



December 4th, 2023

To whom it may concern,

Company name: Atrae, Inc.
Representative: Yoshihide Arai, President and CEO
Stock Code: 6194 TSE Prime Market
Contact: Hidekazu Suzuki, Director CFO

Additional Information on Proposal No.2 of the 20th Annual General Meeting of Shareholders

The proposals to be resolved at the Company's 20th Annual General Meeting of Shareholders are as stated in the "Notice of 20th Annual General Meeting of Shareholders" sent on November 27th, 2023, but we would like to provide additional information regarding Proposal No.2 "Election of Three Directors Who Are Audit and Supervisory Committee Members".

As explained below, the transaction record between the Company and the law firm to which Mr. Shingo Yukimaru, Candidate No.3 belongs was less than 0.5% of the Company's sales, and the amount was less than 5 million yen, even in the Company's fiscal year ending in September 2020, which was before the expiration of the legal advisory agreement on October 31, 2020. Therefore, there is no significant business relationship between the Company and the law firm.

Regarding Mr. Shingo Yukimaru, Candidate No.3 for Proposal No.2

Shingo Yukimaru has abundant experience and broad insight as an attorney, and is well versed in corporate legal affairs. We believe that he, as an Outside Director, will help further strengthen the Company's supervisory function going forward, and that he can appropriately perform his duties as an Outside Director. Therefore, the Company judged him suitable to be an Outside Director.

He has served as an Outside Director, Audit and Supervisory Committee Member of the Company for four years since his appointment in December 2019, providing appropriate advice on the overall management and corporate functions of the Company. We expect that he will continue to contribute to improving the Company's corporate governance as an Audit and Supervisory Committee Member after his election. For these reasons, we propose that he continue to be elected as an Outside Director who is Audit and Supervisory Committee Member of the Company. If he is elected, he will be involved in the election of candidates for Directors and the determination of compensation for Directors (and other officers) of the Company, etc., objectively and from a neutral position as a Member of Nomination Committee and Remuneration Committee. He has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an Outside Director based on the above reasons.

Although the Company had entered into a legal advisory agreement with Toranomom Sougoh Law Firm to which Shingo Yukimaru belongs, he was not involved in the legal advisory services for the Company in any way, and since the legal advisory agreement expired on October 31, 2020, the Company believes that this will not affect his independence as an Outside Director. The transaction record between the Company and the law firm was less than 0.5% of the Company's sales, and the amount was less than 5 million yen, even in the Company's fiscal year ending in September 2020, which was before the expiration of the legal advisory agreement. Therefore, there is no significant business relationship between the Company and the law firm.