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(Securities code: 3663)

March 8, 2024

(Commencement date of measures for electronic provision: March 6, 2024)

To Shareholders with Voting Rights:

Kei Narushima
President
CELSYS, Inc.
4-15-7 Nishi-Shinjuku,
Shinjuku-ku, Tokyo, Japan

**NOTICE OF CONVOCATION OF
THE 12TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are hereby notified that the 12th Annual General Meeting of Shareholders of CELSYS, Inc. (the “Company”) will be held as described below.

In convening this General Meeting of Shareholders, the Company will take measures for electronic provision, and the matters subject to measures for electronic provision will be posted on the Company’s website on the Internet as “Notice of Convocation of the 12th Annual General Meeting of Shareholders.”

The Company’s website:

https://www.celsys.com/irinfo_news/

In addition to the above, access the Tokyo Stock Exchange website (Listed Company Search) on the Internet, enter the Issue name (company name) or the Code to run a search, and select “Basic information” and then “Documents for public inspection/PR information” to confirm the details.

Tokyo Stock Exchange website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

For shareholders not attending the meeting in person, you may exercise your voting rights in advance through electromagnetic methods such as in writing or via the Internet. Please review the posted matters subject to measures for the electronic provision, the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 6:30 p.m. (the end of the Company’s business hours) on Wednesday, March 27, 2024, Japan time, following the guidance on pages 3 to 4.

- 1. Date and Time:** Thursday, March 28, 2024 at 10:00 a.m., Japan time
- 2. Place:** Tsunohazu Civic Hall
4-33-7 Nishi-Shinjuku, Shinjuku-ku, Tokyo, Japan
(Please see “Directions to the General Meeting of Shareholders Venue” at the end of this document) (Japanese original only)
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company’s 12th Fiscal Year (January 1, 2023 – December 31, 2023) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 12th Fiscal Year (January 1, 2023 – December 31, 2023)
- Proposals to be resolved:**
- Proposal 1:** Reduction in Amounts of Share Capital and Legal Capital Surplus
- Proposal 2:** Appropriation of Surplus
- Proposal 3:** Election of Eight Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal 4:** Matters Concerning Compensation for Granting Restricted Stock to Directors (Excluding Directors Serving as Audit and Supervisory Committee Members and Outside Directors)

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk of the venue.
 - If there is no indication of your vote for or against each proposal in the Voting Rights Exercise Form, the Company will deem that you have voted for the proposals.
 - Reception is scheduled to begin the day of the meeting at 9:30 a.m., Japan time.
 - If there are any revisions to the matters subject to measures for electronic provision, the details of the revisions will be posted on each website the matters are posted.

Guidance for Exercising Voting Rights

If not attending the meeting in person

- Exercising voting rights through writing
Please indicate your votes for or against proposals on the enclosed Voting Rights Exercise Form and mail it so that it arrives before the exercise deadline. If there is no indication of your vote for or against each proposal in the Voting Rights Exercise Form, the Company will deem that you have voted for the proposals.
Exercise deadline: Must arrive no later than Wednesday, March 27, 2024, at 6:30 p.m., Japan time
- Exercising voting rights via “Smart Exercise”
The “voting rights exercise website login QR Code for smartphones” located at the bottom right of the enclosed Voting Rights Exercise Form may be scanned with a smartphone or tablet. For details, please see the following page.
Exercise deadline: Wednesday, March 27, 2024, at 6:30 p.m., Japan time
- Exercising voting rights via the Internet
Please access the voting rights exercise website designated by the Company (<https://www.web54.net>) and follow the on-screen instructions to enter your votes. For details, please see the following page.
Exercise deadline: Wednesday, March 27, 2024, at 6:30 p.m., Japan time

If attending the meeting in person

- Attending the General Meeting of Shareholders
Please bring the enclosed Voting Rights Exercise Form to the meeting and submit it at the reception desk of the venue. Please also bring this document as reference materials.
General Meeting of Shareholders: To start Thursday, March 28, 2024, at 10:00 a.m., Japan time

* If your voting rights are exercised in duplicate, both in writing and via the Internet, etc. (including “Smart Exercise”), the vote made via the Internet (including “Smart Exercise”), regardless of the order in which they were received, will be treated as the valid voting rights that are exercised.

* If you exercise your voting rights multiple times via the Internet, etc. (including “Smart Exercise”), only the last voting rights that are exercised will be treated as valid.

Guide for Exercising Voting Rights via “Smart Exercise”

(1) Access the voting rights exercise website for smartphones.

The “voting rights exercise website login QR Code for smartphones” located at the bottom right of the enclosed Voting Rights Exercise Form may be scanned with a smartphone or tablet.

*QR Code® is a registered trademark of DENSO WAVE INCORPORATED.

(2) Follow the on-screen instructions to enter your votes

Voting rights exercised via “Smart Exercise” is limited to one time. To revise your vote after exercising your voting rights, please access the site for PCs below, login using the “Voting Rights Exercise Code” and “Password” stated on the Voting Rights Exercise Form, and exercise your rights again.

*The following Voting Rights Exercise website may be accessed by rescanning the QR Code.

Guide for Exercising Voting Rights via the Internet

Please access after having the “Voting Rights Exercise Code” and “Password” stated on the bottom left of the side that lists the number of shares held on the Voting Rights Exercise Form on hand.

(1) Access the voting rights exercise website.

<https://www.web54.net>

(2) Login

Enter the “Voting rights Exercise Code” stated on the enclosed Voting Rights Exercise Form.

(3) Enter your password

Enter the “Initial Password” stated on the enclosed Voting Rights Exercise Form.

Please enter your new password that you will use in the future.

Click “Register.”

Follow the on-screen instructions to enter your votes.

* Shareholders are responsible for Internet connection charges and communication expenses incurred when accessing the website for exercising voting rights.

* The website for exercising voting rights may be unavailable depending on your Internet connections and services, and devices you are using.

For inquiries on uncertainties on exercising voting rights via the Internet on a PC or smartphone, please contact: Transfer Agent Web Support Direct Line, Sumitomo Mitsui Trust Bank
Phone: 0120-652-031 (9:00 a.m. – 9:00 p.m., toll free within Japan)

Institutional investors may use the voting rights exercise platform for institutional investors operated by ICJ, Inc.

Reference Documents for the Shareholders Meeting

Proposal 1: Reduction in Amounts of Share Capital and Legal Capital Surplus

The Company proposes to reduce the amounts of share capital and legal capital surplus to prepare for agile and flexible capital policy in the future, based on the provisions of Article 447, Paragraph 1, and Article 448, Paragraph 1 of the Companies Act.

Furthermore, this Proposal is a process to account for the transfer of share capital and legal capital surplus in net assets on the balance sheet to other capital surplus. The Company's amount of net assets will not change, and financial results will not be impacted.

(1) Amount of share capital to be reduced

3,076,576,612 yen of share capital will be reduced by the amount of 3,066,576,612 yen, and the entire amount to be reduced will be transferred to other capital surplus. Share capital after the reduction will be 10,000,000 yen.

(2) Amount of legal capital surplus to be reduced

2,326,576,602 yen of legal capital surplus will be reduced by the amount of 2,324,076,602 yen, and the entire amount to be reduced will be transferred to other capital surplus. Share capital after the reduction will be 2,500,000 yen.

(3) Effective date of decreasing amounts of share capital and legal capital surplus

April 17, 2024 (Scheduled)

Proposal 2: Appropriation of Surplus

Matters concerning the year-end dividend.

In consideration of factors including business results for the current fiscal year and future business development and internal reserves, the Company proposes the following for year-end dividends for this fiscal year.

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|---|-----------------|
| (1) Type of dividend property: | Cash |
| (2) Matters related to allocation of dividend property to shareholders and its total amount | |
| Per share of the Company's common stock: | 12 yen |
| Total amount of dividends: | 389,318,520 yen |
| (3) Effective date of distribution of surplus: | March 29, 2024 |

Proposal 3: Election of Eight Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The terms of office of all six Directors (excluding Directors serving as Audit and Supervisory Committee Members) will expire at the conclusion of this General Meeting. Increasing the number of Directors (excluding Directors serving as Audit and Supervisory Committee Members) by two to strengthen the management system and strengthen governance, the Company proposes the election of eight Directors (excluding Directors serving as Audit and Supervisory Committee Members).

This Proposal has been decided by the Board of Directors after consulting with the Company's Nomination and Compensation Committee.

Furthermore, regarding this Proposal, the Audit and Supervisory Committee of the Company has deemed all candidates for Director (excluding Directors serving as Audit and Supervisory Committee Members) as suitable for the position.

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

Candidate No.	Name (Birthdate)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Kei Narushima (Born August 15, 1974) [Reelection]	Apr. 1997 Joined CELSYS, Inc. Feb. 2001 Director Jan. 2008 Senior Managing Director Jan. 2009 Vice President & Representative Director Jan. 2010 Director July 2015 Vice President & Representative Director Mar. 2016 President Mar. 2017 Director (Note 11), the Company Mar. 2018 Vice President & Director Mar. 2021 Vice President & Representative Director Mar. 2022 President (to present)	30,000 shares
2	Yosuke Kawakami (Born September 28, 1960) [Reelection]	May 1991 Founding Representative Director, CELSYS, Inc. Jan. 2007 Executive Chairman & Representative Director Jan. 2008 Executive Chairman Jan. 2012 Director Apr. 2012 Director (Note 11), the Company Mar. 2014 Executive Chairman Apr. 2015 Executive Chairman & Representative Director; President Mar. 2016 Advisor Mar. 2019 Executive Chairman (to present) June 2022 Director, CLIP Solutions, Inc. (currently &DC3, Inc.) Dec. 2022 Executive Chairman (to present)	400,400 shares
3	Ryo Inaba (Born January 23, 1990) [Reelection]	Apr. 2012 Joined CELSYS, Inc. July 2021 General Manager, App Development 3 Apr. 2022 General Manager, App Development 1 Sept. 2022 General Manager, App Development 1, the Company Jan. 2023 Corporate Officer Mar. 2023 Director (to present)	- shares

Candidate No.	Name (Birthdate)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	Masamichi Takahashi (Born January 6, 1997) [Reelection]	Apr. 2020 Joined CELSYS, Inc. Sept. 2022 General Manager, WEB Services, the Company Jan. 2023 General Manager, Development Platform & Director, &DC3, Inc. Feb. 2023 President (to present) Mar. 2023 Director, the Company (to present)	- shares
5	Ken Ito (Born March 26, 1968) [Reelection]	Feb. 2001 Joined CELSYS, Inc. Aug. 2002 General Manager, General Affairs Jan. 2003 General Manager, General Affairs & Director Dec. 2006 General Manager, Finance & Director Nov. 2008 General Manager, Finance and Accounting & Director Jan. 2011 General Manager, Administration & Director Apr. 2012 Director (Note 11), the Company (to present) June 2022 Director, CLIP Solutions, Inc. (currently &DC3, Inc.) (to present)	62,800 shares
6	Maki Ikeda (Born September 4, 1972) [New election]	Oct. 2006 Joined CELSYS, Inc. Feb. 2008 General Manager, Marketing May 2011 General Manager, WEB Services Aug. 2014 Deputy Division Manager, Development Division July 2015 General Manager, Advanced Development Jan. 2016 General Manager, Products, HI CORPORATION Apr. 2017 General Manager, HMI business Oct. 2018 General Manager, HMI business & Director June 2019 Founding Vice President & Representative Director, Candera Japan Inc. (currently CJ, Inc.) Mar. 2020 Director (Note 11), the Company Aug. 2023 General Manager, Management Support & Corporate Officer (to present)	2,000 shares

Candidate No.	Name (Birthdate)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	Kota Kinoshita (Born January 2, 1947) [Reelection]	<p>Apr. 1971 Joined Nippon Telegraph and Telephone Public Corporation (currently NIPPON TELEGRAPH AND TELEPHONE CORPORATION)</p> <p>June 1998 Director, NTT Mobile Communication Network, Inc. (currently NTT DOCOMO, INC.)</p> <p>June 2002 Senior Managing Director</p> <p>June 2004 President & Representative Director, DOCOMO Technology, Inc.</p> <p>June 2008 Audit & Supervisory Board Member, NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION</p> <p>June 2011 Special Advisor, NTT DoCoMo, Inc. (currently NTT DOCOMO, INC.)</p> <p>Jan. 2012 Senior Director, Morpho, Inc.</p> <p>Mar. 2016 Director (Note 11), the Company (to present)</p>	- shares
8	Masamine Takahashi (Born November 28, 1974) [New election]	<p>July 2006 Joined Yahoo Japan Corporation (currently LY Corporation)</p> <p>Aug. 2013 Director, Oceanic Corporation</p> <p>Mar. 2014 Representative Director</p> <p>Oct. 2015 Division Manager, Personal Service Company Game Division, Yahoo Japan Corporation (currently LY Corporation)</p> <p>May 2016 Director, GameBank Corporation</p> <p>Apr. 2017 Division Manager, Personal Service Company Game Matching Division, Yahoo Japan Corporation (currently LY Corporation)</p> <p>Apr. 2018 Division Manager, Digital Content Business Division, Commerce Company Business Promotion Office</p> <p>June 2018 Director, NeoAldo CO.,LTD. Director, Animatebookstore Corporation Vice President & Representative Director; Corporate Officer & Vice President; CEO, eBOOK Initiative Japan Co.,Ltd.</p> <p>Apr. 2019 President & Representative Director; Corporate Officer & President; CEO, eBOOK Initiative Japan Co.,Ltd. (to present)</p> <p>Apr. 2022 Chairman, Japan E-Bookstore Association (JEBA)</p> <p>July 2022 CEO, LINE Digital Frontier Corp. (to present)</p>	- shares

- (Notes) 1. There are no special interests between each of the candidates and the Company.
2. The reasons for the nominations of the candidates for Directors are as follows.
- (1) The reasons for nominating Mr. Kei Narushima as a candidate for Director are he has been involved in the Group's business since the beginning of the Group, and has endeavored to promote business, being engaged in the Group's management, and management of each business segment and each division, for many years. We have nominated him as a candidate because we have judged that he will demonstrate strength in sustainable enhancement of corporate value of the Company and to develop business in the future.
- (2) The reasons for nominating Mr. Yosuke Kawakami as a candidate for Director are he is the Group's founder, and has been engaged in the Group's management and has endeavored to promote business since the Group's founding. We have nominated him as a candidate because we have judged that he will demonstrate strength in sustainable enhancement of corporate value of the Company and to develop business in the future.

- (3) The reasons for nominating Mr. Ryo Inaba as a candidate for Director are after joining in 2012, he has been engaged in the Group's software development, and is currently supervising development as the Company's Corporate Officer using his experience and track record. We have nominated him as a candidate because we have judged that he will demonstrate strength in developing the Company's business in the future.
- (4) The reasons for nominating Mr. Masamichi Takahashi as a candidate for Director are after joining in 2020, he has been engaged in the Group's WEB development, and since 2023, has served as Representative Director of &DC3, Inc., a subsidiary of the Company. We have nominated him as a candidate because we have judged that he will demonstrate strength in developing the Company's business in the future.
- (5) The reasons for nominating Mr. Ken Ito as a candidate for Director are after joining in 2001, he has been engaged in the Group's business administration, and has endeavored to enhance corporate value. We have nominated him as a candidate because we have judged that he will demonstrate strength in sustainable enhancement of corporate value of the Company in the future.
- (6) The reasons for nominating Mr. Maki Ikeda as a candidate for Director are after joining the Group in 2006, he has been engaged in the Group's marketing divisions and development divisions. We have nominated him as a candidate because we have judged that he will demonstrate strength in sustainable enhancement of corporate value of the Group in the future, and in addition to having excellent character and insights, etc., will contribute to ensuring the diversity of the Board of Directors.
3. Mr. Kota Kinoshita is a candidate for Outside Director.
4. Mr. Masamine Takahashi is a newly nominated candidate for Outside Director.
5. The reasons for nominating Mr. Kota Kinoshita as a candidate for Outside Director are he has experience as a Director as well as President of major telecommunications companies and related companies, and with the aim of receiving proactive opinions and recommendations on the Company's management stemming from his valuable insight and abundant experience in overall corporate management, we ask for his reelection. His term of office as the Company's Outside Director will be eight years at the conclusion of this General Meeting.
6. The reasons for nominating Mr. Masamine Takahashi as a candidate for Outside Director are he has experience as a Director as well as President of major telecommunications companies and related companies, and with the aim of receiving proactive opinions and recommendations on the Company's management stemming from his valuable insight and abundant experience in corporate management and overall IT, we ask for his reelection. He is a newly nominated candidate for Outside Director of the Company.
7. If Mr. Kota Kinoshita and Mr. Masamine Takahashi are elected as proposed, the Company plans to enter into a contract to limit liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act, to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act, based on the provisions of Article 427, Paragraph 1 of the same Act.
8. The Company has registered Mr. Kota Kinoshita as an independent officer in accordance with the regulations of the Tokyo Stock Exchange, and if elected as proposed, will plan to continue as an independent officer.
9. If Mr. Masamine Takahashi is elected as proposed, the Company plans to register him as an independent officer in accordance with the regulations of the Tokyo Stock Exchange.
10. The Company has entered into a directors and officers liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act with the Company's Directors as the insured. The said insurance contract covers damages that may arise when compensation for damages and litigation expenses are to be borne by the insured in the event that a claim for damages is filed due to an act committed by the insured in execution of his/her duties (However, this excludes cases that fall under the grounds for exemption specified in the insurance contract.). The insurance premiums are fully borne by the Company, and the insured will not face any actual insurance premiums. If the reelections of the candidates for Director are approved, they will continue to be insured under the insurance agreement. The Company plans to renew the insurance agreement with the same content upon its next renewal. If the new Directors are elected, they will be included within the scope of the insured under the agreement.
11. The Company's trade name as of the dates stated within the table is ArtSpark Holdings Inc. On September 1, 2022, an absorption-type merger took place, with the Company, ArtSpark Holdings Inc., as the surviving company and the wholly-owned subsidiary, CELSYS, Inc., as the disappearing company, and the trade name was changed from ArtSpark Holdings Inc. to CELSYS, Inc.

Proposal 4: Matters Concerning Compensation for Granting Restricted Stock to Directors (Excluding Directors Serving as Audit and Supervisory Committee Members and Outside Directors)

In the 11th Annual General Meeting of Shareholders held on March 30, 2023, approval was received for an amount of basic compensation, etc. for the Directors (excluding Directors serving as Audit and Supervisory Committee Members) of the Company of 500 million yen or less per year (including 50 million yen or less for the Outside Directors).

Recently, as part of the revision of Director and Executive officer compensation plan, with the objectives of offering incentives to the Company's Directors (excluding Directors serving as Audit and Supervisory Committee Members and Outside Directors; hereinafter the "Eligible Directors") to achieve sustained enhancement of the corporate value of the Company and sharing more of that value with our shareholders, the Company proposes that, with a separate limit from the said existing limit of compensation for the Directors of the Company, the Company will create a compensation plan that will newly grant restricted stock to the Eligible Directors.

Based on this Proposal, the compensation paid in order to grant restricted stock to the Eligible Directors shall be a monetary claim, and its total amount shall be 140 million yen or less per year (However, this does not include salaries for employees for Directors concurrently serving as employees.). Furthermore, the specific payment timing and allocation for each of the Eligible Directors shall be decided in a Board of Directors meeting.

Currently there are five Directors (excluding Directors serving as Audit and Supervisory Committee Members and Outside Directors), but if Proposal 3, "Election of Eight Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)" is approved and passed as proposed, there will be six Directors (excluding Directors serving as Audit and Supervisory Committee Members and Outside Directors).

Furthermore, based on resolution of the Board of Directors of the Company, the Eligible Directors shall make in-kind contribution of all monetary claims paid under this Proposal and shall, in return, receive the issuance or disposal of the common shares of the Company, and the total number of common shares of the Company to be issued or disposed of through this process shall be 140,000 shares or less per year. (However, in case that the Company conducts stock splits (including free allocations of its common shares), reverse stock splits, or any other event that requires adjustment to the total number of common shares of the Company to be issued or disposed of as restricted stock after the date of the approval of this Proposal, the total number of shares shall be adjusted in a reasonable fashion.)

Note that the amount paid in per share shall be determined by the Board of Directors within the scope that is not an amount that is particularly advantageous to the Eligible Directors who underwrite said common shares, based on the closing price of the common shares of the Company in the Tokyo Stock Exchange on the business day immediately prior to the date of each resolution of the Board of Directors (in the case that the transaction has not been established on that day, the closing price on the most recent trading day preceding that day). Furthermore, when issuing or disposing of the common shares of the Company, or payment of in-kind contribution of monetary claims paid through this process, a contract for allocation of restricted stock (hereinafter the "Allocation Contract") containing the following contents shall be concluded between the Company and the Eligible Directors as a requirement. In addition, the upper limit of the amount of compensation under this Proposal shall be the total number of common shares of the Company that is issued or disposed of, and other requirements for granting restricted stock to Eligible Directors under this Proposal, shall, for the purposes above, be decided taking into account the Company's business conditions, the Company's policies concerning decisions regarding the details of individual compensation, etc. of the Company's Directors (If this Proposal is approved and passed, we plan to revise this policy to be consistent with the approved details.), and so is believed to be appropriate.

This Proposal has been decided by the Board of Directors after consulting with the Company's Nomination and Compensation Committee. Furthermore, although this Proposal was considered by the Audit and Supervisory Committee, we have received the opinion that there were no particular matters to point out.

[Outline of details of the Allocation Contract]

(1) Transfer restriction period

The Eligible Directors must not transfer the common shares of the Company for which allocation is received under the Allocation Contract (hereinafter the "Allocated Shares"), neither create a security interest on the Allocated Shares, nor dispose of the Allocated Shares in any other way (hereinafter the "Transfer Restrictions") during the period stipulated in advance by the Board of Directors of the Company that is between three and fifty years after the date of allotment under the Allocation Contract (hereinafter the "Transfer Restriction Period").

(2) Treatment in the event that a Director leaves his/her post or retires

In the event that Eligible Directors leave their posts or retire from a position of Officer or employee of the Company or a subsidiary of the Company determined in advance by the Board of Directors of the Company before the end of the Transfer Restriction Period, the Company shall acquire the Allocated Shares at no cost except in the case of expiration of term of office, death, or any other legitimate reason for the Eligible Directors to leave their posts or retire.

(3) Cancellation of Transfer Restrictions

Notwithstanding the provision in (1) above, the Company shall cancel the Transfer Restrictions for all of the Allocated Shares as of the time when the Transfer Restriction Period expires, on the condition that the Eligible Directors have continuously maintained a position of Officer or employee of the Company or a subsidiary of the Company determined in advance by the Board of Directors of the Company during the Transfer Restriction Period. However, in the case that said Eligible Directors leave the posts or retire from a position stipulated in (2) above before the Transfer Restriction Period expires due to expiration of term of office, death, or any other legitimate reason stipulated in (2) above, the number of the Allocated Shares for which the Transfer Restrictions are cancelled and the timing of the cancellation of the Transfer Restrictions shall be reasonably adjusted as necessary. Furthermore, the Company shall acquire at no cost the Allocated Shares for which the Transfer Restrictions have not been cancelled, at the time immediately after the cancellation of Transfer Restrictions in accordance with the provisions above.

(4) Treatment in the event of organizational restructuring, etc.

Notwithstanding the provision in (1) above, in the case that matters regarding merger contracts under which the Company becomes the disappearing company, share exchange agreements or share transfer plans under which the Company becomes a wholly-owned subsidiary of another company, or any other organizational restructuring, etc. are approved at the General Meeting of Shareholders of the Company (or at a Board of Directors meeting of the Company in the case that approval by the General Meeting of Shareholders of the Company is not required regarding the said organizational restructuring, etc.) during the Transfer Restriction Period, the Company shall cancel, based on the resolution of the Board of Directors of the Company, the Transfer Restrictions before the effective date of the said organizational restructuring, etc. with regard to the number of Allocated Shares that is reasonably determined passed on the period from the start of the Transfer Restriction Period to the date of approval of said organizational restructuring, etc. Furthermore, the Company shall acquire at no cost the Allocated Shares for which the Transfer Restrictions have not been cancelled, at the time immediately after the cancellation of Transfer Restrictions, in accordance with the above.

(5) Other matters

Other matters concerning the Allocation Contract will be decided by the Board of Directors of the Company.