

Company name: RAKSUL INC.
 Representative: Yasukane Matsumoto
 Representative Director, President and CEO
 (TSE Prime Market Code No. 4384)
 Contact: Yo Nagami
 Director, CFO

Announcement of Election of Directors and New Management Structure

RAKSUL INC. (the “Company”) hereby announces that a resolution was passed at the Board of Directors meeting held today on the proposal to elect five (5) directors for the 13th Annual General Meeting of Shareholders to be held on October 27, 2022. We also announce the transition to a new management execution structure and the establishment of a Sustainability Committee to realize a management structure that contributes to medium-to-long term corporate value enhancement. The details are as follows:

1. Overview

In order to further strengthen our corporate governance, the Company reviewed the composition of the Board of Directors and shifts to a new management execution structure in order to separate the management supervisory function from the execution function and promote the delegation of authority for business execution.

Based on our vision, “Better Systems, Better World,” we aim to change the world by reinventing traditional industry structures with the power of the Internet. We believe that a governance structure that supports adequate risk-taking is essential to this realization and aim to build a system which ensures both companywide optimization and autonomous business management that preserves and maximizes corporate value while conducting portfolio management.

As disclosed in our financial results for the 3rd Quarter of FY2022, while the medium-term growth momentum continues, we are shifting to the “Quality Growth” phase with further focus on profit and cashflow generation. To achieve this, starting from FY2023, we will shift to an executive structure led by Senior Vice Presidents (SVP), responsible for business execution to further accelerate autonomous growth in each area of responsibilities. This transition to a new management execution structure is intended to further strengthen our unique governance structure.

We have also established a Sustainability Committee to further strengthen our sustainability efforts and realize both a sustainable society and medium-to-long term enhancement of corporate value through our corporate activities.

2. Election of five (5) Directors (excluding Directors who are Audit & Supervisory Committee members)

(1) Candidates for Directors

Name	New position	Present position
Yasukane Matsumoto	Representative Director, President and CEO	Representative Director, President and CEO
Yo Nagami	Director, CFO	Director, CFO
Yoshihiko Miyauchi	Outside Director	Outside Director
Kenji Kobayashi	Outside Director	Outside Director
Yumiko Murakami	Outside Director	Outside Director

Resolutions by the Company's Board of Directors regarding the selection of director candidates are made based on the results of deliberations by the Nomination and Compensation Committee, a voluntary advisory body of the Board of Directors, more than half of which are composed of outside directors.

(2) Director to be retired

(To be retired at the conclusion of the 13th Annual General Meeting of Shareholders to be held on October 27, 2022)

Name	Present position
Masaki Tabe	Director, CMO
Kozo Fukushima	Director, COO
Yusuke Izumi	Director, CTO
Sota Mizushima	Director, CPO

Of the retiring directors, Masaki Tabe, Kozo Fukushima, and Yusuke Izumi will continue to serve as SVP (Senior Vice President) and be responsible for the execution of the Company's management. Sota Mizushima will continue to manage the business as CPO.

3. New management execution structure

(1) New management execution structure

Name	New position
Yasukane Matsumoto	Representative Director, President and CEO
Yo Nagami	Director, CFO / SVP of Corporate
Masaki Tabe	CMO, SVP of Novasell NOVASELL INC., Representative Director and President
Kozo Fukushima	COO, SVP of Raksul
Yusuke Izumi	CTO, SVP of Technology

(2) Effective date

October 27, 2022 (scheduled)

4. Establishment of the Sustainability Committee

Based on our vision "Better Systems, Better World", we have been promoting sustainability/ESG activities to enhance our corporate value and realize a sustainable society in the medium-to-long term. In order to further strengthen these efforts, we have established a Sustainability Committee with the aim of building a more cross-functional and systematic sustainability promotion system.

We will strive to further promote our sustainability efforts and enhance our corporate governance.

[Corporate Governance Structure]

