita, who was elected at the 44th Annual General Meeting of Shareholders held on May 26, 2021, will lapse as of the opening of this Annual General Meeting of Shareholders, the Company proposes electing one (1) Director who is a substitute Audit Committee Member in advance as a substitute for all Directors who are Audit Committee Members in the event that the number of Directors who are Audit Committee Members falls short of the number required by law.

In electing nominees to become substitute members for Outside Directors, the Nomination and Remuneration Committee (a majority of whose members are Outside Directors) was consulted and the Board of Directors made a decision based on the deliberations and report of this Committee.

The Audit Committee has approved this proposal. In addition, each Director who is a member of the Audit Committee considered this proposal and expressed no opinion.

The nominee for Director who is a substitute Audit Committee member is as follows.

Go Morita

(Date of birth: May 5, 1978)

Outside Director



Number of shares held in the Company

- shares

Career summary (material concurrent situations)

Oct. 2004 Registered as a lawyer
Apr. 2007 Joined Eiko Sogo Law Office
Jan. 2010 Became a member of Eiko Sogo Law Office (current)

Reasons for Nomination as Substitute Outside Director and Expected Roles

Based on his high degree of expertise in the legal field as an attorney, Mr. Morita is expected to make suitable recommendations from the viewpoint of reasonableness and appropriateness in the Company's decision-making regarding the execution of business operations, and accordingly, the Company has determined that Mr. Morita is qualified to serve as an Outside Director who is a substitute member of the Audit Committee. Although Mr. Morita has not been directly involved in the management of a company, except as an Outside Director and Audit Committee member, the Company believes that he is able to appropriately perform his duties as an Outside Director for the reasons in the preceding sentence.

(Notes)

1. There is no conflict of interest between the Company and this nominee.
2. Mr. Go Morita is a nominee for a substitute Outside Director.
3. If Mr. Go Morita is appointed as a Director who is a member of the Audit Committee, the Company plans to enter into a contract for limitation of liability with him in accordance with Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability for an Outside Director under such contract will be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
4. Mr. Go Morita satisfies the requirements for Independent Officers as stipulated by the Tokyo Stock Exchange, and, if appointed as an Outside Director, who is a member of the Audit Committee, the Company plans to submit a filing with the Tokyo Stock Exchange designating him as an Independent Officer.
5. The Company will enter into a directors' and officers' liability insurance policy with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, and will cover the damages and expenses to be borne by the insured under such insurance policy. If Mr. Go Morita is appointed as an Outside Director, who is a member of the Audit Committee, he will be included as an insured under such insurance policy.

Proposal 5

Final Payments Associated with Abolition of Retirement Allowance Benefit Payment System for Retiring Directors

As part of the revision of the remuneration system for Directors, the Company adopted a resolution at the Board of Directors meeting held on April 26, 2022 to abolish the retirement allowance benefit payment system for Directors as of the conclusion of this Annual General Meeting of Shareholders.

As a result, subject to the condition that Proposal 3 (Election of six (6) Directors (excluding Directors who are Audit Committee members) is approved as originally drafted, in order to reward Directors (except Outside Directors) who continue to remain in office for their services to date, the Company proposes to make a final payment in accordance with certain standards determined by the Company for the term of office ending as of the conclusion of this Annual General Meeting of Shareholders due to the abolition of the retirement allowance benefit payment system.

The Company has hitherto provided for the future payment of retirement benefits to Directors in the amount estimated to be required at the end of the fiscal year based on predetermined standards, and has recorded the estimated amount as Director's retirement benefits.

The timing of payment will be keyed to each individual's time of retirement and the specific method of payment will be left up to the Board of Directors for Directors and, in the case of Directors who are members of the Audit Committee, by discussion with [other remaining] Directors who are members of the Audit Committee.

Since this proposal was decided by the Board of Directors at the Company in accordance with the decision-making policy for the details of remuneration, etc. for individual Directors that was established in advance by the Board of Directors, it is considered fair.

Below is a career summary of the Directors to whom a final payment is planned due to the abolition of the retirement allowance benefit payment system.

Name	Career Summary	
Naoki Fumino	Oct. 1980	Director
	Jul. 1985	Representative Director, President
	Jun. 2017	Representative Director, Chairman
	Oct. 2020	Chairman and Representative Director, CEO (current)
Hiroyasu Nakata	Jun. 2004	Director
	Apr. 2012	Senior Managing Director
	Jun. 2017	Representative Director, President
	Oct. 2020	Director, President, COO (current)
Takashi Uetsuki	Jun. 2006	Director
	Apr. 2019	Managing Director
	Oct. 2020	Director (current)
Hiroshi Yamamoto	Jun. 2017	Director, Executive Officer
	Apr. 2019	Director, Managing Executive Officer
	Oct. 2020	Director (current)
Tatsuya Kato	Jun. 2020	Director (current)
Takashi Shiiki	Jun. 2019	Director (Audit Committee member) (current)

Determining Remuneration Payments to Directors (Excluding Outside Directors) for the Grant of Restricted Shares

An annual amount not to exceed 300 million yen (Provided that the employee's salary for a Director who serves concurrently as an employee is not included.) for remuneration, etc. of the Company's Directors (excluding Directors who are members of the Audit Committee) was approved at the 38th Annual General Meeting of Shareholders held on June 24, 2015.

At present, as a part of its revision of the Director's remuneration system, to provide an incentive for the Company's Directors (excluding the Outside Directors, hereinafter, the "Target Directors") to continuously improve the Company's corporate value, while simultaneously, aiming to promote even further shared value with all of the shareholders, the Company would like to provide the Target Directors with additional remuneration for the grant of restricted shares separately from the remuneration system mentioned above.

Based on this proposal, the remuneration to be paid to the Target Directors for the grant of the restricted shares will not exceed 60 million yen per year (Provided that the employee's salary as a Director who serves concurrently as an employee is not included.) The Board of Directors will determine the specific timing and allocation of payments to each Target Director. However, no remuneration will be paid to Outside Directors for the grant of restricted shares.

Although there are currently five (5) Directors (excluding Directors who are Audit Committee Members, and none of whom are Outside Directors), the number of Directors (excluding Directors who are Audit Committee Member) will increase to six (6) (including one (1) Outside Director) if Proposal 3 (Election of six (6) Directors (excluding Directors who are Audit Committee Members)) is approved as originally drafted.

In addition, based on the resolution of the Company's Board of Directors, the Target Directors will pay all of the monetary claims to be paid under this proposal as property contributed in-kind and will receive the issuance or disposition of the Company's common shares, with the total number of the Company's common shares to be issued or disposed of not to exceed 40,000 shares per year. (However, if, on or after the approval date of this proposal, there is a stock split (including a gratis allotment of the Company's common shares) or a reverse stock split of the Company's common shares, or any other event requiring adjustment of the total number of the Company's common shares to be issued or disposed of as restricted shares occurs, the total number of shares will be adjusted to a reasonable extent.)

The amount to be paid per share will be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution by the Board of Directors (if no trading is executed on the preceding date, then the closing price of the most recent trading date prior to that preceding date), which will be an amount within a scope that is not unduly favorable to the Target Directors. Accordingly, the issuance or disposal of the Company's common shares and the payment of the monetary claims as property contributed in-kind are subject to the execution of an agreement between the Company and the Target Directors with respect to the allocation of restricted shares (the "Allotment Agreement"), including the details below. Since the maximum amount of remuneration, the total number of the Company's common shares to be issued or disposed of, and other terms and conditions for the grant of restricted shares to the Target Directors under this proposal have been determined taking into consideration the purposes mentioned above, the Company's business conditions, the Company's policy concerning the determination of the details of remuneration, etc. for each of the Company's Directors, and various other general circumstances, this [determination] is considered fair. (Please refer to page 34 of the Company's Business Report for the details of such policy. If this proposal is approved, we plan to change the said policy to the contents described in the [Reference] column below to be consistent with the contents approved by the shareholders.)

Summary of the Allotment Agreement

(1) Transfer Restriction Period

The Target Directors must not transfer, create a security interest, or otherwise dispose of the Company's common shares ("Transfer Restrictions") that are allotted under the Allotment Agreement ("Allotted Shares") during the period from the date he or she received the allotment under the Allotment Agreement to the time immediately following his or her retirement from the position as a Director or an employee of the Company or its subsidiary, which will be determined in advance by the Company's Board of Directors ("Transfer Restriction Period").

(2) Treatment at the Time of Retirement

If a Target Director retires from his or her position as a Director or an employee of the Company or its subsidiary, which will be determined in advance by the Company's Board of Directors, prior to the expiration of the period determined in advance by the Company's Board of Directors ("Service Period"), the Company will naturally acquire the Allotted Shares upon the retirement for no consideration, unless there are reasonable grounds therefor, such as the expiration of the term of office, his or her death, or other grounds.

(3) Cancellation of Transfer Restrictions

The Company will cancel the Transfer Restrictions on all of the Allotted Shares upon the expiration of the Transfer Restriction Period on condition that the Target Director has continuously held the position as a Director or an employee of the Company or its subsidiary, which will be determined in advance by the Company's Board of Directors, during the Service Period. However, (i) if the Target Director retires from his or her position as a Director or an employee of the Company or its subsidiary, which will be determined in advance by the Company's Board of Directors, prior to the expiration of the Service Period for reasonable grounds, or, (ii) if the Target Director retires from his or her position, which is to be determined in advance by the Company's Board of Directors, for reasons other than reasonable grounds following the expiration of the Service Period, but prior to the expiration of the Transfer Restriction Period, then in either case, the number of the Allotted Shares subject to cancellation of the Transfer Restrictions and the timing of such cancellation shall be reasonably adjusted as necessary. In addition, the Company will naturally acquire the Allotted Shares for no consideration immediately after the Transfer Restrictions are lifted in accordance with the above provisions

(4) Treatment During Reorganization, etc.

Notwithstanding the provisions of item (1) above, the Company will, by resolution of the Board of Directors, cancel the Transfer Restrictions on a reasonably determined number of Allotted Shares based on the period from the commencement date of the Transfer Restriction Period to the date of approval of such reorganization, etc. prior to the effective date of such reorganization, etc. if a merger agreement in which the Company is the disappearing company, a share transfer agreement in which the Company becomes a wholly-owned subsidiary company, a share exchange plan, or other matter concerning a reorganization, etc. is approved at the Company's meeting of the shareholders during the Transfer Restriction Period (if the reorganization, etc. does not require the approval at a meeting of the shareholder, then, by the Company's Board of Directors). In addition, in the scenarios set forth above, the Company will naturally acquire the Allotted Shares whose Transfer Restrictions were not cancelled for no consideration immediately following the cancellation of the Transfer Restrictions.

(5) Other Matters

Other matters concerning the Allotment Agreement will be determined by the Board of Directors of the Company.

Reference

Policy concerning the determination of the details of Directors' remuneration, etc.

At the meeting of the Board of Directors held on April 26, 2022, the Company approved a resolution to revise the policy for determining the details of, among other items, individual Director's remuneration, etc.

1. Basic Policy
 - The amount of remuneration, etc. of the Company's Directors (excluding Directors who are Audit Committee Members; the same applies below) is a remuneration system linked to the Company's business performance and its profitability so that it serves as an incentive to continuously improve corporate value. The remuneration of individual Directors is determined at an appropriate standard based on their respective responsibilities.
 - Directors' remuneration consists of a base remuneration as fixed remuneration, performance-linked remuneration, and a share-based remuneration system as a remunerative incentive to improve the medium- to long-term corporate value.
2. Policy for Determining the Amounts of Individual Director's Remuneration, etc. for Base Remuneration (Monetary Remuneration)
 - The base remuneration for the Company's Directors is a monthly fixed remuneration, which is determined comprehensively taking into consideration the Company's business performance and the treatment of its employees, depending on their respective positions, responsibilities, and tenure of office.
3. Policy for Determining the Details and Calculation Methods of Amounts for Performance-Linked and Non-Monetary Remuneration, etc.
 - Performance-linked remuneration is monetary remuneration reflecting key performance indicators (KPIs) to raise awareness about improving business performance every fiscal year, and is paid as a bonus at a certain time each year in an amount calculated based on the degree of achievement of sales and operating profit compared to the previous fiscal year and to the plan for each fiscal year, which is positioned as an important indicator for the Company in implementing management emphasizing business productivity and profitability.
 - The target for key performance indicators is set when the business plan for the fiscal year is formulated based on consistency with the direction and management's ideal goals in the mid-term and will be reviewed as appropriate in response to changes in the business environment.
 - Restricted shares are provided as non-monetary remuneration in order to continuously improve the Company's corporate value. The number of such shares will be calculated based on predetermined criteria for each position.

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4. Policy for Determining the Percentage of the Base Remuneration, Performance-linked Remuneration, and Non-monetary Remuneration, etc. for Each Individual Director
 - The percentage of remuneration for each type of Director shall be determined by the Board of Directors each fiscal year in order to comprehensively determine trends in the Company's performance, the business environment, and other factors.

 5. Matters Relating to the Determination of Details of the Individual Director's Remuneration, etc.
 - The amount of remuneration for each individual Director will be determined by the Board of Directors after deliberation by the Nomination and Remuneration Committee and after soliciting the opinion of the Audit Committee with respect to the amount of the base remuneration the performance-linked remuneration, etc. for each Director.
 - The Board of Directors shall approve by resolution the number of restricted shares to be allocated to each Director.

End