

[Translation]

February 26, 2021

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Notice Concerning Issuance of New Shares to Employees as Restricted Stock Compensation

At a meeting of the Board of Directors held on February 26, 2021, the Board of Directors made resolutions regarding the issuance of new shares as restricted stock (hereinafter, the “new share issuance”) as described below.

1. Overview of New Share Issuance

(1) Payment date	April 26, 2021
(2) Class and number of shares to be issued	24,100 common shares of the Company
(3) Issue price	JPY 4,285 per share
(4) Total value of issuance	JPY 103,268,500
(5) Persons scheduled to receive shares, number of shares	50 employees of the Company, 22,400 shares 8 employees of the Company’s subsidiary, 1,700 shares

2. Purposes of and Reasons for Issuance

In order to provide employees of the Group with incentive to sustainably increase the Group's corporate value and more closely align their interests with those of the Company’s shareholders, the Board of Directors resolved to grant monetary remuneration rights in a total amount of JPY 103,268,500 and consequently 24,100 of the Company’s common shares (hereinafter, the “allocated stocks”) to 50 employees of the Company and 8 employees of its subsidiary (hereinafter, the “eligible employees”). For the purpose of providing the eligible employees with incentives to continuously work with the Group over the mid- to long-term, the transfer restriction period for the allocated stocks has been set to two years.

The eligible employees will receive the allocated stocks to be issued by the Company as payment-in-kind for all monetary remuneration rights granted by the Company. Furthermore, upon the issuance of the allocated

stocks, the Company and the eligible employees will execute a restricted stock allocation agreement as described below.

The allocated stocks will be allocated only to those eligible employees who wish to subscribe to them.

Overview of the restricted stock allocation agreement

(1) Transfer restriction period

The eligible employees shall not transfer, create security interest on, or otherwise dispose of the allocated stocks during the period from April 26, 2021 (the payment date) until April 26, 2023.

(2) Conditions for cancelling transfer restriction

On the condition that an eligible employee continuously serves the position as Director, auditor, or employee of the Company or one of its subsidiaries during the transfer restriction period, the Company will cancel the transfer restriction regarding all allocated stocks at the time of expiration of the transfer restriction period. Note that the transfer restriction will be released for a portion of the eligible employee's allocated stocks at the time immediately after the loss of position occurs in cases wherein the eligible employee resigns or retires from his/her position (or in the case of rehiring after fixed age retirement, the end date of the rehiring period), or is no longer a director, auditor or employee of the Company or its subsidiaries due to death or other reasons accepted as valid by the Board of Directors (excluding cases wherein said loss of position occurs before April 1, 2022). This portion will be calculated by, immediately after said loss of position, first dividing the number of months from the month that contains the payment date to the month that contains the date when the loss occurs by 24 and then multiplying this number by the total amount of the allocated stocks allocated to the eligible employee (however, if any fractional share arises as a result of the calculation, this will be rounded down).

(3) Acquisition of allocated stocks by the Company without compensation

The Company will, as a matter of course, acquire the allocated stocks with no compensation in cases where the transfer restriction has not been released when the transfer restricted period ends and in cases where, during the transfer restricted period, immediately after the eligible employee loses their position as a Director, Auditor, or employee of the Company or its subsidiaries.

(4) Management of shares

To ensure that the allocated stocks cannot be transferred, created any security interest on, or otherwise disposed of during the transfer restricted period, they shall be managed in a dedicated account for the allocated stocks opened with Daiwa Securities Co. Ltd. by the eligible employees during the transfer restricted period.

(5) Provision for cases where the Company undergoes reorganization

If, during the transfer restricted period, a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary of another company, or any other matter concerning reorganization is approved by the Company's

General Shareholders' Meeting (or by the Company's Board of Directors if the approval of the General Shareholders' Meeting is not required), the transfer restrictions for a portion of the eligible employee's allocated stocks will be lifted immediately before the business day prior to the effective date of restructuring by the resolution of the Board of Directors. This portion will be calculated by first dividing the number of months from the month that contains the payment date to the month that contains the date of approval of the company restructuring by 24 and then multiplying this number by the total amount of the allocated stocks the eligible employee held at that time (however, if any fractional share arises as a result of the calculation, this will be rounded down). However, if the timing of immediately before the business day prior to the effective date of restructuring occurs before April 1, 2022, said transfer restrictions will not be lifted.

3. Basis for Calculating Paid-in Amount and Details Thereof

Issuance of new shares to persons scheduled to receive shares will be carried out using the monetary remuneration rights granted to them, and in order to ensure that there is no arbitrariness in the valuation, the amount paid per share shall be JPY 4,285, which represents the closing price of ordinary shares in the Company on the Tokyo Stock Exchange on February 25, 2021 (the business day before the date of the resolution of the Board of Directors). This is the market price immediately before the date of the resolution of the Board of Directors and the Company believes that it is a reasonable value that appropriately reflects the value of the Company in a condition free of special circumstances that would indicate that the recent share price is unreliable, and that it does not constitute any special benefit for eligible employees.