

TRANSLATION - FOR REFERENCE ONLY

Company	METAWATER Co., Ltd.
Representative	Yasushi Nakamura, President and Representative Director (Securities code: 9551 First Section of Tokyo Stock Exchange)
Contact	Akira Kato, Director and General Manager of Corporate Strategy Planning Division (TEL.: +81-3-6853-7317)

Introduction of Share Remuneration Plan with Restriction on Transfer

METAWATER Co., Ltd. resolved to introduce a share remuneration plan with restriction on transfer (hereinafter, the "Plan") at the meeting of the Board of Directors held on May 20, 2021 and will submit a proposal for the Plan to the 48th regular general shareholders' meeting to be held on June 22, 2021 (hereinafter, the "Regular General Shareholders' Meeting").

1. Purpose of Introduction of the Plan, Etc.

The Plan is intended to provide incentives for Directors excluding the Company's Outside Directors (hereinafter, the "Eligible Directors") to continuously improve the Company's corporate value and to promote further value-sharing with shareholders.

Upon the introduction of the Plan, monetary claims will be paid to the Eligible Directors as remuneration in order to grant shares with restriction on transfer, subject to the approval of shareholders for the payment of such remuneration at the Regular General Shareholders' Meeting. At the 42nd regular general shareholders' meeting held on June 22, 2015, it was approved that the amount of remuneration to be paid to the Company's Directors should be within 500 million yen per year (of which, Outside Directors were within 50 million yen). However, at the Regular General Shareholders' Meeting, the Company will newly introduce the Plan and request shareholders to approve the establishment of remuneration limits in relation to the Plan for the Company's Eligible Directors in a separate framework from the above remuneration limits.

2. Outline of the Plan

The total amount of monetary claims to be paid to the Eligible Directors under the Plan shall be within 150 million yen per year, and the total number of shares of common stock newly issued or disposed of by the Company shall be 150,000 shares or less per year (provided, however, that in the event of a stock split or stock consolidation of the Company's common stock, for which the effective date is on or after the date of the resolution of the Regular General Shareholders' Meeting [including a gratis allotment of the Company's common stock], the Company shall adjust such total number as necessary to a reasonable extent according to the split ratio, consolidation ratio, etc., from such effective date).

The Eligible Directors shall pay all monetary claims paid by the Company under the Plan as contributed assets in kind and shall receive issuance or disposal of shares of common stock of the Company. The relevant amount to be paid per share shall be determined by the Board of Directors on the basis of the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day prior to each day of resolution by the Board of Directors (if the transaction is not closed on the same day, the closing price on the immediately preceding trading day) to the extent that such amount is not particularly favorable to the Eligible Directors who subscribe for such common stock. The specific timing and allocation of payments to each Eligible Director shall be determined by the Board of Directors after consultation with the Nomination and Remuneration Advisory Committee.

In addition, the issuance or disposal of the Company's common stock under the Plan (hereinafter, the "Shares") is subject to the conclusion of an agreement for the allotment of shares with restriction on transfer between the Company and the Eligible Directors, which includes content such as (1) for a certain period (hereinafter, the "Transfer

Restriction Period"), the prohibition of transfer of the Shares to a third party, the establishment of security interests, or any other disposal, and (2) the acquisition of the Shares free of charge by the Company in the event of certain events. The Shares will be managed in a dedicated account opened by the Eligible Directors in Nomura Securities Co., Ltd. during the Transfer Restriction Period so that the Shares cannot be transferred, secured, or otherwise disposed of during the Transfer Restriction Period.

If the proposal for the Plan is approved at the Regular General Shareholders' Meeting, the Company plans to introduce a plan similar to the Plan for not only the Eligible Directors, but also Executive Officers who do not concurrently serve as Directors of the Company, and other officers.