



May 15, 2025

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Notice Concerning Continuation and Partial Revision of the Performance-Linked Stock Remuneration Plan

Aomori Michinoku Bank, Ltd. (the “Target Subsidiary”), a consolidated subsidiary of Procrea Holdings, Inc. (the “Company,” and the Company together with the Target Subsidiary shall hereinafter be collectively referred to as the “Target Companies”), has adopted a performance-linked stock remuneration plan (the “Plan”) using a trust scheme for its Directors (excluding Directors who are Audit & Supervisory Committee Members, Outside Directors, and Directors who are non-residents of Japan) and Executive Officers (excluding Executive Officers who are non-residents of Japan).

To expand the scope of persons eligible under the Plan to the Company’s Directors (excluding Directors who are Audit & Supervisory Committee Members, Outside Directors, and Directors who are non-residents of Japan) and Executive Officers (excluding Executive Officers who are non-residents of Japan; and together with the Directors, shall hereinafter be collectively referred to as the “Directors, etc.,” and together with the Directors and Executive Officers of the Target Subsidiary shall hereinafter be collectively referred to as the “Eligible Director(s), etc.”), in addition to the Directors and Executive Officers of the Target Subsidiary, the Company at a meeting of the Board of Directors held on May 15, 2025, resolved to introduce the Plan to the Company’s Directors, etc., upon extending the trust period of the BIP (Board Incentive Plan) Trust (the “Trust”) associated with the Plan.

Accordingly, the Company hereby announces that it has decided to submit a proposal for the introduction of the Plan to the Company’s Directors, etc., to the 3rd Ordinary General Meeting of Shareholders (the “General Meeting of Shareholders”) to be held on June 25, 2025, as described below.

1. Continuation and Partial Revision of the Plan

- a. As the Target Subsidiary intends to continue the Plan, which was first adopted in 2018, the Company shall extend the trust period of the Trust, which is scheduled to end on August 31, 2025, for another three years and continue with the Plan.

Furthermore, the Company shall introduce the Plan to its Directors, etc., as a way of providing an incentive toward the sustained improvement of the Company’s corporate value, as well as articulating

the sharing of value with the shareholders (*).

- b. The adoption of the Plan will be conditional upon obtaining the approval of the General Meeting of Shareholders of the proposal on executive remuneration.
- c. The Plan will adopt a scheme called the BIP (Board Incentive Plan) Trust (the “BIP Trust”). The BIP Trust is an incentive plan for officers similar to the performance-linked stock (Performance Share) remuneration plan and the transfer-restricted stock (Restricted Stock) remuneration plan, under which the Company’s shares and an amount of money equivalent to the value of the shares of Company disposed of and converted into cash (collectively the “Company’s Shares, etc.”) are delivered or paid (the “Delivery, etc.” or “delivered, etc.”) to the Eligible Directors, etc., according to their position, the level of achievement of performance targets, and other parameters.

(*) As a result of the adoption of the Plan, the remuneration of the Company’s Directors shall comprise “basic remuneration,” “bonuses,” and “performance-linked, stock remuneration.” The remuneration of Directors who are Audit & Supervisory Committee Members and Outside Directors, and thus are non-executive Directors shall comprise exclusively “basic remuneration.”

2. Details of the Revised Plan

a. Overview of the Plan

The Plan, which covers the three consecutive business years covered by the Company’s Medium-term Management Plan (the “Target Period”) (*), shall be a plan under which the Company’s Shares, etc. are delivered, etc., to the Eligible Directors, etc., as executive remuneration, according to their position, the level of achievement of performance targets, and other parameters each business year. The Target Period of the Plan to commence this fiscal year after the continuation shall be the three business years from the year ending March 31, 2026 to the year ending March 31, 2028.

* If, at the expiry of the trust period, it is extended by modifying the trust agreement or making additional trusts (as set forth in 2.c. (2). below. The same shall apply hereunder), the Target Periods shall be the consecutive three-year periods covered by each Medium-term Management Plan thereafter.

b. Persons eligible under the Plan (Beneficiary requirements)

The Directors, etc., of the Company shall be added as eligible persons under the Plan.

Eligible Directors, etc., at the time of retirement, subject to meeting the beneficiary requirements described below and upon completing the required beneficiary verification procedures, shall receive delivery of the number of the Company’s shares (Shares of less than one unit will be rounded down) equivalent to 70% of the accumulated points. As for the Company’s shares equivalent to the remaining accumulated points, the money equivalent to the value of the shares disposed of and converted into cash within the Trust shall be paid.

The beneficiary requirements are as follows.

- (1) The beneficiary was an Eligible Director, etc., during the Target Period (includes persons who became new Eligible Directors, etc., during the Target Period).
- (2) The beneficiary has retired as an Eligible Director, etc. (retirement includes cases in which the beneficiary becomes a foreign resident, due to an overseas posting) (*).

- (3) The beneficiary has not engaged in any unlawful acts during his or her term of office.
- (4) The beneficiary's number of accumulated points has been determined.
- (5) Other requirements that are deemed to be necessary to accomplish the purpose of the stock remuneration plan.
- * If the trust period is extended pursuant to 2.c.(3) below, and Eligible Directors, etc., eligible under the Plan are still in office at the expiration of the extended trust period, the trust will be terminated at such time, and to such eligible persons, the Delivery, etc., of the Company's Shares, etc., shall be made while the Eligible Directors, etc., remain in office.
- * If the Eligible Director, etc., passes away during the trust period, the Company's shares corresponding to the accumulated points at such time shall all be disposed of and converted into cash within the Trust and the money equivalent to the value of the shares disposed of and converted into cash shall be delivered to the heir of the deceased Eligible Director, etc., promptly after his or her death.
- * If the Eligible Director, etc., becomes a foreign resident, due to an overseas posting during the trust period, the Company's shares corresponding to the accumulated points at such time shall all be disposed of and converted into cash within the Trust and the money equivalent to the value of the shares disposed of and converted into cash shall be delivered to such Eligible Director, etc.

c. Trust period after extension

(1) Trust period

The trust period shall be approximately three years from August 2025 (planned) to August 2028 (planned).

(2) Continuation of the Plan

At the expiry of the trust period, the Trust may be continued by modifying the trust agreement or making additional trusts. In such an event, the trust period of the Trust shall be extended for three years, and for each extended trust period, the Company shall make additional contributions within the extent of the maximum trust money approved by the General Meeting of Shareholders, and continue to grant points to the Eligible Directors, etc., for the duration of the extended trust period. However, in the event of such additional contributions, if there are any shares of the Company (excluding the Company's shares corresponding to the points granted to the Eligible Directors, etc., for which the Delivery, etc., has not been completed) or money remaining in the trust property on the last day of the trust period prior to the extension (collectively, "Residual Shares, etc."), the total amount of Residual Shares, etc., and the trust money to be additionally contributed shall be within the extent of the maximum trust money approved by the general meeting of shareholders of each Target Company.

(3) Treatment at the termination of the trust period (extension of the trust period without additional contributions)

If, at the expiry of the trust period (or in the event of an extension of the trust period pursuant to 2.c.(2) above, then at the expiry of the as-extended trust period), the agreement is not modified or additional trusts are not made, the Company shall thereafter cease to grant points to the Eligible Directors, etc. However, if Eligible Directors, etc., who may meet the beneficiary requirements are still in office at such time, the trust period of the Trust may be extended, for a limited period only,

until such time that the Eligible Directors, etc., retire and the Delivery, etc., of the Company's Shares, etc., is completed.

- d. The number of the Company's Shares, etc., to be delivered, etc., to the Eligible Directors, etc.

At a specified time after the end of each business year during the trust period, "Fixed Points" according to position and "Performance-linked Points" that fluctuate according to the level of achievement of the performance targets and non-financial targets set each business year are granted to the Eligible Directors, etc.

The Eligible Directors, etc., accumulate the points granted each year and at the time of retirement, receive the Delivery, etc., of the Company's Shares, etc., corresponding to the accumulated number of points (the "Accumulated Point(s)").

One (1) point shall equal one (1) share of the Company. If, however, a stock split, a reverse stock split of the Company's shares, or any other event in which adjustment of points is deemed reasonable occurs during the trust period, the number of shares of the Company per point shall be adjusted in accordance with the stock split, the reverse stock split, or any other event, as applicable.

- e. The maximum amount of the trust money to be contributed to the Trust and the maximum total number of points to be granted to Eligible Directors, etc., in the Trust

The maximum of the total amount of trust money to be contributed to the Trust and the total number of points to be granted to Eligible Directors, etc., in the Trust during the Target Period, subject to the approval of the general meeting of shareholders of each Target Company, shall be as follows.

Maximum trust money to be contributed to the Trust

¥3.60 million* for the Directors of the Company, a total of ¥6.15 million* for Eligible Directors, etc. (planned)

* The maximum trust money has been calculated in consideration of the current remuneration levels of the Directors, to which funds for stock acquisition, trust fees, and trust expenses have been added.

Maximum number of points to be granted to Eligible Directors, etc., per business year

60,000 points** for the Directors of the Company, a total of 113,000 points** for Eligible Directors, etc.

The number of shares to be acquired by the Trust during the Target Period (the "Number of Shares to Be Acquired") shall be a maximum of 339,000 shares***, which is equivalent to the maximum total number of points to be granted per business year, multiplied by three, the number of years in the trust period. In addition, in the event of an extension of the Trust pursuant to 2.c.(2) above, the Number of Shares to Be Acquired during the Target Period shall be a maximum of 339,000 shares***, which is equivalent to the maximum total number of points to be granted per business year, multiplied by three, the number of years in the trust period

- ** The maximum total number of points to be granted to Eligible Directors, etc., has been set based on the above maximum trust money with reference to historical share prices and other factors.
- *** If the number of shares of the Company per point is adjusted as per 2.d. above, the maximum Number of Shares to Be Acquired shall also be adjusted, as applicable.

f. Method of acquisition of the Company's shares by the Trust

The Trust plans to acquire the Company's shares within the extent of the maximum trust money and the maximum Number of Shares to Be Acquired of 2.e. above, from the stock market or the Company (disposal of treasury shares).

In the event that during the trust period a possibility arises of the number of shares in the Trust falling short of the number of shares corresponding to the Accumulated Points set for the Eligible Directors, etc., or the money in the Trust falling short of the amount required for the payment of trust fees and expenses, additional money may be contributed to the Trust and additional acquisition of the Company's shares may be made, within the extent of the maximum trust money and the maximum Number of Shares to Be Acquired of 2.e. above.

g. Method and Timing of the Delivery, etc., of the Company's Shares, etc.

Eligible Directors, etc., who meet the beneficiary requirements of 2.b. above, by completing the required beneficiary verification procedures, shall receive the delivery of the number of the Company's shares (shares of less than one unit will be rounded down) equivalent to 70% of the Accumulated Points at the time of retirement from the Trust, and for the remaining shares of the Company, shall be paid by the Trust the money equivalent to the value of the shares disposed of and converted into cash within the Trust.

If the Eligible Director, etc., passes away during the trust period, the Company's shares corresponding to the Accumulated Points at such time shall all be disposed of and converted into cash within the Trust and the money equivalent to the value of the shares disposed of and converted into cash shall be delivered to the heir of the deceased Eligible Director, promptly after his or her death. In addition, if the Eligible Director, etc., becomes a foreign resident, due to an overseas posting, the Company's shares corresponding to the Accumulated Points at such time shall all be disposed of and converted into cash within the Trust and the money equivalent to the value of the shares disposed of and converted into cash shall be delivered to such Eligible Director, etc.

h. Exercise of voting rights of the Company's shares within the Trust

To ensure the neutrality of management, voting rights of the Company's shares within the Trust shall not be exercised during the trust period.

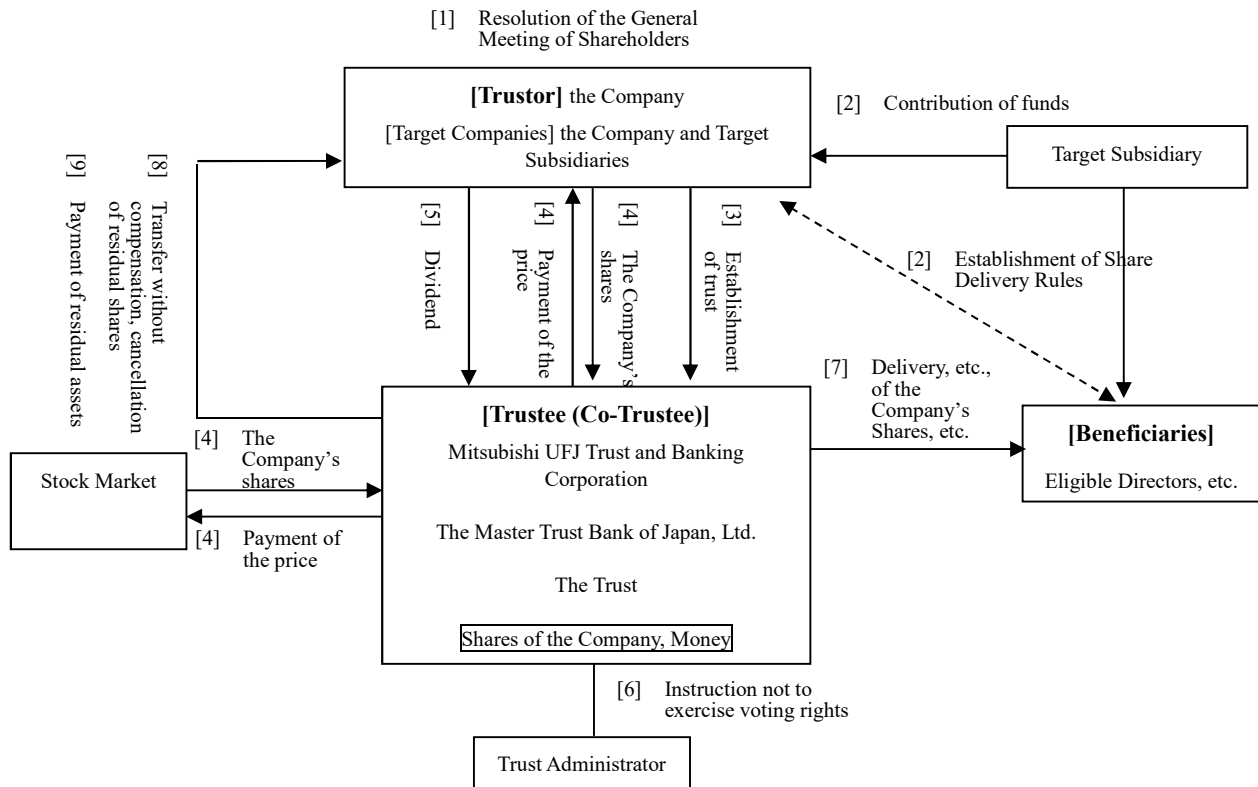
i. Treatment of dividends of the Company's shares within the Trust

Dividends on the Company's shares within the Trust shall be received by the Trust and applied to the trust fees and expenses of the Trust. Any money remaining after the dividends have been applied to trust fees and expenses shall be donated to an organization without any special interest in the Company or the Directors. If the Trust is to be continued, then such remaining funds shall be utilized as funds for stock acquisition.

j. Treatment at the termination of the Trust

If there are any residual shares at the termination of the Trust (or in the event of an extension of the trust period pursuant to 2.c.(3) above, then at the expiry of the as-extended trust period) due to non-achievement of the performance targets and other reasons, as part of shareholder return policies, the Trust shall transfer such residual shares to the Company without remuneration and the Company will cancel such shares by a resolution of the Board of Directors.

3. BIP Trust Scheme



- [1] The Company will obtain approval at the General Meeting of Shareholders to introduce the Plan to the Company. The adoption of the Plan by the Target Subsidiary has already been approved at the ordinary general meeting of shareholders of Aomori Bank, Ltd., for fiscal 2018, prior to the merger.
- [2] The Company will establish Share Delivery Rules regarding the details of the Plan. The Target Subsidiary has already established Share Delivery Rules regarding the details of the Plan.
- [3] The Company will entrust the money that will constitute the source of funds for the remuneration of the Company's Directors and the money to be contributed by the Target Subsidiary that will constitute the source of funds for the remuneration of the Directors and Executive Officers of the Target Subsidiary in the trust and set up the Trust for Eligible Directors, etc., who meet the beneficiary requirements, as beneficiaries. The amount of money that may be contributed by each Target Company will be within the extent of the amount approved by the General Meeting of Shareholders of [1].
- [4] The Trust, as per the instructions of the Trust Administrator, will acquire the Company's shares from the stock market using the money contributed in [3]. (If the trust period is extended pursuant to 2.c.(2) above,

the Trust plans to acquire the Company's shares from the stock market or the Company (disposal of treasury shares)). The number of shares to be acquired by the Trust will be within the extent approved by the General Meeting of Shareholders in [1].

- [5] Dividends on the Company's shares within the Trust will be paid in the same manner as dividends on other shares of the Company.
- [6] Voting rights of the Company's shares within the Trust will not be exercised throughout the trust period.
- [7] During the trust period, a given number of points will be granted to Eligible Directors, etc., each year, according to position and the achievement levels of performance targets set each business year, and other parameters. Eligible Directors, etc., who meet certain beneficiary requirements will receive the Delivery, etc., of the Company's Shares, etc., corresponding to the accumulated points (as set forth in 2.d. above. The same shall apply hereunder), at the time of retirement.
- [8] If there are any residual shares at the expiry of the trust period due to non-achievement of the performance targets and other reasons, the Trust will be continued and used as a new stock remuneration plan by modifying the trust agreement or making additional trusts, or the Trust will transfer such residual shares to the Company without remuneration and the Company will cancel such shares by a resolution of the Board of Directors.
- [9] At the termination of the Trust, any residual assets held by the Trust after distribution to the beneficiaries will be attributed to the Company, the rights holder, within the extent of the trust expense reserve after deducting the funds for share acquisition from the trust money.

Note: In the event that, as a result of the Delivery, etc., of the Company's Shares, etc., to Eligible Directors, etc., who meet the beneficiary requirement, no more shares of the Company remain within the Trust, the Trust will be terminated before the expiry of the trust period. It should be noted that the Company and the Target Subsidiary may entrust additional money to the Trust as share acquisition funds within the extent approved by the General Meeting of Shareholders.

(Reference)

[Details of the Trust Agreement]

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| a) | Type of trust: | Monetary trust other than a specified solely-administered monetary trust (third-party benefit trust) |
| b) | Purpose of the Trust: | To provide incentives to the Eligible Directors, etc. |
| c) | Trustor: | The Company |
| d) | Trustee: | Mitsubishi UFJ Trust and Banking Corporation (planned)
(Co-Trustee: The Master Trust Bank of Japan, Ltd. (planned)) |
| e) | Beneficiaries: | Retired Eligible Directors, etc., who meet the beneficiary requirements |
| f) | Trust Administrator: | A third-party who is a specialist and with no interests in the Company |
| g) | Trust Agreement Date: | August 1, 2018 (planned to change to August 2025) |
| h) | Trust Period: | From August 1, 2018 to August 31, 2025 (planned to extend to August 31, 2028, due to modification of the trust agreement in August 2025) |
| i) | Plan Start Date: | September 3, 2018 |
| j) | Exercise of voting rights: | Voting rights will not be exercised |

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|----|--------------------------------|---|
| k) | Type of Shares to Be Acquired: | Common shares of the Company |
| l) | Maximum Amount of Trust Money: | 6.15 million (planned) (including trust fees and trust expenses) |
| m) | Share Acquisition Period: | From August 14, 2025 to August 31, 2025 (planned)
(excluding the period from the fifth business day prior to the last day of the accounting period (including semiannual and quarterly accounting periods) to the last day of the accounting period) |
| n) | Method of Share Acquisition: | Acquisition from the stock market (If the trust period is extended pursuant to 2.c.(2) above, the Trust plans to acquire the Company's shares from the stock market or the Company (disposal of treasury shares)) |
| o) | Rights Holder: | The Company |
| p) | Residual Assets: | The residual assets that the Company, as the rights holder, may receive will be within the extent of the trust expense reserve after deducting the funds for share acquisition from the trust |