



August 18, 2023

Company name	Open Up Group Inc.
Name of Representative	Yutaka Nishida, Chairman and Representative Director, CEO (Code:2154 Prime Market of TSE)
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Notice of Regarding Partial Amendment of Articles of Incorporation

We hereby inform you that at today's board of directors meeting, the following partial amendment to the Articles of Incorporation will be proposed at the 19th Ordinary General Meeting of Shareholders scheduled to be held on September 26, 2023.

1. Purpose of Amendment

- (1) As disclosed separately in the "Notice Regarding Transition to a Company with an Audit and Supervisory Committee" dated August 18, 2023, we have decided to strengthen the supervisory function of the board of directors and enhance corporate governance through the appointment of audit and supervisory committee members as members of the board of directors. This decision is subject to approval at the 19th Ordinary General Meeting of Shareholders scheduled to be held on September 26, 2023. In accordance with this decision, it is necessary to establish new provisions regarding the directors who serve as audit and supervisory committee members and the audit and supervisory committee, as well as to make amendments including the deletion of provisions related to the audit committee and the board of auditors.
- (2) This amendment will also include necessary changes related to the consolidation of provisions regarding dividends from retained earnings (repurchase of treasury stock and interim dividends will be based on Article 48 of the current Articles of Incorporation, and the deletion and amendment of duplicated provisions in Article 5, Paragraph 2 and Article 50 of the current Articles of Incorporation, as well as the establishment of new provisions in Article 44, Paragraph 2).
- (3) Additionally, this amendment will include necessary changes such as the revision of wording in relation to the amendments.

2. Details of Amendment

The details of the amendment are as stated in the attached document.

3. Schedule

Date of Shareholders' Meeting for Articles of Incorporation Amendment: September 26, 2023 (Tuesday)

Effective Date of Articles of Incorporation Amendment: September 26, 2023 (Tuesday)

Current articles of incorporation	Proposed change
Chapter 2 Shares	Chapter 2 Shares
(Total Number of Authorized Shares <u>and Acquisition of Own Shares</u>)	(Total Number of Authorized Shares)
Article 5 The total number of shares authorized to be issued by the Company shall be 360,000,000.	Article 5 The total number of shares authorized to be issued by the Company shall be 360,000,000.
<u>2 The Company may acquire its own shares through market transactions, etc. by a resolution of the Board of Directors pursuant to the provisions of Paragraph 2 of Article 165 of the Companies Act.</u>	(Deleted)
(Share Handling Regulations)	(Share Handling Regulations)
Article 8 In addition to the provisions of laws and regulations or these Articles of Incorporation, the handling and fees for the exercise of the rights of shareholders of the Company shall be governed by the Share Handling Regulations established by the Board of Directors.	Article 8 In addition to the provisions of laws and regulations or these Articles of Incorporation, the handling and fees relating to the exercise of the rights of shareholders of the Company shall be governed by the Share Handling Regulations set forth by the Board of Directors <u>or by the Directors delegated by a resolution of the Board of Directors.</u>
(Administrator of Shareholder Registry)	(Administrator of Shareholder Registry)
Article 9 The Company shall have a shareholder registry administrator for the shareholder registry.	Article 9 The Company shall have a shareholder registry administrator for the shareholder registry.
2 The administrator of the shareholder registry and its handling office shall be determined by the Board of Directors and this shall be publicly announced.	2 The administrator of the shareholder registry and its handling office shall be determined by the Board of Directors <u>or by a director authorized by a resolution of the Board of Directors.</u> and this shall be publicly announced.
3 Preparation and keeping of the register of shareholders and the register of rights to subscribe for new shares of the Company, and other matters relating to shares shall be handled by the administrator of the register of shareholders and shall not be handled by the Company.	3 Preparation and keeping of the register of shareholders and the register of rights to subscribe for new shares of the Company, and other matters relating to shares shall be handled by the administrator of the register of shareholders and shall not be handled by the Company.
Chapter 4 Directors and Board of Directors	Chapter 4 Directors and Board of Directors
(Number of Directors)	(Number of Directors)
Article 19 The number of Directors of the Company shall be not <u>less than three</u> and not more than 16.	Article 19 The number of Directors of the Company <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> shall not exceed 16.
(Newly established)	<u>2 The number of Directors who are Audit and Supervisory Committee members of the Company shall be no more than six.</u>
(Election of Directors)	(Election of Directors)
Article 20 Directors shall be elected by a resolution of the general meeting of shareholders.	Article 20 Directors shall be elected by a resolution of the general meeting of shareholders <u>by distinguishing between</u>

	<u>directors who are Audit & Supervisory Committee Members and other directors.</u>
2 The voting right for the election set forth in the preceding paragraph shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding not less than one-third of the voting rights of all shareholders entitled to exercise their voting rights are present.	2 The voting right for the election set forth in the preceding paragraph shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding not less than one-third of the voting rights of all shareholders entitled to exercise their voting rights are present.
3 No cumulative voting shall be used for the election resolution under Clause 1.	3 No cumulative voting shall be used for the election resolution under Clause 1.
(Newly established)	<u>4 A preliminary election of a director who is an Audit and Supervisory Committee Member to fill a vacancy shall be effective until the time of the commencement of the annual shareholders meeting for the last business year ending within two years from the time of his/her election.</u>
(Term of Office of Directors)	(Term of Office of Directors)
Article 21 The term of office of Directors of the Bank shall expire at the conclusion of the annual meeting of shareholders of the Bank for the fiscal year which is the last of those ending within one year after their assuming office.	Article 21 The term of office of Directors (<u>excluding Directors who are Audit and Supervisory Committee Members</u>) shall expire at the conclusion of the annual shareholders meeting for the last business year ending within one year from the time of their election.
(Newly established)	<u>2 The term of office of a director who is an Audit and Supervisory Committee Member shall expire at the conclusion of the annual shareholders meeting for the last business year ending within two years from the time of his/her election.</u>
(Newly established)	<u>3 The term of office of a director who is an Audit and Supervisory Committee Member elected to fill a vacancy for a director who is an Audit and Supervisory Committee Member and retired prior to the expiration of his/her term of office shall expire at the time when the term of office of the director who is an Audit and Supervisory Committee Member who has retired from office expires.</u>
(Calling of Board of Directors Meetings)	(Calling of Board of Directors Meetings)
Article 22 The Board of Directors shall be convened and chaired by the Representative Director. In the event that there are two or more Representative Directors or the Representative Directors are unable to act, the senior directors shall act in lieu thereof in accordance with the order determined in advance by the Board of Directors.	Article 22 The Board of Directors shall be convened and chaired by the Representative Director. In the event that there are two or more Representative Directors or the Representative Directors are unable to act, the senior directors shall act in lieu thereof in accordance with the order determined in advance by the Board of Directors.
2 Notice of convening a meeting of the Board of Directors shall be sent to each Director <u>and each Auditor</u> three days prior to the	2 Notice of convening a meeting of the Board of Directors shall be sent to each Director three days prior to the date of such

date of such meeting. Provided, however, that this period may be shortened in case of an emergency.	meeting. Provided, however, that this period may be shortened in case of an emergency.
3 Meetings of the Board of Directors may be held without following the procedures for convocation if the consent of all directors <u>and auditors</u> is obtained.	3 Meetings of the Board of Directors may be held without following the procedures for convocation if the consent of all directors is obtained.
(Representative Directors and Executive Directors)	(Representative Directors and Executive Directors)
Article 23 The Board of Directors shall appoint Representative Directors from among the Directors by its resolution.	Article 23 The Board of Directors shall appoint Representative Directors from among the Directors (<u>excluding Directors who are Audit and Supervisory Committee Members</u>) by its resolution.
2 The Board of Directors may, by resolution, elect one (1) Chairman of the Board of Directors, one (1) President, one (1) Vice Chairman, one (1) Vice President, one (1) Senior Managing Director, and one (1) Managing Director.	2 The Board of Directors may, by resolution, elect one (1) Chairman of the Board of Directors, one (1) President, one (1) Vice Chairman, one (1) Vice President, one (1) Senior Managing Director, and one (1) Managing Director.
	<u>(Delegation of Important Business Execution)</u>
(Newly established)	<u>Article 25 Pursuant to the provisions of Article 399-13, Paragraph 6 of the Companies Act, the Company may delegate all or part of decisions on the execution of important business (excluding matters listed in each item of Paragraph 5 of the same article) to Directors by resolution of the Board of Directors.</u>
(Omission of Resolutions of Board of Directors Meetings)	(Omission of Resolutions of Board of Directors Meetings)
Article 25 In the event that all directors (limited to those who are entitled to vote on the said matter) manifest their intention to agree to the resolution of the Board of Directors in writing or by electromagnetic record, the Company shall deem that the resolution to approve the said matter has been adopted at the Board of Directors meeting. <u>Provided, however, that this shall not apply if the auditor has raised an objection.</u>	Article 26 In the event that all directors (limited to those who are entitled to vote on the said matter) manifest their intention to agree to the resolution of the Board of Directors in writing or by electromagnetic record, the Company shall deem that the resolution to approve the said matter has been adopted at the Board of Directors meeting.
(Minutes of Meeting of Board of Directors)	(Minutes of Meeting of Board of Directors)
Article 26 Minutes of meetings of the Board of Directors shall be prepared in writing or by means of Electromagnetic Records pursuant to the provisions of laws and regulations. The directors <u>and auditors</u> present shall affix and seal or electronically sign the minutes.	Article 27 Minutes of meetings of the Board of Directors shall be prepared in writing or by means of Electromagnetic Records pursuant to the provisions of laws and regulations. The directors present shall affix and seal or electronically sign the minutes.
(Remuneration, etc. for Directors)	(Remuneration, etc. for Directors)
Article 27 Remuneration, bonuses, and other property benefits received from the Company as consideration for the execution of duties of Directors shall be determined by a resolution of a general meeting of shareholders.	Article 28 Remuneration, bonuses, and other property benefits (<u>hereinafter referred to as "Remunerations"</u>) received from the Company as consideration for the execution of duties of Directors shall be determined by a resolution of a general

	meeting of shareholders <u>by distinguishing between directors who are Audit and Supervisory Committee Members and other directors.</u>
(Regulations of the Board of Directors)	(Regulations of the Board of Directors)
Article 28 Omitted	Article 29 (as at present)
(Exemption of Directors from Liability)	(Exemption of Directors from Liability)
Article 29 Omitted	Article 30 (as at present)
(Limitation of Liability Agreement with Directors)	(Limitation of Liability Agreement with Directors)
Article 30 Omitted	Article 31 (as at present)
Chapter 5 <u>Auditors and Board of Auditors</u>	Chapter 5 <u>Audit and Supervisory Committee</u>
<u>(Establishment of Auditors and Board of Auditors)</u>	
<u>Article 31 The Company shall have auditors and a board of auditors.</u>	(Deleted)
<u>(Number of Auditors)</u>	
<u>Article 32 The number of auditors of the Company shall not exceed six.</u>	(Deleted)
<u>(Election of Company Auditors)</u>	
<u>Article 33 Auditors shall be elected by a resolution of the general meeting of shareholders.</u>	(Deleted)
<u>2 The voting right for the election set forth in the preceding paragraph shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding not less than one-third of the voting rights of all shareholders entitled to exercise their voting rights are present.</u>	
<u>3 Subject to the provisions of Article 329, Paragraph 3 of the Companies Act, the Company may elect a substitute auditor at a general meeting of shareholders in preparation for a shortfall in the number of statutory auditors.</u>	
<u>4 The effective period of a resolution relating to the election of a substitute auditor under the preceding paragraph shall be until the time of the commencement of the annual shareholders meeting for the last business year ending within four years after such resolution.</u>	
<u>(Term of Office of Company Auditors)</u>	
<u>Article 34 Company auditors' terms of office shall continue until the conclusion of the annual shareholders meeting for the last business year which ends within 4 years years from the time of their election.</u>	(Deleted)
<u>2 The term of office of a corporate auditor elected to fill a vacancy for a corporate auditor who retired prior to the</u>	

<u>expiration of the term of office shall expire at the time when the term of office of the retired corporate auditor expires. Provided, however, that in the event a substitute auditor appointed pursuant to Paragraph 3 of the preceding article assumes the office of auditor, such appointment may not exceed the time of conclusion of the ordinary general meeting of shareholders for the last business year ending within four years from the date of such election as such substitute auditor.</u>	
<u>(Full-time Auditors)</u>	
<u>Article 35 The Board of Corporate Auditors shall appoint full-time corporate auditors from among the corporate auditors.</u>	(Deleted)
<u>(Calling of Board of Company Auditors)</u>	
<u>Article 36 Notice of convocation of a meeting of the Board of Auditors shall be issued to each Auditor no later than three days prior to the date of such meeting. Provided, however, that this may be shortened in an emergency. 2 A meeting of the board of auditors may be held without following the procedures for convocation if the consent of all auditors is obtained.</u>	(Deleted)
<u>(Method of Resolution at Board of Auditors Meetings)</u>	
<u>Article 37 Unless otherwise provided for in laws and regulations, resolutions of the Board of Auditors shall be adopted by a majority vote of Auditors.</u>	(Deleted)
<u>(Regulations of the Board of Auditors)</u>	
<u>Article 38 Matters relating to the Board of Auditors shall be governed by the Regulations Governing the Board of Auditors established by the Board of Auditors, in addition to the provisions of laws and regulations or these Articles of Incorporation.</u>	(Deleted)
<u>(Minutes of Board of Company Auditors Meeting)</u>	
<u>Article 39 Minutes of meetings of the Board of Auditors shall be prepared in writing or by means of electromagnetic records as required by laws and regulations. The auditors present shall affix and seal or electronically sign the minutes.</u>	(Deleted)
<u>(Remuneration, etc. for Company Auditors)</u>	
<u>Article 40 Remuneration, bonuses, and other property benefits to be received from the Company as consideration for the execution of duties of Auditors shall be determined by a resolution of the General Meeting of Shareholders.</u>	(Deleted)
<u>(Exemption of Company Auditors from Liability)</u>	
<u>Article 41 Pursuant to the provisions of Paragraph 1 of Article</u>	(Deleted)

<u>426 of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt any auditor (including former auditors) from the liability set forth in Paragraph 1 of Article 423 of the Companies Act to the extent set forth in laws and regulations, provided that such auditor is without knowledge and is not grossly negligent.</u>	
<u>(Agreement for the Limitation of the Liability of Company Auditors)</u>	
<u>Article 42 Pursuant to the provisions of Paragraph 1 of Article 427 of the Companies Act, the Company may enter into an agreement with auditors limiting their liability for damages as set forth in Paragraph 1 of Article 423 of the same Act. Provided, however, that the maximum amount of liability for damages under the applicable agreement shall be not less than 10 million yen, which shall be determined in advance, or the amount provided by laws and regulations, whichever is higher.</u>	(Deleted)
	<u>(Establishment of Audit and Supervisory Committee)</u>
(Newly established)	<u>Article 32 The Company shall establish an Audit and Supervisory Committee.</u>
	<u>(Full-time Audit and Supervisory Committee Members)</u>
(Newly established)	<u>Article 33 The Audit and Supervisory Committee may appoint full-time Audit and Supervisory Committee members from among the Audit and Supervisory Committee members.</u>
	<u>(Calling of the Audit and Supervisory Committee)</u>
(Newly established)	<u>Article 34 Notice of convocation of the Audit and Supervisory Committee shall be sent to each Audit and Supervisory Committee member no later than three days prior to the date of the meeting. Provided, however, that this period may be shortened in case of an emergency.</u>
	<u>2 The Audit and Supervisory Committee may be convened without following the procedures for convocation if the consent of all Audit and Supervisory Committee members is obtained.</u>
	<u>(Method of Resolution by Audit and Supervisory Committee)</u>
(Newly established)	<u>Article 35 Resolutions of the Audit and Supervisory Committee shall be made by a majority of the Audit and Supervisory Committee members present at a meeting where a majority of the Audit and Supervisory Committee members who are entitled to participate in the vote are present.</u>
	<u>(Minutes of Meeting of Audit and Supervisory Committee)</u>
(Newly established)	<u>Article 36 Minutes of meetings of the Audit and Supervisory</u>

	<u>Committee shall be prepared in writing or by means of Electromagnetic Records pursuant to the provisions of laws and regulations. The Audit and Supervisory Committee Members present shall affix and seal or electronically sign the minutes.</u>
	<u>(Rules of the Audit and Supervisory Committee)</u>
(Newly established)	<u>Article 37 Matters concerning the Audit and Supervisory Committee shall be governed by the Rules of the Audit and Supervisory Committee established by the Audit and Supervisory Committee in addition to the provisions of laws and regulations or these Articles of Incorporation.</u>
Chapter 6 Accounting Auditors	Chapter 6 Accounting Auditors
(Establishment of Accounting Auditors)	(Establishment of Accounting Auditors)
Article 43 Omitted	Article 38 (as at present)
(Election of Accounting Auditors)	(Appointment of Accounting Auditors)
Article 44 Omitted	Article 39 (as at present)
(Accounting Auditors' Terms of Office)	(Accounting Auditors' Terms of Office)
Article 45 Omitted	Article 40 (as at present)
(Remunerations for Accounting Auditors)	(Remunerations for Accounting Auditors)
Article 46 Remuneration for accounting auditors shall be determined by the Representative Director with the consent of the Board of Auditors.	Article 41 Remuneration for accounting auditors shall be determined by the Representative Director with the consent of the Audit and Supervisory Committee.
Chapter 7 Calculations	Chapter 7 Calculations
(Business Year)	(Business Year)
Article 47 Omitted	Article 42 (as at present)
(Decision-Making Body for Dividends of Surplus)	(Decision-Making Body for Dividend of Surplus)
Article 48 Omitted	Article 43 (as at present)
(Record Date for Dividends of Surplus)	(Record Date for Dividends of Surplus)
Article 49 The record date for the year-end dividend of the Company shall be June 30 of each year.	Article 44 The record date for the year-end dividend of the Company shall be June 30 of each year.
(Newly established)	<u>2 The record date for interim dividends of the Company shall be December 31 of each year.</u>
<u>2 In addition to the preceding paragraph, the Company may pay dividends of surplus by specifying a record date.</u>	<u>3 In addition to the preceding two paragraphs, the Company may pay dividends of surplus on the record date.</u>
<u>(Interim Dividends)</u>	
<u>Article 50 Pursuant to the provisions of Paragraph 5 of Article 454 of the Companies Act, the Company may distribute interim dividends (limited to dividends of which the property is money) on the record date of December 31 of each year by a resolution of the Board of Directors.</u>	(Deleted)
(Period for Exclusion of Dividends)	(Period for Exclusion of Dividends)

Article 51 Omitted	Article 45 (as at present)
(Newly established)	<u>Supplementary Provisions</u>
	<u>(Transitional Measures Concerning Exemption from Liability of Company Auditors)</u>
(Newly established)	<u>Article 1 Pursuant to the provisions of Paragraph 1 of Article 426 of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt any Auditor (including former Auditors) from the liabilities set forth in Paragraph 1 of Article 423 of the Companies Act with respect to any act committed prior to the conclusion of the 19th Ordinary General Meeting of Shareholders within the limit set by laws and regulations, if the Auditor was without knowledge and was not grossly negligent.</u>