This is a translation of the original Japanese release. The Japanese text shall prevail in case of any variance between this version and the Japanese text.

Company BEENOS Inc.

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Notification of the Implementation of "E-Ship®" (Employee Shareholding Incentive Plan)

Tokyo, Japan – 18 February 2021 – BEENOS Inc. (BEENOS) announced that it has resolved to implement an Employee Shareholding Incentive Plan (E-Ship®) to incentivize BEENOS employees to commit to the growth of the company on a mid-long-term basis. The timing of setting up the trust and the allotted period in regard to E-Ship® will be notified once it is determined.

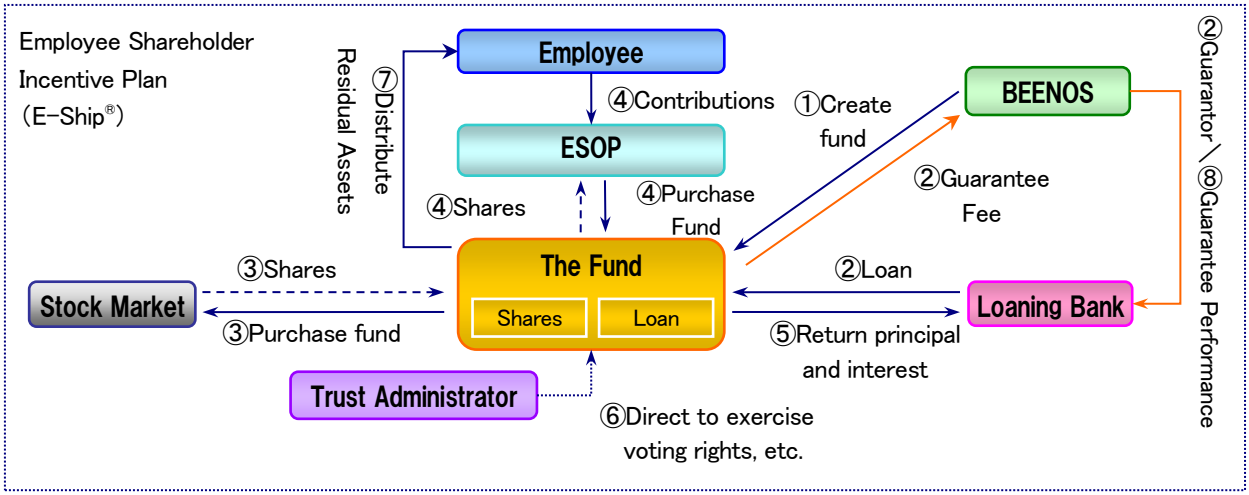
1. E-Ship® Overview

E-Ship® is an incentive plan for all employees in BEENOS's ESOP Program (ESOP). E-Ship® will create a "BEENOS ESOP Trust Fund" (Fund) through a trust bank and the Fund will purchase BEENOS shares in advance (currently estimated at 300 Million JPY) for a set period of time (currently estimated at 5 years) for ESOP to purchase from. The Fund will then consistently sell BEENOS shares to ESOP. If the Fund has accrued the amount of the shares sold at the end of its term, the amount will be distributed as residuary assets to those who are qualified to receive it.

As BEENOS will become a guarantor to the loan to purchase shares for the Fund, if the Fund accrues losses due to the droppage of BEENOS share prices, BEENOS will be held responsible to liquidate all debts from the loan from the loss from sales at the end of the Fund term.

E-Ship® is aimed to assist in accumulating savings for employees in the ESOP as an employee benefit measure in addition to incentivizing employees to commit to the growth of the company.

2. E-Ship® Scheme



① BEENOS to establish the Fund (other beneficiary trust) for the qualified beneficiaries in the ESOP.
② The Fund will loan necessary funds from the loaning bank to purchase BEENOS shares which BEENOS will be the guarantors for. BEENOS will receive guarantee fees from the Fund.
③ The Fund will acquire the expected number of BEENOS shares from the stock market within the Trust Term.
④ The Fund will sell shares acquired in ③ throughout the Trust Term on an ongoing basis at market value to the ESOP according to its plans (regarding conditions and methods).
⑤ The Fund will repay its interest of the loan through the profits from the sales of BEENOS shares and dividends received.
⑥ The Fund will exercise its voting rights with respect to the shares held as directed by the Trust Administrator.
⑦ Any residual assets in the Fund at the end of the Trust Term will be liquidated and distributed to those who meet the beneficiary eligibility requirements.
⑧ If any loans remain at the time of the end of the trust period, BEENOS will make all necessary reimbursements in accordance with the warranty described in ②.

3. Overview of the Fund
(1) Name: BEENOS ESOP Trust Fund
(2) Consignor: BEENOS
(3) Assignee: The Nomura Trust and Banking Co., Ltd.
(4) Beneficiary: Those who meet the criteria to become a beneficiary (Will become beneficiary after a formal procedure once the criteria are met)
(5) Trust Contract Date: After FY2021 2Q Financial Results are released
(6) Trust Term: TBA
(7) Purpose of Trust: To provide a consistent and stable trust assets in the ESOP to all qualified beneficiaries
(8) Criteria to become Beneficiary: All persons who are alive and are in BEENOS's ESOP program (including any persons who withdrew from the ESOP program by way of retirement, transfer or promotion to officer between the Contract Date and the registration date) at the time of the beginning of registration to become a beneficiary (the day conversion of trust assets into cash ends by way of the Trust Term ending, the day all BEENOS shares allotted to trust assets have been sold, etc.)

(Reference)
E-Ship® is a trademark of Nomura Securities Co., Ltd.
E-Ship® (Employee Shareholding Incentive Plan) is an incentive plan for employees that applies an ESOP system that is becoming more prevalent in the United States to the current system. E-Ship® was developed by Nomura Securities Co., Ltd. and The Nomura Trust and Banking Co., Ltd.

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