

Securities Code: 2429
March 1, 2022

To: Shareholders

Eikichi Iida
Chairman and President
WORLD HOLDINGS CO., LTD.
11-2 Otemachi, Kokurakita-ku, Kitakyushu-shi, Fukuoka

NOTICE OF CONVOCATION OF THE 29th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce that the 29th Ordinary General Meeting of Shareholders of WORLD HOLDINGS CO., LTD. (the “Company”), which will be held as described hereunder.

At this year’s General Meeting, the number of seats in the room will be reduced, since the spacing between seats will be increased as a precaution against the spread of the COVID-19 infection. You may exercise your voting rights by one of the two methods below. Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights no later than 5:45 p.m., Thursday, March 17, 2022 (Japan time).

Exercise of voting rights in writing

Please indicate your approval or disapproval for each agenda item on the enclosed voting rights exercise form and return the form to us by the above deadline.

Exercise of voting rights via the internet

Please access the Company’s designated voting rights exercise website (<https://evote.tr.mufg.jp/>), follow the on-screen guidance, and enter your approval or disapproval for each agenda matter by the above deadline.

1. Date and Time:	Friday, March 18, 2022 at 10:00 a.m. (Japan time)
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2. Venue:	Empire Room, 3rd floor, RIHGA Royal Hotel Kokura 2-14-2 Asano, Kokurakita-ku, Kitakyushu, Fukuoka
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3. Purposes:	Matters to be reported	1. Business Report and Consolidated Financial Statements and Reports of Audit on Consolidated Financial Statements by Accounting Auditor and Audit & Supervisory Board for the 29th Fiscal Year (from January 1, 2021 to December 31, 2021)
		2. Non-Consolidated Financial Statements for the 29th Fiscal Year (from January 1, 2021 to December 31, 2021)
	Matters to be resolved	
	Proposal 1:	Partial Amendment to the Articles of Incorporation
	Proposal 2:	Election of Fifteen (15) Directors
	Proposal 3:	Election of One (1) Standing Audit & Supervisory Board Member
	Proposal 4:	Election of One (1) Substitute Audit & Supervisory Board Member
	Proposal 5:	Issuance of Stock Acquisition Rights as Tax-qualified Stock Options
	Proposal 6:	Issuance of Stock Acquisition Rights as Non-tax-qualified Stock Options

If you are attending the meeting, please submit the enclosed voting rights exercise form to the reception desk upon arrival. If any revisions are made to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements, or the Consolidated Financial Statements, those revised versions will be posted on the Company’s website (<https://en.world-hd.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposal 1: Partial Amendment to the Articles of Incorporation

1. Reasons for the proposal

The amended provisions stipulated in the proviso of Article 1 in the supplementary provision of the Act Partially Amending the Companies Act (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, the Company proposes to make the following amendments: (i) To establish a provision to stipulate that the Company takes the electronic provision measure for information included in the Reference Document for General Meeting of Shareholders, etc. and a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it; (ii) To delete the provisions related to the Disclosure on Internet of Reference Documents for General Meeting of Shareholders and Deemed Provision of that Information; and (iii) To establish the supplementary provisions on the effective date, etc.

2. Contents of the Amendments

Details of the proposed amendments are as follows:

(Amended parts are underlined)

Current Articles of Incorporation	Proposed Amendment
<p><u>(Disclosure on Internet of Reference Documents, etc. for General Meeting of Shareholders as Deemed Provision)</u></p> <p>Article 14 <u>If the Company discloses information relating to matters stated or indicated in Reference Documents, Business Report, Non-Consolidated Financial Statements and Consolidated Financial Statements in connection with convening the General Meeting of Shareholders via the Internet pursuant to the Ordinance of the Ministry of Justice, it may be deemed that the Company has provided the same to shareholders.</u></p>	<p>(deleted)</p>
<p>(Newly established)</p> <p>(Newly established)</p>	<p><u>(Electronic Provision Measure, Etc.)</u></p> <p>Article 14 <u>The Company shall, when convening a General Meeting of Shareholders, take the electronic provision measure for information included in the reference documents for General Meeting of Shareholders, etc.</u></p> <p>2 <u>Among the matters subject to the electronic provision measure, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p> <p><u>SUPPLEMENTARY PROVISION</u></p> <p><u>(Transitional Measures Concerning Electronic Provision Measure, Etc.)</u></p> <p>1 <u>The deletion of Article 14 (Disclosure on Internet of Reference Documents, etc. for General Meeting of Shareholders as Deemed Provision) of the current Articles of Incorporation and the establishment of the proposed Article 14 (Electronic Provision Measure, Etc.) shall come into effect as from the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as “the Date of Enforcement”).</u></p> <p>2 <u>Notwithstanding the provisions of the preceding paragraph, Article 14 of the current Articles of</u></p>

	<p><u>Incorporation shall remain in force with respect to a General Meeting of Shareholders to be held on a date within six (6) months from the Date of Enforcement.</u></p> <p>3 <u>These supplementary provisions shall be deleted on the later of either the day on which six (6) months elapse from the Date of Enforcement or the day on which three (3) months elapse from the day of the General Meeting of Shareholders set forth in the preceding paragraph.</u></p>
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Proposal 2: Election of Fifteen (15) Directors

The terms of office of all twelve (12) Directors will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, the Company proposes to increase the number of Directors by three (3) to enhance the management structure and elect fifteen (15) Directors including seven (7) Outside Directors.

The candidates for Director are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
1	Eikichi Iida (May 5, 1956)	February 1981	496,500
		February 1997	
		December 1997	
		May 1999	
		December 2001	
		July 2003	
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		February 2017	
		February 2018	
August 2018			
March 2019			
July 2019			
January 2020			
March 2021			
June 2021			

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No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
		(Significant concurrent positions) Representative Director of GEOGRAPHIC INFORMATION OF KYUSHU, INC. Representative Director of WORLD RESIDENTIAL Co., Ltd. Representative Director of World Wisteria Homes Co., Ltd. Representative Director of World iCity Co., Ltd. Representative Director of Best IT Business Co., Ltd. Representative Director of OMACHI WORLD Co., Ltd. Representative Director of WORLD MIKUNI Co., Ltd. Representative Director of DOT WORLD Co., LTD. Representative Director of WORLD INTEC Co., Ltd. Representative Director of WORLD STAFFING CO., LTD. Director of MIKUNI Co., Ltd. Director of WORLD INTEC TAIWAN CO., LTD. Director of WORLD CAPITAL SOLUTION CO., LTD. Director of Nichimo Real Estate Co., Ltd.	
<p>Reasons for nomination as a candidate for Director Mr. Eikichi Iida has taken charge of management for more than 29 years since the establishment of the Company and served as Representative Directors of subsidiaries. He thus has considerable experience, achievements, and insight into company management. In addition, he is expected to demonstrate strong leadership skills developed through his steady efforts to tackle various management issues that contribute to enhancing the corporate value of World Holdings Group (the "Group"). The Company has therefore nominated him as a candidate for Director, believing that he is the right person for strengthening the management base of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held	
2	Toru Iwasaki (June 19, 1953)	April 1977	Joined Dai Nippon Printing Co., Ltd.	
		February 1979	Joined Sony Corporation	
		June 2005	General Manager of Video Business Division of Television & Video Business Division of Sony Corporation	
		April 2007	Executive Officer of Sony EMCS Corporation	
		October 2010	Managing Officer of Sony EMCS Corporation	
		December 2012	Joined the Company	
		January 2013	Vice President, Executive Officer of the Company	
		March 2013	Director, Vice President, Executive Officer of the Company	
		July 2014	Director, in charge of Human Resource Business of the Company	
		July 2014	Director, Vice President, Executive Officer of WORLD INTEC Co., Ltd.	
		March 2015	Representative Director, Vice President, Executive Officer of WORLD INTEC Co., Ltd.	
		March 2015	Director of DOT INTERNATIONAL Co., Ltd. (currently DOT WORLD Co., LTD.)	
		March 2015	Director, Vice President, in charge of Human Resource Business of the Company	
		July 2016	Representative Director of NIKKEN TECHNO Co., Ltd.	
		February 2018	Representative Director of SAIHI INFORMATION SERVICE CO., LTD. (currently WORLD SYSTEM SERVICE CO., LTD.) (to present)	
		March 2018	Director, in charge of Human Resource Business of the Company (to present)	
		August 2018	Representative Director of DOT WORLD Co., LTD.	
		March 2019	Director of DOT WORLD Co., LTD. (to present)	
		July 2019	Representative Director, President, Executive Officer of WORLD INTEC Co., Ltd. (to present)	
		March 2020	Director of NIKKEN TECHNO Co., Ltd.	
		March 2020	Director of Advan Co., Ltd. (to present)	
		March 2021	Representative Director and Chairman of NIKKEN TECHNO Co., Ltd. (to present)	
		May 2021	Representative Director and Chairman of CREATION VIEW CO., LTD. (to present)	
		June 2021	Director of WORLD STAFFING CO., LTD. (to present)	
			(Significant concurrent positions)	
			Representative Director of WORLD SYSTEM SERVICE CO., LTD.	
			Representative Director of WORLD INTEC Co., Ltd.	
	Representative Director of NIKKEN TECHNO Co., Ltd.			
	Representative Director of CREATION VIEW CO., LTD.			
	Director of DOT WORLD Co., LTD.			
	Director of Advan Co., Ltd.			
	Director of WORLD STAFFING CO., LTD.			
	Reasons for nomination as a candidate for Director			
	Mr. Toru Iwasaki, who had experience at companies outside the group, has been responsible for the Human Resources Business Division. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
3	Shigeru Nakano (November 9, 1957)	<p>April 1976 Joined Fuji Bank (currently Mizuho Bank, Ltd.)</p> <p>October 2002 General Manager of SENGENDAI Branch of Mizuho Bank, Ltd.</p> <p>March 2004 Joined the Company</p> <p>May 2004 Director of World Green Staff (currently WORLD CONSTRUCTION CO., LTD.)</p> <p>March 2007 Executive Officer of the Company</p> <p>February 2010 Audit & Supervisory Board Member of Advan Co., Ltd. (to present)</p> <p>March 2010 Director, Executive Officer of the Company</p> <p>April 2010 Audit & Supervisory Board Member of WORLD RESIDENTIAL Co., Ltd. (to present)</p> <p>June 2010 Audit & Supervisory Board Member of Nichimo Real Estate Co., Ltd.</p> <p>November 2011 Audit & Supervisory Board Member of Best IT Business Co., Ltd.</p> <p>March 2012 Audit & Supervisory Board Member of WORLD INTEC FUKUSHIMA CO., LTD. (currently WORLD NEXT CO., LTD.)</p> <p>November 2012 Audit & Supervisory Board Member of DOT INTERNATIONAL Co., Ltd. (currently DOT WORLD Co., LTD.) (to present)</p> <p>January 2013 Director, Managing Officer, General Manager of Business Management Division of the Company</p> <p>August 2013 Audit & Supervisory Board Member of INFORMATION OF KYUSHU, INC.</p> <p>July 2014 Director, General Manager of Business Management Division of the Company</p> <p>July 2014 Director, Managing Officer of WORLD INTEC CO., LTD.</p> <p>March 2015 Director, General Manager of Operations Management Division of the Company</p> <p>April 2015 Audit & Supervisory Board Member of Mikuni Industry Co., Ltd. (currently MIKUNI Co., Ltd.)</p> <p>March 2016 Audit & Supervisory Board Member of Best IT Business Co., Ltd. (to present)</p> <p>March 2016 Audit & Supervisory Board Member of e-support, Inc. (to present)</p> <p>March 2016 Audit & Supervisory Board Member of Network Solution Co., Ltd. (to present)</p> <p>January 2017 Director, General Manager of Business Management Division of the Company (to present)</p> <p>February 2018 Audit & Supervisory Board Member of SAIHI INFORMATION SERVICE CO., LTD. (currently WORLD SYSTEM SERVICE CO., LTD.) (to present)</p> <p>November 2018 Audit & Supervisory Board Member of WORLD INTEC TAIWAN CO., LTD. (to present)</p> <p>July 2019 Director, Executive Officer of WORLD INTEC CO., LTD. (to present)</p> <p>(Significant concurrent positions)</p> <p>Director of WORLD INTEC Co., Ltd.</p> <p>Audit & Supervisory Board Member of Advan Co., Ltd.</p> <p>Audit & Supervisory Board Member of WORLD RESIDENTIAL Co., Ltd.</p> <p>Audit & Supervisory Board Member of DOT WORLD Co., LTD.</p> <p>Audit & Supervisory Board Member of Best IT Business Co., Ltd.</p> <p>Audit & Supervisory Board Member of e-support, Inc.</p> <p>Audit & Supervisory Board Member of Network Solution Co., Ltd.</p> <p>Audit & Supervisory Board Member of WORLD SYSTEM SERVICE CO., LTD.</p> <p>Audit & Supervisory Board Member of WORLD INTEC TAIWAN CO., LTD.</p>	8,000
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Shigeru Nakano, who had experience in financial institutions, has been responsible for the Corporate Management Division of the Group. He thus has considerable experience, achievements, and insight into company management. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting management and strengthening corporate governance of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
4	Hitoshi Yukawa (July 18, 1953)	<p>April 1979 Joined Nichimo Co., Ltd.</p> <p>December 2001 Director, Executive Officer, General Manager of Housing Business Division of Nichimo Co., Ltd.</p> <p>December 2007 Senior Managing Director, Executive Officer, General Manager of Housing Business Division of Nichimo Co., Ltd.</p> <p>August 2009 Director of Nichimo Real Estate Co., Ltd.</p> <p>September 2010 Director of WORLD RESIDENTIAL Co., Ltd.</p> <p>March 2011 Senior Managing Director of WORLD RESIDENTIAL Co., Ltd.</p> <p>January 2013 Director of Wisteria Homes Co., Ltd. (currently World Wisteria Homes Co., Ltd.) (to present)</p> <p>April 2014 Representative Director of Nichimo Real Estate Co., Ltd.</p> <p>January 2016 Representative Director, Vice President of WORLD RESIDENTIAL Co., Ltd.</p> <p>January 2016 Director of World iCity Co., Ltd. (to present)</p> <p>January 2016 Director of WORLD MIKUNI Co., Ltd. (to present)</p> <p>December 2016 Director of COMPAX Co., Ltd. (to present)</p> <p>January 2018 President of WORLD RESIDENTIAL Co., Ltd. (to present)</p> <p>January 2018 Director of Nichimo Real Estate Co., Ltd. (to present)</p> <p>March 2020 Director, in charge of Real Estate Division of the Company (to present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director of WORLD RESIDENTIAL Co., Ltd.</p> <p>Representative Director of COMPAX Co., Ltd.</p> <p>Director of World Wisteria Homes Co., Ltd.</p> <p>Director of World iCity Co., Ltd.</p> <p>Director of WORLD MIKUNI Co., Ltd.</p> <p>Director of Nichimo Real Estate Co., Ltd.</p>	3,000
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Hitoshi Yukawa, who had experience at companies outside the group, has been responsible for the subsidiaries of the Real Estate Business division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
5	Shinji Honda (July 10, 1965)	<p>July 1996 Joined K.K. Tie-up</p> <p>March 2001 President and Representative Director of Intellect Co., Ltd.</p> <p>February 2002 Joined the Company</p> <p>September 2002 Director of the Company</p> <p>July 2004 Director of World Green Staff (currently WORLD CONSTRUCTION CO., LTD.)</p> <p>February 2005 Managing Director of the Company</p> <p>March 2010 Director, Senior Managing Director, Executive Officer of the Company</p> <p>March 2012 Representative Director of WORLD INTEC FUKUSHIMA CO., LTD. (currently WORLD NEXT CO., LTD.)</p> <p>July 2014 Director, in charge of Human Resource Business (to present)</p> <p>July 2014 Director, Senior Managing Director, Executive Officer of WORLD INTEC CO., LTD.</p> <p>March 2017 Director, Vice President, Executive Officer of WORLD INTEC CO., LTD.</p> <p>June 2017 Representative Director of WORLD STAFFING CO., LTD. (to present)</p> <p>April 2019 Representative Director of JW SOLUTION CO., LTD. (to present)</p> <p>July 2021 Director, Executive Officer of WORLD INTEC CO., LTD. (to present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director of WORLD STAFFING CO., LTD.</p> <p>Representative Director of JW SOLUTION CO., LTD.</p> <p>Director of WORLD INTEC Co., Ltd.</p>	43,000
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Shinji Honda, who had experience at companies outside the group, has been responsible for the Human Resources Business Division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
*6	Katsuhiro Kuriyama (November 3, 1967)	<p>December 1994 Joined ACTIS Co., Ltd.</p> <p>April 1998 General Manager of Production Headquarters of ACTIS Co., Ltd.</p> <p>March 2001 President of Crystal US Co., Ltd.</p> <p>December 2001 Director of Nihon Aim Co., Ltd. (currently UT Aim Co., Ltd.)</p> <p>June 2006 Managing Director of Miroku Engineering</p> <p>April 2007 Director of United Technology Holdings Co., Ltd. (currently UT Group Co., Ltd.)</p> <p>June 2014 Executive Officer of WORLD INTEC Co., Ltd.</p> <p>November 2014 Vice Chairman of ENGMAINTEC CO., LTD. (to present)</p> <p>December 2014 Chairman of WORLD INTEC TAIWAN CO., LTD. (to present)</p> <p>March 2017 Director of WORLD INTEC Co., Ltd.</p> <p>April 2020 Director of TOHOEWORLD CO., LTD (to present)</p> <p>July 2021 Representative Director of WORLD INTEC Co., Ltd. (to present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director of WORLD INTEC Co., Ltd. (to present)</p> <p>Vice Chairman of ENGMAINTEC CO., LTD. (to present)</p> <p>Chairman of WORLD INTEC TAIWAN CO., LTD. (to present)</p> <p>Director of TOHOEWORLD CO., LTD (to present)</p>	2,100
<p>Reasons for nomination as a candidate for Director Mr. Katsuhiro Kuriyama, who had experience at companies outside the group, has been responsible for the Human Resources Business Division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			
7	Masaaki Shiomi (October 27, 1965)	<p>April 1988 Joined Mitsui Bank (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2005 Manager of Kyushu Branch of RISA Partners, Inc.</p> <p>December 2008 Head of Principal Investment Office of Mitsubishi UFJ Lease & Finance Company Limited</p> <p>March 2009 Managing Director of MUL Principal Investments Co., Ltd.</p> <p>May 2014 Managing Director of LUMICA CORPORATION</p> <p>May 2015 Joined the Company</p> <p>General Manager of Business Development Division of the Company</p> <p>September 2015 Director of OMACHI Co., Ltd. (currently OMACHI WORLD Co., Ltd.) (to present)</p> <p>July 2016 Director of NIKKEN TECHNO Co., Ltd.</p> <p>February 2018 Director of SAIHI INFORMATION SERVICE CO.,LTD. (currently WORLD SYSTEM SERVICE CO., LTD.)</p> <p>January 2020 Director of WORLD CAPITAL SOLUTION CO., LTD. (to present)</p> <p>March 2020 Director, General Manager of Business Development Division of the Company (to present)</p> <p>(Significant concurrent positions)</p> <p>Director of OMACHI WORLD Co., Ltd.</p> <p>Director of WORLD CAPITAL SOLUTION CO., LTD. (to present)</p>	-
<p>Reasons for nomination as a candidate for Director Mr. Masaaki Shiomi, who had experience in financial institutions, has been responsible for the Corporate Development Division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
8	Toshihiko Kanno (September 23, 1968)	<p>June 1995 Joined K.K. Tie-up</p> <p>February 2002 Joined the Company</p> <p>September 2002 Director of the Company</p> <p>January 2004 Director of World Green Staff (currently WORLD CONSTRUCTION CO., LTD.)</p> <p>December 2007 Representative Director of e-support, Inc.</p> <p>December 2007 Representative Director of Network Solution Co., Ltd.</p> <p>March 2010 President and Executive Officer (COO) of the Company</p> <p>April 2010 Director of WORLD RESIDENTIAL Co., Ltd.</p> <p>October 2010 Representative Director of Advan Co., Ltd. (to present)</p> <p>March 2011 Vice President and Executive Officer of the Company</p> <p>November 2011 Representative Director of Best IT Business Co., Ltd.</p> <p>January 2013 General Manager of Business Planning Division of the Company</p> <p>July 2014 Director of the Company</p> <p>July 2014 Vice President and Executive Officer of WORLD INTEC Co., Ltd.</p> <p>December 2014 Director of Best IT Business Co., Ltd. (to present)</p> <p>December 2015 Director of e-support, Inc.</p> <p>December 2015 Director of Network Solution Co., Ltd.</p> <p>March 2016 Vice President and General Manager of Business Planning Division of the Company</p> <p>March 2016 Senior Managing Director and Executive Officer of WORLD INTEC Co., Ltd.</p> <p>October 2016 Representative Director of e-support, Inc. (to present)</p> <p>October 2016 Representative Director of Network Solution Co., Ltd.</p> <p>March 2018 Director and General Manager of Business Planning Division of the Company (to present)</p> <p>March 2018 Vice President and Executive Officer of WORLD INTEC Co., Ltd. (to present)</p> <p>March 2020 Director of SAIHI INFORMATION SERVICE CO., LTD. (currently WORLD SYSTEM SERVICE CO., LTD.) (to present)</p> <p>March 2021 Director of NIKKEN TECHNO Co., Ltd. (to present)</p> <p>January 2022 Director of Advan Co., Ltd. (to present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director of e-support, Inc.</p> <p>Director of Best IT Business Co., Ltd.</p> <p>Director of WORLD INTEC Co., Ltd.</p> <p>Director of WORLD SYSTEM SERVICE CO., LTD.</p> <p>Director of NIKKEN TECHNO Co., Ltd.</p> <p>Director of Advan Co., Ltd.</p>	48,000
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Toshihiko Kanno, who had experience at a company outside the group, has been responsible for the Corporate Planning Division or Information and Telecommunications Business Division of the Group. He thus has considerable experience, achievements, and understanding of business strategy. The Company has therefore nominated him as a candidate for Director, believing that he is the right person for conducting the growth strategy of the Group.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
*9	Yuji Shirakawa (January 12, 1957)	<p>April 1981 Joined The Bank of Fukuoka, Ltd.</p> <p>April 2011 Director, Managing Executive Officer of The Bank of Fukuoka, Ltd.</p> <p>June 2014 Director & Executive Officer of Fukuoka Financial Group, Inc.</p> <p>April 2017 Representative Director & Deputy President of The Bank of Fukuoka, Ltd.</p> <p>April 2017 Non-Executive Director of The Kumamoto Bank, Ltd.</p> <p>April 2019 Director, Deputy President & Executive Officer of Fukuoka Financial Group, Inc.</p> <p>April 2021 Retired from the office of Representative Director & Deputy President of The Bank of Fukuoka, Ltd.</p> <p>April 2021 Retired from the office of Director, Deputy President & Executive Officer of Fukuoka Financial Group, Inc.</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc. Mr. Yuji Shirakawa has been engaged in management of financial institutions for many years. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge and experience from an objective position. The Company has therefore nominated him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
*10	Souichi Kawamoto (September 19, 1957)	<p>April 1980 Joined Fukuoka SOGO Bank (currently, THE NISHI-NIPPON CITY BANK, LTD.)</p> <p>June 2008 Director, Deputy Head of Kita-Kyushu Regional Headquarters, General Manager of Kita-Kyushu Head Office, General Manager of Kokura Branch of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>May 2010 Director, Head of Kita-Kyushu General Headquarters of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2010 Managing Director Head of Kita-Kyushu General Headquarters of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2012 Executive Director, Head of Kita-Kyushu General Headquarters of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>May 2014 Executive Director, Head of Kitakyushu & Yamaguchi Region of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2014 Deputy President (Representative Director), Head of Kitakyushu & Yamaguchi Region of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>June 2014 Deputy President (Representative Director), Head of Kitakyushu & Yamaguchi Region, Regional Headquarters Management of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>October 2016 Director, Executive Officer of Nishi-Nippon Financial Holdings, Inc.</p> <p>June 2019 Deputy President (Representative Director) of Nishi-Nippon Financial Holdings, Inc.</p> <p>April 2020 Deputy President (Representative Director), In charge of Regional Headquarters, the IT Planning & Management Division, the Operations Planning & Management Division, the Internal Audit Division of THE NISHI-NIPPON CITY BANK, LTD.</p> <p>April 2021 Advisor of The Kyushu Card Co., Ltd.</p> <p>June 2021 Executive Officer of Nishi-Nippon Financial Holdings, Inc. (to present)</p> <p>June 2021 Representative Director and President of The Kyushu Card Co., Ltd. (to present)</p> <p>June 2021 Representative Director and Chairman of Japan Payment Service CO., LTD.</p> <p>(Significant concurrent positions)</p> <p>Representative Director of The Kyushu Card Co., Ltd.</p> <p>Representative Director of Japan Payment Service CO., LTD.</p> <p>Executive Officer of Nishi-Nippon Financial Holdings, Inc.</p>	
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</p> <p>Mr. Souichi Kawamoto has been engaged in management of financial institutions for many years. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge and experience from an objective position. The Company has therefore nominated him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
11	Hirokazu Hasegawa (October 10, 1940)	<p>April 1963 Joined Hasegawa Buddhist Article Shop</p> <p>December 1966 Established K.K. Hasegawa Buddhist Altar (currently HASEGAWA Co., Ltd.). Senior Managing Director of said company</p> <p>April 1982 Representative Director and President of HASEGAWA Co., Ltd.</p> <p>April 2008 Representative Director and Chairman of HASEGAWA Co., Ltd.</p> <p>June 2008 President of Japan New Business Conference Associations</p> <p>June 2014 Advisor of HASEGAWA Co., Ltd. (to present)</p> <p>March 2021 Director of the Company (to present)</p> <p>(Significant concurrent positions) Advisor of HASEGAWA Co., Ltd.</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc. Mr. Hirokazu Hasegawa has been engaged in corporate management of HASEGAWA Co, Ltd. while successively worked as President of Japan New Business Conference Associations. He is thus expected to provide appropriate suggestions and advice, etc. on our management based on his wide knowledge and experience. The Company has therefore nominated him as a candidate for Outside Director, given that he is in an objective position, independent of the executive management of the Company.</p>			
12	Masayoshi Nuki (January 27, 1945)	<p>April 1968 Joined Kyushu Electric Power Company Inc.</p> <p>June 2000 Manager of Public Relations Department of Kyushu Electric Power Company Inc.</p> <p>July 2001 Director and Manager of Public Relations Department of Kyushu Electric Power Company Inc.</p> <p>June 2003 Director and Manager of Kagoshima Branch of Kyushu Electric Power Company Inc.</p> <p>July 2003 Executive Officer and Manager of Kagoshima Branch of Kyushu Electric Power Company Inc.</p> <p>June 2007 Member of the Board of Directors, Senior Managing Executive Officer, General Manager of Business Development Division, General Manager of Information and Communication Division of Kyushu Electric Power Company Inc.</p> <p>June 2009 Member of the Board of Directors, Vice-President, General Manager of Customer Relations Division of Kyushu Electric Power Company Inc.</p> <p>June 2010 Member of the Board of Directors, Vice-President of Kyushu Electric Power Company Inc.</p> <p>April 2012 Member of the Board of Directors, Chairperson of Kyushu Electric Power Company Inc.</p> <p>June 2013 Director of Kyushu Railway Company</p> <p>June 2018 Advisor of Kyushu Electric Power Company Inc. (to present)</p> <p>March 2020 Director of the Company (to present)</p> <p>(Significant concurrent positions) Director of Kyushu Railway Company Advisor of Kyushu Electric Power Company Inc. Chairman of Fukuoka Association of Corporate Executives</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc. Mr. Masayoshi Nuki has been engaged in corporate management of Kyushu Electric Power Company Inc. or Kyushu Railway Company for many years as well as been active in the business world in Kyushu. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge and experience. The Company has therefore nominated him as a candidate for Outside Director, given that he is in an objective position, independent of the executive management of the Company. If he is elected, the Company plans for him to participate in the selection of candidates for Directors and the determination of remuneration amount for Directors, etc. in an objective and neutral position as a voluntary member of the Nomination and Remuneration Committee.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
13	Shingo Igarashi (Name on the family register: Shingo Taji) (July 16, 1959)	<p>April 1983 Joined the Sanwa Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>March 1993 Manager of General Affairs Department of Sanwa Venture Development Fund (currently Mitsubishi UFJ Technology Development Foundation)</p> <p>March 2005 Deputy Director General of the Kyushu University Venture Business Laboratory Associate Professor at Department of Business and Technology Management (Business School), Graduate School of Economics, Kyushu University</p> <p>August 2005 Senior Executive Officer of Transscience Co., Ltd.</p> <p>October 2010 Deputy Director General of Robert T. Huang Entrepreneurship Center, Kyushu University (to present)</p> <p>March 2019 Director of the Company (to present)</p> <p>April 2020 Professor at Department of Business and Technology Management (Business School), Graduate School of Economics, Kyushu University (to present)</p> <p>(Significant concurrent positions) Professor at Department of Business and Technology Management, Graduate School of Economics, Kyushu University Deputy Director General of Robert T. Huang Entrepreneurship Center, Kyushu University</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc. Mr. Shingo Igarashi has considerable experience in financial institutions, at Transscience Co, Ltd. as a Senior Executive Officer, at a university, where he has fostered talented individuals through research activities, or in governmental institutions as a committee member. He is thus expected to make appropriate suggestions or give advice on our management based on his wide knowledge and experience. The Company has therefore nominated him as a candidate for Outside Director, given that he is in an objective position, independent of the executive management of the Company. If he is elected, the Company plans for him to participate in the selection of candidates for Directors and the determination of remuneration amount for Directors, etc. in an objective and neutral position as a voluntary member of the Nomination and Remuneration Committee.</p>			
14	Shigeyuki Takemura (May 30, 1950)	<p>April 1975 Joined ALL NIPPON AIRWAYS CO., LTD. (currently ANA HOLDINGS INC.)</p> <p>April 2005 Corporate Executive Officer of ALL NIPPON AIRWAYS CO., LTD. (currently ANA HOLDINGS INC.)</p> <p>April 2007 Senior Vice President of ALL NIPPON AIRWAYS CO., LTD. (currently ANA HOLDINGS INC.)</p> <p>June 2008 Executive Vice President of ALL NIPPON AIRWAYS CO., LTD. (currently ANA HOLDINGS INC.)</p> <p>April 2010 Executive Vice President of ALL NIPPON AIRWAYS CO., LTD. (currently ANA HOLDINGS INC.)</p> <p>April 2011 Executive Vice President of ALL NIPPON AIRWAYS CO., LTD. (currently ANA HOLDINGS INC.)</p> <p>April 2014 Senior Executive Vice President of ANA HOLDINGS INC.</p> <p>April 2017 Specially Appointed Advisor of ANA HOLDINGS INC. (to present)</p> <p>June 2020 Director of Trust Capital Co., Ltd. (to present)</p> <p>March 2021 Director of the Company (to present)</p> <p>(Significant concurrent positions) Director of Trust Capital Co., Ltd.</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc. Mr. Shigeyuki Takemura has been engaged in corporate management of ANA HOLDINGS INC. for many years. He is thus expected to provide appropriate suggestions and advice, etc. on our management based on his wide knowledge and experience. The Company has therefore nominated him as a candidate for Outside Director, given that he is in an objective position, independent of the executive management of the Company.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company (Significant concurrent positions)	Number of shares of the Company held
*15	Kazumi Ono (August 11, 1963)	<p>April 1986 Joined Nikkei Inc.</p> <p>August 1991 Joined Leo Burnett-Kyodo Company Ltd. (currently Beacon Communications K.K.)</p> <p>April 1999 Joined Dentsu Kyushu Inc.</p> <p>July 2003 General Manager of Marketing Department of Dentsu Kyushu Inc.</p> <p>July 2015 Deputy Managing Director of Communication Design Division of Dentsu Kyushu Inc.</p> <p>July 2018 Managing Director of Communication Design Division and Manager of Open Innovation Office of Dentsu Kyushu Inc.</p> <p>January 2020 Managing Director of Integrated Marketing Division and Manager of New Business Development Office of Dentsu Kyushu Inc.</p> <p>January 2021 Associate Managing Director of Integrated Solution Division and New Business Development Office of Dentsu Kyushu Inc.</p> <p>January 2022 Director of Koga Management Institute Co., Ltd (to present)</p>	-
<p>Reasons for nomination as a candidate for Outside Director and expected roles, etc.</p> <p>Ms. Kazumi Ono has been engaged in strategic planning for branding and marketing in major corporations for many years through her entire career, while working as a committee member of administrative organs and extra-governmental organizations. She is thus expected to make appropriate suggestions or give advice on our management based on her wide knowledge and experience. The Company has therefore nominated her as a candidate for Outside Director, given that she is in an objective position, independent of the executive management of the Company.</p>			

- Notes:
1. The No. with an asterisk (*) means a newly selected candidate for Director.
 2. None of the candidates for Directors has any special conflicts of interest with the Company.
 3. Mr. Yuji Shirakawa, Mr. Souichi Kawamoto, Mr. Masayoshi Nuki, Mr. Shingo Igarashi, Mr. Hirokazu Hasegawa, Mr. Shigeyuki Takemura, and Ms. Kazumi Ono are the candidates for Outside Directors.
 4. Mr. Masayoshi Nuki, Mr. Shingo Igarashi, Mr. Hirokazu Hasegawa, and Mr. Shigeyuki Takemura, our current Outside Directors, will have served as Outside Directors for two years, three years, one year, and one year respectively at the conclusion of this General Meeting of Shareholders.
 5. Mr. Yuji Shirakawa served as an executive officer, during the past 10 years, of The Bank of Fukuoka, Ltd., which is a specified related business operator (a major business partner) of the Company. His positions and responsibilities at the said bank are as described in the above column "Past experience, positions and responsibilities at the Company (Significant concurrent positions)." In fact, he resigned from the said bank in April 2021.
Mr. Souichi Kawamoto served as an executive officer, during the past 10 years, of THE NISHI-NIPPON CITY BANK, LTD., which is a specified related business operator (a major business partner) of the Company. His positions and responsibilities at the said bank are as described in the above column "Past experience, positions and responsibilities at the Company (Significant concurrent positions)." In fact, he resigned from the said bank in June 2021.
 6. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into a liability limitation agreement with Mr. Masayoshi Nuki, Mr. Shingo Igarashi, Mr. Hirokazu Hasegawa, and Mr. Shigeyuki Takemura to limit their liabilities for damages set forth in Article 423, paragraph 1 of the same Act. The cap on the liability for damages under the said agreement is the minimum liability amount set forth in Article 425, Paragraph 1 of the same Act. If they are reelected, the Company will renew the contract with each of them. The Company will also enter into the same liability limitation agreement with Mr. Yuji Shirakawa, Mr. Souichi Kawamoto and Ms. Kazumi Ono, if they are elected.
 7. The Company has appointed Mr. Masayoshi Nuki, Mr. Shingo Igarashi, Mr. Hirokazu Hasegawa, and Mr. Shigeyuki Takemura as Independent Directors according to the rules of the Tokyo Stock Exchange. They will continue to be Independent Directors when reelected. Moreover, the Company will register Ms. Kazumi Ono as an Independent Director with the Tokyo Stock Exchange when elected, as she meets the qualifications for such Director with no risk of having conflicts of interests with general shareholders, whose appointment is required by the said Exchange.

Proposal 3: Election of One (1) Standing Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Tetsuo Kato will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of one (1) Auditor.

This proposal has been approved by the Board of Auditors.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience, positions at the Company (Significant concurrent positions)	Number of shares of the Company held
Tetsuo Kato (October 1, 1962)	December 1991	-
	April 1997	
	April 1997	
	April 1998	
	July 2000	
	March 2006	
	February 2014	
	(Significant concurrent positions) Standing Audit & Supervisory Board Member of WORLD INTEC Co., Ltd.	
Reasons for nomination as a candidate for Substitute Audit and Supervisory Board member The reasons for nominating Mr. Tetsuo Kato as a candidate for Outside Audit & Supervisory Board Member is that he has wealth of insights into corporate monitoring based on his long years of experience as an attorney and certified public accountant, and he thus is expected to leverage such insights in carry out auditing and supervision of the Company as an Outside Audit & Supervisory Board Member. Although Mr. Tetsuo Kato has no experience in corporate management other than serving as an outside director, from the above reasons the Company believes that he will be able to appropriately execute his duties as an Outside Audit & Supervisory Board Member of the Company.		

- Notes:
1. The candidate for Audit & Supervisory Board Member has no special conflicts of interest with the Company.
 2. Mr. Tetsuo Kato is a candidate for Outside Audit & Supervisory Board Member.
 3. Mr. Tetsuo Kato is currently an Outside Audit & Supervisory Board Member, and at the conclusion of this General Meeting of Shareholders, his tenure as an Audit & Supervisory Board Member will have been sixteen (16) years.
 4. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into a liability limitation agreement with Mr. Tetsuo Kato to limit his liabilities for damages set forth in Article 423, paragraph 1 of the same Act. The cap on the liability for damages under the said agreement is the minimum liability amount set forth in Article 425, Paragraph 1 of the same Act. If this proposal is approved, the Company will renew the contract with Mr. Tetsuo Kato.

Proposal 4: Election of One (1) Substitute Audit & Supervisory Board Member

To prepare for cases where the number of Audit & Supervisory Board Members falls short of the requisite number stipulated by laws and regulations, in accordance with Article 329, Paragraph 3 of the Companies Act, the Company proposes the preliminary election of one (1) substitute Audit & Supervisory Board Member.

The Company has obtained the consent of the Audit & Supervisory Board with respect to this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience (Significant concurrent positions)	Number of shares of the Company held
Haruo Tanaka (May 7, 1958)	April 1982 Joined Reiyukai Headquarters	200
	February 1996 Joined the Company	
	January 2002 Manager of General Affairs and Accounting Department of the Company	
	January 2005 Manager of General Affairs Department of the Company	
	January 2009 Head of Internal Auditing Office of the Company	
	January 2010 Manager of Legal Department of the Company (to present)	
	July 2014 Manager of Legal Department of WORLD INTEC Co., Ltd.	
	January 2017 Executive Officer and Manager of Legal Department of WORLD INTEC Co., Ltd. (to present)	
	(Significant concurrent positions) Executive Officer and Manager of Legal Department of WORLD INTEC Co., Ltd.	
<p>Reasons for nomination as a candidate for Substitute Audit and Supervisory Board member Mr. Haruo Tanaka has been responsible for the Legal division of the Group. He thus has knowledge and experience with business operation. The Company has therefore nominated him as a candidate for substitute Audit & Supervisory Board member, believing that he is the right person for appropriately auditing business execution from an objective and fair standpoint.</p>		

Note: The candidate for substitute Audit & Supervisory Board member has no special conflicts of interest with the Company.

Proposal 5: Issuance of Stock Acquisition Rights as Tax-qualified Stock Options

Pursuant to the provisions of Articles 236, 238 and 239 of the Companies Act, the Company proposes approval to give the Board of Directors of the Company the authority to determine the terms of share acquisition rights, issued as tax-qualified stock options, to be distributed to directors (excluding outside directors) of the Company and its subsidiaries and employees of the Company and its subsidiaries.

1. Reason for the need to grant stock options with favorable terms

The stock options are to be granted for the purposes of motivating directors (excluding outside directors) of the Company and its subsidiaries and employees of the Company and its subsidiaries to increase consolidated sales and earnings of the Group as a whole, improving the ability to recruit skilled people, and contributing to the growth of corporate value.

2. Recipients of the stock options

Directors (excluding outside directors) of the Company and its subsidiaries and employees of the Company and its subsidiaries

3. Stock option terms, maximum number of shares and other items that can be decided based on the proposal to be submitted at the shareholders meeting

(1) Class and number of shares to be issued upon exercise of the stock options

Maximum of 300,000 shares of common stock of the Company, of which the class and the maximum number of shares to be issued upon exercise of the stock options allotted to directors (excluding outside directors) shall be 100,000 shares of common stock of the Company

The number of shares granted will be adjusted using the following formula if, after the allotment date of the stock options, the Company conducts a common stock split (including gratis allocations of common stock of the Company, the same applied hereafter) or a stock consolidation. However, this adjustment will be performed only for shares applicable to the stock options that have not been exercised at the time of the split or consolidation. Furthermore, any fraction of less than one share resulting from the adjustment is discarded.

$$\begin{array}{r} \text{Number of shares granted} \\ \text{after adjustment} \end{array} = \begin{array}{r} \text{Number of shares granted} \\ \text{before adjustment} \end{array} \times \begin{array}{r} \text{Ratio of stock split or} \\ \text{stock consolidation} \end{array}$$

(2) Number of stock options

Maximum of 3,000 units (100 shares are received upon the exercise of each stock option, but if the number of shares is adjusted as described in the preceding item (1), the number of shares granted will be adjusted in the same manner), of which the maximum number of stock options to be allotted to directors (excluding outside directors) shall be 1,000 units

(3) Payment required in exchange for the stock option

No payment is required to receive the stock options.

(4) Value of assets to be contributed upon the exercise of the stock options

The value of assets to be contributed when a stock option is exercised is the number of shares granted multiplied by the amount paid per share (the "exercise price"). The exercise price is calculated by multiplying by 1.05 the average closing price of common stock of the Company on the Tokyo Stock Exchange in each day (except days when there was no trading of this stock) of the month preceding the month in which the stock options were allocated. Any fraction of less than one yen is rounded up. However, if the resulting exercise price is less than the closing price on the allotment date of the stock options (or the nearest prior closing price if there is no trading of common stock of the Company on the allotment date), this closing price will instead be the exercise price.

If the Company conducts a stock split or a stock consolidation after the allotment date of the stock options, the exercise price will be adjusted using the following formula and fractions less than one yen resulting from the adjustment will be rounded up.

$$\begin{array}{r} \text{Exercise price} \\ \text{after adjustment} \end{array} = \begin{array}{r} \text{Exercise price} \\ \text{before adjustment} \end{array} \times \frac{1}{\begin{array}{r} \text{Ratio of stock split or stock} \\ \text{consolidation} \end{array}}$$

If the Company issues new shares of common stock or disposes of its treasury shares at prices less than the market price after the allotment date of the stock options (excluding the issuance of new shares and disposition

of treasury shares in association with the exercise of the stock options), the exercise price will be adjusted using the following formula and fractions of less than one yen resulting from the adjustment will be rounded up.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of issued shares} + \frac{\text{Number of newly issued shares} \times \text{Amount to be paid per share}}{\text{Market price}}}{\text{Number of issued shares} + \text{Number of newly issued shares}}$$

In this formula, the number of issued shares is the number of shares of common stock issued after deducting common stock held as treasury shares. Also, if treasury shares are used for the stock distributed when a stock option is exercised, the number of newly issued shares is instead the number of treasury shares used and the amount to be paid per share is instead the amount paid per treasury share.

Furthermore, if the Company merges with another company or conducts a divestiture after the stock option allotment date and an adjustment of the exercise price is needed, the Company will adjust the price within reasonable limits.

(5) Exercise period

The exercise period begins on the first day of the month following the month of the stock option allotment date that is two years after this date and ends on March 18, 2032.

(6) Conditions for exercising the stock options

When a stock option is exercised, the holder of the stock option must be a director or employee of the Company or any of its subsidiaries. However, former directors of the Company or a subsidiary who left because they reached the end of their term of office and former employees of the Company or a subsidiary who left because they reached the mandatory retirement age are exempt from this requirement.

(7) Reasons and conditions for the Company to acquire the stock options

- 1) When a stock option holder is no longer qualified to exercise a stock option due to the provisions of the preceding item (6), the Company can acquire that individual's stock options without compensation.
- 2) If the shareholders of the Company approve a proposal for a merger in which the Company is dissolved, a contract for an exchange of stock that makes the Company a wholly owned subsidiary or a proposal for a stock transfer plan, the Company can acquire the stock options without compensation.

(8) Restrictions on the transfer of stock options

Transfers of ownership of stock options require the prior approval of the Company's Board of Directors.

(9) Matters pertaining to capital stock and legal capital surplus that would increase upon stock issuance by the exercise of the stock options

- 1) The increase in capital stock when new shares are issued upon the exercise of stock options is 50% of the maximum limit of a capital increase as calculated in accordance with Article 17, Paragraph 1 of the Corporate Accounting Rules. Any fraction of less than one yen arising from the calculation will be rounded up.
- 2) The increase in legal capital surplus when new shares are issued upon exercise of the stock options is the maximum increase in capital in 1) above less the increase in capital stock as stipulated in 1) above.

(10) Other terms for the stock options will be determined separately by resolutions of the Company's Board of Directors.

Proposal 6: Issuance of Stock Acquisition Rights as Non-tax-qualified Stock Options

Pursuant to the provisions of Articles 236, 238 and 239 of the Companies Act, the Company proposes approval to give the Board of Directors of the Company the authority to determine the terms of share acquisition rights, issued as non-tax-qualified stock options apart from those in Proposal 3 above, to be distributed to directors (excluding outside directors) of the Company.

1. Reason for the need to grant stock options with favorable terms

The stock options apart from those in Proposal 3 above are to be granted for the purposes of motivating directors (excluding outside directors) of the Company to increase consolidated sales and earnings of the Group as a whole and contributing to the growth of corporate value.

2. Recipients of the stock options

Directors (excluding outside directors) of the Company

3. Stock option terms, maximum number of shares and other items that can be decided based on the proposal to be submitted at the shareholders meeting

(1) Class and number of shares to be issued upon exercise of the stock options

Maximum of 300,000 shares of common stock of the Company

The number of shares granted will be adjusted using the following formula if, after the allotment date of the stock options, the Company conducts a common stock split (including gratis allocations of common stock of the Company, the same applied hereafter) or a stock consolidation. However, this adjustment will be performed only for shares applicable to the stock options that have not been exercised at the time of the split or consolidation. Furthermore, any fraction of less than one share resulting from the adjustment is discarded.

$$\begin{array}{r} \text{Number of shares granted} \\ \text{after adjustment} \end{array} = \begin{array}{r} \text{Number of shares granted} \\ \text{before adjustment} \end{array} \times \begin{array}{r} \text{Ratio of stock split or} \\ \text{stock consolidation} \end{array}$$

(2) Number of stock options

Maximum of 3,000 units (100 shares are received upon the exercise of each stock option, but if the number of shares is adjusted as described in the preceding item (1), the number of shares granted will be adjusted in the same manner)

(3) Payment required in exchange for the stock option

No payment is required to receive the stock options.

(4) Value of assets to be contributed upon the exercise of the stock options

The value of assets to be contributed when a stock option is exercised is the number of shares granted multiplied by the amount paid per share (the "exercise price"). The exercise price is calculated by multiplying by 1.05 the average closing price of common stock of the Company on the Tokyo Stock Exchange in each day (except days when there was no trading of this stock) of the month preceding the month in which the stock options were allocated. Any fraction of less than one yen is rounded up. However, if the resulting exercise price is less than the closing price on the allotment date of the stock options (or the nearest prior closing price if there is no trading of common stock of the Company on the allotment date), this closing price will instead be the exercise price.

If the Company conducts a stock split or a stock consolidation after the allotment date of the stock options, the exercise price will be adjusted using the following formula and fractions less than one yen resulting from the adjustment will be rounded up.

$$\begin{array}{r} \text{Exercise price} \\ \text{after adjustment} \end{array} = \begin{array}{r} \text{Exercise price} \\ \text{before adjustment} \end{array} \times \frac{1}{\text{Ratio of stock split or stock consolidation}}$$

If the Company issues new shares of common stock or disposes of its treasury shares at prices less than the market price after the allotment date of the stock options (excluding the issuance of new shares and disposition of treasury shares in association with the exercise of the stock options), the exercise price will be adjusted using the following formula and fractions of less than one yen resulting from the adjustment will be rounded up.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of issued shares} + \frac{\text{Number of newly issued shares} \times \text{Amount to be paid per share}}{\text{Market price}}}{\text{Number of issued shares} + \text{Number of newly issued shares}}$$

In this formula, the number of issued shares is the number of shares of common stock issued after deducting common stock held as treasury shares. Also, if treasury shares are used for the stock distributed when a stock option is exercised, the number of newly issued shares is instead the number of treasury shares used and the amount to be paid per share is instead the amount paid per treasury share.

Furthermore, if the Company merges with another company or conducts a divestiture after the stock option allotment date and an adjustment of the exercise price is needed, the Company will adjust the price within reasonable limits.

- (5) Exercise period
10 years from the allotment date
- (6) Conditions for exercising the stock options
When a stock option is exercised, the holder of the stock option must be a director of the Company. However, former directors of the Company who left because they reached the end of their term of office are exempt from this requirement.
- (7) Reasons and conditions for the Company to acquire the stock options
 - 1) When a stock option holder is no longer qualified to exercise a stock option due to the provisions of the preceding item (6), the Company can acquire that individual's stock options without compensation.
 - 2) If the shareholders of the Company approve a proposal for a merger in which the Company is dissolved, a contract for an exchange of stock that makes the Company a wholly owned subsidiary or a proposal for a stock transfer plan, the Company can acquire the stock options without compensation.
- (8) Restrictions on the transfer of stock options
Transfers of ownership of stock options require the prior approval of the Company's Board of Directors.
- (9) Matters pertaining to capital stock and legal capital surplus that would increase upon stock issuance by the exercise of the stock options
 - 1) The increase in capital stock when new shares are issued upon the exercise of stock options is 50% of the maximum limit of a capital increase as calculated in accordance with Article 17, Paragraph 1 of the Corporate Accounting Rules. Any fraction of less than one yen arising from the calculation will be rounded up.
 - 2) The increase in legal capital surplus when new shares are issued upon exercise of the stock options is the maximum increase in capital in 1) above less the increase in capital stock as stipulated in 1) above.
- (10) Other terms for the stock options will be determined separately by resolutions of the Company's Board of Directors.

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