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(Stock Exchange Code 2354)

May 2, 2025

(Start Date of Electronic Provision Measures

April 30, 2025)

To Shareholders with Voting Rights:

Hiroharu Tamai
President & Representative Director
YE DIGITAL Corporation
2-1-21 Komemachi, Kokurakita-ku,
Kitakyushu

**NOTICE OF CONVOCAION OF
THE 48TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 48th Annual General Meeting of Shareholders of YE DIGITAL Corporation (the “Company”) will be held for the purposes as described below.

As the Company is taking electronic provision measures in convening this General Meeting of Shareholders, matters subject to electronic provision measures are posted on the following website on the Internet.

Please check the documents by accessing the Company’s website below and selecting “General Meetings of Shareholders” (available in Japanese only).

The Company’s website: <https://www.ye-digital.com/ir/stock/>

In addition to the Company’s website, the documents are also posted on the website of the Tokyo Stock Exchange (“TSE”) on the Internet.

Please check the documents by accessing the TSE’s website (Listed Company Search) below and conducting a search by entering “YE DIGITAL” in the “Issue name (company name)” field or “2354” (in half-width characters) in the “Code” field. Then, select “Basic information,” followed by “Documents for public inspection/PR information.”

TSE’s website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

For this General Meeting of Shareholders, the Company has decided to send to all shareholders the paper documents to be sent to shareholders who have requested paper copies of the materials in accordance with the provisions of laws and regulations and the Articles of Incorporation.

Instead of attending the meeting, you may exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders and indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it, or input your vote for or against the proposals on the website designated by the Company (<https://evote.tr.mufig.jp>). For either method, please ensure that you exercise your voting rights by 5:15 p.m. Japan time on Thursday, May 22, 2025.

- 1. Date and Time:** Friday, May 23, 2025 at 10:00 a.m. Japan time (Door will open at 9:00 a.m.)
- 2. Place:** Presentation Room on the 6th floor, YE DIGITAL Corporation AP L-tage
Komemachi Building, 2-1-21 Komemachi, Kokurakita-ku, Kitakyushu
- 3. Meeting Agenda:**
- Matters to be reported:** 48th fiscal year (from March 1, 2024 to February 28, 2025)
1. The Business Report, Consolidated Financial Statements, and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of 2 Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal 4:** Election of 6 Directors Serving as Audit and Supervisory Committee Members
- Proposal 5:** Determination of the Amount of Monetary Remuneration for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal 6:** Determination of the Amount of Monetary Remuneration for Directors Serving as Audit and Supervisory Committee Members
- Proposal 7:** Determination of Amount of Remuneration, Etc. Concerning Share Acquisition Rights as Stock Compensation-type Stock Options for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members) and Details Thereof
- Proposal 8:** Determination of Amount of Remuneration, Etc. Concerning Share Acquisition Rights as Stock Compensation-type Stock Options for Directors Serving as Audit and Supervisory Committee Members and Details Thereof

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - In accordance with the provisions of laws and regulations as well as the Articles of Incorporation of the Company, the following matters are not stated in the documents sent to shareholders who have made a request for delivery of such documents. Therefore, these documents are part of the materials audited by the Audit & Supervisory Board Members and Accounting Auditor in preparing the audit report.
 - System for Ensuring the Propriety of Business Activities and Operation Status Thereof
 - Notes to Consolidated Financial Statements
 - Consolidated Statement of Changes in Equity
 - Notes to Non-consolidated Financial Statements
 - Non-consolidated Statement of Changes in Equity
 - Should there be any revisions to the matters subject to electronic provision measures, the revised content and other related information will be posted on the respective websites.
 - We will not distribute souvenirs to the shareholders attending the meeting. We appreciate your kind understanding in advance.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company recognizes the return of profits to shareholders as one of its important management priorities, and its basic policy is to implement stable dividends over the long term while securing internal funds for future business expansion.

Based on the policy above, the Company proposes a year-end dividend of ¥10 per share for the 48th fiscal year, an increase of ¥3 from the previous fiscal year.

Combined with the interim dividend, the annual dividend will be ¥20 per share, an increase of ¥8 per share from the previous fiscal year.

(1) Type of dividend property

Cash

(2) Matters concerning allotment of dividend property and the total amount

¥10 per share of the Company's common stock.

In this case, the total amount of dividends will be ¥183,190,850.

(3) Effective date of appropriation of surplus

May 26, 2025

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

- (1) The Company proposes to transition from a company with an audit & supervisory board to a company with an audit and supervisory committee to strengthen the supervisory function of the Board of Directors and further enhance corporate governance, by appointing Directors serving as Audit and Supervisory Committee Members, including multiple Outside Directors. Accordingly, amendments shall be made to the Articles of Incorporation including the new establishment of provisions concerning Audit and Supervisory Committee Members and the Audit and Supervisory Committee, necessary for the transition to a company with an audit and supervisory committee, and the deletion of provisions concerning Audit & Supervisory Board Members and the Audit & Supervisory Board.
- (2) New provisions shall be established to exempt Directors from liability within the limits stipulated by laws and regulations, by resolution of the Board of Directors, to ensure that the Company secures appropriate human resources as Directors and that these Directors are able to fully perform their expected roles. In addition, the scope of persons eligible to conclude liability limitation agreements with the Company shall be expanded from Outside Directors only, at present, to include non-executive Directors. The consent of each Audit & Supervisory Board Member has been obtained for this amendment to the Articles of Incorporation.
- (3) Amendments shall be made including the establishment of new provisions to enable the Company to pay dividends of surplus, etc., by resolution of the Board of Directors to facilitate flexible capital policy and dividend policy, as well as provisions concerning the record date for dividends of surplus, and the deletion of some redundant provisions concerning the acquisition of treasury shares, year-end dividends, and interim dividends.
- (4) Changes to article numbers and other necessary changes shall be made in conjunction with the above amendments.

2. Details of amendments

The details of the amendments are as follows.

The amendments to the Articles of Incorporation in this Proposal shall come into effect at the conclusion of this Annual General Meeting of Shareholders.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
Article 1. through Article 3. (Omitted) (Organs) Article 4. The Company shall establish the following organs in addition to the General Meeting of Shareholders and the Directors. (1) Board of Directors (2) <u>Audit & Supervisory Board Members</u> (3) <u>Audit & Supervisory Board</u> (4) Accounting Auditor Article 5. and Article 6. (Omitted) <u>(Acquisition of Own Shares)</u> <u>Article 7. The Company may, by resolution of the Board of Directors, acquire the Company's own shares through market transactions or other means.</u> Article 8. through Article 19. (Omitted)	Article 1. through Article 3. (Unchanged) (Organs) Article 4. The Company shall establish the following organs in addition to the General Meeting of Shareholders and the Directors. (1) Board of Directors (2) <u>Audit and Supervisory Committee</u> (Deleted) (3) Accounting Auditor Article 5. and Article 6. (Unchanged) (Deleted) Article 7. through Article 18. (Unchanged)

Current Articles of Incorporation	Proposed Amendments
<p>Chapter IV Directors and the Board of Directors</p> <p>(Number of Directors) Article 20. The number of Directors of the Company shall not exceed ten (10). (Newly established)</p> <p>(Method of Election) Article 21. (1) Directors shall be elected by the General Meeting of Shareholders. (2) (Omitted) (3) (Omitted)</p> <p>(Representative Directors and Directors with Special Titles) Article 22. (1) The Board of Directors shall appoint Representative Directors by resolution. (2) The Board of Directors may appoint one (1) chairman, one (1) president, and one or more vice presidents, senior managing directors, and managing directors by resolution.</p> <p>(Term of Office) Article 23. The term of office of the Directors shall expire at the conclusion of the annual general meeting of shareholders held with respect to the last business year ending within one (1) year of their election. (Newly established)</p>	<p>Chapter IV Directors and the Board of Directors</p> <p>(Number of Directors) Article 19. (1) The number of Directors of the Company shall not exceed ten (10). (2) <u>Of these, the number of Directors serving as Audit and Supervisory Committee Members shall not exceed six (6).</u></p> <p>(Method of Election) Article 20. (1) Directors shall be elected by the General Meeting of Shareholders, <u>with Directors serving as Audit and Supervisory Committee Members elected separately from other Directors.</u> (2) (Unchanged) (3) (Unchanged)</p> <p>(Representative Directors and Directors with Special Titles) Article 21. (1) The Board of Directors shall appoint Representative Directors <u>from among the Directors (excluding Directors serving as Audit and Supervisory Committee Members)</u> by resolution. (2) The Board of Directors may appoint one (1) chairman, one (1) president, and one or more vice presidents, senior managing directors, and managing directors <u>from among the Directors (excluding Directors serving as Audit and Supervisory Committee Members)</u> by resolution.</p> <p>(Term of Office) Article 22. (1) The term of office of the Directors <u>(excluding Directors serving as Audit and Supervisory Committee Members)</u> shall expire at the conclusion of the annual general meeting of shareholders held with respect to the last business year ending within one (1) year of their election. (2) <u>The term of office of the Directors serving as Audit and Supervisory Committee Members shall expire at the conclusion of the annual general meeting of shareholders held with respect to the last business year ending within two (2) years of their election.</u></p>

Current Articles of Incorporation (Newly established)	Proposed Amendments
<p>(Remuneration) Article 24. Remuneration, bonuses, and other financial benefits received by the Directors from the Company as consideration for the execution of duties (<u>“remuneration, etc.”</u>) shall be determined by resolution of the General Meeting of Shareholders.</p> <p>(Convocation) Article 25. (1) Notice of the convocation of meetings of the Board of Directors shall be sent to each Director <u>and Audit & Supervisory Board Member</u> at least five (5) days prior to the day of the meeting. However, this period may be shortened in the case of an emergency. (2) Meetings of the Board of Directors may be held without convocation procedures if the consent of all Directors <u>and Audit & Supervisory Board Members</u> is obtained.</p> <p>Article 26. through Article 28. (Omitted) (Newly established)</p> <p>(Counselors and Advisors) Article 29. (Omitted)</p> <p>(Counselors and Advisors) Article 30. The substance of the proceedings of meetings of the Board of Directors, the results thereof, and any other matters stipulated by law or regulation shall be entered or recorded in the minutes, and the Directors <u>and Audit & Supervisory Board Members</u> who attended the meeting shall inscribe their names and affix their seals thereon or sign the minutes electronically.</p>	<p><u>(3) The term of office of a Director serving as an Audit and Supervisory Committee Member elected to replace a Director serving as an Audit and Supervisory Committee Member who retired prior to the expiration of the term of office shall expire when the term of office for which his or her predecessor was elected expires.</u></p> <p>(Remuneration) Article 23. Remuneration, bonuses, and other financial benefits received by the Directors from the Company as consideration for the execution of duties shall be determined by resolution of the General Meeting of Shareholders, <u>with that of Directors serving as Audit and Supervisory Committee Members determined separately from that of other Directors.</u></p> <p>(Convocation) Article 24. (1) Notice of the convocation of meetings of the Board of Directors shall be sent to each Director at least five (5) days prior to the day of the meeting. However, this period may be shortened in the case of an emergency. (2) Meetings of the Board of Directors may be held without convocation procedures if the consent of all Directors is obtained.</p> <p>Article 25. through Article 27. (Unchanged) <u>(Delegation of Authority for Decisions on Important Matters of Business Execution)</u> Article 28. <u>The Company may partially or wholly delegate decisions on important matters of business execution to Directors by resolution of the Board of Directors, based on the provisions of Article 399-13, Paragraph 6 of the Companies Act (excluding matters listed under Paragraph 5 of the same article).</u></p> <p>(Counselors and Advisors) Article 29. (Unchanged)</p> <p>(Counselors and Advisors) Article 30. The substance of the proceedings of meetings of the Board of Directors, the results thereof, and any other matters stipulated by law or regulation shall be entered or recorded in the minutes, and the Directors who attended the meeting shall inscribe their names and affix their seals thereon or sign the minutes electronically.</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Board of Directors Regulations) Article 31. (Omitted)</p> <p><u>(Liability Limitation Agreements with Outside Directors)</u> Article 32. (Newly established)</p> <p>The Company may enter into agreements with <u>Outside</u> Directors that limit their liability for damages arising from negligence in the performance of duties, based on the provisions of Article 427, Paragraph 1 of the Companies Act. The limit of liability under these agreements shall be the amount prescribed by laws and regulations.</p> <p>Chapter V <u>Audit & Supervisory Board Members and the Audit & Supervisory Board</u></p> <p><u>(Number of Members)</u> Article 33. <u>The number of Audit & Supervisory Board Members of the Company shall not exceed four (4).</u></p> <p><u>(Method of Election)</u> Article 34. (1) <u>Audit & Supervisory Board Members shall be elected by the General Meeting of Shareholders.</u> (2) <u>Resolutions to elect Audit & Supervisory Board Members may be adopted by a majority of the voting rights of shareholders in attendance, who must, in the aggregate, hold one-third (1/3) or more of the total number of voting rights of shareholders entitled to exercise voting rights.</u></p> <p><u>(Standing Audit & Supervisory Board Member)</u> Article 35. <u>The Audit & Supervisory Board shall appoint a standing Audit & Supervisory Board Member by resolution.</u></p>	<p>(Board of Directors Regulations) Article 31. (Unchanged)</p> <p><u>(Directors' Exemption from Liability)</u></p> <p>Article 32. (1) <u>The Company may exempt Directors (including former Directors) from liability for damages arising from negligence in the performance of duties, within the limits stipulated by laws and regulations, by resolution of the Board of Directors, based on the provisions of Article 426, Paragraph 1 of the Companies Act.</u> (2) The Company may enter into agreements with Directors <u>(excluding those who are executive Directors, etc.)</u> that limit their liability for damages arising from negligence in the performance of duties, based on the provisions of Article 427, Paragraph 1 of the Companies Act. The limit of liability under these agreements shall be the amount prescribed by laws and regulations.</p> <p>Chapter V <u>Audit and Supervisory Committee</u></p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>(Term of Office)</u> <u>Article 36.</u> (1) <u>The term of office of Audit & Supervisory Board Members shall expire at the conclusion of the annual general meeting of shareholders held with respect to the last business year ending within four (4) years of their election.</u> (2) <u>The term of office of an Audit & Supervisory Board Member elected to replace an Audit & Supervisory Board Member who retired prior to the expiration of the term of office shall expire when the term of office for which his or her predecessor was elected expires.</u></p> <p><u>(Remuneration)</u> <u>Article 37. Remuneration for Audit & Supervisory Board Members shall be determined by resolution of the General Meeting of Shareholders.</u></p> <p><u>(Convocation)</u> <u>Article 38.</u> (1) <u>Notice of the convocation of meetings of the Audit & Supervisory Board shall be sent to each Audit & Supervisory Board Member at least five (5) days prior to the day of the meeting. However, this period may be shortened in the case of an emergency.</u> (2) <u>Meetings of the Audit & Supervisory Board may be held without convocation procedures if the consent of all Audit & Supervisory Board Members is obtained.</u></p> <p><u>(Method of Resolution)</u> <u>Article 39. Resolutions of the Audit & Supervisory Board shall be adopted by the majority of the Audit & Supervisory Board Members unless otherwise stipulated by law or regulation.</u></p> <p><u>(Meeting Minutes)</u> <u>Article 40. The substance of the proceedings of meetings of the Audit & Supervisory Board, the results thereof, and any other matters stipulated by law or regulation shall be entered or recorded in the minutes, and the Audit & Supervisory Board Members who attended the meeting shall inscribe their names and affix their seals thereon or sign the minutes electronically.</u></p>	<p>(Deleted)</p> <p>(Deleted)</p> <p><u>(Convocation)</u> <u>Article 33.</u> (1) <u>Notice of the convocation of meetings of the Audit and Supervisory Committee shall be sent to each Audit and Supervisory Committee Member at least five (5) days prior to the day of the meeting. However, this period may be shortened in the case of an emergency.</u> (2) <u>Meetings of the Audit and Supervisory Committee may be held without convocation procedures if the consent of all Audit and Supervisory Committee Members is obtained.</u></p> <p>(Deleted)</p> <p><u>(Meeting Minutes)</u> <u>Article 34. The substance of the proceedings of meetings of the Audit and Supervisory Committee, the results thereof, and any other matters stipulated by law or regulation shall be entered or recorded in the minutes, and the Audit and Supervisory Committee Members who attended the meeting shall inscribe their names and affix their seals thereon or sign the minutes electronically.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p><u>(Audit & Supervisory Board Regulations)</u> Article 41. Matters concerning the <u>Audit & Supervisory Board</u> that are not stipulated in laws, regulations, or the Articles of Incorporations shall be determined based on the <u>Audit & Supervisory Board Regulations</u> established by the <u>Audit & Supervisory Board</u>.</p> <p><u>(Liability Limitation Agreements with Outside Audit & Supervisory Board Members)</u> Article 42. The Company may enter into <u>agreements with Outside Audit & Supervisory Board Members that limit their liability for damages arising from negligence in the performance of duties, based on the provisions of Article 427, Paragraph 1 of the Companies Act. The limit of liability under these agreements shall be the amount prescribed by laws and regulations.</u></p> <p>Chapter VI Accounts (Fiscal Year) Article 43. (Omitted)</p> <p><u>(Year-end Dividends)</u> Article 44. The Company shall, by resolution of <u>the General Meeting of Shareholders, pay cash dividends of surplus (“year-end dividends”) to shareholders or registered pledgees of shares whose names are entered or recorded in the Company’s register of shareholders at the close of business on the last day of February each year.</u></p> <p><u>(Interim Dividends)</u> Article 45. The Company may, by resolution of the <u>Board of Directors, pay dividends of surplus in accordance with Article 454, Paragraph 5 of the Companies Act (“interim dividends”) to shareholders or registered pledgees of shares whose names are entered or recorded in the Company’s register of shareholders at the close of business on August 31 each year.</u></p> <p>(Newly established)</p>	<p><u>(Audit and Supervisory Committee Regulations)</u> Article 35. Matters concerning the <u>Audit and Supervisory Committee</u> that are not stipulated in laws, regulations, or the Articles of Incorporations shall be determined based on the <u>Audit and Supervisory Committee Regulations</u> established by the <u>Audit and Supervisory Committee</u>.</p> <p>(Deleted)</p> <p>Chapter VI Accounts (Fiscal Year) Article 36. (Unchanged)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p><u>(Decision-making Organ for Dividends of Surplus, Etc.)</u> Article 37. The Company shall decide on <u>dividends of surplus and other matters listed under Article 459, Paragraph 1 of the Companies Act by resolution of the Board of Directors, unless otherwise stipulated by law or regulation.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p> <p>(Exclusion Period) Article <u>46</u>. The Company shall be exempt from the obligation to pay unclaimed <u>year-end dividends or interim dividends</u> after the lapse of a full three (3) years from the day when payment commenced.</p> <p>(Newly established)</p>	<p><u>(Record Dates for Dividends of Surplus)</u> <u>Article 38.</u></p> <p><u>(1) The record date for the Company's year-end dividends shall be the last day of February each year.</u></p> <p><u>(2) The record date for the Company's interim dividends shall be August 31 each year.</u></p> <p><u>(3) The Company may determine other record dates and pay dividends of surplus in addition to the provisions of the previous two paragraphs.</u></p> <p>(Exclusion Period) Article <u>39</u>. The Company shall be exempt from the obligation to pay unclaimed <u>dividends for which the dividend property is cash</u> after the lapse of a full three (3) years from the day when payment commenced.</p> <p>(Supplementary Provisions) <u>Article 1. Agreements with persons who were Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) prior to the conclusion of the 48th Annual General Meeting of Shareholders that limit their liability for damages under Article 423, Paragraph 1 of the Companies Act shall be governed by Article 42 of the Articles of Incorporation prior to amendment by resolution of the 48th Annual General Meeting of Shareholders.</u></p>

Proposal 3: Election of 2 Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The terms of office of all 6 Directors will expire at the conclusion of this Annual General Meeting of Shareholders. If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will become a company with an Audit and Supervisory Committee.

Accordingly, we propose that 2 Directors (excluding Directors serving as Audit and Supervisory Committee Members; hereinafter the same shall apply in this Proposal) be elected. The candidates for Directors are as listed below.

The effect of this Proposal will be conditional upon the amendments to the Articles of Incorporation in Proposal 2 “Partial Amendments to the Articles of Incorporation” taking effect.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	Hiroharu Tamai (January 24, 1964)	March 1986 September 2013 June 2014 March 2018 March 2021	Joined the Company Associate Director Corporate Officer Senior Corporate Officer Chief Senior Corporate Officer; IoT Business Control Officer; Manager of Embedded & Control Systems Division	10,000
	May 2021	Director & Chief Senior Corporate Officer; IoT Business Control Officer; Manager of Embedded & Control Systems Division		
	Reappointment	May 2022 President & Representative Director (to present)		
		[Reasons for nomination as candidate for Director] After serving as a business manager of system development and sales, Mr. Hiroharu Tamai has served as Director of the Company since 2021 and President & Representative Director of the Company since 2022. He has continued to be chosen as a candidate for Director so that he may utilize, in the Company’s management, his extensive and wide experience and knowledge in overall management, cultivated to this point as a business manager.		
2	Takayuki Motomatsu (March 25, 1966)	March 1989 March 2013 March 2017 March 2021	Joined YASKAWA Electric Manufacturing Co. Ltd. (currently YASKAWA Electric Corporation) General Manager, Business Planning Department, System Engineering Division Seconded to YASKAWA EUROPE GmbH General Manager, Business Planning Department, Environment and Social Systems Division, YASKAWA Electric Corporation	3,000
	March 2022 March 2023	Seconded to the Company; Manager of Accounting Department, Administration Division, the Company Transferred to the Company; Corporate Officer; Manager of Administration Division		
	Reappointment	May 2023 Director & Corporate Officer; Manager of Administration Division (to present)		
		[Reasons for nomination as candidate for Director] Mr. Takayuki Motomatsu has continued to be chosen as a candidate for Director so that he may utilize, in the Company’s management, his extensive and wide experience and knowledge cultivated to this point through his involvement in corporate planning and administration operations of the Company, based on said extensive and wide experience and knowledge cultivated at YASKAWA Electric Corporation.		

(Notes) 1. There are no special interests between the Company and the Director candidates.

2. Directors and Officers Liability Insurance Contract

The Company has concluded a directors and officers liability insurance contract with an insurance company, which will cover damage that may be incurred by the insured as a result of assuming responsibilities for the execution of their duties or receiving claims related to the pursuit of such responsibilities. Furthermore, if the election of each candidate is approved in this Proposal, they will be insured under the insurance contract. The Company plans to renew the insurance contract during their terms of office.

Proposal 4: Election of 6 Directors Serving as Audit and Supervisory Committee Members

If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will become a company with an Audit and Supervisory Committee.

Accordingly, we propose that 6 Directors serving as Audit and Supervisory Committee Members be elected. The consent of the Audit & Supervisory Board has been obtained for this Proposal.

The candidates for Directors serving as Audit and Supervisory Committee Members are as listed below.

The effect of this Proposal will be conditional upon the amendments to the Articles of Incorporation in Proposal 2 “Partial Amendments to the Articles of Incorporation” taking effect.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Tomoki Eto (March 24, 1964)	<p>June 1993 Joined the Company</p> <p>March 2009 Manager of Embedded Solutions Operations Department, Solution Technology Division</p> <p>March 2016 Manager of Healthcare & Public Solutions Division</p> <p>March 2017 Deputy Manager of Technology Development Division</p> <p>June 2018 Deputy Manager of Digital Products Division</p> <p>March 2022 Manager of Service Business Division</p> <p>September 2024 Responsible for Management of Administration Division (to present)</p>	3,500
	New appointment	<p>[Reasons for nomination as candidate for Director serving as an Audit and Supervisory Committee Member]</p> <p>Mr. Tomoki Eto has been chosen as a candidate for Director serving as an Audit and Supervisory Committee so that he may utilize, in the areas of the Company’s management and audit system, his extensive and wide experience and knowledge cultivated to this point through his involvement in operations such as systems development, research and development, and service business at the Company.</p>	
2	Shoichiro Shimoike (May 21, 1968)	<p>March 1994 Joined YASKAWA Electric Corporation</p> <p>March 2015 General Manager, Automatic Equipment Technology Department, Corporate R&D Center, Technology and Development Division</p> <p>March 2018 Deputy Manager, ICT Strategy Promotion Division</p> <p>May 2018 Outside Director, the Company (to present)</p> <p>March 2022 Corporate Officer; Manager, ICT Strategy Promotion Division, YASKAWA Electric Corporation</p> <p>March 2024 Corporate Officer; General Manager, ICT Division (to present)</p>	—
	New appointment	<p>[Reasons for nomination as candidate for Outside Director serving as an Audit and Supervisory Committee Member and expected role]</p> <p>Mr. Shoichiro Shimoike has been chosen as a candidate for Outside Director serving as an Audit and Supervisory Committee Member so that he may utilize, in the areas of the Company’s management and audit system, his extensive and wide experience and knowledge cultivated to this point through his involvement in operations such as systems development, research and development, technology planning, production management, and IT and DX promotion, and as a Corporate Officer at YASKAWA Electric Corporation.</p> <p>He is expected to adequately fulfill his duties in the areas of the Company’s management such as decisions on important matters and supervision of business execution.</p>	
	Candidate for Outside Director		

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Masamichi Miura (March 22, 1975)	October 2001 Registered as an attorney at law Joined Miura Okuda Iwamoto Law Office (currently Miura Okuda Sugihara Law Office) April 2007 Partner (to present) May 2018 Outside Director, the Company (to present)	—
	New appointment	[Reasons for nomination as candidate for Outside Director serving as an Audit and Supervisory Committee Member and expected role] Although Mr. Masamichi Miura has never been directly involved in corporate management, he has been chosen as a candidate for Outside Director serving as an Audit and Supervisory Committee Member so that he may utilize, in the areas of the Company's management and audit system, his extensive and wide experience and knowledge as an attorney at law. He is expected to adequately fulfill his duties in the areas of the Company's management such as decisions on important matters and supervision of business execution with independence, from an objective viewpoint that considers overall corporate society, including laws and regulations, and without influence from the Company's ethics.	
	Candidate for Outside Director		
	Candidate for Independent Officer		
4	Mifuyu Kanazawa (September 29, 1981)	April 2004 Joined Mitsubishi Logistics Corporation June 2010 Joined JAC Recruitment Co., Ltd. March 2013 Joined Teikyo Junior College July 2018 Representative Director and President, Protean, Inc. (to present) June 2023 Representative Commissioner, Ojisan Mirai Institute (to present) May 2024 Outside Director, the Company (to present)	—
	New appointment	[Reasons for nomination as candidate for Outside Director serving as an Audit and Supervisory Committee Member and expected role] Ms. Mifuyu Kanazawa has been chosen as a candidate for Outside Director serving as an Audit & Supervisory Committee Member so that she may utilize in the areas of the Company's management and audit system, her extensive and wide experience and knowledge cultivated at Mitsubishi Logistics Corporation, JAC Recruitment Co., Ltd., Teikyo Junior College, Protean, Inc., and Ojisan Mirai Institute. She is expected to adequately fulfill her duties in the areas of the Company's management such as decisions on important matters and supervision of business execution.	
	Candidate for Outside Director		
	Candidate for Independent Officer		
5	Yoichi Sagara (October 1, 1967)	March 1990 Joined YASKAWA Electric Corporation August 2006 Seconded to YASKAWA Electric America, Inc. September 2011 Section Manager responsible for Affiliate Management, Corporate Planning Office, YASKAWA Electric Corporation March 2014 Seconded to YASKAWA EUROPE GmbH March 2019 General Manager, Business Planning Department, Robotics Division, YASKAWA Electric Corporation March 2021 General Manager responsible for Internal Control, Audit Department March 2022 General Manager, Audit Department (to present) May 2022 Outside Audit & Supervisory Board Member (to present)	—
	New appointment	[Reasons for nomination as candidate for Outside Director serving as an Audit and Supervisory Committee Member and expected role] Although Mr. Sagara has never been directly involved in corporate management, he has been chosen as a candidate for Outside Director serving as an Audit and Supervisory Committee Member so that he may utilize, in the areas of the Company's management and audit system, his professional knowledge and experience cultivated at YASKAWA Electric Corporation. He is expected to adequately fulfill his duties in the areas of the Company's management such as decisions on important matters and supervision of business execution.	
	Candidate for Outside Director		

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	Yoshifumi Noge (March 26, 1960)	April 1982 Joined Ricoh Company, Ltd. April 1997 Group Leader, Second Development Department, Chemicals Division April 2008 Sales Team Leader, Thermal Business Division October 2012 Customer Support Team Leader, Thermal Business Division April 2020 Representative, Monozukuri Design Lab (to present) May 2023 Outside Audit & Supervisory Board Member (to present)	—
	New appointment		
	Candidate for Outside Director	[Reasons for nomination as candidate for Outside Director serving as an Audit and Supervisory Committee Member and expected role] Mr. Noge has been chosen as a candidate for Outside Director serving as an Audit and Supervisory Committee Member so that he may utilize, in the areas of the Company's management and audit system, his professional knowledge and experience cultivated at Ricoh Company, Ltd. and Monozukuri Design Lab.	
	Candidate for Independent Officer	He is expected to adequately fulfill his duties in the areas of the Company's management such as decisions on important matters and supervision of business execution.	

- (Notes)
- Mr. Shoichiro Shimoike is the Corporate Officer and General Manager of the ICT Division of YASKAWA Electric Corporation, and Mr. Yoichi Sagara is General Manager of the Audit Department of said company, which holds 6,940 thousand shares of the Company's stock (shareholding ratio: 37.89%). The Company does not only contract for information processing operations of said company, but also conducts consigned development for software, etc., that is embedded in said company's products.
 - There are no special interests between the Company and the other candidates.
 - Mr. Shoichiro Shimoike, Mr. Masamichi Miura, Ms. Mifuyu Kanazawa, Mr. Yoichi Sagara, and Mr. Yoshifumi Noge are candidates for Outside Directors. Furthermore, the Company has filed with the Tokyo Stock Exchange the registration of Mr. Masamichi Miura, Ms. Mifuyu Kanazawa, and Mr. Yoshifumi Noge as independent officers, as stipulated by the Exchange. If they are elected in this Proposal, the Company intends to file the same registration with the Exchange.
 - Independence of candidates for Outside Director as Outside Directors and Liability Limitation Agreements with Outside Directors
 - Independence of candidates for Outside Director
 - Mr. Shoichiro Shimoike, Mr. Masamichi Miura, and Ms. Mifuyu Kanazawa are currently Outside Directors, and Mr. Shoichiro Shimoike and Mr. Masamichi Miura will have been in office as Outside Director of the Company for seven years at the conclusion of this Annual General Meeting of Shareholders and Ms. Mifuyu Kanazawa for one year.
 - Mr. Yoichi Sagara and Mr. Yoshifumi Noge are currently Outside Directors and will have been in office as Outside Director of the Company for three years and two years, respectively, at the conclusion of this Annual General Meeting of Shareholders.
 - Mr. Masamichi Miura, Ms. Mifuyu Kanazawa, and Mr. Yoshifumi Noge are not currently business executors or officers of any specified related business entity of the Company, nor have they held such positions within the past ten years.
 - Mr. Masamichi Miura, Ms. Mifuyu Kanazawa, and Mr. Yoshifumi Noge are not scheduled to receive a significant amount of cash or other assets (excluding compensation, etc., as Directors, Audit & Supervisory Board Members, or other equivalent positions) from the Company or any specified related business entity of the Company, nor have they received such payment within the past two years.
 - Mr. Shoichiro Shimoike and Mr. Yoichi Sagara are currently or were during the past ten years a business executor of YASKAWA Electric Corporation, a specified related business entity of the Company, have received salaries, etc. as an employee within the past two years, and are scheduled to receive such salaries in the future.
 - Mr. Shoichiro Shimoike, Mr. Masamichi Miura, Ms. Mifuyu Kanazawa, Mr. Yoichi Sagara, and Mr. Yoshifumi Noge are not spouses, relatives within the third degree of kinship, or persons of equivalent relationships, with business executors or officers of the Company or any specified related business entity of the Company.
 - Improper business execution during term of office, prevention of said event, and subsequent response
Not applicable.
 - Liability Limitation Agreements
The Company has concluded liability limitation agreements, which limit liability to the minimum liability limitation amount stipulated in Article 425, Paragraph 1 of the Companies Act, with Mr. Shoichiro Shimoike, Mr. Masamichi Miura, Ms. Mifuyu Kanazawa, Mr. Yoichi Sagara, and Mr. Yoshifumi Noge. If this Proposal is approved, the Company will continue similar liability limitation agreements with them based on the amended Articles of Incorporation as per Proposal 2 and will conclude a similar liability limitation agreement with Mr. Tomoki Eto.
 - Directors and Officers Liability Insurance Contract
The Company has concluded a directors and officers liability insurance contract with an insurance company, which will cover damage that may be incurred by the insured as a result of assuming responsibilities for the execution of their duties or receiving claims related to the pursuit of such responsibilities. Furthermore, if the election of each candidate is approved in this Proposal, they will be insured under the insurance contract. The Company plans to renew the insurance contract during their terms of office.

(Reference) Composition of the Board of Directors (if each candidate is elected at this Annual General Meeting of Shareholders)

Name	Gender	New appointment /Reappointment	Title	Corporate Management	Business Strategy	IT DX	Diversity and Human Resources Development	Finance and Accounting	Legal Affairs and Risk Management
Hiroharu Tamai	Male	Reappointment	President & Representative Director	●	●	●	●		
Takayuki Motomatsu	Male	Reappointment	Director & Corporate Officer		●		●	●	●
Tomoki Eto	Male	New appointment	Director and Audit and Supervisory Committee Member		●	●	●		
Shoichiro Shimoike	Male	New appointment	Outside Director and Audit and Supervisory Committee Member		●	●	●		
Masamichi Miura	Male	New appointment	Outside Director, Audit and Supervisory Committee Member and Independent Officer				●		●
Mifuyu Kanazawa	Female	New appointment	Outside Director, Audit and Supervisory Committee Member and Independent Officer	●			●		
Yoichi Sagara	Male	New appointment	Outside Director and Audit and Supervisory Committee Member				●	●	
Yoshifumi Noge	Male	New appointment	Outside Director, Audit and Supervisory Committee Member and Independent Officer	●			●		

Proposal 5: Determination of the Amount of Monetary Remuneration for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

Remuneration for Directors of the Company of up to ¥200 million per year, including up to ¥20 million per year for Outside Directors, was approved at the 45th Annual General Meeting of Shareholders held on May 20, 2022. However, if Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will transition to a company with an audit and supervisory committee.

The Company therefore proposes to abolish the current rules concerning the amount of monetary remuneration for Directors and set a new amount of monetary remuneration for Directors (excluding Directors serving as Audit and Supervisory Committee Members; hereinafter the same shall apply in this Proposal) of up to ¥200 million per year, including up to ¥20 million per year for Outside Directors.

The amount of monetary remuneration for Directors does not include the amount of employee salaries payable to Directors who concurrently serve as employees.

This Proposal was determined by the Board of Directors upon the comprehensive consideration of factors such as the Company’s business scale, the executive remuneration system and payment levels, the current number of Directors, and future trends. The Company has therefore judged it to be appropriate.

The Company’s decision policy concerning remuneration, etc. for Directors of the Company is presented on page 17 of the Business Report (available only in Japanese).

There are currently six (6) Directors of the Company, including three (3) Outside Directors. If Proposal 2 and Proposal 3 “Election of 2 Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)” are approved as originally proposed, there will be two (2) Directors, including no Outside Directors, eligible under this Proposal.

The effect of this Proposal will be conditional upon the amendments to the Articles of Incorporation in Proposal 2 taking effect.

Proposal 6: Determination of the Amount of Monetary Remuneration for Directors Serving as Audit and Supervisory Committee Members

If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will transition to a company with an audit and supervisory committee.

The Company therefore proposes to set an amount of monetary remuneration for Directors serving as Audit and Supervisory Committee Members of up to ¥70 million per year, which is a level of remuneration deemed commensurate with the responsibilities of Directors serving as Audit and Supervisory Committee Members.

Directors serving as Audit and Supervisory Committee Members will perform, as Audit and Supervisory Committee Members, the auditing duties previously undertaken by the Audit & Supervisory Board Members, as well as, as Directors, attending meetings of the Board of Directors, participating in resolutions, and otherwise taking responsibility for supervising the execution of duties by the other Directors. Therefore, this Proposal seeks to set an appropriate level of remuneration for the responsibilities of Directors serving as Audit and Supervisory Committee Members in the governance of the Company.

If Proposal 2 and Proposal 4 “Election of 6 Directors Serving as Audit and Supervisory Committee Members” are approved as originally proposed, there will be six (6) Directors serving as Audit and Supervisory Committee Members eligible under this Proposal.

The effect of this Proposal will be conditional upon the amendments to the Articles of Incorporation in Proposal 2 taking effect.

Proposal 7: Determination of Amount of Remuneration, Etc. Concerning Share Acquisition Rights as Stock Compensation-type Stock Options for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members) and Details Thereof

1. Reason for this Proposal

The Company introduced a stock compensation-type stock option plan in 2015. Subsequently, at the 45th Annual General Meeting of Shareholders held on May 20, 2022, it was approved that the amount of such remuneration shall be up to ¥200 million per year (including up to ¥20 million for Outside Directors; excluding the amount of employee salaries payable to Directors who concurrently serve as employees) and that the number of share acquisition rights shall be up to 2,500 units (including up to 250 units for Outside Directors), and they have remained unchanged to date.

If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will transition to a company with an audit and supervisory committee. The Company proposes to abolish the current stock compensation-type stock option plan and establish new limits for remuneration, etc. for share acquisition rights as stock compensation-type stock options for Directors (excluding Directors serving as Audit and Supervisory Committee Members; hereinafter the same shall apply in this Proposal) of up to ¥200 million per year (including up to ¥20 million for Outside Directors; excluding the amount of employee salaries payable to Directors who concurrently serve as employees) and up to 2,500 units (including up to 250 units for Outside Directors). As before, the aim of this remuneration is to further boost motivation and morale to enhance the Company’s business performance and corporate value among Directors and encourage them to operate the business with a greater emphasis on the interests of shareholders.

This Proposal was determined by the Board of Directors upon consideration of factors such as the aim of the stock compensation-type stock option plan, the Company’s business environment, including the economic climate and levels of remuneration in society, the roles and duties of the Directors, the Company’s business performance, and the decision policy concerning remuneration, etc. for Directors of the Company. The Company has therefore judged it to be appropriate.

The Company’s decision policy concerning remuneration, etc. for Directors of the Company is presented on page 17 of the Business Report (available only in Japanese).

Currently, there are six (6) Directors, including three (3) Outside Directors. If Proposal 2 and Proposal 3 “Election of 2 Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)” are approved as originally proposed, there will be two (2) Directors, including no Outside Directors, eligible under this Proposal.

The effect of this Proposal will be conditional upon the amendments to the Articles of Incorporation in Proposal 2 taking effect.

2. Details of remuneration, etc. (specific details of share acquisition rights to be issued as stock options)

(1) Total number of share acquisition rights

The maximum number of share acquisition rights to be issued in each fiscal year shall be 2,500 units (including 250 units for Outside Directors).

(2) Class and number of shares to be issued upon exercise of share acquisition rights

The class of shares to be issued upon exercise of the share acquisition rights shall be common stock of the Company, and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 100 shares.

However, in the case where the Company carries out a stock split (including a gratis allotment of common stock of the Company; hereinafter the same shall apply) or a stock consolidation of its common stock after the date of the resolution on this Proposal (the “Resolution Date”), the Number of Shares Granted shall be adjusted according to the following formula. Fractions less than one share resulting from such adjustment shall be rounded down.

$$= \frac{\text{Number of Shares Granted}}{\text{after adjustment}} \times \text{Ratio of stock split or consolidation}$$

Furthermore, in addition to the preceding, the Company may make appropriate adjustments to the Number of Shares Granted within a reasonable range in the case where the Company conducts a merger, company split, share exchange, share delivery, or other action that necessitates to adjust the Number of Shares Granted.

(3) Value of assets to be contributed upon exercise of share acquisition rights

The value of assets to be contributed upon exercise of share acquisition rights shall be the amount obtained by multiplying the exercise price of ¥1 per share to be granted upon exercise of each share acquisition right by the Number of Shares Granted.

(4) Exercise period of share acquisition rights

The exercise period shall be determined by the Board of Directors of the Company and shall be a period of up to 30 years from the day following the date of allotment of the share acquisition rights.

(5) Restriction on the acquisition of share acquisition rights through transfer

Any acquisition of share acquisition rights through transfer shall require the approval of the Board of Directors of the Company.

(6) Amount to be paid for share acquisition rights

The amount to be paid for each acquisition right shall be the fair value of the share acquisition right computed by a fair calculation method based on the Black-Scholes model on the allotment date of the share acquisition rights. Provided, however, that the Company shall grant recipients to be allotted the share acquisition rights monetary remuneration equivalent to the total amount to be paid for the share acquisition rights and allow them to use the remuneration claim to offset the amount to be paid for the share acquisition rights.

(7) Conditions for the exercise of share acquisition rights

The holders of share acquisition rights may exercise the share acquisition rights within a period of five (5) years from the day following the day on which they lose their position as Director or employee of the Company during the exercise period of the share acquisition rights.

(8) Matters concerning the acquisition of share acquisition rights

1) In the event that a merger agreement under which the Company becomes a disappearing company, a company split agreement or a company split plan under which the Company becomes a split company, or a share exchange agreement, a share delivery plan, or a share transfer plan under which the Company becomes a wholly-owned subsidiary is approved at a general meeting of shareholders (or by a resolution of the Board of Directors if an approval at a general meeting of shareholders is not required), the Company may acquire all of the share acquisition rights without consideration on a day separately determined by the Board of Directors of the Company.

2) In the event that, prior to the exercise of share acquisition rights by the holders of the share acquisition rights, the share acquisition rights become unexercisable pursuant to the provisions set forth in (7) above, the Company may acquire the unexercisable share acquisition rights without consideration on a day separately determined by the Board of Directors of the Company.

(9) Other terms and conditions for the offering of share acquisition rights

Other details of share acquisition rights shall be determined at the meeting of the Board of Directors that determines the terms and conditions for the offering of share acquisition rights.

[Reference]

The Company also plans to allocate share acquisition rights with the same conditions set forth in 2. (2) through (9) above to the Company's Corporate Officers as with Directors (excluding Directors serving as Audit and Supervisory Committee Members) as stock compensation-type stock options, upon resolution by the Board of Directors.

Proposal 8: Determination of Amount of Remuneration, Etc. Concerning Share Acquisition Rights as Stock Compensation-type Stock Options for Directors Serving as Audit and Supervisory Committee Members and Details Thereof

1. Reason for this Proposal

If Proposal 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will transition to a company with an audit and supervisory committee.

The Company plans to request the approval of an amount of monetary remuneration for Directors serving as Audit and Supervisory Committee Members of up to ¥70 million per year in Proposal 6 “Determination of the Amount of Monetary Remuneration for Directors Serving as Audit and Supervisory Committee Members.” In addition to this amount, the Company proposes to establish new limits for remuneration, etc. for share acquisition rights as stock compensation-type stock options for Directors serving as Audit and Supervisory Committee Members of up to ¥40 million per year and up to 500 units, to enable value sharing with shareholders and boost their motivation to contribute to strengthening the Company’s governance and enhancing its corporate value.

The Company has judged that this Proposal is appropriate upon consideration of factors such as the aim of the stock compensation-type stock option plan, the Company’s business environment, the responsibilities of the Directors serving as Audit and Supervisory Committee Members in governance, and the Company’s business performance.

If Proposal 2 and Proposal 4 “Election of 6 Directors Serving as Audit and Supervisory Committee Members” are approved as originally proposed, there will be six (6) Directors serving as Audit and Supervisory Committee Members eligible under this Proposal.

The effect of this Proposal will be conditional upon the amendments to the Articles of Incorporation in Proposal 2 taking effect.

2. Details of remuneration, etc. (specific details of share acquisition rights to be issued as stock options)

(1) Total number of share acquisition rights

The maximum number of share acquisition rights to be issued in each fiscal year shall be 500 units.

(2) Class and number of shares to be issued upon exercise of share acquisition rights

The class of shares to be issued upon exercise of the share acquisition rights shall be common stock of the Company, and the number of shares to be issued upon exercise of each share acquisition right (the “Number of Shares Granted”) shall be 100 shares.

However, in the case where the Company carries out a stock split (including a gratis allotment of common stock of the Company; hereinafter the same shall apply) or a stock consolidation of its common stock after the date of the resolution on this Proposal (the “Resolution Date”), the Number of Shares Granted shall be adjusted according to the following formula. Fractions less than one share resulting from such adjustment shall be rounded down.

$$= \frac{\text{Number of Shares Granted}}{\text{after adjustment}} \times \text{Ratio of stock split or consolidation}$$

Furthermore, in addition to the preceding, the Company may make appropriate adjustments to the Number of Shares Granted within a reasonable range in the case where the Company conducts a merger, company split, share exchange, share delivery, or other action that necessitates to adjust the Number of Shares Granted.

(3) Value of assets to be contributed upon exercise of share acquisition rights

The value of assets to be contributed upon exercise of share acquisition rights shall be the amount obtained by multiplying the exercise price of ¥1 per share to be granted upon exercise of each share acquisition right by the Number of Shares Granted.

(4) Exercise period of share acquisition rights

The exercise period shall be determined by the Board of Directors of the Company and shall be a period of up to 30 years from the day following the date of allotment of the share acquisition rights.

(5) Restriction on the acquisition of share acquisition rights through transfer

Any acquisition of share acquisition rights through transfer shall require the approval of the Board of Directors of the Company.

(6) Amount to be paid for share acquisition rights

The amount to be paid for each acquisition right shall be the fair value of the share acquisition right computed by a fair calculation method based on the Black-Scholes model on the allotment date of the share acquisition rights. Provided, however, that the Company shall grant recipients to be allotted the share acquisition rights monetary remuneration equivalent to the total amount to be paid for the share acquisition rights and allow them to use the remuneration claim to offset the amount to be paid for the share acquisition rights.

(7) Conditions for the exercise of share acquisition rights

The holders of share acquisition rights may exercise the share acquisition rights within a period of five (5) years from the day following the day on which they lose their position as Director or employee of the Company during the exercise period of the share acquisition rights.

(8) Matters concerning the acquisition of share acquisition rights

- 1) In the event that a merger agreement under which the Company becomes a disappearing company, a company split agreement or a company split plan under which the Company becomes a split company, or a share exchange agreement, a share delivery plan, or a share transfer plan under which the Company becomes a wholly-owned subsidiary is approved at a general meeting of shareholders (or by a resolution of the Board of Directors if an approval at a general meeting of shareholders is not required), the Company may acquire all of the share acquisition rights without consideration on a day separately determined by the Board of Directors of the Company.
- 2) In the event that, prior to the exercise of share acquisition rights by the holders of the share acquisition rights, the share acquisition rights become unexercisable pursuant to the provisions set forth in (7) above, the Company may acquire the unexercisable share acquisition rights without consideration on a day separately determined by the Board of Directors of the Company.

(9) Other terms and conditions for the offering of share acquisition rights

Other details of share acquisition rights shall be determined at the meeting of the Board of Directors that determines the terms and conditions for the offering of share acquisition rights.