

Notice of Convocation for the 23rd Ordinary General Meeting of Shareholders

Date and time

June 26, 2025 (Thursday)
1:00 p.m. (Entry start: noon)

Venue

9-7-1 Akasaka, Minato-ku, Tokyo
Tokyo Midtown Tower
Conference Room 1 on the 4th floor

Matters to be resolved

- Proposal 1 Appropriation of Retained Earnings
- Proposal 2 Partial Amendment to the Articles of Incorporation
- Proposal 3 Election of Five Directors (Excluding Directors Who Belong to the Audit and Supervisory Committee)
- Proposal 4 Election of Three Directors Who Belong to the Audit and Supervisory Committee
- Proposal 5 Determination of the Amount of Remuneration for Directors (Excluding Directors Who Belong to the Audit and Supervisory Committee)
- Proposal 6 Determination of the Amount of Remuneration for Directors Who Belong to the Audit and Supervisory Committee

CHANGE Holdings, Inc.
Security Code 3962

Security Code 3962

June 9, 2025

(Date of commencement of electronic provision measures) June 5, 2025

To the Shareholders

17-1, Toranomom 3-chome, Minato-ku, Tokyo

CHANGE Holdings, Inc.

Representative director and President Hiroshi Fukudome

Notice of Convocation for the 23rd Ordinary General Meeting of Shareholders

We hereby notify you that we will hold the 19th ordinary general meeting of shareholders (hereinafter, the "Meeting") in accordance with the following:

We hereby notify you that we will hold the 23rd Ordinary General Meeting of Shareholders in accordance with the following:

When convening the General Meeting of Shareholders, the Company has taken electronic provision measures for the information contained in the referential materials for the general meeting of shareholders, etc. (matters regarding electronic provision measures), and has posted the information on the relevant websites on the Internet. Please access any of the following websites to confirm the information.

The Company's website

<https://www.changeholdings.co.jp/ir/>

(Please access the above website and select "IR Library" and "General Meeting of Shareholders" from the menu to check the information.)

Website for posting materials for the General Meeting of Shareholders

<https://d.sokai.jp/3962/teiji/>

Tokyo Stock Exchange Website (Listed Company Search)

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

(Please access the TSE website above, enter to search "CHANGE Holdings" in "Issue name (company name)" or the Company's Securities Code "3962" as "Code," select "Basic Information" and then "Documents for public inspection/PR information" in order, and check the "Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting" section in the "Documents for public inspection.")

If you are unable to attend the meeting, you can exercise your voting rights via the Internet, etc. or in writing (by postal mail). Please refer to the referential materials for the general meeting of shareholders and exercise your voting rights by 6:00 p.m. on Wednesday, June 25, 2025, following the Guidance on the Exercise of Voting Rights on Page 6.

On the day, you will be able to watch the Meeting through Zoom Webinar at home. In addition, in order to answer your questions, the Company will keep on holding dialogs with you through Zoom Webinar even after the Meeting.

Sincerely

Details

- | | |
|------------------------|---|
| 1. Date and time | June 26, 2025 (Thursday) 1:00 p.m. (The reception opens at noon.) |
| 2. Venue | 9-7-1 Akasaka, Minato-ku, Tokyo
Tokyo Midtown Tower, Conference Room 1 on the 4th floor
(Please refer to the location guide at the end.) |
| 3. Purpose | |
| Matters to be reported | <ol style="list-style-type: none"> 1. Business report, consolidated financial statements, and report on the results of audit by the accounting auditors and the Board of Auditors for the 23rd accounting period (from April 1, 2024 to March 31, 2025) 2. Report on the nonconsolidated financial statements regarding the 23rd accounting period (from April 1, 2024 to March 31, 2025) |
| Matters to be resolved | Proposal 1 Appropriation of Retained Earnings
Proposal 2 Partial Amendment to the Articles of Incorporation
Proposal 3 Election of Five Directors (Excluding Directors Who Belong to the Audit and Supervisory Committee)
Proposal 4 Election of Three Directors Who Belong to the Audit and Supervisory Committee
Proposal 5 Determination of the Amount of Remuneration for Directors (Excluding Directors Who Belong to the Audit and Supervisory Committee)
Proposal 6 Determination of the Amount of Remuneration for Directors Who Belong to the Audit and Supervisory Committee |

End

◎Among the electronic provision measures, the following matters are not included in the document to be delivered to shareholders who have requested delivery of written documents in accordance with laws and regulations and Article 14 of the Articles of Incorporation of the Company.

(i) "Principal place of business," "Status of employees," "Status of major lenders," "Status of stock acquisition rights, etc.," "Status of accounting auditors," "Overview of the system to ensure the appropriateness of business operations and the status of its operation" in the business report

(ii) "Consolidated statement of changes in equity" and "Notes to the consolidated financial statements" in the consolidated financial statements

(iii) "Statement of changes in shareholders' equity" and "Notes thereto" in the nonconsolidated financial statements

Consequently, the business report, consolidated financial statements, and nonconsolidated financial statements to be delivered to shareholders who have requested delivery of written documents are part of those documents that were audited by the accounting auditor or auditor when they prepared the accounting audit report or the audit report.

◎If there is any revision to the matters regarding electronic provision measures, that fact and the matters before and after the revision will be posted on the Company's website, the Tokyo Stock Exchange website, and the website that publishes the materials for the general meeting of shareholders on the Internet.

◎For those attending, please present the Voting Right Exercise Form attached to this notice at the reception desk upon arrival at the Meeting.

◎If you exercise your voting right both in the Voting Right Exercise Form and via the Internet, etc., we will consider only the vote cast via the Internet, etc. as valid.

- ◎If you exercise your voting right more than once via the Internet, etc., we will consider only the last vote as the valid exercise of voting right.
- ◎If there is no indication of approval or disapproval for the proposal on the Voting Right Exercise Form, it will be treated as an indication of approval.
- ◎It should be noted that proceedings of the General Meeting will be recorded to open questions and answers to the public later.

<How to Join Online>

- ◎For details of procedures for participation in the Meeting online, please refer to the Information on Online Distribution of the 23rd Ordinary General Meeting of Shareholders of the Company attached to this notice.
- ◎Participation in the Meeting online does not constitute "attendance" as defined by the Companies Act. Accordingly, voting rights cannot be exercised, nor can questions, proposals, or motions be submitted or resolved on the day of the meeting. Therefore, we kindly ask that you exercise your voting rights in advance via the Internet or the Voting Right Exercise Form. Shareholders who want to submit a motion are kindly requested to physically attend the Meeting.
- ◎If you participate online, you may use the Q&A function to make comments, but please note that your questions using the Q&A function will not have any legal effect.
- ◎However, we will answer questions and respond to comments from shareholders participating online using the Q&A function during the dialogue with shareholders.
- ◎When you make comments using the Q&A function, please enter your shareholder number and name as indicated on the Voting Right Exercise Form.

<Online Dialogue with Shareholders>

- ◎After the Meeting, we will continue to hold "dialogs with shareholders" through Zoom Webinar.
- ◎During the dialogue with shareholders, you can ask questions using the chat function. However, please be aware in advance that we may not be able to answer all your questions due to the time limit.
- ◎When asking questions using the Q&A function, please enter the shareholder number and name on the Voting Right Exercise Form. Please be aware that we cannot answer any questions from the shareholder whose name is not listed in the shareholder number or the shareholder register.

Guidance on the Exercise of Voting Rights

Exercising voting rights at the Meeting is an important right for shareholders.

Please exercise your voting rights after reviewing the referential materials for the general meeting of shareholders.

You can exercise your voting rights in the following three ways:

Exercise of Voting Rights by Attending the Meeting



Please submit the Voting Right Exercise Form attached to this notice to a receptionist at the venue.

Date: Thursday, June 26, 2025

1:00 p.m. (Entry start: noon)

Exercise of Voting Rights in Writing (by mail)



Please indicate your approval or disapproval of the proposal on the Voting Right Exercise Form attached to this notice and post it without putting a stamp.

If there is no indication of approval or disapproval for the proposal on the Voting Right Exercise Form when voting rights are exercised in writing (by postal mail), it will be treated as an indication of approval.

Voting deadline: Wednesday, June 25, 2025

No later than 6:00 p.m.

Exercise of Voting Rights via the Internet



Please access our website for exercising your voting rights: (<https://soukai.mizuho-tb.co.jp/>) from your PC or smartphone. Log in by entering the voting right exercise code and the password shown on the back side of the right margin of the Voting Right Exercise Form attached to this notice, and follow the instructions on the screen to vote for or against the proposals.

You need to change the password immediately after your first login.

Voting deadline: Wednesday, June 25, 2025

Votes must be entered no later than 6:00 p.m.

* If you exercise your voting right both in writing (by mail) and via the Internet, we will consider only the vote cast via the Internet as valid.

* If you exercise your voting right more than once via the Internet, we will consider only the last vote as valid.

How to Vote via the Internet

Exercising voting rights by scanning the login QR code "Smart Exercise"

You can log in the website for exercising your voting rights without entering your voting right exercise code and password.

- 1 Please scan the QR code indicated on the lower right of the enclosed Voting Right Exercise Form.



* QR code" is a registered trademark of Denso Wave Incorporated.

- 2 Please enter your approval or disapproval in accordance with instructions on the screen.



You can exercise your voting rights using "Smart Exercise" **once only**.

If you want to change your vote after exercising your voting rights, please access the website for PCs and log in by entering the "exercise voting right code" and "password" indicated on the Voting Right Exercise Form to exercise your voting rights again.

* If you scan the QR code again, you will be automatically transferred to the website for PCs.

If you are uncertain about how to operate your PC or smartphone to exercise your voting rights via the Internet, please contact the number on the right.

Exercising voting rights by entering your voting right exercise code and password

Website for exercising your voting rights <https://soukai.mizuho-tb.co.jp/>

- 1 Please access to our website for exercising voting rights.



Click "Proceed."

- 2 Please enter the voting right exercise code indicated on the Voting Right Exercise Form.



Enter the voting right exercise code.

Click "Proceed."

- 3 Please enter the password indicated on the Voting Right Exercise Form.



Enter the password.

Please set up a new password to use when exercising your voting rights.

Click "Register."

- 4 Please enter your approval or disapproval in accordance with instructions on the screen.

* The images do not reflect the real screens.

Internet Help Dial, Transfer Agent Department,
Mizuho Trust & Banking Co., Ltd.

☎ 0120-768-524

(Service hours: 9:00 a.m. to 9:00 p.m. excluding new year holidays)

If you are an institutional investor, you can exercise your voting rights using an electronic voting platform for institutional investors operated by ICJ, Inc.

Referential materials for the Meeting

Proposal 1

Appropriation of Retained Earnings

While prioritizing investments aimed at business expansion by enhancing internal reserves, the Company has adopted a basic policy of continuously returning profits to shareholders in consideration of its business performance for each fiscal year, with the aim of deepening shareholder understanding of its medium- to long-term growth strategy.

Accordingly, to achieve balance between investment and returns and ensure stable dividends, the Company has decided to revise its dividend policy by setting a clear and quantitative indicator of a DOE of 3.6% (with a minimum payout ratio of 15%) as the new standard, effective from the fiscal year ended March 31, 2025.

As a result, the Company proposes a year-end dividend of 20.9 yen per share as an ordinary dividend.

Matters regarding year-end dividends

(i) Type of dividend property

Cash

(ii) Matters regarding the allotment of dividend property and its total amount

The dividend will be 20.9 yen per the Company's common share.

In this case, the total of dividends will be 1,454,199,993 yen.

(iii) Day when the appropriation of retained earnings takes effect

It will be June 27, 2025.

Proposal 2

Partial Amendment to the Articles of Incorporation

1. Reasons for proposal

To accelerate decision-making by the Board of Directors, strengthen its supervisory functions, and improve the efficiency of group management, the Company intends to transition to a Company with an Audit and Supervisory Committee. Accordingly, the following changes will be made.

1. To facilitate the transition to a Company with an Audit and Supervisory Committee, new provisions regarding Audit and Supervisory Committee members and the Audit and Supervisory Committee will be established, while provisions relating to auditors and the Board of Auditors will be deleted. The number of directors will also be adjusted.
2. To enable swift decision-making and flexible business operations upon transition to a Company with an Audit and Supervisory Committee, we will establish new provisions allowing the Board of Directors to delegate decisions on important business operations (Amendment Proposal Article 29).
3. To implement flexible capital and dividend policies, provisions will be established to allow the distribution of surplus profits, etc., by resolution of the Board of Directors in accordance with Article 459, paragraph (1) of the Companies Act (Amendment Proposal Article 43).
4. In addition, necessary changes will be made, including adjustments to article numbers, additions or deletions of provisions, and revisions to wording, in accordance with the above changes.

2. Amendment to the Articles of Incorporation

Details of the amendment are as follows: The amendments to the Articles of Incorporation in this proposal shall take effect upon the conclusion of this Ordinary General Meeting of Shareholders.

(Underlines indicate changes.)

Current Articles of Incorporation	Amendment Proposal
Chapter 1 General Provisions Articles 1 to 4 (text omitted)	Chapter 1 General Provisions Articles 1 to 4 (the same as current)
Chapter 2 Shares Articles 5 to 8 (text omitted) (Shareholder Register Administrator)	Chapter 2 Shares Articles 5 to 8 (the same as current) (Shareholder Register Administrator)
Article 9 (text omitted) 2 The shareholder register administrator and the location of business thereof <u>shall be designated by resolution of the Board of Directors.</u>	Article 9 (the same as current) 2 The shareholder register administrator and the location of business thereof <u>shall be designated by resolution of the Board of Directors or a Director delegated by resolution of the Board of Directors and public notice thereof shall be given.</u>
3 (text omitted) Articles 10 to 11 (text omitted)	3 (the same as current) Articles 10 to 11 (the same as current)
Chapter 3 Ordinary General Meeting of Shareholders Articles 12 to 17 (text omitted)	Chapter 3 Ordinary General Meeting of Shareholders Articles 12 to 17 (the same as current)
Chapter 4 Directors and Board of Directors Article 18 (text omitted) (Number of Directors)	Chapter 4 Directors and Board of Directors Article 18 (the same as current) (Number of Directors)
Article 19 The number of Directors of the Company shall not exceed seven.	Article 19 The number of Directors of the Company <u>(excluding Directors who belong to the Audit and Supervisory Committee, hereinafter referred to as the "Audit and Supervisory Committee Director")</u> shall not exceed seven.
(Newly established)	<u>2 The number of the Audit and Supervisory Committee Directors shall not exceed five.</u>
(Method of Election and Dismissal of Directors) Article 20 Directors shall be elected by a resolution of the Ordinary General Meeting of Shareholders.	(Method of Election and Dismissal of Directors) Article 20 The Director shall be elected by a resolution of the Ordinary General Meeting of Shareholders, <u>distinguishing between the Audit and Supervisory Committee Directors and other Directors.</u>

Current Articles of Incorporation	Amendment Proposal
2 (text omitted)	2 (the same as current)
3 (text omitted)	3 (the same as current)
4 (text omitted)	4 (the same as current)
(Term of Office of Directors)	(Term of Office of Directors)
Article 21 The term of office of Directors shall end at the close of the final Ordinary General Shareholders Meeting for the business year ending within one year from the time of their election.	Article 21 The term of office of Directors (<u>excluding the Audit and Supervisory Committee Directors</u>) shall end at the close of the final Ordinary General Meeting of Shareholders for the business year ending within one year from the time of their election.
(Newly established)	<u>2 The term of office of the Audit and Supervisory Committee Director shall end at the close of the final Ordinary General Meeting of Shareholders for the business year ending within two years from the time of their election.</u>
(Newly established)	<u>3 The term of office of the Director who is elected as a substitute for the Audit and Supervisory Committee Director who resigned prior to the expiration of his/her original term of office shall end at the expiration of the term of office of the original Audit and Supervisory Committee Director who resigned.</u>
(Newly established)	<u>4 The resolution for the election of the Audit and Supervisory Committee Director is made pursuant to the provisions of Article 329, paragraph (3) of the Companies Act, unless it is shortened by the same resolution, and shall be effective until the time of the commencement of the final Ordinary General Meeting of Shareholders for the business year ending within two years after such resolution.</u>
(Representative Director)	(Representative Director)
Article 22 The Company shall appoint Representative Directors by a resolution of the Board of Directors.	Article 22 The Company shall appoint Representative Directors from among the Directors (<u>excluding the Audit</u>

Current Articles of Incorporation	Amendment Proposal
<p>Article 23 (text omitted) (Notice of Convocation of Board of Directors Meetings)</p> <p>Article 24 Notice of convocation of meetings of the Board of Directors shall be sent to each Director <u>and each Auditor</u> three days prior to the date of such meeting. Provided, however, that in an emergency, such period may be shortened.</p> <p>Article 25 (text omitted) (Omission of Resolutions of Board of Directors Meetings)</p> <p>Article 26 In cases where the Director submits a proposal with respect to a matter that is subject to a resolution of a meeting of the Board of Directors, if all Directors entitled to participate in the related vote manifest their intentions to agree to such resolution in writing or by means of an electromagnetic record, such resolution shall be deemed to have been adopted at the meeting of the Board of Directors. <u>Provided, however, that this shall not apply if the Auditor raises an objection.</u></p> <p>Article 27 (text omitted) (Minutes of Board of Directors Meetings)</p> <p>Article 28 The summary of proceedings at a meeting of the Board of Directors, the results thereof, and other matters prescribed by laws and regulations shall be entered or recorded in the minutes, and the Directors <u>and Auditors</u> who are present at the meeting shall sign and seal or electronically sign the minutes.</p> <p>(Newly established)</p>	<p><u>and Supervisory Committee Directors</u>) by a resolution of the Board of Directors.</p> <p>Article 23 (the same as current) (Notice of Convocation of Board of Directors Meetings)</p> <p>Article 24 Notice of convocation of meetings of the Board of Directors shall be sent to each Director three days prior to the date of such meeting. Provided, however, that in an emergency, such period may be shortened.</p> <p>Article 25 (the same as current) (Omission of Resolutions of Board of Directors Meetings)</p> <p>Article 26 In cases where the Director submits a proposal with respect to a matter that is subject to a resolution of a meeting of the Board of Directors, if all Directors entitled to participate in the related vote manifest their intentions to agree to such resolution in writing or by means of an electromagnetic record, such resolution shall be deemed to have been adopted at the meeting of the Board of Directors.</p> <p>Article 27 (the same as current) (Minutes of Board of Directors Meetings)</p> <p>Article 28 The summary of proceedings at a meeting of the Board of Directors, the results thereof, and other matters prescribed by laws and regulations shall be entered or recorded in the minutes, and the Directors who are present at the meeting shall sign and seal or electronically sign the minutes.</p> <p><u>(Delegation of Decisions on Execution of Important Business)</u></p> <p><u>Article 29 Pursuant to the provisions of Article 399-13, paragraph (6) of the Companies Act, the Company may delegate all or part of decisions on the execution of important business (excluding the matters listed in each</u></p>

Current Articles of Incorporation	Amendment Proposal
<p>(Remuneration, etc. for Directors)</p> <p>Article <u>29</u> Remuneration, bonuses, and other property benefits received from the Company as compensation for Directors' duties (hereinafter referred to as "remuneration, etc.") shall be determined by a resolution of the Ordinary General Meeting of Shareholders.</p>	<p><u>item of paragraph (5) of the same article) to Directors by a resolution of the Board of Directors.</u></p> <p>(Remuneration, etc. for Directors)</p> <p>Article <u>30</u> Remuneration, bonuses, and other property benefits received from the Company as compensation for Directors' duties (hereinafter referred to as "remuneration, etc.") shall be determined by a resolution of the Ordinary General Meeting of Shareholders <u>by distinguishing between the Audit and Supervisory Committee Directors and other Directors.</u></p>
<p>(Exemption of Directors from Liability)</p> <p>Article <u>30</u> (text omitted)</p> <p>Chapter 5 <u>Auditors and Board of Auditors</u></p> <p>(Establishment of <u>Auditors and Board of Auditors</u>)</p> <p>Article <u>31</u> The Company shall have <u>Auditors and the Board of Auditors.</u></p> <p>(Number of Auditors)</p> <p>Article <u>32</u> The number of Auditors shall not exceed five.</p> <p>(Election of Auditors)</p> <p>Article <u>33</u> Auditors shall be elected by a resolution of the Ordinary General Meeting of shareholders.</p> <p><u>2 Resolutions for the election of Auditors shall be made by a majority of the shareholders who are present at the meeting, holding one-third or more of the voting rights of all shareholders entitled to exercise their voting rights.</u></p> <p>(Term of Office of Auditors)</p> <p>Article <u>34</u> The term of office of the Auditors shall end at the close of the final General Shareholders Meeting for the business year which ends within four years from the time of their election.</p> <p><u>2 The term of office of the substitute Auditor who is elected to fill a vacancy shall expire at the time when the term of office of his or her original Auditor expires.</u></p>	<p>(Exemption of Directors from Liability)</p> <p>Article <u>31</u> (the same as current)</p> <p>Chapter 5 <u>Audit and Supervisory Committee</u></p> <p>(Establishment of <u>Audit and Supervisory Committee</u>)</p> <p>Article <u>32</u> The Company shall establish the <u>Audit and Supervisory Committee.</u></p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p>

Current Articles of Incorporation	Amendment Proposal
<p>(Full-time <u>Auditor</u>) Article <u>35</u> The Board of <u>Auditors</u> shall select the full-time <u>Auditor from among the Auditors.</u></p> <p>(Notice of Convocation of Meetings of the <u>Board of Auditors</u>) Article <u>36</u> The notice of convocation of a meeting of the <u>Board of Auditors</u> shall be sent to <u>each Auditor</u> no later than three days prior to the date of such meeting. Provided, however, that in an emergency, such period may be shortened.</p> <p>(Newly established)</p> <p>(Method of Resolution of a Meeting of the <u>Board of Auditors</u>) Article <u>37</u> Unless otherwise provided for by laws and regulations, a resolution of the meeting of the <u>Board of Auditors</u> shall be adopted by a majority vote of <u>Auditors.</u></p> <p>(Minutes of the <u>Board of Auditors Meeting</u>) Article <u>38</u> The summary and results of proceedings at a meeting of the <u>Board of Auditors</u>, and other matters stipulated by laws and regulations, shall be entered or recorded in the minutes, and the <u>Auditors</u> who are present at the meeting shall sign and seal or electronically sign the minutes.</p> <p>(<u>Regulations Governing the Board of Auditors</u>) Article <u>39</u> Matters concerning the <u>Board of Auditors</u> shall be governed by the <u>Regulations Governing the Board of Auditors</u> established by the <u>Board of Auditors</u>, in addition</p>	<p>(Full-time <u>Audit and Supervisory Committee Member</u>) Article <u>33</u> The Audit and Supervisory Committee may select the full-time <u>Audit and Supervisory Committee Director by its resolution.</u></p> <p>(Notice of Convocation of Meetings of the <u>Audit and Supervisory Committee</u>) Article <u>34</u> The notice of convocation of a meeting of the <u>Audit and Supervisory Committee</u> shall be sent to <u>each Audit and Supervisory Committee Director</u> no later than three days prior to the date of such meeting. Provided, however, that in an emergency, such period may be shortened.</p> <p><u>2 The Audit and Supervisory Committee may be convened without following the procedures for convocation if the consent of all Audit and Supervisory Committee Directors is obtained.</u></p> <p>(Method of Resolution of a Meeting of the <u>Audit and Supervisory Committee</u>) Article <u>35</u> Unless otherwise provided for by laws and regulations, a resolution of the meeting of the <u>Audit and Supervisory Committee</u> shall be adopted by a majority vote of the <u>Audit and Supervisory Committee Directors.</u></p> <p>(Minutes of <u>Audit and Supervisory Committee</u>) Article <u>36</u> The summary and results of proceedings at a meeting of the <u>Audit and Supervisory Committee</u>, and other matters stipulated by laws and regulations, shall be entered or recorded in the minutes, which shall be signed and sealed or electronically signed by the <u>Audit and Supervisory Committee Directors</u> who are present at the meeting.</p> <p>(<u>Regulations Governing the Audit and Supervisory Committee</u>) Article <u>37</u> Matters concerning the <u>Audit and Supervisory Committee</u> shall be governed by the <u>Regulations</u></p>

Current Articles of Incorporation	Amendment Proposal
to those provided by laws and regulations or the Articles of Incorporation.	<u>Governing the Audit and Supervisory Committee</u> established by the <u>Audit and Supervisory Committee</u> in addition to those provided by laws and regulations or the Articles of Incorporation.
<u>(Remuneration, etc. for Company Auditors)</u> Article 40 Remunerations for the Auditors shall be determined by a resolution of the Ordinary General Meeting of Shareholders.	(Deleted)
<u>(Exemption of Company Auditors from Liability)</u> Article 41 Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt the Auditor (including the former Auditor) from liability for damages set forth in Article 423, paragraph (1) of the Companies Act to the extent permitted by laws and regulations.	(Deleted)
<u>2 Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with the Auditor limiting the liabilities set forth in Article 423, paragraph (1) of the same Act. Provided, however, that the limited amount of liability for damages under the applicable agreement shall be no less than the minimum amount of liability as provided by laws and regulations.</u>	
Chapter 6 Accounting Auditors	Chapter 6 Accounting Auditors
Article <u>42</u> (text omitted)	Article <u>38</u> (the same as current)
Article <u>43</u> (text omitted)	Article <u>39</u> (the same as current)
Article <u>44</u> (text omitted)	Article <u>40</u> (the same as current)
(Remunerations for Accounting Auditors)	(Remunerations for Accounting Auditors)
Article <u>45</u> Remuneration for the Accounting Auditors shall be determined by the Representative Director with the consent of the <u>Board of Auditors</u> .	Article <u>41</u> Remuneration for the Accounting Auditor shall be determined by the Representative Director with the consent of the <u>Audit and Supervisory Committee</u> .
Chapter 7 Calculation	Chapter 7 Calculation
Article <u>46</u> (text omitted)	Article <u>42</u> (the same as current)

Current Articles of Incorporation	Amendment Proposal
(Newly established)	<u>(Decision-Making Body for Dividend of Surplus)</u>
	<u>Article 43 Except as otherwise provided by laws and regulations, the Company may determine the matters set forth in each item of Article 459, paragraph (1) of the Companies Act, such as dividends of surplus, by a resolution of the Board of Directors.</u>
(Base Date for Distribution of Surplus)	(Base Date for Distribution of Surplus)
Article <u>47</u> The Company shall pay dividends of surplus to the shareholders or registered pledgees of shares entered or recorded in the final register of shareholders as of March 31 of each year <u>by a resolution of the Ordinary General Meeting of Shareholders.</u>	Article <u>44</u> The Company shall pay dividends of surplus to shareholders or registered pledgees of shares entered or recorded in the final register of shareholders as of March 31 of each year.
2 (text omitted)	2 (the same as current)
Article <u>48</u> (text omitted)	Article <u>45</u> (the same as current)
(Newly established)	<u>Supplementary Provisions</u>
(Newly established)	<u>(Transitional Measures Concerning Exemption from Liability of Auditors)</u>
	<u>Article 1 Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt any Auditor (including former Auditors) from liability for damages set forth in Article 423, paragraph (1) of the Companies Act (including former Auditors) prior to the effectuation of the partial amendment to the Articles of Incorporation resolved at the 23rd Ordinary General Meeting of Shareholders.</u>
	<u>2 The Company shall, with respect to any agreements which limited the liabilities of the Auditors set forth in Article 423, paragraph (1) of the Companies Act entered into therewith pursuant to the provisions of Article 427, paragraph (1) of the Companies Act prior to the effective date of the partial amendments to the Articles of Incorporation resolved at the 23rd Ordinary General Meeting of Shareholders, comply with the provisions of</u>

Current Articles of Incorporation	Amendment Proposal
	<u>Article 41, paragraph (2) of the Articles of Incorporation</u> <u>before the amendments.</u>

Proposal 3

Election of Five Directors (Excluding Directors Who Belong to the Audit and Supervisory Committee)

If Proposal No. 2 "Partial Amendments to the Articles of Incorporation" is approved and adopted, the Company will transition to a Company with an Audit and Supervisory Committee. Accordingly, all five current directors will reach the end of their terms upon the conclusion of the Meeting, pursuant to Article 332, paragraph (7), item (i) of the Companies Act. The Company therefore proposes the election of five directors (excluding directors who belong to the Audit and Supervisory Committee; hereinafter the same shall apply to this proposal).

This resolution shall become effective only if Proposal No. 2 "Partial Amendments to the Articles of Incorporation" is approved, and the amended Articles come into effect as a result of that resolution.

The director candidates are as follows:

Candidate No.	Name	Current position and responsibilities at the Company			
1	Hiroshi Fukudome	Representative director and President	Reelection		
2	Akira Itoh	Director and Executive Vice President	Reelection		
3	Yutaka Yamada	Director and CFO General manager of Corporate unit	Reelection		
4	Takeshi Matsumoto	External Director	Reelection	External	Independent
5	Kayo Takigawa	External Director	Reelection	External	Independent

Reelection Director candidate for reelection

External External director candidate

Independent Independent officer in accordance with the provisions of the relevant stock exchange

Candidate No.	1	Brief personal history, position and responsibility at the Company, and important concurrent position	
Hiroshi Fukudome		April 1998	Joined Andersen Consulting Japan Ltd. (currently Accenture Japan Ltd.)
		April 2003	Founder and Representative Director and COO of the Company
		December 2015	Representative Director and President of the Company (present post)
		December 2018	Director of TRUSTBANK, Inc. (present post)
		September 2019	External Director of ROXX, inc. (present post)
		March 2020	Director of Orb, Inc. (present post)
		April 2021	Director of Digital Growth Academia, INC.
		July 2021	Management Advisor of PORT INC. (present post)
		March 2022	Representative Director and President of SBI Regional Revitalization Services Co., Ltd. (present post)
		April 2022	Director of Govmates, Inc. (present post)
		October 2022	Director of DFA Robotics Inc. (present post)
	January 2023	Director of Travel Zip Co., Ltd. (present post)	
	March 2023	External Director of HOPE, INC. (present post)	
	June 2023	External Director of CHANGE KAGOSHIMA (present post)	
	December 2023	Director of E-Guardian Inc. (present post)	
	December 2023	Director of CyLeague Holdings, Inc. (present post)	
	March 2024	External Director of A-cial Design Co., Ltd. (present post)	
	December 2024	Director of fundbook, Inc. (present post)	
	December 2024	Director of Nasucon Valley Council (present post)	
	June 2024	Director of G-Gravity Co.,Ltd (present post)	
	Reasons for being chosen as a candidate for Director		
	Mr. Hiroshi Fukudome was a founding member of the Company and has been serving as Representative Director since April 2003. The Company believes that he can continue to utilize his knowledge of the Company's overall business to strengthen the functions of the Board of Directors, and therefore proposes him as a candidate for Director.		

Candidate No. 2		Brief personal history, position and responsibility at the Company, and important concurrent position	
Akira Itoh		April 1998	Joined Andersen Consulting Japan Ltd. (currently Accenture Japan Ltd.)
		April 2003	Founder and Director of the Company
Reelection		December 2015	Director and Executive Vice President of the Company General Manager of Mobile & Sensing Application unit
		October 2018	Director and Executive Vice President, General Manager of NEW-IT unit of the Company
Date of birth		March 2021	Director of beacapp Inc.
March 8, 1976		September 2021	Director and Vice President of beacapp Inc. (present post)
Number of the Company's shares held		April 2023	Director and Executive Vice President of CHANGE, Inc. (present post)
1,262,000 shares		April 2023	Director and Executive Vice President of the Company (present post)
Years in office		Reasons for being chosen as a candidate for Director	
22 years and 2 months			
Board of Directors meeting attendance			
19/19		Mr. Akira Itoh was a founding member of the Company and has been serving as Director since April 2003. The Company believes that he can continue to utilize his knowledge of corporate management and DX, etc. to strengthen the functions of the Board of Directors, and therefore proposes him as a candidate for Director.	

<div> Candidate No. 3 </div> <div> Yutaka Yamada </div> <div> Reelection </div>	<div> Brief personal history, position and responsibility at the Company, and important concurrent position </div> <div> <div> April 1997 Joined Yauchi Motowaki Accounting Firm </div> <div> October 2007 Joined the Company </div> <div> June 2014 Director of the Company </div> <div> December 2015 Director and CFO, General Manager of Control & Management unit of the Company </div> <div> October 2018 Director and CFO, General Manager of Corporate unit of the Company (present post) </div> <div> December 2018 Director of TRUSTBANK, Inc. (present post) </div> </div>
<div> Date of birth May 9, 1970 </div> <div> Number of the Company's shares held 682,500 shares </div> <div> Years in office 11 years and 0 months </div> <div> Board of Directors meeting attendance 19/19 </div>	<div> Reasons for being chosen as a candidate for Director </div> <div> Mr. Yutaka Yamada has been serving as Director since June 2014. The Company believes that he can continue to utilize his knowledge of corporate management and finance and accounting, etc. to strengthen the functions of the Board of Directors, and therefore proposes him as a candidate for Director. </div>

Candidate No. 4		Brief personal history, position and responsibility at the Company, and important concurrent position	
<div>Takeshi</div> <div>Matsumoto</div> <div>Reelection</div> <div>External</div> <div>Independent</div> <div>Date of birth</div> <div>June 17, 1980</div> <div>Number of the Company's shares held</div> <div>– shares</div> <div>Years in office</div> <div>2 years and 0 months</div> <div>Board of Directors meeting attendance</div> <div>19/19</div>		April 2003	Joined WORLD INTEC CO., LTD.
		December 2008	Executive Officer in charge of Corporate Planning of SYSTEM RESEARCH CO., LTD.
		July 2009	Director and General Manager of Corporate Planning Division of the same company
		November 2010	Representative Director and President of the same company
		June 2012	General Manager of Management Strategy Office of DIGITAL HEARTS Co., Ltd.
		October 2013	Director of Hearts United Group (currently DIGITAL HEARTS HOLDINGS Co., Ltd.)
		July 2014	Director and COO of the same company
		August 2017	Representative Executive Officer of ALBERT Inc.
		March 2018	Representative Director and President of the same company
		January 2019	Representative Director and President and CEO of the same company
		May 2020	Representative Director and President of the same company
		October 2021	External Director of Fixpoint, Inc. (present post)
		June 2023	Advisor of Accenture Japan Ltd.
		June 2023	External Director of the Company (present post)
		(Important concurrent positions)	
		External Director of Fixpoint, Inc.	
		Reason for choosing this candidate to be elected as an external director and outline of expected roles	
		Mr. Takeshi Matsumoto has a wealth of practical experience over many years in the IT-related industry, abundant experience as a manager, and a wide range of insight. The Company expects him to contribute to the further growth of the Group and the strengthening of corporate governance by incorporating outside perspectives based on his knowledge and experience and ensuring the objectivity and neutrality of the management oversight function. For the above reasons, the Company has determined that he is capable of appropriately performing his duties as an External Director, and therefore nominated him as a candidate for External Director.	

<div> Candidate No. 5 </div> <div> Kayo Takigawa </div>	<div>Brief personal history, position and responsibility at the Company, and important concurrent position</div> <div> <div> April 1997 Admitted as an attorney-at-law in Japan Joined Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu) </div> <div> May 2002 Graduated from Columbia University School of Law (LL.M. course) </div> <div> September 2002 General Electric Capital Corporation </div> <div> January 2007 Partner of Nagashima Ohno & Tsunematsu (present post) </div> <div> June 2019 External Auditor of Japan Credit Information Reference Center Corp. (present post) </div> <div> June 2023 External Director of the Company (present post) </div> </div>
<div> <div>Reelection</div> <div>External</div> <div>Independent</div> </div>	<div>(Important concurrent positions)</div> <div> Partner of Nagashima Ohno & Tsunematsu External Auditor of Japan Credit Information Reference Center Corp. </div>
<div> Date of birth August 21, 1972 Number of the Company's shares held — shares Years in office 2 years and 0 months Board of Directors meeting attendance 19/19 </div>	<div>Reason for choosing this candidate to be elected as an external director and outline of expected roles</div> <div> Ms. Kayo Takigawa has thorough knowledge of corporate legal affairs as a licensed lawyer and has broad knowledge of legal affairs. The Company expects him to contribute to the further growth of the Group and the strengthening of corporate governance by incorporating outside perspectives based on his knowledge and experience and ensuring the objectivity and neutrality of the management oversight function. Although she has not been directly involved in corporate management other than as an External Director, we have elected her as a candidate for External Director because we expect that she will be able to perform her duties properly for the reasons stated above. </div>

- (Note) 1. Nagashima Ohno & Tsunematsu, where Ms. Kayo Takigawa belongs, has concluded a contract for the delegation of legal services with the Company. There is no special interest between any of the candidates and the Company.
2. Mr. Takeshi Matsumoto and Ms. Kayo Takigawa are candidates for External Directors.
3. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company will maintain an agreement with Mr. Takeshi Matsumoto and Ms. Kayo Takigawa to limit their liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liabilities under such agreement will be the minimum amount stipulated in Article 425, paragraph (1) of the same Act.
4. We have designated Mr. Takeshi Matsumoto and Ms. Kayo Takigawa as independent officers in accordance with the provisions of the Tokyo Stock Exchange and have filed with it. If they are reappointed, they will continue to be independent officers. In addition, the Group accounts for less than 1% of the annual sales of Nagashima Ohno

& Tsunematsu, to which Ms. Kayo Takigawa belongs, and since she has never been involved in the business of the Company, the Company judges that her independence is sufficiently ensured.

5. The Company has entered into a directors and officers liability insurance contract with an insurance company in accordance with the provisions of laws and regulations. The insured persons under this contract include directors, auditors, executive officers, and management employees (meaning employees other than executive officers who have been appointed as "important employees" under the Companies Act by the resolution of the Board of Directors) . The insurance contract is to reimburse any costs, such as damages and litigation costs, incurred by the insured persons in relation to a claim for damages brought against them based on an act (including omission) engaged by them while acting in the capacity of an officer, etc. of the Company. The Company bears the full amount of insurance premiums on behalf of the insured persons. If the election of director candidates is approved, they will be included among the insured persons under this insurance contract. The Company plans to renew the insurance contract during their terms of office under the same terms and conditions that are currently in force.

Proposal 4

Election of Three Directors Who Belong to the Audit and Supervisory Committee

If Proposal No. 2 "Partial Amendments to the Articles of Incorporation" is approved and adopted, the Company will transition to a Company with an Audit and Supervisory Committee. Accordingly, the Company proposes the election of three directors who belong to the Audit and Supervisory Committee.

The submission of this proposal has obtained the consent of the Board of Auditors.

This resolution shall become effective only if Proposal No. 2 "Partial Amendments to the Articles of Incorporation" is approved, and the amended Articles come into effect as a result of that resolution.

The director candidates who belong to the Audit and Supervisory Committee are as follows:

Candidate No.	Name	Current position and responsibilities at the Company			
1	Takehiko Kubo	Standing Auditor	New	External	Independent
2	Hiroyuki Yaji	External auditor	New	External	Independent
3	Ryuzo Koide	External auditor	New	External	Independent

New Director candidate for election

External External director candidate Independent Independent officer in accordance with the provisions of the relevant stock exchange

Candidate No. 1		Brief personal history, position and responsibility at the Company, and important concurrent position	
<div>Takehiko Kubo</div> <div> <div>New</div> <div>External</div> <div>Independent</div> </div>		April 1983	Joined the Sumitomo Bank, Ltd. (currently the Sumitomo Mitsui Banking Corporation, hereinafter "SMBC")
		April 2005	Chief of the Financial Crime Response Office of SMBC
		April 2010	General Manager, Tokyo Sales Department of SMBC
Date of birth January 6, 1960		April 2011	General Manager, Sales Dept of Head Office and Tokyo Sales Dept of SMBC
		April 2013	General Manager, Human Resources Development Dept of SMBC
Number of the Company's shares held — shares		April 2017	Executive Officer and General Manager, Human Resources Dept, the Japan Research Institute, Limited (hereinafter, "JRI")
		April 2018	Senior Executive Officer, General Manager of Human Resources Dept of JRI
Years in office as an auditor 3 years and 0 months		April 2020	Senior Managing Executive Officer of JRI
		June 2020	Director and Senior Managing Executive Officer of JRI
Board of Directors meeting attendance 19/19		Jun 2020	Outside Director of JAIS, Limited
		June 2022	External Auditor of the Company (present post)
Board of Auditors meeting attendance 12/12		April 2023	Auditor of CHANGE, Inc. (present post)
		December 2023	Auditor of CyLeague Holdings, Inc. (present post)
		(Important concurrent positions)	
		Auditor of CHANGE, Inc.	
		Auditor of CyLeague Holdings, Inc.	
		Reason for choosing this candidate to be elected as an External Director who belongs to the Audit and Supervisory Committee and outline of expected roles	
		<p>Mr. Takehiko Kubo has considerable knowledge of compliance, internal control, risk management, finance, and accounting due to his management experience at a large company and long-term experience at a financial institution. He has appropriately fulfilled his duties as the Company's Auditor since 2022. He has been nominated as a candidate for External Director who belongs to the Audit and Supervisory Committee based on the expectation that, continuing in his role as an External Director independent from management, he will contribute appropriately to strengthening the supervisory function of the Board of Directors by providing oversight and advice on Directors' execution of duties from the perspective of compliance, internal control, risk management, finance, and accounting.</p>	

<div> <div>Candidate No.</div> <div>2</div> </div> <div> <div>Hiroyuki Yaji</div> <div> <div>New</div> <div>External</div> <div>Independent</div> </div> </div> <div> <div>Date of birth</div> <div>September 8, 1960</div> <div>Number of the Company's shares held</div> <div>–shares</div> <div>Years in office as an auditor</div> <div>2 years and 0 months</div> <div>Board of Directors meeting attendance</div> <div>19/19</div> <div>Board of Auditors meeting attendance</div> <div>12/12</div> </div>	<div>Brief personal history, position and responsibility at the Company, and important concurrent position</div> <div> <div>March 1988</div> <div>Registered as a Certified Public Accountant</div> <div>July 1997</div> <div>Partner of Chuo Audit Corporation</div> <div>July 2004</div> <div>Managing Partner of Chuo Aoyama Audit Corporation</div> <div>August 2022</div> <div>Partner of ShinNihon Audit Corporation (currently Ernst & Young ShinNihon LLC)</div> <div>November 2022</div> <div>Representative of Yaji Certified Public Accountant Office (present post)</div> <div>December 2022</div> <div>Advisor of Mitsubishi UFJ Trust and Banking Corporation (present post)</div> <div>March 2023</div> <div>Auditor of AVILEN, Inc. (present post)</div> <div>June 2023</div> <div>External Auditor of the Company (present post)</div> </div> <div> <div>(Important concurrent positions)</div> <div>Representative of Yaji Certified Public Accountant Office</div> <div>Advisor of Mitsubishi UFJ Trust and Banking Corporation</div> <div>Auditor of AVILEN, Inc.</div> </div> <div> <div>Reason for choosing this candidate to be elected as an External Director who belongs to the Audit and Supervisory Committee and outline of expected roles</div> <div> <p>Mr. Hiroyuki Yaji has extensive experience in corporate accounting audits as a certified public accountant and possesses advanced and broad knowledge and insight in corporate governance, compliance, and related areas. He has appropriately fulfilled his duties as the Company's Auditor since 2023. To ensure the soundness of the Group's management and enhance its medium- to long-term corporate value, he has been nominated as a candidate for External Director who belongs to the Audit and Supervisory Committee based on the expectation that, in his continued role as an External Director, he will contribute appropriately to strengthening the supervisory function of the Board of Directors by providing oversight and advice on Directors' execution of duties from the perspective of finance and accounting.</p> </div> </div>
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<div> <div>Candidate No.</div> <div>3</div> </div> <div>Ryuzo Koide</div> <div> <div>New</div> <div>External</div> <div>Independent</div> </div>	<div>Brief personal history, position and responsibility at the Company, and important concurrent position</div> <div> <div>April 1982</div> <div>Joined Hakuhodo Inc.</div> </div> <div> <div>December 2000</div> <div>Sales Division Manager of Hakuhodo Inc.</div> </div> <div> <div>April 2006</div> <div>Sales Division Director of Hakuhodo Inc.</div> </div> <div> <div>April 2011</div> <div>Executive Officer and General Manager of Sales Division of chuo-ad shinsha, Inc.</div> </div> <div> <div>June 2012</div> <div>Representative Director and President of the same company</div> </div> <div> <div>June 2023</div> <div>External Auditor of the Company (present post)</div> </div> <div>Reason for choosing this candidate to be elected as an External Director who belongs to the Audit and Supervisory Committee and outline of expected roles</div> <div> <p>Mr. Ryuzo Koide has extensive practical experience at large companies, as well as a wealth of experience and broad insight as a corporate executive. He has appropriately fulfilled his duties as the Company's Auditor since 2023. To ensure the soundness of the Group's management and enhance its medium- to long-term corporate value, he has been nominated as a candidate for External Director who belongs to the Audit and Supervisory Committee based on the expectation that, in his continued role as an External Director, he will contribute appropriately to strengthening the supervisory function of the Board of Directors by providing oversight and advice on Directors' execution of duties from the perspective of management.</p> </div>
<div>Date of birth</div> <div>April 12, 1959</div> <div>Number of the Company's shares held</div> <div>–shares</div> <div>Years in office as an auditor</div> <div>2 years and 0 months</div> <div>Board of Directors meeting attendance</div> <div>19/19</div> <div>Board of Auditors meeting attendance</div> <div>12/12</div>	

- (Notes)
- There are no interests between each candidate and the Company.
 - Mr. Takehiko Kubo, Mr. Hiroyuki Yaji, and Mr. Ryuzo Koide are candidates for External Directors.
 - Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company will maintain an agreement with Mr. Takehiko Kubo, Mr. Hiroyuki Yaji, and Mr. Ryuzo Koide to limit their liability for damages under Article 423, paragraph (1) of the same Act. If they are elected, the Company intends to maintain a similar agreement. The maximum amount of liabilities under such agreement will be the minimum amount stipulated in Article 425, paragraph (1) of the same Act.
 - The Company has entered into a directors and officers liability insurance contract with an insurance company in accordance with the provisions of laws and regulations. The insured persons under this contract include directors, auditors, executive officers, and management employees (meaning employees other than executive officers who have been appointed as "important employees" under the Companies Act by the resolution of the Board of Directors). The insurance contract is to reimburse any costs, such as damages and litigation costs, incurred by

the insured persons in relation to a claim for damages brought against them based on an act (including omission) engaged by them while acting in the capacity of an officer, etc. of the Company. The Company bears the full amount of insurance premiums on behalf of the insured persons. If the election of each candidate is approved, he or she will be included in the insured under the insurance contract. The Company plans to renew the insurance contract during their terms of office under the same terms and conditions that are currently in force.

5. Mr. Takehiko Kubo, Mr. Hiroyuki Yaji, and Mr. Ryuzo Koide satisfy the requirements of independent officers under the provisions of the Tokyo Stock Exchange, and the Company has designated them as independent officers of the Company and notified the Exchange of the designation. If they are elected, the Company intends to continue to designate them as independent officers.

Proposal 5

Determination of the Amount of Remuneration for Directors (Excluding Directors Who Belong to the Audit and Supervisory Committee)

If Proposal No. 2 "Partial Amendments to the Articles of Incorporation" is approved and adopted, the Company will transition to a Company with an Audit and Supervisory Committee.

The amount of remuneration for the Company's Directors was resolved at the 18th Ordinary General Meeting of Shareholders held on December 25, 2020, to be within 500 million yen per year, and this remains in effect to this day. In conjunction with our transition to a Company with an Audit and Supervisory Committee, we propose abolishing this resolution and setting a new remuneration limit for Directors (excluding Directors who belong to the Audit and Supervisory Committee), in accordance with the provisions of Article 361, Paragraphs 1 and 2 of the Companies Act, which we intend to set at no more than 500 million yen per year.

The policy on determining the content of individual remuneration for the Company's Directors for the current fiscal year is as stated in the Business Report. If this proposal is approved, we plan to revise the policy to specify that it applies to Directors (excluding Directors who belong to the Audit and Supervisory Committee).

The content of this proposal is consistent with the above policy and has been determined by the Board of Directors after deliberation by the Compensation Advisory Committee, which consists of a majority of independent External Directors, taking into consideration the scale of the Company's business, the compensation system and payment levels for officers, the current number of officers, and future trends.

The Company currently has five Directors (including two External Directors), and if Proposals 2 and 3 are approved as proposed, the number of Directors (excluding Directors who belong to the Audit and Supervisory Committee) will remain at five (including two External Directors).

Note that this proposal will take effect subject to the effectiveness of the amendment to the Articles of Incorporation as set forth in Proposal 2 "Partial Amendment to the Articles of Incorporation."

Proposal 6

Determination of the Amount of Remuneration for Directors Who Belong to the Audit and Supervisory Committee

If Proposal No. 2 "Partial Amendments to the Articles of Incorporation" is approved and adopted, the Company will transition to a Company with an Audit and Supervisory Committee.

Accordingly, we propose that the remuneration for Directors who belong to the Audit and Supervisory Committee be set at an annual amount of up to 50 million yen.

The content of this proposal has been determined by the Board of Directors after deliberation by the Compensation Advisory Committee, which consists of a majority of independent External Directors, taking into consideration the scale of the Company's business, the compensation system and payment levels for officers, the current number of officers, and future trends.

If Proposals 2 and 4 are approved as proposed, the number of Directors who belong to the Audit and Supervisory Committee will be three (including three External Directors).

Note that this proposal will take effect subject to the effectiveness of the amendment to the Articles of Incorporation as set forth in Proposal 2 "Partial Amendment to the Articles of Incorporation."

(Reference) Skill Matrix for Directors after the conclusion of this General Meeting of Shareholders
The skill matrix of the Board of Directors in the event that the candidates described in this Notice of Convocation are elected as originally proposed is as follows.

Name	Position	Gender	Skills					
			Corporate management/ Business strategy	IT/ DX	Investment/ M&A	Accounting/ Finance	Human resources development/ Diversity	Legal affairs/ Compliance/ Risk management
Hiroshi Fukudome	Representative Director and Executive Officer President	Male	○	○	○			○
Akira Itoh	Director and Executive Officer Vice President	Male	○	○	○		○	
Yutaka Yamada	Director and CFO	Male			○	○	○	○
Takeshi Matsumoto	External Director (Independent Officer)	Male	○	○	○	○		
Kayo Takigawa	External Director (Independent Officer)	Female		○	○			○
Takehiko Kubo	External Director/Audit Committee Member (Independent Officer)	Male	○			○	○	○
Hiroyuki Yaji	External Director/Audit Committee Member (Independent Officer)	Male			○	○		○
Ryuzo Koide	External Director/Audit Committee Member (Independent Officer)	Male	○		○		○	○

End of the notice



(Reference)

Performance summary

Performance highlights

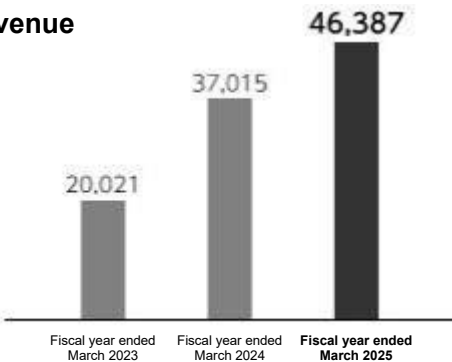
Sales revenue **46,387** million yen
YoY +25.3% achievement rate 103%

Operating profit **13,515** million yen
YoY +83.1% achievement rate 104%

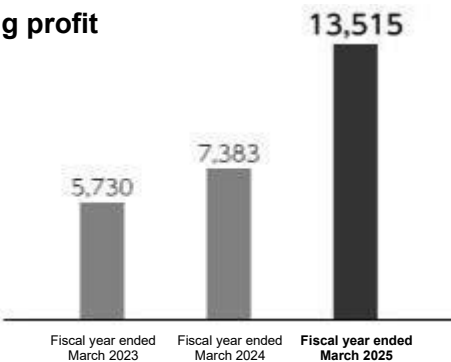
EPS **107.49**
YoY +82.5% achievement rate 96%

ROE **18.7%**
Previous fiscal year 11.2%

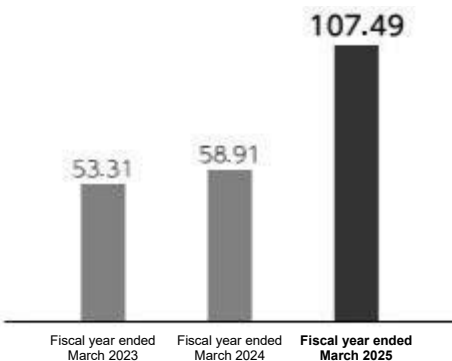
Sales revenue
(million yen)



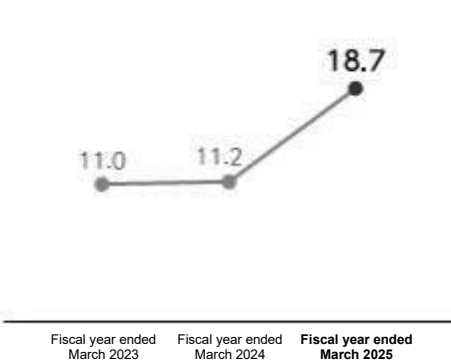
Operating profit
(million yen)



EPS
(Yen)



ROE
(%)



Business Report

(From April 1, 2024
to March 31, 2025)

1. Current Status of Corporate Group

(1) Overview of Operating Results for the Current Fiscal Year

(i) Operating Results for the Current Fiscal Year

In the future, it is predicted that about 1 out of 2.4 citizens of Japan will be 65 years or older in 2070, resulting in an unprecedented super-aged society. Furthermore, it was found that Japanese digital transformation (hereinafter, "DX") is becoming increasingly behind the world. Therefore, in the stock market, there is a clear bipolarization between companies adaptive and evolving to DX and other companies. As a result, it is urgently necessary for surviving companies to respond to, transform, and invest in DX. In addition, it is also inevitable for local governments who are facing with the challenge of severe financial conditions and population decline and whose workloads are increasing despite the declining number of employees to improve operational efficiency through DX.

In this environment, under the vision of "Change Productivity" and with "Change People, Change Business, Change Japan" as its mission, the Group has been developing business such as the digitization of business models and business processes and support for the development of digital human resources in order to dramatically improve Japanese productivity with "People Multiplied by Technology" and to make Japan a sustainable society with a decreasing population. Thus, since its inception, we have provided solutions to the digitization needs of many customers.

Specifically, we are developing and expanding our business in two areas: NEW-IT Transformation Business, which supports the development of digital human resources, innovations in business processes, and digitization; and the Publitech Business, which is committed to promoting DX-based regional creation.

On May 13, 2022, we announced our revised Medium-term business plan, "Digitize & Digitalize Japan (Phase 2)," in which we defined the key areas of "Local" × "Social" × "Digital," and in March 2022, in order to lead the Japanese DX, we formed a capital and business alliance with SBI Holdings, Inc. to accelerate initiatives for regional revitalization, actively employ and train human resources, and accelerate growth investments, including M&As, in an aim to expand the field of DX. By shifting to a holding company structure from April 1, 2023, we will further strengthen group governance, optimize the allocation of management resources, and promote the development of next-generation management personnel, in order to build a flexible and robust management structure that can respond quickly to any changes in the management environment.

Taking the consolidation of E-Guardian Inc. as a consolidated subsidiary in October 2023 as a starting point, we are aiming to expand our business into the cybersecurity domain. In addition, by fully acquiring

fundbook, Inc., which engages in M&A brokerage services, as a wholly owned subsidiary in December 2024, we are working on proactive business development toward further growth in the next medium-term business plan.

Operating results for the current consolidated fiscal year are as follows:

In the New-IT Transformation Business, we continued to invest in growth, mainly through M&A and capital and business alliances. In addressing labor shortages, we worked to strengthen and expand training services incorporating reskilling and robust demand related to generative AI (such as ChatGPT), and recorded a gain on revaluation of shares by making Digital Growth Academia, INC. an equity-method affiliate. In addition, the full acquisition of fundbook, Inc., which conducts M&A brokerage services, as a wholly owned subsidiary in December 2024 has contributed to increased revenue. We will continue working to create new added value in the M&A brokerage business by leveraging the Group's DX expertise, customer base, and relationships to support business succession for regional companies vital to regional revitalization. In the cybersecurity domain, the consolidation of E-Guardian Inc. and IdealRoute Consulting Inc. as subsidiaries led to a significant increase in sales revenue compared to the same period of the previous year. In addition, CyLeague Holdings, Inc. and E-Guardian Inc. jointly established SMBC CyberFront Inc., a joint venture supporting corporate cybersecurity, together with Sumitomo Mitsui Financial Group, Inc. and Mitsui Sumitomo Insurance Co., Ltd. We will continue to pursue consolidation in the cybersecurity industry through the accumulation of solutions and human resources using M&As.

Regarding the Publitech Business, we are promoting regional revitalization through initiatives aimed at the digital transformation of local governments and stimulation of local economic circulation. In the regional revitalization domain, the expansion of OEM services such as the JRE MALL Hometown Tax Payment Program operated by the East Japan Railway Company and the KABU & Hometown Tax Payment Program operated by KABU & PEACE Inc. contributed to steady growth, with total donations handled exceeding the previous fiscal year. In addition, we fully acquired Toko Computer Service Co., Ltd. in September 2024, and will promote the development of new businesses such as carbon credits. Furthermore, as announced on April 1, 2025, we established GRIVITY Inc. to support the streamlining and cost reduction of municipal shipping operations related to the Hometown Tax Payment Program, thereby accelerating business growth in the logistics sector. In the public DX domain, LoGo Chat and LoGo Form, both SaaS business services for local governments, continued to receive high praise from users, and the number of subscriptions increased. For LoGo Chat, the number of local governments using the service with or without charge reached approximately 1,500.

As a result, in the current consolidated fiscal year, revenue was 46,387 million yen (up 25.3% year on year), operating profit was 13,515 million yen (up 83.1% year on year), profit before taxes was 12,745

million yen (up 75.8% year on year), and profit attributable to owners of parent was 7,532 million yen (up 76.7% year on year).

Results by business segment are as follows.

(I) NEW-IT Transformation Business

In the New-IT Transformation Business, we continued to invest in growth, mainly through M&A and capital and business alliances. In addressing labor shortages, we worked to strengthen and expand training services incorporating reskilling and robust demand related to generative AI (such as ChatGPT), and recorded a gain on revaluation of shares by making Digital Growth Academia, INC. an equity-method affiliate. In addition, the full acquisition of fundbook, Inc., which conducts M&A brokerage services, as a wholly owned subsidiary in December 2024 has contributed to increased revenue. We will continue working to create new added value in the M&A brokerage business by leveraging the Group's DX expertise, customer base, and relationships to support business succession for regional companies vital to regional revitalization. In the cybersecurity domain, the consolidation of E-Guardian Inc. and IdealRoute Consulting Inc. as subsidiaries led to a significant increase in sales revenue compared to the same period of the previous year. In addition, CyLeague Holdings, Inc. and E-Guardian Inc. jointly established SMBC CyberFront Inc., a joint venture supporting corporate cybersecurity, together with Sumitomo Mitsui Financial Group, Inc. and Mitsui Sumitomo Insurance Co., Ltd. We will continue to pursue consolidation in the cybersecurity industry through the accumulation of solutions and human resources using M&As.

As a result, in the current consolidated fiscal year, revenue in the NEW-IT Transformation Business was 20,797 million yen (up 81.6% year on year) and segment profit was 6,080 million yen (compared to 92 million yen in the previous fiscal year).

(II) Publitech Business

Regarding the Publitech Business, we are promoting regional revitalization through initiatives aimed at the digital transformation of local governments and stimulation of local economic circulation. In the regional revitalization domain, the expansion of OEM services such as the JRE MALL Hometown Tax Payment Program operated by the East Japan Railway Company and the KABU & Hometown Tax Payment Program operated by KABU & PEACE Inc. contributed to steady growth, with total donations handled exceeding the previous fiscal year. In addition, we fully acquired Toko Computer Service Co., Ltd. in September 2024, and will promote the development of new businesses such as carbon credits. Furthermore, as announced on April 1, 2025, we established GRIVITY Inc. to support the streamlining and cost reduction of municipal shipping operations related to the Hometown Tax Payment Program, thereby accelerating business growth in the logistics sector. In the public DX domain, LoGo Chat and LoGo Form, both SaaS business services for local governments, continued to receive high praise from

users, and the number of subscriptions increased. For LoGo Chat, the number of local governments using the service with or without charge reached approximately 1,500.

As a result, in the current consolidated fiscal year, revenue in the Publitech Business was 26,160 million yen (up 2.5% year on year), and segment profit was 13,045 million yen (up 18.2% year on year).

(ii) Capital expenditures

During the current fiscal year, the Group's capital expenditures totaled 2,019 million yen, with the main component being software development related to the Publitech Business.

(iii) Financing activities

The main sources of funding for the Group are as follows.

The Group raised a total of 11.9 billion yen in long-term borrowings from financial institutions, primarily for M&As.

(iv) Status of the business transfer, absorption-type merger or incorporation-type demerger

It was resolved at an extraordinary General Meeting of Shareholders held on March 31, 2025, to conduct a company split of the SCM (supply chain management) business of TRUSTBANK, Inc. in the area of Hometown Tax Payment Program and to distribute the resulting shares to the Company as a dividend. This company split was completed on the effective date of April 1, 2025, and GRIVITY Inc. became a wholly owned subsidiary of the Company.

(v) Status of acquisition of business of other companies

Not applicable.

(vi) Status of succession of rights and obligations related to the business of another entities, etc. through absorption-type merger or absorption-type demerger

Not applicable.

(vii) Status of acquisition or disposition of shares, other equity interests, or stock options, etc. of other companies

- i. In September 2024, the Company acquired shares of Toko Computer Service Co., Ltd., making it a wholly owned subsidiary.
- ii. In December 2024, the Company acquired shares of fundbook, Inc., making it a wholly owned subsidiary.

(2) Trend of assets and profit and loss in the preceding 3 business years

Classification		20th period (Fiscal year ended March 2022)	21st period (Fiscal year ended March 2023)	22nd period (Fiscal year ended March 2024)	23rd period (Current fiscal year) (Fiscal year ended March 2025)
Sales revenue	(Million yen)	10,140	20,021	37,015	46,387
Operating profit	(Million yen)	4,582	5,730	7,383	13,515
Profit attributable to owners of parent	(Million yen)	3,093	3,856	4,262	7,532
Basic profit per share Profit	(Yen)	42.81	53.31	58.91	107.49
Total assets	(Million yen)	42,728	52,943	93,828	104,790
Equity attributable to owners of parent per share	(Yen)	462.84	504.21	545.69	592.91
Total equity	(Million yen)	35,506	39,331	49,923	49,673

- (Notes) 1. This document has been prepared based on the International Financial Reporting Standards (IFRS) in accordance with the provisions of Article 120, paragraph (1) of the Regulation on Corporate Accounting.
2. Basic profit per share is calculated based on the average number of shares outstanding during the period after deducting treasury stocks. Equity attributable to owners of parent per share is calculated based on the total number of shares outstanding at the end of the period after deducting treasury stocks.
3. With the change of the account settlement day, the 20th fiscal term covered six months from October 1, 2021 to March 31, 2022.

(3) Status of significant parent company and subsidiaries

(i) Status of the parent company

Not applicable.

(ii) Status of significant subsidiaries

Company Name	Capital	% of our voting right	Main business
TRUSTBANK, Inc.	122 million yen	100.0%	Publitech business
Orb, Inc.	75 million yen	95.2%	Publitech business
beacapp Inc.	9 million yen	71.3%	New-IT Transformation Business
Govmates, Inc.	100 million yen	100.0%	Publitech business
DFA Robotics Inc.	56 million yen	79.3%	New-IT Transformation Business
Travel Zip Co., Ltd.	10 million yen	65.0%	Publitech business
CHANGE, Inc.	10 million yen	100.0%	New-IT Transformation Business
E-Guardian Inc.	1,967 million yen	50.5%	New-IT Transformation Business
UpClose, Inc.	50 million yen	100.0%	New-IT Transformation Business
CyLeague Holdings, Inc.	99 million yen	100.0%	New-IT Transformation Business
IdealRoute Consulting Inc.	73 million yen	91.9%	New-IT Transformation Business
Toko Computer Service Co., Ltd.	60 million yen	100.0%	Publitech business
fundbook, Inc.	100 million yen	100.0%	New-IT Transformation Business

(Note) 1. The percentage of voting rights includes indirect ownership by the Company's subsidiaries.

2. On September 20, 2024, the Company acquired shares of Toko Computer Service Co., Ltd., making it a consolidated subsidiary.
3. On December 23, 2024, the Company acquired shares of fundbook, Inc., making it a consolidated subsidiary.
4. On April 1, 2024, the class shares held by KDDI Corporation were converted into common shares, resulting in KDDI Corporation's voting rights ratio increasing to 50.01%, and accordingly, Digital Growth Academia, Inc. and its subsidiary LOGOSWARE Corporation changed from being the Company's consolidated subsidiaries to equity-method affiliates.

(iii) The status of specified wholly owned subsidiary on the last day of the current fiscal year

Name of the specified wholly owned subsidiary	Address of the specified wholly owned subsidiary	Book value of shares in the specified wholly owned subsidiary among the Company and its wholly owned subsidiaries
TRUSTBANK, Inc.	3-1-1 Osaki, Shinagawa-ku, Tokyo	23,246 million yen
fundbook, Inc.	1-23-1 Toranomom, Minato-ku, Tokyo	15,632 million yen

(Note) The Company's total assets as of the end of the fiscal year were 71,148 million yen.

(4) Issues to be addressed

In order to further expand our business and accelerate growth, our Group recognizes that the following issues are important and will work on:

(i) Enhancing the NEW-IT Transformation Business

In the NEW-IT Transformation Business, within the private-sector DX and M&A intermediary domains, we are working to create new added value in the M&A brokerage business by providing a variety of solutions that help resolve labor shortages through a combination of BPO services and digital technology. In the cybersecurity domain, we aim to establish ourselves as a comprehensive cybersecurity company by strengthening sales channels and solutions in the security domain through alliance strategies, including M&As.

(ii) Enhancing the Publitech Business

Within the Publitech Business, in the area of regional revitalization, we will continue to utilize OEM in the Hometown Tax Payment Program business to build a stable earnings base and survive in a rapidly changing competitive environment, while also focusing on strengthening solutions in the tourism sector to capture strong inbound demand and launching and expanding the carbon credit business. In the public DX domain, we will aim to expand into new areas and win large-scale projects, including those from central government ministries, leveraging the sales capabilities for local governments and the strengths in municipal BPR consulting that we have developed up until now.

(iii) Strengthening business synergies

We believe that generating significant synergies by leveraging the capabilities of each Group company, and thereby linking the increase in Group companies to enhanced corporate value, is important for the Company's future growth. In particular, we will focus on creating synergies among Group companies by leveraging DX consulting, education and training know-how, and networks with local governments, private enterprises, and financial institutions held by CHANGE, Inc. and TRUSTBANK, Inc.

(iv) Strengthening internal control systems and the management foundation

As the Group's scale of operations expands, the scope of management functions required for the internal control system also expands, and more specialized and sophisticated skills and knowledge are needed. To address these needs, we will enhance our internal control system by actively providing educational opportunities to employees and strengthening our competitiveness in the hiring market to secure outstanding human resources. In addition, as stated in Proposal 2 "Partial Amendment to the Articles of Incorporation" on the agenda of this General Meeting, we will work to strengthen our management

foundation by transitioning to a Company with an Audit and Supervisory Committee, with the aim of accelerating decision-making through the delegation of authority from the Board of Directors to the executive team, enhancing discussions within the Board of Directors centered on management policy and strategy, strengthening the Board of Directors' supervisory function, and improving the efficiency of Group management.

(5) Major businesses (as of March 31, 2025)

Based on our mission of "Change People, Change Business, Change Japan" and our vision of "Change Productivity," we are developing our businesses to make Japan a sustainable society in a declining population.

Specifically, the Group's businesses are divided into the following two areas: the New-IT Transformation Business, which is responsible for supporting the development of digital human resources, business process innovation and digitalization, M&A intermediary, and the cybersecurity domain, and the Publitech Business, which promotes regional revitalization through DX through the Hometown Tax Payment platform and digitalization services for local governments.

2. Current state of the Company

(1) Share information (as of March 31, 2025)

(i) Total number of authorized shares 184,320,000 shares

(ii) Total number of shares issued 73,852,362 shares

(Note) The total number of shares issued has been increased by 873,600 shares due to the exercise of stock options.

(iii) Number of Shareholders 22,765

(iv) Major shareholders (top ten)

Name of Shareholder	Number of Shares (Shares)	Percentage of Shares Held (%)
SBI Holdings, Inc.	25,813,200 shares	37.09%
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,799,900	6.89
Yoshihisa Jimbo	2,840,000	4.08
Hiroshi Fukudome	2,229,500	3.20
Tamayo Sunaga	2,010,092	2.88
Custody Bank of Japan, Ltd. (Trust Account)	1,976,200	2.84
Keiichiro Kinoshita	1,505,500	2.16
Akira Itoh	1,262,000	1.81
Tetsuya Ishihara	1,258,000	1.80
Kenji Kaneda	1,208,000	1.73

(Note) 1. The Company holds 4,273,415 shares of treasury stock, which are excluded from the above major shareholders.
2. The ownership percentage is calculated by deducting the amount of treasury stocks.

(2) Status of corporate officers

(i) Directors and auditors (as of March 31, 2025)

Position in the Company	Name	Responsibilities and important concurrent occupations
Representative director and President	Hiroshi Fukudome	Director of TRUSTBANK, Inc. External Director, ROXX, inc. Director of Orb, Inc. Management Advisor of PORT INC. Representative Director and President of SBI Regional Revitalization Services Co., Ltd. Director of Govmates, Inc. Director of DFA Robotics Inc. Director of Travel Zip Co., Ltd. External Director of HOPE, INC. External Director of CHANGE KAGOSHIMA Director of E-Guardian Inc. Director of CyLeague Holdings, Inc. External Director of A-cial Design Co., Ltd. Director of fundbook, Inc. Director of Nasucon Valley Council
Director and Executive Vice President	Akira Itoh	Director and Executive Vice President of beacapp Inc. Director and Executive Vice President of CHANGE, Inc.
Director and CFO	Yutaka Yamada	General manager of Corporate unit Director of TRUSTBANK, Inc.
Director	Takeshi Matsumoto	External Director of Fixpoint, Inc.
Directors	Kayo Takigawa	Partner of Nagashima Ohno & Tsunematsu External Auditor of Japan Credit Information Reference Center Corp.
Standing Auditor	Takehiko Kubo	Auditor of CHANGE, Inc. Auditor of CyLeague Holdings, Inc.
Auditor	Hiroyuki Yaji	Representative of Yaji Certified Public Accountant Office Advisor of Mitsubishi UFJ Trust and Banking Corporation Auditor of AVILEN, Inc.
Auditor	Ryuzo Koide	

- (Note) 1. Director Takeshi Matsumoto and Director Kayo Takigawa are external directors.
2. Auditor Takehiko Kubo, Auditor Hiroyuki Yaji, and Auditor Ryuzo Koide are external auditors.
3. Standing Auditor Takahiko Kubo and Auditor Hiroyuki Yaji have considerable knowledge of finance and accounting.

- Standing Auditor Takehiko Kubo has considerable knowledge of finance and accounting from his management experience in a large company and years of experience in financial institutions.
 - Auditor Hiroyuki Yaji is a Certified Public Accountant.
4. We have designated External Director Takeshi Matsumoto, External Director Kayo Takigawa, External Auditor Takehiko Kubo, External Auditor Hiroyuki Yaji, and External Auditor Ryuzo Koide as independent officers in accordance with the provisions of the Tokyo Stock Exchange and have filed with it.
 5. In order to execute business quickly and efficiently, we have introduced the executive officer system. In addition to the directors and executive officers mentioned above, there are 12 members: Yoshihisa Jimbo as the executive officer (chairman and founder), Kenji Kaneda as the executive officer (in charge of New-IT Transformation Business), Tetsuya Ishihara as the executive officer (in charge of New-IT Transformation Business), Norimitsu Takahashi as the executive officer (in charge of New-IT Transformation Business), Tomohiro Noda as the executive officer (in charge of New-IT Transformation Business), Masumi Kizawa as the executive officer (in charge of Publitech Business), Yoshihiro Izumi as the executive officer (in charge of marketing), Miwako Yamamoto as the executive officer (in charge of new business development in the President's Office), Ko Ishikawa as the executive officer (in charge of New-IT Transformation Business), Izumi Okoshi as the executive officer (in charge of New-IT Transformation Business), Fuyu Tanaka as the executive officer (in charge of the Publitech Business), and Masahiro Wada as the executive officer (in charge of New-IT Transformation Business).

(ii) Summary of the limited liability agreement

The Articles of Incorporation stipulate that we may enter into agreements with directors (excluding those who are managing directors) and auditors to limit their liability for damages as stipulated in Article 423, paragraph (1) of the Companies Act. In accordance with the provisions of the Articles of Incorporation, we have entered into a limited liability agreement with External Director Takeshi Matsumoto, External Director Kayo Takigawa, and all auditors. The maximum amount of liability for damages under the applicable agreements is the minimum amount of liability as set forth in Article 425, paragraph (1) of the Companies Act.

(iii) Matters concerning directors' liability insurance contract

The Company has entered into an officers' liability insurance contract with an insurance company.

A. Scope of insured persons of the officers' liability insurance contract

Directors, auditors, executive officers, management employees (Note), directors and auditors seconded to other companies, and retired directors and auditors of the Company and all its consolidated subsidiaries

(Note) Employees other than executive officers who have been appointed as "important employees" under the Companies Act by the resolution of the Board of Directors

B. Outline of the officers' liability insurance contract

The insurance contract is to reimburse any costs, such as damages and litigation costs, incurred by the insured persons in relation to a claim for damages brought against them based on an act (including omission) engaged by them while acting in the capacity of an officer, etc. of the Company as defined in A. above. However, measures are taken to ensure that the appropriateness of the execution of duties by officers, etc. will not be undermined by excluding from the coverage any damage, etc. to those officers, etc. who have engaged in any criminal offence, such as bribery, or illegal act intentionally. The insurance premiums of this contract are fully borne by the Company.

(iv) Remunerations for directors and auditors

1. Total remuneration for the current fiscal year

Classification	Total amount of remuneration, etc. (Million yen)	Total amount of remuneration, etc. by type of remuneration (Million yen)			Number of directors and auditors
		Basic remuneration	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.	
Directors (of which external directors)	96 (14)	96 (14)	- (-)	- (-)	5 (2)
Auditor (of which external auditors)	20 (20)	20 (20)	- (-)	- (-)	3 (3)
Total (of which external officers)	116 (34)	116 (34)	- (-)	- (-)	8 (5)

(NOTE) 1. The amount of remuneration, etc. for the directors does not include the salary as the employee if they concurrently are employees.

2. The amount of the above remuneration includes the following items:

Retirement benefit of 1 million yen in the current fiscal year

B. Officers' retirement benefits paid during the current fiscal year

Not applicable.

C. Resolutions of the general meeting of shareholders on the remuneration, etc. for directors and auditors

At the 18th Ordinary General Meeting of Shareholders held on December 25, 2020, the maximum amount of remuneration for directors was resolved not to exceed 500 million yen per year. As at the close of the general meeting of shareholders, the number of directors who were incumbent was six (including two external directors).

At the 12th Ordinary General Meeting of Shareholders held on December 19, 2014, the maximum amount of remuneration for auditors was resolved not to exceed 30 million yen per year. As at the close of the general meeting of shareholders, the number of auditors who were incumbent was two.

D. Policy on determining the amount of remuneration, etc. for directors and auditors or the calculation method thereof

At its meeting held on December 15, 2020, the Board of Directors of the Company passed a resolution on the policy on determining the remuneration, etc. for individual directors. The Board of Directors sought and received advice on the relevant matter from the Remuneration Advisory Committee before passing this resolution.

The Board of Directors concluded that the remuneration, etc. for individual directors for the current fiscal is in line with the determination policy approved by the Board of Directors after confirming that the method of determination of remuneration, etc. and the remuneration, etc. determined were consistent with the determination policy and that the advice of the Remuneration Advisory Committee was duly respected by the Board of Directors.

In its meeting on December 24, 2021, the Board of Directors resolved to change the performance-linked remuneration policy so that in the term ended March 2022 and thereafter, only net profit attributable to owners of parent (consolidated) should be used for an indicator of performance-linked remuneration.

(a) Contents of the policy

a. Policy on basic remuneration

The remuneration of the directors (excluding external directors) consists of fixed remuneration and performance-linked remuneration. Fixed remuneration is determined based on a comprehensive judgment that takes into consideration the job responsibilities, roles, the degree of contribution, etc. in the execution of duties by each director, and as consideration for the performance of duties in the current fiscal year, performance-linked remuneration is determined based on profit attributable to owners of parent (consolidated). As for remuneration linked to medium- to long-term performance, all directors other than external directors currently hold a sufficient number of shares of the Company, from which they are considered to receive sound incentives for achieving sustainable growth.

The remuneration of external directors consists only of fixed remuneration from the perspective of prioritizing independence from management and objectivity, and their remuneration is determined

based on a comprehensive judgment that takes into consideration their management responsibilities as directors, financial performance of the Company, general business conditions, etc.

The remuneration of auditors consists only of fixed remuneration from the perspective of prioritizing independence from management and objectivity.

b. Policy on performance-linked remuneration

Net profit attributable to owners of parent (consolidated) is used for an indicator of performance-linked remuneration. These indicators are easy to understand in that they influence the funding source for growth investment and stock price. As such, they draw much attention in the stock market, and the Company regards them as the most important indicators.

c. Policy on determining the percentage of performance-linked remuneration to total remuneration

The remuneration of directors of the Company consists of fixed remuneration and performance-linked remuneration, and the latter is determined for the purpose of providing sound incentives for achieving the performance targets of the Group and the Company for each fiscal year. The remuneration of external directors consists only of fixed remuneration.

- d. Policy on determining the timing or conditions for the payment of remuneration, etc. to directors and auditors

The fixed remuneration of directors and auditors is fixed monetary remuneration paid on a monthly basis. The amount of basic remuneration of each auditor is determined by consultation among auditors at the meeting of the Board of Auditors within the total amount of remuneration approved by the general meeting of shareholders.

The performance-linked remuneration of directors is paid annually within one month from the close of the ordinary general meeting of shareholders pertaining to each fiscal year.

- e. Matters concerning the delegation of the determination of remuneration, etc.

The Board of Directors of the Company has not delegated the determination of remuneration, etc. of individual officers.

- (b) Method of calculating performance-linked remuneration for the current fiscal year

The amount of performance-linked remuneration for the current fiscal year will be determined and paid based on the following calculation method after the figures of the performance-linked indicators are finalized.

- a. Total amount of remuneration to be paid

The total amount of remuneration to be paid is the sum of amounts to be paid to individual directors as specified in b.(A) below (The upper limit is 85,000,000 yen).

- b. Amounts to be paid to individual directors

Specific formulas for calculating the amount of remuneration of each director are as follows:

- (A) Performance-linked remuneration based on consolidated performance

Performance-linked indicator: Profit attributable to owners of parent before recognizing performance-linked remuneration

Total amount of performance-linked remuneration based on consolidated performance = $B \times C$

A = Profit attributable to owners of parent before recognizing performance-linked remuneration for fiscal year ended March 2025 ÷ Profit attributable to owners of parent for fiscal year ended March 2025 (target value: 8,069,459,551 yen)

B = 5,000,000 yen

C = $(A - 1.00) \times 100$ (round down to the nearest whole number, with an upper limit of 17; 0 if it is negative)

Basis for calculating amount to be paid to each director = Total amount of performance-linked remuneration based on consolidated performance × Executive position points ÷ Total applicable executive position points

Executive position points are as follows:

Representative director and President	Director and Executive Vice President	Director and CFO
50	25	25

(c) Performance indicators and their actual figures

(Unit: million yen)

Performance indicators	Target for the current fiscal year	Actual performance for the current fiscal year	Total amount of performance-linked remuneration based on the formulas above
Performance-linked remuneration based on consolidated performance	8,069	7,532	-

E. Total amount of directors' remuneration, etc. received by external directors from subsidiaries

For the current fiscal year, the total amount of directors' remuneration, etc. received by external directors from subsidiaries was four million yen.

(v) Information on external officers

1. Status of important concurrent occupations of other entities, etc. and the relationship between us and the other entities, etc. (as of March 31, 2025)

Position in the Company and name	Concurrent position and position	Relationship between us and important concurrent positions
External Director Takeshi Matsumoto	Fixpoint, Inc. External Director	There is no special relationship with us.
External Director Kayo Takigawa	Nagashima Ohno & Tsunematsu Partner	Nagashima Ohno & Tsunematsu, where Ms. Kayo Takigawa belongs, has concluded a contract for the delegation of legal services with the Company.
	External Auditor of Japan Credit Information Reference Center Corp.	There is no special relationship with us.
External auditor Takehiko Kubo	Auditor of CHANGE, Inc.	The company is a wholly-owned subsidiary of the Company
	CyLeague Holdings, Inc. Auditor	The company is a wholly-owned subsidiary of the Company
External auditor Hiroyuki Yaji	Representative of Yaji Certified Public Accountant Office	There is no special relationship with us.
	Advisor of Mitsubishi UFJ Trust and Banking Corporation	There is no special relationship with us.
	Auditor of AVILEN, Inc.	There is no special relationship with us.

2. Major activities during the year

		Attendance and comments at meetings and outline of duties executed in relation to roles expected of external directors
External Director	Takeshi Matsumoto	He attended all 19 meetings of the Board of Directors held in the current fiscal year. Based on his extensive experience and broad insight as an executive, he provided supervision and advice from the perspective of overall management and otherwise to play an appropriate role to ensure the validity and appropriateness of decision making. In addition, as a member of the Nomination Advisory Committee and the Remuneration Advisory Committee, he is responsible for supervisory functions in the process of selecting candidates for Directors and determining remuneration, etc. for Directors of the Company from an objective and neutral standpoint.
External Director	Kayo Takigawa	He attended all 19 meetings of the Board of Directors held in the current fiscal year. Based on her extensive experience and broad insight as a lawyer, she provided supervision and advice from the perspective of overall management and otherwise to play an appropriate role to ensure the validity and appropriateness of decision making. In addition, as a member of the Nomination Advisory Committee and the Remuneration Advisory Committee, he is responsible for supervisory functions in the process of selecting candidates for Directors and determining remuneration, etc. for Directors of the Company from an objective and neutral standpoint.
External auditor	Takehiko Kubo	He attended all 19 meetings of the Board of Directors and all 12 meetings of the Board of Auditors held in the current fiscal year. At meetings of the Board of Directors, he has made appropriate comments from the perspective of overall management based on his experience in management at a large company, as well as his abundant experience and broad insights in finance and accounting.
External auditor	Hiroyuki Yaji	He attended all 19 meetings of the Board of Directors and all 12 meetings of the Board of Auditors held in the current fiscal year. At meetings of the Board of Directors, he has made appropriate comments from the perspective of overall management based on an expert perspective and broad insights as a Certified Public Accountant.
External auditor	Ryuzo Koide	He attended all 19 meetings of the Board of Directors and all 12 meetings of the Board of Auditors held in the current fiscal year. At meetings of the Board of Directors, he has made appropriate comments from the perspective of overall management based on his abundant practical experience at a large company, his abundant experience and broad insights as a manager.

- (Note) 1. In addition to the number of meetings of the Board of Directors mentioned above, there was one written resolution deemed to have been adopted by the Board of Directors in accordance with the provisions of Article 370 of the Companies Act and Article 26 of the Company's Articles of Incorporation.
2. At meetings of the Board of Auditors, each member develops audit policies and plans, exchanges opinions on the results of audits, discusses important audit-related matters, and makes comments as necessary.
3. During the current fiscal year, the Nomination Advisory Committee was held twice and the Remuneration Advisory Committee twice. External Directors Takeshi Matsumoto and Kayo Takigawa attended all of the Nomination Advisory Committees and Remuneration Advisory Committees to provide appropriate opinions and advice.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(As of March 31, 2025)

(Unit: million yen)

Subject	Amount	Subject	Amount
(Assets)		(Liabilities)	
Current assets	49,823	Current liabilities	23,411
Cash and cash equivalents	30,185	Trade and other payables	12,140
Trade and other receivables	17,760	Short-term borrowings	5,838
Inventories	437	Lease liabilities	882
Other financial assets	472	Other financial liabilities	282
Other current assets	966	Income taxes payable	2,028
Non-current assets	54,967	Other current liabilities	2,239
Property, plant and equipment	1,152	Non-current liabilities	31,705
Right-of use asset	1,647	Bonds and borrowings	26,883
Goodwill	28,881	Lease liabilities	865
Intangible assets	8,711	Allowances	415
Investments accounted for using the equity method	4,926	Deferred tax liabilities	2,967
Other financial assets	7,460	Other non-current liabilities	574
Deferred tax assets	2,102	Total liabilities	55,116
Other non-current assets	84	(Share capital)	
Total assets	104,790	Equity attributable to owners of parent	41,254
		Capital	1,042
		Capital surplus	22,081
		Retained earnings	24,117
		Treasury shares	△5,882
		Other components of capital	△104
		Non-controlling interests	8,419
		Total equity	49,673
		Total liabilities and equity	104,790

(Note) Any fractional sum of less than one million yen was truncated for presentation.

CONSOLIDATED STATEMENTS OF INCOME

(From April 1, 2024
to March 31, 2025)

(Unit: million yen)

Subject	Amount
Revenue	46,387
Cost of sales	20,499
Gross profit	25,888
Selling, general and administrative expenses	13,265
Impairment losses	798
Provision of allowance for doubtful accounts	172
Gain from loss of control over subsidiaries	1,569
Other income	204
Other costs	102
Share of profit of entities accounted for using equity method	191
Operating profit	13,515
Financial income	20
Financial costs	789
Profit before taxes	12,745
Income tax expense	4,734
Current Profit	8,011
Profit attribution to:	
Owners of parent	7,532
Non-controlling interests	478
Current Profit	8,011

(Note) Any fractional sum of less than one million yen was truncated for presentation.

BALANCE SHEET

(As of March 31, 2025)

(Unit: million yen)

Subject	Amount	Subject	Amount
(Assets)		(Liabilities)	
Current assets	13,903	Current liabilities	8,883
Cash and deposits	12,100	Accounts payable	42
Accounts receivable	250	Current portion of long-term debt	5,326
Advance payment	3	Accounts payable - other and accrued expenses	218
Prepaid expenses	118	Accrued expenses	11
Dividends accrued	0	Deposits received	24
Short-term affiliate loans	2,235	Short-term affiliate borrowings	3,227
Allowance for doubtful accounts	△958	Others	30
Others	153	Long-term liabilities	26,049
Fixed assets	57,244	Long-term debt	25,868
Property, plant and equipment	67	Asset retirement obligations	34
Buildings	45	Deferred tax liabilities	146
Tools, furniture and fixtures	22	Total liabilities	34,933
Intangible fixed assets	38	(Net Assets)	
Softwares	38	Shareholders' Equity	35,947
Others	0	Capital	1,042
Investments and other assets	57,137	Capital surplus	37,618
Investment securities	4,574	Capital reserve	1,042
Investments in affiliates	49,691	Other capital surplus	36,576
Lease deposits	86	Retained earnings	3,169
Long-term affiliate loans	2,765	Other retained earnings	3,169
Others	20	Retained earnings carried forward	3,169
Total assets	71,148	Treasury shares	△5,882
		Valuation and conversion differences, etc.	265
		Other differences from valuation of securities	265
		Stock option	2
		Total net assets	36,215
		Total liabilities and net assets	71,148

(Note) Any fractional sum of less than one million yen was truncated for presentation.

STATEMENT OF INCOME

(From April 1, 2024
to March 31, 2025)

(Unit: million yen)

Subject	Amount	
Operating revenue		
Group operating income	1,908	
Dividend income from subsidiaries and associates	6,780	
Other revenue	228	8,916
Operating expenses		2,077
Operating profit		6,839
Non-operating income		
Interest income	37	
Others	26	63
Non-operating expenses		
Interest expense	251	
Loss on valuation of investment securities	623	
Financing expenses	276	
Provision of allowance for doubtful accounts	958	
Others	10	2,120
Ordinary profit		4,782
Extraordinary income		
Reversal of Stock Acquisition Rights	0	0
Extraordinary losses		
Loss on disposal of fixed assets	0	
Loss on valuation of shares of subsidiaries and associates	1,644	1,644
Profit before income taxes		3,138
Income taxes	3	
Income taxes-deferred	38	42
Net income		3,096

Note: Any fractional sum of less than one million yen was truncated for presentation.

Audit Report of the Board of Auditors

Audit Report

The Board of Auditors has prepared this Audit Report after deliberation by the Board of Auditors regarding the execution of duties by Directors for the 23rd fiscal year from April 1, 2024 to March 31, 2025, and reports as follows.

1. Methods and Contents of the Audit by Auditors and the Board of Auditors

- (1) The Board of Auditors determined the audit policy and division of duties, exchanged opinions at the Board of Auditors, received reports on the status of the execution of duties from the directors, etc. and the accounting auditor, and requested an explanation as required.
- (2) In accordance with the audit standards set by the Board of Auditors, each auditor communicated with the directors, the internal audit department, and other employees in accordance with the audit policy and the division of duties, and strove to collect information and maintain an audit environment and implemented the following audits:
 - (i) We attended meetings of the Board of Directors and other important meetings, received reports on the status of execution of duties from the directors and employees, etc., asked them to explain when necessary, inspected important approval documents, etc., and examined the status of business and assets. In addition, regarding subsidiaries, we communicated with the directors and auditors, etc. of the subsidiaries, and received business reports from the subsidiaries as necessary.
 - (ii) Regarding the resolution made by the Board of Directors on the establishment of the system for ensuring that the execution of the directors' duties as described in the business report comply with the laws and regulations as well as the Articles of Incorporation and necessary for ensuring the proper operation of the corporate group consisting of the Company and its subsidiaries which are specified in Article 100, paragraphs (1) and (3) of the Enforcement Regulations of the Companies Act and the actual system that was already in place based on the resolution (internal control system), we received regular reports from the directors and employees, etc. on the status of the establishment and maintenance of it, asked for explanations as necessary, and expressed our opinions.
 - (iii) We monitored and verified that our accounting auditors are in an independent position and conduct appropriate audits, and in addition, we received a report from our accounting auditors on the status of the execution of their duties and requested them to explain as necessary.
 - (iv) The accounting auditors notified us that the system for ensuring proper execution of duties (the items listed in each item of Article 131 of the Company Computing Rule) has been established in accordance with the Quality Control Standards for Audits (Business Accounting Committee), and we requested them to explain when necessary.

Based on the above methods, we examined the business report and its annexed schedules, nonconsolidated financial statements (balance sheet, income statement, statement of changes in shareholders' equity, and notes thereto), the supplementary documents thereof, and the consolidated financial statements (consolidated statement of financial position, consolidated income statement, consolidated statement of changes in equity, and notes to consolidated financial statements) for the current fiscal year.

2. Audit Results

(1) Audit Results concerning the Business Report, etc.

- (i) We recognize that the business report and its annexed schedules appropriately indicate the Company's situation in accordance with the laws, regulations, and the Articles of Incorporation.
- (ii) We recognize that there were no improper acts concerning the execution of duties by directors or material facts in violation of laws, regulations, or the Articles of Incorporation.
- (iii) We recognize that the resolution of the Board of Directors on the internal control system is reasonable. In addition, there are no issues to be pointed out regarding the contents of the business report concerning the internal control system and the execution of the duties of the directors.

(2) Audit Results concerning Nonconsolidated Financial Statements and Supplementary Documents

We recognize that the audit methods and results of Ernst & Young ShinNihon LLC are reasonable.

(3) Audit Results of Consolidated Financial Statements

We recognize that the audit methods and results of Ernst & Young ShinNihon LLC are reasonable.

May 21, 2025

CHANGE Holdings, Inc.

Board of Auditors

Standing Auditor
(External Auditor)

Takehiko Kubo (Seal)

Auditor
(External Auditor)

Hiroyuki Yaji (Seal)

Auditor
(External Auditor)

Ryuzo Koide (Seal)

End

Map of the Venue of the General Meeting of Shareholders

Place

9-7-1 Akasaka, Minato-ku, Tokyo

Tokyo Midtown Tower, Conference Room 1 on the 4th floor

- We do not offer parking lots, so please refrain from coming by car.



Public transit guide

Toei Oedo Line Roppongi Station

Directly connected from Exit 8 (underground)

Tokyo Metro Hibiya Line Roppongi Station

Direct access from Exit 8 (underground) via the underground passageway from Exit 4a

Tokyo Metro Chiyoda Line Nogizaka Station

Approximately a 3-minute walk from Exit 3

Tokyo Metro Namboku Line Roppongi-itchome Station

Approximately a 10-minute walk from Exit 1

