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Securities code: 3922
May 10, 2022

To Shareholders

11-44, Akasaka 1-chome, Minato-ku, Tokyo
PR TIMES, Inc.
Takumi Yamaguchi, President and CEO

Notice of the 17th Annual General Meeting of Shareholders

The 17th Annual General Meeting of Shareholders of PR TIMES, Inc. (the "Company") will be convened as described below.

There is ongoing concern about the spread of COVID-19 so appropriate measures will be taken to prevent infection at the General Meeting of Shareholders. Shareholders attending the Meeting are requested to check their health beforehand. Instead of attending the meeting in person, you may exercise your voting rights in writing (postal mail) or via the Internet. In such case, the Company requests that shareholders first review the reference documents for the General Meeting of Shareholders and then follow the procedures below to submit your vote by the deadline of no later than 7:00 p.m. on Tuesday, May 24, 2022 (JST).

Exercising Voting Rights in Writing (Postal Mail)

Please indicate your Approval or Disapproval on the enclosed voting form and return it so it arrives by the above deadline.

Exercising Voting Rights via the Internet

Please access the website (https://evote.tr.mufg.jp/) designated by the Company and, following the onscreen guidance, exercise your voting rights for each proposal by the aforementioned deadline.

The Company will stream the Meeting live via the Internet on the day of the Meeting so that all shareholders can view the meeting in progress. Please be aware that shareholders watching the broadcast cannot exercise their voting rights and their questions cannot be accepted at the venue.

If any significant changes occur in the operation of the Meeting based on future circumstances, notification will be made on the Company's website.

(https://prtimes.co.jp/ir/)

1. **Date and Time** Wednesday, May 25, 2022, at 10:00 a.m. (reception opens at 9:30 a.m.) (JST)
2. **Venue** 11-44, Akasaka 1-chome, Minato-ku, Tokyo
8F, Akasaka Intercity, PR Times Head Office
(Note that this year's venue is different than last year's.)

3. **Agenda of the Meeting**

Matters to be reported

1. Business report, consolidated financial statements, and the audit reports of the consolidated financial statements by the financial auditor and Audit & Supervisory Board for the 17th fiscal year (March 1, 2021 to February 28, 2022)
2. The non-consolidated financial statements for the 17th fiscal year (March 1, 2021 to February 28, 2022)

Matters to be resolved

Proposal No. 1 Partial Amendments to Articles of Incorporation
Proposal No. 2 Election of Five Directors
Proposal No. 3 Election of One Audit & Supervisory Board Member
Proposal No. 4 Election of One Substitute Audit & Supervisory Board Member

4. **Other information regarding the Meeting**

Please refer to "Information on Exercise of Voting Rights, etc." on page 4.

Those attending are kindly asked to submit the enclosed voting form at the reception desk on arrival at the Meeting.

If there are any amendments to the reference documents for the General Meeting of Shareholders, business report, consolidated financial statements and non-consolidated financial statements, such amendments will be announced on the Company's website (address: https://prtimes.co.jp/ir/).

Notice in Regard to COVID-19 Countermeasures

To prevent the spread of COVID-19, the Company has established the following policy for shareholders' meetings, with top priority given to the safety of shareholders. The Company asks for your understanding and cooperation.

(1) To ensure ample seating space between shareholders, there may not be enough seating to accommodate all shareholders in attendance.

(2) Instead of attending the Meeting in person, shareholders can exercise their voting rights in advance using the enclosed voting form or via the Internet.

(3) Gifts or childcare services will not be provided.

(4) Shareholders who will be attending the Meeting are asked to assess the overall state of infections and the state of their health on the day of the Meeting and take measures to prevent the spread of COVID-19, such as wearing a mask.

(5) Officers and staff in attendance will wear a mask when interacting with shareholders.

(6) The Meeting will be streamed live via the Internet. For details, see the IR (Investor Relations) page on the Company's corporate website. Please be aware that shareholders watching the broadcast cannot exercise their voting rights and their questions cannot be accepted at the venue.

If any significant changes occur in the operation of the Meeting based on future circumstances, notification will be made on the IR (Investor Relations) page of the Company's corporate website.

https://prtimes.co.jp/ir/

Information on Exercise of Voting Rights, Etc.

1. Matters concerning online disclosures

In accordance with laws and Article 14 of the Company's Articles of Incorporation, of the documentation to be provided for the Meeting, the following documentation is provided on the Company's website (https://prtimes.co.jp/ir/) only and therefore does not accompany this notice. Accordingly, the documents accompanying this notice are part of the documents subject to audits conducted by the Audit & Supervisory Board Members and financial auditor when drafting audit reports.

• Notes to the consolidated financial statements

• Notes to the non-consolidated financial statements

2. Procedures for exercising voting rights via the Internet

When exercising voting rights via the Internet, be sure to confirm the following matters before exercising your voting rights.

When attending the Meeting in person, you do not need to carry out the procedures for exercising your voting rights by post (voting form) or via the Internet.

(1) Website for exercising voting rights

1) Voting rights can be exercised via the Internet only by accessing the website designated by the Company (https://evote.tr.mufg.jp/) from a personal computer or smartphone. (However, the website is unavailable for use between the hours of 2:00 a.m. and 5:00 a.m. JST daily.)

2) Exercising voting rights via a personal computer or smartphone may not be possible depending on your Internet environment, for example, if in your connection to the Internet you are using a firewall, anti-virus software, a proxy server, or if you have not designated TLS encryption.

3) Exercising voting rights via the Internet is permitted until 7:00 p.m. on Tuesday, May 24, 2022 (JST). However, the Company encourages shareholders to exercise voting rights well in advance. If you have any questions, please contact the help desk.

(2) Methods for exercising voting rights via the Internet

1) Using a personal computer

・ Use the login ID and temporary password printed on your voting form to log into the website for exercising your voting rights (https://evote.tr.mufg.jp/). Follow the onscreen guidance to enter your approval or disapproval.

・ Please be aware that you will be required to change your temporary password on the aforementioned website to prevent unauthorized access by third parties and falsification of your voting rights information.

・ You will be notified of a new login ID and temporary password for each shareholders' meeting.

2) Using a smartphone

・ Read the login QR code on your voting form with your smartphone to automatically access the website for exercising your voting rights.

(You do not need to enter your login ID and temporary password.)

・ For security reasons, exercising your voting rights using the QR code is allowed only one time. Second and subsequent times will require that you enter your login ID and temporary password, even after reading the QR code.

・ Depending on your smartphone model, you may not be able to log in using the QR code. If you are unable to log in using the QR code, please exercise your voting rights according to (2) 1) Using a personal computer, above.

*QR Code is a registered trademark of Denso Wave Incorporated.

(3) Handling of voting rights exercised multiple times

1) If voting rights are exercised by both postal mail and the Internet, please be aware that the voting rights exercised via the Internet will be taken as the validly exercised votes.

2) If voting rights are exercised more than once via the Internet, the voting rights exercised last will be taken as the validly exercised votes.

(4) Costs incurred when accessing the voting website

The costs (Internet connection fees, etc.) incurred when accessing the website for exercising voting rights will be borne by the shareholder.

Inquiries concerning the system, etc.

Securities Agency Division, Mitsubishi UFJ Trust and Banking Corporation (Help Desk)

- Tel. 0120-173-027 (toll free inside of Japan; hours of operation: 9:00 a.m. to 9:00 p.m. JST)

To institutional investors

If you have applied in advance to use the electronic voting platform operated by ICJ, Inc., you may exercise your voting rights on such platform.

Attached documents

Business Report

(From March 1, 2021 to February 28, 2022)

1. Current state of the corporate group

(1) Business conditions in the fiscal year under review

1) Progress and results of operations

In the fiscal year ended February 28, 2022, the PR TIMES, Inc. Group (the "Group") invested in the development of new functions, etc. for the future in order to realize our mission of "Towards an age where information inspires hearts and minds" while continuing efforts to strengthen the core structure for the press release distribution service "PR TIMES," which is a key business.

The Group is maintaining strong growth, with the number of companies using our services reaching 65,660 (up 29.7% year on year) in February 2022, 50.4% of listed companies in Japan using our services, the number of press releases reaching a record high of 28,534 in November 2021, etc. Also in November, 144,887 still images were posted, and in October, 2,406 videos were posted as press release materials, both representing record highs, as the shift to press releases with rich contents continues. In addition, there were 11,798 distribution recipients, 23,114 media users and 210 partner media, and the number of monthly site views for press releases in August was the highest recorded at 58.80 million page views. There has been an enormous response in terms of network effect accompanying the increases for both the distribution side and the receiving side of press releases. As a result, "PR TIMES" has evolved from an information distribution service for press releases, containing media-oriented material, to a PR (Public Relations) platform.

To realize our mission, we are also striving to create business that goes beyond "PR TIMES." Beginning this fiscal year, we changed the key indicators from number of users to number of paying user companies for "Jooto," our task and project management tool, and from number of accounts to number of paying accounts for "Tayori," our cloud-based information organization tool, and worked to expand usage and improve service. As a result, the number of paying user companies for "Jooto" rose 22.1% year on year to 1,765 and the number of paying accounts for "Tayori" rose 43.1% to 661. Although both services grew according to plan, their effect on net sales was limited, and we continue to be in the investment phase.

As a result, for the fiscal year under review, the Company posted net sales of ¥4,854,526 thousand, operating profit of ¥1,834,036 thousand, ordinary profit of ¥1,833,592 thousand and profit attributable to owners of parent of ¥1,281,285 thousand. A comparison against the consolidated financial statements for the previous fiscal year has not been performed because the Group began preparing consolidated financial statements from the fiscal year under review.

Note that statement of operating results by segment is omitted because the Group has a single reportable segment, the Press Release Distribution Business.

2) Status of capital investment

The total amount of capital investments made by the Group in the fiscal year under review was ¥363,246 thousand. This was mainly for complete office construction work associated with the relocation of the head office, purchase of office equipment associated with this relocation, and strengthening of existing services. As a result, at the end of the fiscal year under review non-current assets stood at ¥857,820 thousand.

3) Status of financing

Not applicable.

4) Status of business transfers, absorption-type company splits, or incorporation-type company splits

At the Board of Directors meeting held on March 12, 2021, a resolution was passed to establish THE BRIDGE, Inc. on March 19, 2021 to take over the business related

to the start-up media “BRIDGE” operated by the Company, and a company split was executed effective May 6, 2021.

5) Status of acquisition of business from other companies

Not applicable.

6) Status of the transfer of rights or obligations concerning the business of other companies through absorption-type merger or absorption-type split

Not applicable.

7) Status of holdings of the stock or other equity of other companies or the acquisition or disposal of share acquisition rights

Not applicable.

(2) Status of assets and profit/loss

1) Status of assets and profit/loss of the corporate group

Item	14th Term From March 1, 2018 to February 28, 2019	15th Term From March 1, 2019 to February 29, 2020	16th Term From March 1, 2020 to February 28, 2021	17th Term (Fiscal year under review) From March 1, 2021 to February 28, 2022
Net sales (Thousands of yen)	2,286,101	2,891,311	–	4,854,526
Ordinary profit (Thousands of yen)	494,091	560,214	–	1,833,592
Profit attributable to owners of parent (Thousands of yen)	313,971	321,502	–	1,281,285
Earnings per share (Yen)	23.51	24.25	–	96.96
Total assets(Thousands of yen)	2,254,986	2,239,977	–	4,831,057
Net assets (Thousands of yen)	1,884,974	1,664,978	–	3,740,240
Net assets per share (Yen)	140.40	127.66	–	278.52

Note: The 16th term is not presented due to the change to non-consolidated financial results. As the Company has changed back to consolidated financial results from the fiscal year under review, assets and profit/loss are presented in the consolidated financial statements.

2) Status of assets and profit/loss of the Company

Item	14th Term From March 1, 2018 to February 28, 2019	15th Term From March 1, 2019 to February 29, 2020	16th Term From March 1, 2020 to February 28, 2021	17th Term (Fiscal year under review) From March 1, 2021 to February 28, 2022
Net sales (Thousands of yen)	2,255,750	2,884,020	3,765,954	4,842,403
Ordinary profit (Thousands of yen)	427,723	507,156	1,299,420	1,851,831
Profit (Thousands of yen)	316,346	274,592	1,043,392	1,286,638
Earnings per share (Yen)	23.68	20.71	80.01	97.37
Total assets(Thousands of yen)	2,108,401	2,046,614	3,457,974	4,830,398
Net assets (Thousands of yen)	1,739,782	1,472,875	2,484,504	3,745,014
Net assets per share (Yen)	129.59	112.93	190.63	278.91

Note: The Company executed a 2-for-1 stock split of its common stock on August 5, 2020. Earnings per share and the net assets per share are calculated assuming that these stock splits took place at the beginning of the 14th term.

(3) Status of significant parent company and subsidiaries

1) Status of parent company

Company name	Share capital	Percentage of voting rights of the Company	Relationship with the Company
VECTOR INC.	¥2,880,131 thousand	55.6%	Provision of press release distribution services

Note: The percentage of voting rights is calculated after subtracting treasury shares (30,847 shares) from the total number of issued shares.

2) Matters concerning business transactions with parent company, etc.

The Company regularly reviews contracts for business transactions with VECTOR INC. In addition, the Company's basic policy is not to engage in related party transactions, etc., not limited to VECTOR INC., in principle, except when necessary for management strategy or sales strategy. With regard to the implementation of related party transactions, etc., from the viewpoint of protecting minority shareholders, the Group intends to pay particular attention to whether the transaction will damage the soundness of the Group's management, whether the transaction is effective in light of reasonable judgment, and whether the terms and conditions of transactions, etc. are appropriate compared to other external transactions, and approves such transactions by resolution of the Board of Directors after conducting deliberations at meetings of the Audit & Supervisory Board.

3) Status of significant subsidiaries

Company name	Share capital	Ratio of voting rights of the Company	Main business lines
THE BRIDGE, Inc.	¥15,000 thousand	95%	Operation of "BRIDGE," a media business for start-ups, and all businesses peripheral to this.

Note: At the meeting of the Board of Directors held on March 12, 2021, a resolution was passed on the establishment of THE BRIDGE, Inc., which was formally established on March 19, 2021

(4) Issues to address

The Group has set the following medium-term management targets, and recognizes the following major issues to be addressed.

1) Growing PR TIMES into a form of social information infrastructure
The Group aims to realize its mission of "Towards an age where information inspires hearts and minds." There are products and services that are working hard in various regions of Japan but are not yet known widely. In order to deliver these things that are loved locally to a broader range of people, we will increase the number of companies and organizations that disseminate information, increase the number of media that covers this information, develop and operate systems that are stable and easy to use so as to deliver high-quality information for consumers. We also believe that it is important to provide customer services that promote continued use.

2) Making PR TIMES one of the world's leading Internet services
The Group has expanded into China with PR TIMES, but has not been able to build sufficient relationships with the media there, and exited the market after a few years. In addition, we explored M&A in East Asia, but it did not lead to results and subsequently, we gave up. However, in order to realize our mission and to achieve sustainable enhancement of corporate value, we believe it is important to expand our services not only in Japan but also overseas. For this reason, we will expand mainly in English-speaking countries, especially the United States.

3) Make the organization one in which human resources, who create businesses beyond PR TIMES, are prominent.
The emergence of businesses beyond PR TIMES is required to achieve sustainable enhancement of the Group's corporate value. The number of users and accounts of "Jooto," a task and project management tool, and of "Tayori," a cloud-based tool for organizing information, are steadily increasing, but the ratio of paid subscriptions remains extremely low. The Company will continue to engage in disciplined investment and management of performance to realize the creation and growth of second and third profitable businesses.
In addition, we believe that the emergence of management personnel and the creation of flexible and diverse organizations are also necessary. The management human resources envisioned by the Group include people who can shoulder an entire business, such as creating new value for society, turning this into a business model, acquiring resources, building out operations, and establishing sustainable profits. The Company also believes it is important for these human resources to have the mindset of creating businesses beyond PR TIMES, and the Company prefers the emergence of such human resources. Additionally, the Company is working to vitalize the entire organization by incorporating the skills, thinking and values of a diverse workforce transcending differences in gender, age, and nationality into its organization.

(5) Main business lines (as of February 28, 2022)

Business classification	Business lines
Press release distribution business	Operation of the Company's service (PR TIMES) and other related businesses

(6) Main business location (as of February 28, 2022)

1) The Company

Name	Address
Head office	11-44, Akasaka 1-chome, Minato-ku, Tokyo

Note: The Company relocated its head office to 11-44, Akasaka 1-chome, Minato-ku, Tokyo on February 14, 2022.

2) Subsidiary(ies)

Name	Address
THE BRIDGE, Inc.	11-44, Akasaka 1-chome, Minato-ku, Tokyo

Notes: 1. The Company established THE BRIDGE, Inc. on March 19, 2021.
2. THE BRIDGE, Inc. relocated its head office to 11-44, Akasaka 1-chome, Minato-ku, Tokyo on February 14, 2022.

(7) Status of employees (as of February 28, 2022)

1) Status of employees of the corporate group

Business classification	Number of employees	Change compared to the previous fiscal year
Press release distribution business	79 (88)	–

Notes: 1. The number of employees represents permanent employees employed as of the end of the fiscal year. The number of contract employees, part-time workers and temporary employees is presented in parentheses as the average for the year.
2. Comparison against the end of the previous fiscal year has not been performed as the Group began preparing consolidated financial statements from the fiscal year under review.

2) Status of employees of the Company

Number of employees	Change compared to the previous fiscal year	Average age	Average years of service
77 (88)	Up 12 (4)	30.6 years old	2.7 years

Notes: 1. The number of employees represents permanent employees employed as of the end of the fiscal year. The number of contract employees, part-time workers and temporary employees is presented in parentheses as the average for the year.
2. Average age and average years of service are calculated based on the number of permanent employees employed at the end of the fiscal year.

(8) Status of main lenders (as of February 28, 2022)

Not applicable.

(9) Other important matters concerning the current status of the corporate group

Not applicable.

2. Current state of the Company

(1) Status of stock (as of February 28, 2022)

1) Authorized shares 40,000,000

2) Total number of issued shares 13,457,200 (including 30,847 treasury shares)

3) Shareholders 4,883

4) Major shareholders

Shareholder name	Number of shares owned (shares)	Ownership percentage (%)
VECTOR INC.	7,465,400	55.6
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,162,300	8.6
Takumi Yamaguchi	795,627	5.9
GOLDMAN SACHS INTERNATIONAL	311,240	2.3
Custody Bank of Japan, Ltd. (Trust Account)	252,700	1.8
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	192,300	1.4
STATE STREET BANK AND TRUST COMPANY FOR STATE STREET BANK INTERNATIONAL GMBH, LUXEMBOURG BRANCH ON BEHALF OF ITS CLIENTS: CLIENT OMNI OM25	132,699	0.9
NORTHERN TRUST CO.(AVFC) RE NORTHERN TRUST (GUERNSEY) LIMITED RE GGDP RE: AIF CLIENTS 15.315 PERCENT NON TREATY ACCOUNT	120,000	0.8
The Dai-ichi Life Insurance Company, Limited	117,800	0.8
Akihiro Mishima	114,075	0.8

Note: The ownership percentage is calculated after subtracting treasury shares (30,847 shares) from the total number of issued shares.

5) Shares delivered during the fiscal year to Directors of the Company as consideration for their execution of duties

Shareholder name	Number of shares owned (shares)	Number of recipients
Directors (excluding outside Directors)	3,502	2
Outside Directors	–	–
Audit & Supervisory Board Members	–	–

Note: The details of share-based remuneration of the Company are presented in “2. (3) 5) Remuneration, etc., of Directors and Outside Audit & Supervisory Board members” on page 16 of the Business Report.

6) Other significant matters concerning the Company’s shares

In order to have flexible options in investment strategy and to control dilution at the time of allotment of share-based remuneration, the Company acquired treasury shares as follows pursuant to the provisions of Article 156 of the Companies Act and the Articles of Incorporation, which are applied by replacing the terms with Article 165, paragraph (3) of the Companies Act.

Acquisition of treasury shares pursuant to the resolution at the meeting of the Company's Board of Directors held on May 14, 2021

・Acquisition date: May 17, 2021 to June 25, 2021

・Total number of acquired shares: 73,800 shares

・Total value of shares acquired: ¥238,249,400

Acquisition of treasury shares pursuant to the resolution at the meeting of the Company's Board of Directors held on January 17, 2022

・Acquisition date: January 18, 2022 to January 19, 2022

・Total number of acquired shares: 20,400 shares

・Total value of shares acquired: ¥60,613,200

(2) Status of share acquisition rights, etc.

1. Status of share acquisition rights delivered as consideration for the execution of duties by the Company's officers as at the end of the fiscal year under review

Fifth series of share acquisition rights

Item	Details of share acquisition rights
Date of resolution on issuance	April 13, 2021
Number of share acquisition rights	390 units
Type and shares subject to share acquisition rights	Common shares: 39,000
Payment for share acquisition rights	¥39,000
Value of assets to be contributed upon the exercise of share acquisition rights	¥375,000 per share acquisition right (¥3,750 per share)
Exercise period	From June 1, 2027 To April 30, 2033
Conditions for exercise	(Notes)
Status of ownership by Directors (excluding Outside Directors)	Number of share acquisition rights: 390 units Number of shares subject to share acquisition rights: 39,000 shares Number of owners: 1

Notes: Main conditions for the exercise of share acquisition rights are as follows:

1) The share acquisition rights holder shall be able to exercise the allotted share acquisition rights up to the percentage listed in the following items if the amount of operating profit in the consolidated statement of income stated in the Securities Report satisfies any of the following conditions for either of the fiscal years ending February 28, 2025 to 2027. In the determination of operating profit, if there is a material change in the concept of items to be referred to by the application of International Financial Reporting Standards, etc., the Company's Board of Directors shall determine the indicators to be referred to separately. In addition, in the calculation of the exercisable percentage, if the number of share acquisition rights that the share acquisition rights holder can exercise includes a fraction of less than one, the number shall be rounded down.
   a) If the amount exceeds ¥2,800 million: 50% of the share acquisition rights allotted
   b) If the amount exceeds ¥3,150 million: 75% of the share acquisition rights allotted
   c) If the amount exceeds ¥3,500 million: 100% of the share acquisition rights allotted
2) Share acquisition rights holders must hold the position of Director of the Company even at the time of exercising the share acquisition rights. Provided, however, that this shall not be the case if the Board of Directors finds that there is a justifiable reason.
3) If the share acquisition rights holder dies, his/her heir(s) may not exercise the share acquisition rights.

4) If the exercise of the share acquisition rights causes the total number of issued shares of the Company to exceed the authorized shares at that time, said share acquisition rights may not be exercised.
5) The share acquisition rights cannot be exercised in sums of less than one unit.

2. Status of share acquisition rights delivered to employees as consideration for the execution of duties during the fiscal year under review
Not applicable.

3. Status of other share acquisition rights, etc.
Fourth series of share acquisition rights

Item	Details of share acquisition rights
Date of resolution on issuance	March 16, 2017
Number of share acquisition rights	1,440 units
Type and number of shares subject to share acquisition rights	Common shares: 576,000
Payment for share acquisition rights	No payment is required for the share acquisition rights
Value of assets to be contributed upon the exercise of share acquisition rights	¥231,200 per share acquisition right (¥578 per share)
Exercise period	From June 1, 2021 To March 31, 2027
Conditions for exercise	(Notes)
Eligible person(s) for the allotment of share acquisition rights and number of units to be allotted	Trustee: Tax Consulting Firm TRUST 1,440 units

Notes: 1. Main conditions for the exercise of share acquisition rights are as follows:
1) A person who has received the share acquisition rights from the trustee (hereinafter, the "Beneficiary") shall be able to exercise the share acquisition rights up to the maximum percentage listed in the items of the share acquisition rights delivered to the Beneficiary if the operating profit satisfies any of the conditions listed in the following items in the consolidated income statement stated in the securities report for the fiscal years ended February 29, 2020 to February 2021. In the determination of operating profit, if there is a material change in the concept of items to be referred to by the application of International Financial Reporting Standards, etc., the Company's Board of Directors shall determine the indicators to be referred to separately. In addition, if, in the calculation of the exercisable percentage, the number of share acquisition rights that each share acquisition rights holder can exercise includes a fraction of less than one, the number shall be rounded down.
a) If the amount exceeds ¥700 million: 70% of the share acquisition rights allotted
b) If the amount exceeds ¥800 million: 80% of the share acquisition rights allotted
c) If the amount exceeds ¥900 million: 90% of the share acquisition rights allotted
d) If the amount exceeds ¥1,000 million: 100% of the share acquisition rights allotted
2) Share acquisition right holders must have at least five years of service at the Company or an affiliated company of the Company at the time of exercising the share acquisition rights. Provided, however, that this shall not be the case if the Board of Directors finds that there is a justifiable reason.
3) If the share acquisition rights holder dies, his/her heir(s) may not exercise the share acquisition rights.
4) If the exercise of the share acquisition rights causes the total number of issued shares of the Company to exceed the authorized shares at that time, said share acquisition rights may not be exercised.
5) The share acquisition rights cannot be exercised in sums of less than one unit.

2. The number of shares subject to share acquisition rights and the value of assets to be contributed upon the exercise of share acquisition rights have been adjusted based on the 2-for-1 stock split of common stock conducted on March 1, 2018, and the 2-for-1 stock split of common stock conducted on August 5, 2020.

Sixth series of share acquisition rights

Item	Details of share acquisition rights
Date of resolution on issuance	April 13, 2021
Number of share acquisition rights	960 units
Type and number of shares subject to share acquisition rights	Common shares: 96,000
Payment for share acquisition rights	¥96,000
Value of assets to be contributed upon the exercise of share acquisition rights	¥375,000 per share acquisition right (¥3,750 per share)
Exercise period	From June 1, 2027 To April 30, 2033
Conditions for exercise	(Notes)
Eligible person(s) for the allotment of share acquisition rights and number of units to be allotted	Trustee: Kotaeru Trust Co., Ltd. 960 units

Notes: 1. Main conditions for the exercise of share acquisition rights are as follows:

1) A person who has received the share acquisition rights delivered from the trustee (hereinafter, the "Beneficiary") shall be able to exercise the delivered share acquisition rights up to the percentage listed in the following items if the amount of operating profit in the consolidated statement of income stated in the Securities Report satisfies any of the following conditions for either of the fiscal years ending February 28, 2025 to 2027. In the determination of operating profit, if there is a material change in the concept of items to be referred to by the application of International Financial Reporting Standards, etc., the Company's Board of Directors shall determine the indicators to be referred to separately. In addition, if, in the calculation of the exercisable percentage, the number of share acquisition rights that each share acquisition rights holder can exercise includes a fraction of less than one, the number shall be rounded down.
   a) If the amount exceeds ¥2,800 million: 50% of the share acquisition rights allotted
   b) If the amount exceeds ¥3,150 million: 75% of the share acquisition rights allotted
   c) If the amount exceeds ¥3,500 million: 100% of the share acquisition rights allotted
2) Share acquisition right holders must have at least five years of service at the Company or an affiliated company of the Company at the time of exercising the share acquisition rights. Provided, however, that this shall not be the case if the Board of Directors finds that there is a justifiable reason.
3) If the share acquisition rights holder dies, his/her heir(s) may not exercise the share acquisition rights.
4) If the exercise of the share acquisition rights causes the total number of issued shares of the Company to exceed the authorized shares at that time, said share acquisition rights may not be exercised.
5) The share acquisition rights cannot be exercised in sums of less than one unit.

2. The share acquisition rights were allocated to the trust whose trustee is Kotaeru Trust Co., Ltd., and delivered to persons designated as beneficiaries among the Company's officers and employees at the expiration of the trust period.

(3) Status of company officers

1) Status of Directors and Audit & Supervisory Board Members (as of February 28, 2022)

Position at the Company	Name	Responsibilities and important concurrent positions
President and CEO	Takumi Yamaguchi	Outside Director, Goodpatch Inc.
Director	Akihiro Mishima	Head of Corporate Administration Unit
Director	Kazuhiko Kamata	Director and Executive Vice President, Open House Group Co., Ltd. Representative Director and President, Open House Co., Ltd. Director, Open House Architect Inc.
Director	Keita Suzuki	Representative Director, AuB, Inc. Outside Director, RUNSYSTEM CO., LTD.
Full-time Audit & Supervisory Board Member	Toshihito Mukaigawa	Head of Mukaigawa Certified Public Accountants Outside Audit & Supervisory Board Member, MRS Advertising Research, INC. Outside Audit & Supervisory Board Member, Advanced Media, Inc. Outside Audit & Supervisory Board Member, 3-D Matrix, Ltd.
Audit & Supervisory Board Member	Noriyuki Tanaka	Director, Tokyo Office, Minato International Law Office Outside Audit & Supervisory Board Member, NewsTV Inc. Councilor, The Japanese Association of Pharmaceutical Medicine
Audit & Supervisory Board Member	Toshihiro Hanyu	Representative Director, Hinode Consulting Corporation Director (and Audit & Supervisory Committee Member), RPA HOLDINGS INC. Audit & Supervisory Board Member, Re-Tech RaaS Inc.

Notes:
1. Directors Kazuhiko Kamata and Keita Suzuki are outside Directors.
2. Full-time Audit & Supervisory Board Member Toshihito Mukaigawa and Audit & Supervisory Board Member Noriyuki Tanaka are outside Audit & Supervisory Board Members.
3. Full-time Audit & Supervisory Board Member Toshihito Mukaigawa and Audit & Supervisory Board Member Toshihiro Hanyu possess the qualification of Certified Public Accountant, and they maintain considerable knowledge concerning finance and accounting.
4. Audi & Supervisory Board Member Noriyuki Tanaka possesses the qualification of attorney-at-law, and maintains considerable knowledge concerning corporate law.
5. Director Kazuhiko Kamata, Director Keita Suzuki, Full-time Audit & Supervisory Board Member Toshihito Mukaigawa, and Audit & Supervisory Board Member Noriyuki Tanaka have been designated as independent officers based on the rules of the Tokyo Stock Exchange and reported to said stock exchange.
6. The Company has the executive officer system. Executive officers as of February 28, 2022 excluding those serving concurrently as Director are as follows.

Position	Name	Responsibility
Executive Officer	Manabu Eguchi	Head of Sales Unit
Executive Officer	Tatsuya Kaneko	Head of System Development Unit

2) Directors that retired in the fiscal year under review

Name	Date of retirement	Reason of retirement	Positions, responsibilities, and material concurrent positions at the time of retirement
Yasuyuki Tosaki	October. 31, 2021	Resigned	Executive Officer, Head of Corporate Strategy Unit, VECTOR INC. Director, Smart Media Inc. Director, ASHITA-TEAM CO. Ltd.

3) Summary of the limited liability agreement

Based on the provisions of Article 427, paragraph (1) of the Companies Act, the Company has concluded an agreement with Outside Directors and Outside Audit & Supervisory Board members to limit their liability for damages as specified in Article 423, paragraph (1) of the same Act. The maximum amount of the liability for damages based on said agreement is the amount prescribed in laws and regulations. Said limited liability agreements are permitted only when the outside Directors and Outside Audit & Supervisory Board members are well-intentioned and not seriously negligent in performing their duties that caused the liability.

4) Matters concerning limited liability agreements for directors and officers, etc.

The Company has concluded limited liability insurance agreements for directors and officers, etc. that have the following content, with an insurance company as prescribed in Article 430-3, paragraph (1) of the Companies Act.

Scope of the insured	Directors and Audit & Supervisory Board Members
Main accidents covered	Shareholder litigation, corporate securities damage claims
Insurance premium borne by	Entire amount borne by the Company
Main exemptions, etc.	Disloyalty, criminal acts, or fraudulent acts of the insured or illegally obtained private benefits or providing services

5) Remuneration, etc., of Directors and Outside Audit & Supervisory Board members

Item	Total amount of remuneration, etc. (Thousands of yen)	Basic remuneration (Thousands of yen)	Restricted share-based remuneration (Thousands of yen)	Recipient(s) (Number)
Directors (parentheses indicate outside Directors)	89,274 (8,400)	77,280 (8,400)	11,994 (–)	4 (2)
Outside Audit & Supervisory Board members (parentheses indicate outside Audit & Supervisory Board members)	13,350 (9,900)	13,350 (9,900)	– (–)	3 (2)
Total (parentheses indicate outside Directors and Audit & Supervisory Board members)	102,624 (18,300)	90,630 (18,300)	11,994 (–)	7 (4)

Notes: 1. The amount paid to Directors does not include employee wages paid to Directors serving concurrently as employees.

2. At the 16th Annual General Meeting of Shareholders held on May 26, 2021, the basic remuneration for Directors was resolved to be no more than ¥200 million per year (up to ¥40 million per year for outside Directors) and restricted share-based remuneration to be no more than ¥20 million per year (up to ¥4 million per year for outside Directors). At the conclusion of this General Meeting of Shareholders, the number of Directors was five (including two outside Directors).
3. The maximum remuneration amount of Audit & Supervisory Board Members was resolved to be ¥20 million per year or less at the Extraordinary General Meeting of Shareholders held on July 16, 2014. At the conclusion of this General Meeting of Shareholders, the number of Audit & Supervisory Board Members was three (including two Outside Audit & Supervisory Board Members).
4. The reason for the difference between recipients who are Directors and the total number of Directors in office during the fiscal year under review is that there is one Director not receiving remuneration.

6) Matters concerning the policy for determination of details of remuneration, etc., for individual Directors

1. Policy determination method
The policy for determining the details of remuneration, etc. by individual was decided by the Board of Directors at its meeting on April 13, 2021.

2. Summary of the policy
Remuneration of Directors comprises basic remuneration and restricted share-based remuneration. At the 16th Annual General Meeting of Shareholders held on May 26, 2021, the basic remuneration for Directors was resolved to be no more than ¥200 million per year (up to ¥40 million per year for outside Directors) and restricted share-based remuneration to be no more than ¥20 million per year (up to ¥4 million per year for outside Directors). The Company has established a policy of setting a suitable level of remuneration for Directors in consideration of social conditions, market levels, comparisons with other companies, etc., and as consideration for fully demonstrating management decision-making and supervisory functions at the Company. The remuneration of each Director is to be within the maximum amount resolved at the General Meeting of Shareholders, with the basic remuneration determined by Takumi Yamaguchi, President and CEO, who has been appointed by the Board of Directors, and the restricted share-based remuneration is determined by the Board of Directors. The reason for delegating basic remuneration to the President and CEO is that the Company has judged the President and CEO as fit to appropriately evaluate the roles expected of each Director while considering, among other things, the Company's business performance, scope and business structure.

7) Matters concerning outside officers

1. Status of important concurrent positions at other companies and relationship between the Company and these companies
   1) Director Kazuhiko Kamata is Director and Executive Vice President of Open House Group Co., Ltd. In addition, he is the Representative Director and President of Open House Co., Ltd. and Director of Open House Architect Inc. The Company has no special relationships with companies in which Kazuhiko Kamata holds concurrent positions.
   2) Director Keita Suzuki is Representative Director of AuB, Inc. In addition, he is also an Outside Director of RUNSYSTEM CO., LTD. The Company has no special relationships with the companies in which Keita Suzuki holds concurrent positions.
   3) Audit & Supervisory Board Member Yoshihito Mukaigawa is Head of Mukaigawa Certified Public Accountants. In addition, he is an Outside Audit & Supervisory Board Member of Advanced Media, Inc. and 3-D Matrix, Ltd. and an Outside Audit & Supervisory Board Member of MRS Advertising Research, INC. The Company has no special relationships with companies in which Yoshihito Mukaigawa holds concurrent positions.
   4) Audit & Supervisory Board Member Noriyuki Tanaka is an employee of the Tokyo Office of Minato International Law Office. In addition, he is an Outside Audit & Supervisory Board Member of NewsTV Inc. and a Councilor of The Japanese Association of Pharmaceutical Medicine. NewsTV Inc. is a sister company of the Company; however, the Company has no special relationships with this company or other companies in which Noriyuki Tanaka holds concurrent positions.

2. Status of main activities during the fiscal year under review

Name (Title)	Status of Activities and Overview of Duties in Relation to the Roles Expected of Outside Directors
Kazuhiko Kamata (Director)	He attended 10 of the 13 Board of Director meetings (attendance rate of 76.9%) held during the fiscal year under review. He has a wealth of management experience and broad insight as a Director at other companies, and makes remarks to ensure the validity and appropriateness of decisions made by the Board of Directors.
Keita Suzuki (Director)	He attended 12 of the 13 Board of Director meetings (attendance rate of 92.3%) held during the fiscal year under review. He has extensive experience and insight as a professional athlete and corporate manager, and makes remarks to ensure the validity and appropriateness of decisions made by the Board of Directors.
Toshihito Mukaigawa (Full-time Audit & Supervisory Board Member)	He attended 13 of the 13 Board of Director meetings (attendance rate of 100%) held during the fiscal year under review. He attended 12 of the 12 Audit & Supervisory Board meetings (attendance rate of 100%) held during the fiscal year under review. At meetings of the Board of Directors he provides advice and proposals to ensure the validity and appropriateness of decisions made by the Board of Directors from a certified public account's specialized point of view. In addition, at meetings of the Audit & Supervisory Board, he discusses and exchanges opinions on important matters related to audits.
Noriyuki Tanaka (Audit & Supervisory Board Member)	He attended 13 of the 13 Board of Director meetings (attendance rate of 100%) held during the fiscal year under review. He attended 12 of the 12 Audit & Supervisory Board meetings (attendance rate of 100%) held during the fiscal year under review. At meetings of the Board of Directors he provides advice and proposals to ensure the validity and appropriateness of decisions made by the Board of Directors from an attorney-at-law's professional point of view. In addition, at meetings of the Audit & Supervisory Board, he discusses and exchanges opinions on important matters related to audits.

(Note) In addition to the number of Board of Director meetings stated above, there were six written resolutions that were deemed to be made by the Board of Directors in accordance with Article 370 of the Companies Act and Article 25, paragraph 3 of the Company's Articles of Incorporation.

(4) Status of the financial auditor

1) Name Crowe Toyo & Co.

2) Amount of remuneration, etc.

	Amount of remuneration, etc.
Amount of remuneration, etc., paid to the financial auditor related to the fiscal year under review	¥23,000 thousand
The total amount of money and other property benefits to be paid by the Company and its subsidiaries to the financial auditor	¥23,000 thousand

Note: Since the amount of remuneration, etc. for audits under the Companies Act and the amount of remuneration, etc. for audits under the Financial Instruments and Exchange Act are not clearly distinguished in the audit agreement between the Company and the financial auditor, and cannot be effectively be distinguished, the total of remuneration, etc. of the financial auditor for the fiscal year under review is presented.

3) Details of non-auditing work

Not applicable.

4) Reasons the Audit & Supervisory Board agreed to the financial auditor's amount of remuneration, etc.

The Audit & Supervisory Board has determined that the details of the audit by the financial auditor, the status of the performance of duties in financial audits, and the basis for calculating remuneration estimates, etc. are appropriate for the remuneration of Crowe Toyo & Co., and agreed to this.

5) Policy on determination of dismissal or non-reappointment of financial auditor

The Audit & Supervisory Board will determine the details of proposals concerning the dismissal or non-reappointment of the financial auditor to be submitted to the General Meeting of Shareholders, if it deems it necessary, such as when there is a hindrance to the execution of duties by the financial auditor.

In addition, if the financial auditor is found to fall under the items stipulated in each item of Article 340, paragraph (1) of the Companies Act, the Audit & Supervisory Board will dismiss the financial auditor based on the consent of all members of the Audit & Supervisory Board. In this case, the Audit & Supervisory Board member(s) selected by the Audit & Supervisory Board shall report the fact that the financial auditor was dismissed and the reasons for the dismissal at the first General Meeting of Shareholders convened after the dismissal.

3. System for ensuring appropriate business operations and the status of this system

(1) Summary of decisions made concerning the system for ensuring appropriateness of business operations

The summary of the decision-making on the system for ensuring that the execution of duties by Directors conforms to laws and regulations and the Articles of Incorporation, and on other systems for ensuring the appropriateness of the company's business operations is as follows.

1) System for ensuring the execution of duties by Directors and employees conforms to laws and regulations and the Articles of Incorporation

a) The Company has established a Compliance Policy to ensure that the officers and employees of the Company and its subsidiaries (hereinafter, the "Group") complies with laws and regulations and the Articles of Incorporation, and while Directors themselves observe this, the Representative Director repeatedly communicates this spirit to employees.

b) The Company has established a compliance system based on various systems such as the Compliance and Risk Committee, the approval system, the legal review system for contracts, internal audits and advice by legal advisors, ensuring that the execution of duties by Directors and employees conforms to laws and regulations and the Articles of Incorporation.

c) In the unlikely event that misconduct occurs in the Group, the Compliance and Risk Committee will investigate the cause, formulate measures to prevent recurrence, and deliberate on information disclosure, and based on the results, the Administration Unit will promote activities such as the development of measures to prevent recurrence.

d) As an internal reporting system for violations of laws and regulations and other compliance items, the Company has established a whistleblowing contact point, and will operate this appropriately in accordance with the Compliance Whistleblowing Regulations.

2) System concerning the retention and management of information related to the execution of duties by Directors

a) With regard to information security, based on the Information Security Basic Regulations, the Company will clarify the system of responsibility for information security and establish an information security management system that continuously implements measures to maintain and improve information security. Specific measures related to information security are deliberated by the Information Security Committee and promoted across the Group.

b) Regarding the storage and management of information related to the execution of duties by Directors, the information shall be recorded in documents or electromagnetic media in accordance with internal regulations such as Document Management Regulations, Personal Information Management Basic Regulations, and Insider Trading Prevention Regulations, and will be appropriately stored and managed.

3) Regulations and other systems concerning the management of risk of loss

a) While the Compliance Policy is the superordinate concept, the Company has established the Compliance and Risk Committee and the Accident and Scandal Response Regulations, and is promoting the establishment of a system for early detection of potential risks and prompt and appropriate measures for accidents and scandals, etc.

b) In order to promote the establishment of the various conditions related to disaster prevention, such as the formulation of disaster prevention plans and the development of a disaster prevention structure for the Group, the Company has formulated a business continuity plan and established a response organization for the event of a disaster, to prevent and reduce human and physical damage caused by disasters.

4) System for ensuring the efficient execution of duties by Directors

a) In principle, the Board of Directors meets once a month, and meets on an ad hoc basis as necessary to make flexible decisions.

b) By resolution of the Board of Directors, the Company has clarified the duties of Directors, establishes Organizational Regulations and Administrative Authority Regulations, clarified the roles of Directors and employees, division of duties, and relationships of command and order, and works to ensure Directors execute duties efficiently.

5) The following systems and other systems for ensuring the appropriateness of business operations of the corporate group comprising the Company, its parent company, and its subsidiaries

a) System for reporting matters related to the execution of duties by Directors, etc., of subsidiaries to the Company
In order to promote the comprehensive and sound development of the Group and ensure the appropriateness of business operations, the Company has established the Affiliated Company Management Regulations and Administrative Authority Regulations, and requires the approval of the Company for important matters related to the business operation of subsidiaries.

b) Regulations and other systems concerning the management of risk of loss of subsidiaries
In accordance with the Affiliated Company Management Regulations, the Group manages the business operations of subsidiaries to ensure the appropriateness of business operations. In addition, based on the Compliance and Risk Management Regulations, the Company centrally manages the various risks faced by the Group and has established a Compliance and Risk Committee to strengthen the risk management system.

c) System for ensuring the efficient execution of duties by Directors, etc. of subsidiaries
The Company has a system in which Directors of the Company are dispatched to subsidiaries in order to share a common understanding of the Group's management issues and conduct management aimed at maximizing the Group's corporate value.

d) System for ensuring the execution of duties by Directors, etc., and employees of subsidiaries conforms to laws and regulations and the Articles of Incorporation
Through the Compliance Policy, the Company provides guidance and support for the establishment of a system for ensuring the appropriateness of subsidiaries' legal compliance systems and other operations.

e) Other systems for ensuring the appropriateness of business operations of the corporate group comprising the Company, its parent company and its subsidiaries
In order to prevent inappropriate transactions and accounting in parent-subsidiary transactions, the Audit & Supervisory Board and the internal audit division cooperated to establish an audit system to ensure the appropriateness of business operations in the corporate group.

6) Matters concerning employees assisting in the work of Audit & Supervisory Board Members

When an Audit & Supervisory Board Member requests that an employee be appointed to assist in their work, an appropriate employee shall be appointed to the Audit & Supervisory Board Member as soon as possible.

7) Matters concerning the independence from Directors of employees assisting in the work of Audit & Supervisory Board Members

In order to strengthen independence from Directors, the consent of the Audit & Supervisory Board Members shall be obtained in advance for the evaluation of employees, personnel changes, and decisions on commendations/disciplinary action of employees serving the Audit & Supervisory Board Members.

8) Matters for ensuring the effectiveness of directions given to employees assisting in the work of Audit & Supervisory Board Members

Employees who assist in the work of Audit & Supervisory Board Members may request other departments to secure a cooperative system. In addition, they may participate in necessary meetings, including attendance on behalf of Audit & Supervisory Board Members. In addition, they will be granted authority to collect the necessary information.

9) The following system and other systems for reporting to the Audit & Supervisory Board

a) System for Directors and employees to report to the Audit & Supervisory Board Members

(i) In addition to the Board of Directors meetings, the Company requests the attendance of Audit & Supervisory Board Members at other important meetings, and periodically has the department in charge report the status of the Company's operations, including business performance, to the Audit & Supervisory Board Members.

(ii) In principle, the Audit & Supervisory Board meets once a month and holds meetings on an ad hoc basis as necessary, where it exchanges information and discusses the status of audit implementation, etc., and periodically receives reports on financial audits from the financial auditor and exchanges opinions.

(iii) The Company has established a whistleblowing contact point in accordance with the Compliance and Whistleblowing Regulations.

b) System for Directors, Audit & Supervisory Board Members, and employees of subsidiaries or other persons who receive reports from these individuals to report to Audit & Supervisory Board Members

(i) Audit & Supervisory Board Members may view the approval documents and financial statements of subsidiaries and request explanations from Directors or employees, etc. of subsidiaries as necessary.

(ii) Directors or employees, etc. of subsidiaries shall immediately report to the Audit & Supervisory Board Members when they discover facts that may have a material impact on the Company.

10) System to ensure that the person who reports to an Audit & Supervisory Board Member does not receive unfavorable treatment because they made the report

The Compliance and Whistleblowing Regulations contain provisions to ensure that whistleblowers are not subjected to disadvantageous treatment.

11) Matters concerning the policy related to procedures for the prepayment or reimbursement of expenses arising from the execution of duties of Audit & Supervisory Board Members and other processing of costs or obligations arising from the execution of said duties

When an Audit & Supervisory Board Member makes a request for prepayment or reimbursement, etc. of expenses arising from the execution of his/her duties, the Company shall promptly process such expenses or obligations, unless it is deemed unnecessary for the execution of the duties of the Audit & Supervisory Board Member.

12) Other systems for ensuring that audits by Audit & Supervisory Board Members are conducted efficiently

The Representative Director shall exchange information regularly with the Audit & Supervisory Board, and will work to share information on the Group's management status.

If an Audit & Supervisory Board Member requests to inspect approval documents or other important documents, the department in charge will respond directly to the request and report on the details thereof.

13) System for ensuring the reliability of financial reporting

The Group evaluates, maintains, and improves internal controls related to financial reporting in accordance with the Financial Instruments and Exchange Act and other applicable domestic and overseas laws and regulations.

The Company's subsidiaries and each of the Company's departments will strive to ensure the appropriateness of financial reporting by conducting checks and balances using separation of duties and daily monitoring of their own operations.

14) Management system for excluding antisocial forces

In the Compliance Policy, the Company's basic policy is not to have a relationship with antisocial forces and not to use antisocial forces for the benefit or self-preservation of the Company.

In addition, the Company strives to prevent damage caused by antisocial forces by taking a resolute stance throughout the organization in the event of unreasonable demands from antisocial forces.

As a specific response method, the Company has established a manual for responding to antisocial forces which clearly indicates the above basic policy, and will establish an exclusion system and response method.

Going forward, the Company will continue to work closely with police stations with jurisdiction and related organizations to gather information, promote the establishment of a system that can eliminate antisocial forces, and will strive toward employee education so that details stipulated in the Manual are made known to employees through effective implementation of in-house training.

(2) Overview of the operation status of the system to ensure the appropriateness of business operations

The operation status of the system to ensure the appropriateness of the Group's business operations in the fiscal year under review is as follows.

1) Execution of duties by Directors

In principle, the Company holds meetings of the Board of Directors once a month or on an extraordinary basis as necessary in accordance with the Board of Directors Regulations, and in the fiscal year under review, the Board of Directors held 12 regular meetings and five extraordinary meetings. At regular meetings of the Board of Directors, reports are made on monthly financial results and operations, and efforts are made to vitalize the Board of Directors and improve the efficiency of operations by having Directors mutually monitor and supervise the status of execution of duties, and actively discuss the execution of daily business operations.

2) Supervision by the Audit & Supervisory Board

In principle, the Company holds meetings of the Audit & Supervisory Board once a month or on an extraordinary basis as necessary in accordance with the Audit & Supervisory Board Regulations. In the fiscal year under review, meetings of the Audit & Supervisory Board were held on 12 occasions. The Audit & Supervisory Board periodically shares information on the status of the formulation and implementation of audit plans, exchanges opinions and shares information with internal auditors and the financial auditor as needed, and collaborates by sharing information among the three parties.

Full-time Audit & Supervisory Board Members attend meetings of the Board of Directors and other important internal meetings, directly hear from Directors about the status of business execution, and a system has been put in place to monitor the status of business execution and compliance-related issues at the daily business operation level, thereby strengthening and improving management monitoring functions.

3) Operation of compliance system

In accordance with the Compliance Policy, all officers and employees strive to comply with laws and regulations, and in order to detect and prevent compliance violations at an early stage, the Company operates and notifies the whistleblowing contact point in-house in accordance with the Compliance and Whistleblowing Regulations.

4. Basic policy on the control of the Company

Not applicable.

5. Policy on the determination of dividends of surplus, etc.

While the Company recognizes that returning profits to shareholders is an important management issue, the basic policy is to achieve sustainable growth in net sales and operating profit while aiming to increase market

capitalization over the medium to long term through appropriate valuation, not returns to shareholders through dividends. Retained earnings will be applied to investments aimed at future expansion in the scale of business.

Based on the basic policy outlined above, the Company will pay no dividend for the fiscal year under review. Similarly, the Company currently plans to pay neither interim nor year-end dividends for the next fiscal year and beyond.

The policy for the purchase of treasury shares is to make purchases in order to provide flexible options for investment strategies or in order to restrict the exercise of share acquisition rights by employees, etc. and suppress shares dilution at the time of allotting shares for restricted share-based remuneration.

Consolidated balance sheet

(As of February 28, 2022)

(Thousands of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	3,973,237	Current liabilities	1,089,046
Cash and deposits	3,344,256	Notes and accounts payable - trade	49,777
Notes and accounts receivable - trade	578,895	Lease obligations	2,842
Other	64,826	Income taxes payable	413,026
Allowance for doubtful accounts	(14,740)	Unearned revenue	208,783
Non-current assets	857,820	Provision for bonuses	70,400
Property, plant and equipment	289,933	Provision for shareholder benefit program	8,990
Buildings and structures	241,362	Other	335,226
Tools, furniture and fixtures	196,534	Non-current liabilities	1,770
Leased assets	9,720	Lease obligations	1,286
Accumulated depreciation	(157,683)	Other	483
Intangible assets	169,181	Total liabilities	1,090,816
Software	100,633	Net assets	
Software in progress	67,713	Shareholders' equity	3,739,457
Other	834	Share capital	420,660
Investments and other assets	398,704	Capital surplus	395,660
Investment securities	25,992	Retained earnings	3,000,248
Leasehold and guarantee deposits	232,385	Treasury shares	(77,111)
Deferred tax assets	113,614	Share acquisition rights	203
Other	26,712	Non-controlling interests	579
		Total net assets	3,740,240
Total assets	4,831,057	Total liabilities and net assets	4,831,057

Note: Stated amounts are rounded down the nearest thousand yen.

Consolidated statement of income

(From March 1, 2021 to February 28, 2022)

(Thousands of yen)

Item	Amount	
Net sales		4,854,526
Cost of sales		547,023
Gross profit		4,307,503
Selling, general and administrative expenses		2,473,466
Operating profit		1,834,036
Non-operating income		
Interest income	0	
Recoveries of written off receivables	215	
Other	2,179	2,394
Non-operating expenses		
Interest expenses	645	
Loss on investments in capital	1,942	
Other	249	2,837
Ordinary profit		1,833,592
Extraordinary losses		
Impairment losses	11,182	
Loss on retirement of non-current assets	655	11,837
Profit before income taxes		1,821,755
Income taxes - current	574,465	
Income taxes - deferred	(33,075)	541,390
Profit		1,280,365
Loss attributable to non-controlling interests		920
Profit attributable to owners of parent		1,281,285

Note: Stated amounts are rounded down the nearest thousand yen.

Consolidated statement of changes in equity

(From March 1, 2021 to February 28, 2022)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	420,660	395,660	2,211,499	(543,496)	2,484,324
Changes during period					
Profit attributable to owners of parent			1,281,285		1,281,285
Purchase of treasury shares				(299,054)	(299,054)
Disposal of treasury shares		(492,536)		765,438	272,901
Transfer of loss on disposal of treasury shares		492,536	(492,536)		–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	788,748	466,384	1,255,133
Balance at end of period	420,660	395,660	3,000,248	(77,111)	3,739,457

	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	180	–	2,484,504
Changes during period			
Profit attributable to owners of parent			1,281,285
Purchase of treasury shares			(299,054)
Disposal of treasury shares			272,901
Transfer of loss on disposal of treasury shares			–
Net changes in items other than shareholders' equity	23	579	603
Total changes during period	23	579	1,255,736
Balance at end of period	203	579	3,740,240

Note: Stated amounts are rounded down the nearest thousand yen.

Balance sheet

(As of February 28, 2022)

(Thousands of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	3,958,782	Current liabilities	1,083,613
Cash and deposits	3,336,651	Accounts payable - trade	48,873
Notes receivable - trade	2,446	Lease obligations	2,842
Accounts receivable - trade	569,495	Accounts payable - other	189,678
Accounts receivable - other	633	Accrued expenses	51,366
Prepaid expenses	60,203	Income taxes payable	412,861
Other	4,091	Deposits received	6,245
Allowance for doubtful accounts	(14,740)	Unearned revenue	207,727
Non-current assets	871,615	Provision for bonuses	68,500
Property, plant and equipment	289,933	Provision for shareholder benefit program	8,990
Buildings and structures	241,362	Other	86,528
Tools, furniture and fixtures	196,534	Non-current liabilities	1,770
Leased assets	9,720	Lease obligations	1,286
Accumulated depreciation	(157,683)	Other	483
Intangible assets	166,607	Total liabilities	1,085,383
Software	98,058	Net assets	
Software in progress	67,713	Shareholders' equity	3,744,810
Other	834	Share capital	420,660
Investments and other assets	415,074	Capital surplus	395,660
Investment securities	25,992	Legal capital surplus	395,660
Shares of subsidiaries and associates	11,016	Retained earnings	3,005,601
Investments in capital	21,026	Other retained earnings	3,005,601
Leasehold and guarantee deposits	232,385	Retained earnings brought forward	3,005,601
Deferred tax assets	118,968	Treasury shares	(77,111)
Other	5,685	Share acquisition rights	203
		Total net assets	3,745,014
Total assets	4,830,398	Total liabilities and net assets	4,830,398

Note: Stated amounts are rounded down the nearest thousand yen.

Statement of income

(From March 1, 2021 to February 28, 2022)

(Thousands of yen)

Item	Amount	
Net sales		4,842,403
Cost of sales		545,941
Gross profit		4,296,461
Selling, general and administrative expenses		2,444,186
Operating profit		1,852,275
Non-operating income		
Interest income	0	
Recoveries of written off receivables	215	
Other	2,179	2,394
Non-operating expenses		
Interest expenses	645	
Loss on investments in capital	1,942	
Other	249	2,837
Ordinary profit		1,851,831
Extraordinary losses		
Impairment losses	11,182	
Loss on retirement of non-current assets	655	
Loss on valuation of shares of subsidiaries and associates	17,483	29,321
Profit before income taxes		1,822,510
Income taxes - current	574,300	
Income taxes - deferred	(38,428)	535,871
Profit		1,286,638

Note: Stated amounts are rounded down the nearest thousand yen.

Statement of changes in equity

(From March 1, 2021 to February 28, 2022)

(Thousands of yen)

	Shareholders' equity					
	Share capital	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	420,660	395,660	–	395,660	2,211,499	2,211,499
Changes during period						
Profit					1,286,638	1,286,638
Purchase of treasury shares						
Disposal of treasury shares			(492,536)	(492,536)		
Transfer of loss on disposal of treasury shares			492,536	492,536	(492,536)	(492,536)
Net changes in items other than shareholders' equity						
Total changes during period	–	–	–	–	794,102	794,102
Balance at end of period	420,660	395,660	–	395,660	3,005,601	3,005,601

	Shareholders' equity		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity		
Balance at beginning of period	(543,496)	2,484,324	180	2,484,504
Changes during period				
Profit		1,286,638		1,286,638
Purchase of treasury shares	(299,054)	(299,054)		(299,054)
Disposal of treasury shares	765,438	272,901		272,901
Transfer of loss on disposal of treasury shares		–		–
Net changes in items other than shareholders' equity			23	23
Total changes during period	466,384	1,260,486	23	1,260,510
Balance at end of period	(77,111)	3,744,810	203	3,745,014

Note: Stated amounts are rounded down the nearest thousand yen.

Audit Report on the Consolidated Financial Statements (Translation)

Independent Auditor's Report

April 8, 2022

To the Board of Directors of PR TIMES, Inc.

Crowe Toyo & Co.
Tokyo Office

Designated and Engagement Partner
Certified Public Accountant: Shigeki Tsujimura

Designated and Engagement Partner
Certified Public Accountant: Takashi Miura

Audit Opinion

Pursuant to Article 444, paragraph (4), of the Companies Act, we have audited the consolidated financial statements of PR TIMES, Inc. (the "Company") and its consolidated subsidiaries (collectively, the "Group"), which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the notes to the consolidated financial statements applicable to the fiscal year from March 1, 2021 through February 28, 2022.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Group applicable to the fiscal year ended February 28, 2022 in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

The responsibility of management is to prepare and appropriately present the consolidated financial statements in accordance with the standards of corporate accounting generally accepted in Japan. This includes developing and operating internal controls deemed necessary by management in order to prepare and appropriately present the consolidated financial statements without material misstatement due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to a going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and evaluate material misstatement risks caused by fraud or errors. Also, formulate and implement audit procedures that address material misstatement risks. The selection and application of audit procedures is at the discretion of the auditor. Furthermore, we obtain sufficient and appropriate audit evidence to provide a basis for our opinion.
- When auditing the consolidated financial statements, obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of preparing the consolidated financial statements with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and notes to the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We report to the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and to communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

Conflicts of Interest

We or engagement partners have no interests in the Group which should be stated in compliance with the Certified Public Accountants Act.

Audit Report on the Non-consolidated Financial Statements (Translation)

Independent Auditor's Report

April 8, 2022

To the Board of Directors of PR TIMES, Inc.

Crowe Toyo & Co.
Tokyo Office

Designated and Engagement Partner
Certified Public Accountant: Shigeki Tsujimura

Designated and Engagement Partner
Certified Public Accountant: Takashi Miura

Audit Opinion

Pursuant to Article 436, paragraph (2), item (i) of the Companies Act, we have audited the non-consolidated financial statements of PR TIMES, Inc. (the "Company"), which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, the notes to the non-consolidated financial statements and the accompanying supplemental schedules (collectively, "non-consolidated financial statements, etc.") applicable to the 17th fiscal year from March 1, 2021 through February 28, 2022.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations of the Company applicable to the fiscal year ended February 28, 2022 in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Japan, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements, Etc.

The responsibility of management is to prepare and appropriately present the non-consolidated financial statements, etc. in accordance with the standards of corporate accounting generally accepted in Japan. This includes developing and operating internal controls deemed necessary by management in order to prepare and appropriately present the non-consolidated financial statements, etc. without material misstatement due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to a going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually

or in the aggregate, they could reasonably be expected to influence the decisions of users of these non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and evaluate material misstatement risks caused by fraud or errors. Also, formulate and implement audit procedures that address material misstatement risks. The selection and application of audit procedures is at the discretion of the auditor. Furthermore, we obtain sufficient and appropriate audit evidence to provide a basis for our opinion.
- When auditing the non-consolidated financial statements, etc., obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of preparing the non-consolidated financial statements, etc. with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements, etc. and notes to the non-consolidated financial statements, etc. are in accordance with accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-consolidated financial statements, etc. fairly present the underlying transactions and accounting events.

We report to the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and to communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors.

Conflicts of Interest

We or engagement partners have no interests in the Company which should be stated in compliance with the Certified Public Accountants Act.

Audit Report of the Audit & Supervisory Board

Audit Report

Regarding the execution of duties by the Directors for the 17th fiscal year from March 1, 2021 through February 28, 2022, the Audit & Supervisory Board hereby submits its audit report, which has been prepared through discussions based on the audit reports prepared by each Audit & Supervisory Board Member.

1. Auditing methods and content of audits by Audit & Supervisory Board Members and the Audit & Supervisory Board

(1) The Audit & Supervisory Board established the auditing policies, allocation of duties and other relevant matters, and received reports from each Audit & Supervisory Board Member regarding the status of his or her audit and the results thereof, as well as reports from the Directors, etc. and the financial auditor regarding execution of their duties, and sought explanations as necessary.

(2) In accordance with the auditing standards for Audit & Supervisory Board Members determined by the Audit & Supervisory Board, the auditing policies, allocation of duties and other relevant matters, each Audit & Supervisory Board Member endeavored to establish an environment for collecting information and conducting audits and to communicate with Directors, the Internal Audit Department and other employees utilizing telephones, the Internet and other means, and audits were implemented as follows:

1) Each Audit & Supervisory Board Member attended meetings of the Board of Directors and other important meetings, including meetings held online depending on the circumstances, to receive reports regarding execution of duties from Directors and other employees, and sought explanations as necessary. Each Audit & Supervisory Board Member also inspected the significant approved documents and examined the status of operations and conditions of assets at the head office. With regard to subsidiaries, we communicated and exchanged information with Directors of the subsidiaries, and received business reports relating to the subsidiaries as necessary.

2) With regard to contents of resolutions of the Board of Directors regarding the development of the system for ensuring that the execution of duties by Directors conforms to laws and regulations and the Articles of Incorporation and other systems that are stipulated in Article 100, paragraphs (1) and (3) of the Regulations for Enforcement of the Companies Act as being necessary to ensure appropriateness of operations of a joint stock company and business group comprising its subsidiaries, and also the systems (internal control systems) developed based on such resolutions, which are described in the business report, we periodically received reports from the Directors and other employees, sought explanations as necessary and made opinions, on the establishment and management of such systems.

3) With regard to the particulars to be given due consideration in Article 118, item (v) (a) of the Regulations for Enforcement of the Companies Act and the judgment and reason set forth in item (v) (b) of the same article, which are described in the business report, the contents were examined based on deliberations of the Board of Directors and other parties.

4) We monitored and verified whether the financial auditor maintained its independence and implemented appropriate audits, and received reports from the financial auditor regarding the execution of its duties and sought explanations as necessary. In addition, we received notice from the financial auditor that the system for ensuring that duties are performed properly (matters set forth in each item of Article 131 of the Regulations on Corporate Accounting) is organized in accordance with the product quality management standards regarding audits (Business Accounting Council, October 28, 2005) and other relevant standards, and sought explanations as necessary.

Based on the above methods, we examined the business report and the accompanying supplemental schedules, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity, notes to non-consolidated financial statements), and the accompanying supplemental schedules, as well as the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity, and notes to consolidated financial statements) related to the relevant fiscal year.

2. Results of audit

(1) Results of audit of the business report, etc.

1) In our opinion, the business report and the accompanying supplemental schedules are in accordance with the related laws and regulations and the Articles of Incorporation, and fairly represent the Company's condition.

2) With regard to the execution of duties by the Directors, we have found no evidence of wrongful action or material violation of related laws and regulations, nor of any violation with regard to the Articles of Incorporation.

3) In our opinion, resolutions of the Board of Directors for internal control systems are fair and reasonable. And there is no problem with the contents of the business report and the execution of duties by the Directors with regard to internal control systems.

4) With regard to business transactions with the Company's parent company, etc., which are described in the business report, there are no particulars to be given due consideration so as not to harm the interests of the Company in carrying out the transactions and there are no matters to be pointed out regarding the judgment of the Board of Directors and the reason therefor related to whether the transactions harm the interests of the Company.

(2) Results of audit of non-consolidated financial statements and the accompanying supplemental schedules

In our opinion, the methods and results employed and rendered by the financial auditor Crowe Toyo & Co., are fair and reasonable.

(3) Results of audit of consolidated financial statements

In our opinion, the methods and results employed and rendered by the financial auditor Crowe Toyo & Co., are fair and reasonable.

April 13, 2022

Audit & Supervisory Board, PR TIMES, Inc.
Full-time Audit & Supervisory Board Member
(Outside Audit & Supervisory Board Member) Toshihito Mukaigawa [Seal]
Audit & Supervisory Board Member
(Outside Audit & Supervisory Board Member) Noriyuki Tanaka [Seal]
Audit & Supervisory Board Member Toshihiro Hanyu [Seal]

Reference documents for the general meeting of shareholders

Proposals and Reference Information

Proposal No. 1 Partial Amendments to Articles of Incorporation

1. Reasons for the Amendments
   Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following amendments to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.
   (1) Article 14, paragraph 1 in "Proposed amendments" below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
   (2) Article 14, paragraph 2 in "Proposed amendments" below will establish the provision to allow for the limitation of the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
   (3) Since the provision for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 14 of the current Articles of Incorporation) will no longer be required, it will be deleted.
   (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.
2. Details of amendments
   The details of the amendments are as follows:

(Underlined text indicates amendments)

Current Articles of Incorporation	Proposed amendments
Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) When the Company convenes a general meeting of shareholders, if, in accordance with the provisions prescribed by the Ministry of Justice Order, it uses the Internet to disclose information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements, it may be deemed that the Company has provided this information to shareholders.	(Deleted)
(Newly established)	Article 14 (Measures, etc. for Providing Information in Electronic Format) 1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information in electronic format that constitutes the content of reference documents for the general meeting of shareholders, etc. 2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.

Current Articles of Incorporation	Proposed amendments
(Newly established)	Supplementary Provisions 1. The amendment to the Articles of Incorporation pertaining to Article 14 shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the "Date of Enforcement"). 2. Notwithstanding the provision(s) of the preceding paragraph, Article 14 of the Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement. 3. These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the day of the general meeting of shareholders in the preceding paragraph, whichever is later.

Proposal No. 2 Election of Five Directors

The term of office of all four Directors will expire at the conclusion of this meeting. Accordingly, the Company proposes the election of five Directors, including three outside Directors, in order to further strengthen corporate governance. Furthermore, the Company will further promote the diversity of the Board of Directors by newly nominating a female Director.

1. Candidates for Director

The candidates for Director are as follows:

Candidate no.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)		Number of the Company's shares owned
1	Takumi Yamaguchi (January 12, 1974)	Apr. 1996	Joined Yamaichi Securities Company, Limited	795,627
		Apr. 1997	Joined Gulfnet Communication Co., Ltd.	
		Oct. 1999	Joined Deloitte Tohmatsu Consulting Co., Ltd. (current ABeam Consulting Ltd.)	
		Mar. 2006	Joined VECTOR INC.	
		June 2006	Director	
		Jan. 2007	Director of the Company	
		May 2009	President and CEO (current position)	
		June 2011	Representative Director of Second News, Inc.	
			Representative Director of Straight Press Network Co., Ltd. (currently Mash Media Inc.)	
		Oct. 2016	Director of PR RESEARCH INC.	
		Jan. 2020	Outside Director of Goodpatch Inc. (current position)	
2	Akihiro Mishima (March 26, 1980)	Mar. 2005	Joined VECTOR INC.	114,075
		Aug. 2007	Joined the Company	
		Mar. 2015	Executive Officer, Head of Service Unit	
		May 2017	Director, Head of Corporate Planning Unit	
		Oct. 2019	Director, Head of Corporate Administration Unit (current position)	
3	Kazuhiko Kamata (November 8, 1965)	Apr. 1988	Joined Recruit Cosmos Co., Ltd. (currently Cosmos Initia Co., Ltd.)	–
		June 1989	Established Intelligence, Ltd. (currently PERSOL HOLDINGS CO., LTD.) Director	
		Apr. 1999	Representative Director, President	
		Jan. 2009	Director of SEAMON Inc. (currently ART CRAFT SCIENCE KK)	
		Apr. 2009	Representative Director	
		June 2009	Outside Director of Payroll Inc.	
		Aug. 2009	Outside Director of I AM Inc. (currently Interworks, Inc.)	
		Mar. 2014	Outside Director of FULLCAST HOLDINGS CO., LTD.	
		Sept. 2015	Outside Director of Trust Tech Inc. (currently BeNext-Yumeshin Group Co.)	
		Dec. 2015	Director and Executive Vice President of Open House Co., Ltd. (currently Open House Group Co., Ltd.) (current position)	
		Dec. 2016	Director of Open House Architect Co., Ltd. (current position)	
		May 2018	Outside Director of the Company (current position)	
		Jan. 2022	Representative Director of Open House Co., Ltd. (current position)	

Candidate no.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)		Number of the Company's shares owned
4	Keita Suzuki (July 8, 1981)	Feb. 2000 Oct. 2015 Jan. 2016 Sept. 2016 May 2020	Joined URAWA RED DIAMONDS Representative Director of AuB, Inc. (current position) Left URAWA RED DIAMONDS and retired as professional soccer player Outside Director of RUNSYSTEM CO., LTD. (current position) Outside Director of the Company (current position)	–
5	* Hiroko Ozawa (December 15, 1961)	Apr. 1985 Aug. 1991 Dec. 1997 Aug. 1999 July 2001 Sept. 2007 Oct. 2008 June 2015 Oct. 2015 Nov. 2018 June 2021	Joined Sony Corporation (currently Sony Group Corporation) Personal Audio Product Manager of Sony (Deutschland) GmbH International Marketing Division of Sony Corporation (currently Sony Group Corporation) Event and Entertainment Promotion Department Transferred to Sony Pictures Entertainment (Japan) Inc. Transferred to AXN Co., Ltd. Director, Executive Vice President and General Manager Transferred to Mystery Channel, Inc. Director, Executive Vice President and General Manager (concurrent position) Outside Director of Animax Broadcast Japan Inc. (concurrent position) Transferred to STAR CHANNEL, INC. Representative Director and Executive Vice President Vice President of Sony Pictures Entertainment (Japan) Inc. Outside Director of Nojima Corporation (current position)	–

Notes:
1. *Denotes candidate for Director to be newly elected.
2. There is no special interest between any of the candidates and the Company.
3. Kazuhiko Kamata, Keita Suzuki and Hiroko Ozawa are candidates for outside Director.
4. Kazuhiko Kamata and Keita Suzuki are currently outside Directors of the Company, and their tenures as outside Directors will have been four years and two years, respectively, at the conclusion of this meeting.
5. In accordance with Article 427, paragraph (1) of the Companies Act, the Company and candidates for outside Director Kazuhiko Kamata and Keita Suzuki have each concluded an agreement to limit liability for damages under Article 423, paragraph (1) of the Companies Act, and if the re-election of each candidate is approved, the Company intends to renew said agreements. The limit on liability for damages based on said agreements is the minimum amount stipulated in Article 425, paragraph (1) of the Companies Act. In addition, if Hiroko Ozawa is elected, the Company intends to conclude the same agreement with her.
6. The Company has reported that Kazuhiko Kamata and Keita Suzuki are independent officers pursuant to the rules of the Tokyo Stock Exchange. If each candidate for Director is re-elected, the Company intends to continue to designate them as independent officers. In addition, if Hiroko Ozawa is elected, the Company intends to designate her as an independent officer.
7. The Company shall conclude a directors and officers liability insurance agreement as prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company to compensate for damages such as damages and dispute costs incurred by the insured. If this proposal is approved as originally proposed and each candidate assumes office, each candidate will be included in the insured of the insurance agreement and the agreement will be renewed in the middle of their term of office. The outline of the contents of the agreement is in the business report (page 16).

2. Reasons for nomination as candidates for Director and summary of roles expected of candidates for outside Director

Reasons for the nomination as candidates for Director, and reasons for the nomination as candidates for outside Director and a summary of their expected roles are as follows.

(1) Takumi Yamaguchi

Since the Company's founding, Takumi Yamaguchi has participated in management as a Director, and since assuming the position of President and CEO in 2009, he has made significant contributions to the Company's growth as a corporate manager.

Based on these achievements, the Company has determined that he is qualified for supporting the further growth and development of the Company in the future; thus, the Company has again nominated him as a candidate for Director.

(2) Akihiro Mishima

Akihiro Mishima has been involved in the service business since the Company's founding period, and has served as Head of Corporate Planning Unit and Head of Corporate Administration Unit after assuming the position of Director, and has experience in conducting a wide range of business operations at the Company and engaging in medium- to long-term management decision-making.

Based on these achievements, the Company has determined that he is qualified as a Director for supporting the further growth and development of the Company in the future; thus, the Company has again nominated him as a candidate for Director.

(3) Kazuhiko Kamata

Kazuhiko Kamata participates in management as a Director and Executive Vice President of Open House Group Co., Ltd., and has a wealth of experience and knowledge. Since assuming the position of outside Director of the Company, he has been providing appropriate advice and supervision based on a wide range of experience and knowledge from an independent standpoint. Based on these achievements, as an independent outside Director, the Company decided that he can be expected to provide advice and findings from an independent third-party point of view for decision-making by the Board of Directors, etc.; thus, the Company again has nominated him as a candidate for outside Director.

(4) Keita Suzuki

Keita Suzuki, a former professional soccer player, was promoted to Japan's national team (Representative A) and after his retirement as player, he founded biotech venture AuB, Inc. and currently manages the company as Representative Director. Since assuming the position of outside Director of the Company, based on the experience cultivated in these different fields, he has been making appropriate advice and recommendations from the standpoint of an independent outside Director. The Company has determined that he can be expected to provide advice related to overall management going forward; thus, the Company has again nominated him as a candidate for outside Director.

(5) Hiroko Ozawa

Hiroko Ozawa has management experience at entertainment companies of the Sony Group, experience in international business, a track record in diversity promotion activities at business organizations, and broad insight concerning marketing gained from her involvement in the operation of various businesses. Based on these, the Company has determined that she can be expected to improve the Company's sustainable business and organizational growth and enhance its value over the medium to long term; thus, the Company has nominated her as a candidate for outside Director.

Proposal No. 3 Election of One Audit & Supervisory Board Member

Audit & Supervisory Board Member Toshihiro Hanyu will resign at the conclusion of the Meeting, although he is in the middle of his term of office. The Company therefore proposes to elect one Audit & Supervisory Board Member. Furthermore, this proposal has been approved in advance by the Audit & Supervisory Board.

Name (Date of birth)	Career summary and position in the Company (significant concurrent positions outside the Company)		Number of the Company's shares owned
Toshiyuki Fujita (September 4, 1971)	Nov. 1995	Joined Sony Creative Products Inc.	–
	Sept. 1996	Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)	
	Mar. 1999	Registered as a certified public accountant	
	Sept. 2000	Joined Frameworx, Inc.	
	Dec. 2000	Director and General Manager of Administration Division	
	Apr. 2005	Joined KPMG FAS Co., Ltd.	
	Apr. 2012	Joined RareJob, Inc.	
	June 2012	Director	
	June 2015	Director and Executive Vice President	
	June 2021	Director (current position)	
	Oct. 2021	Joined PowerX, Inc.	
	Mar. 2022	Executive Officer CFO (current position)	

Notes: 1. There is no special interest between Toshiyuki Fujita and the Company.

2. Toshiyuki Fujita is a candidate for outside Audit & Supervisory Board Member.

3. The Company has nominated Toshiyuki Fujita as a candidate for outside Audit & Supervisory Board Member as it has taken into consideration that he possesses a wide range of experience and broad insight as a certified public accountant.

4. In accordance with Article 427, paragraph (1) of the Companies Act, if the election of Toshiyuki Fujita is approved, the Company intends to conclude an agreement to limit liability for damages under Article 423, paragraph (1) of the Companies Act. The limit on liability for damages based on said agreements is the minimum amount stipulated in Article 425, paragraph (1) of the Companies Act.

5. If the election of Toshiyuki Fujita is approved, the Company intends to submit notification to the Tokyo Stock Exchange concerning his designation as an independent officer as provided for by the aforementioned exchange.

6. The Company shall conclude a directors and officers liability insurance agreement as prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company to compensate for damages such as damages and dispute costs incurred by the insured. If this proposal is approved as originally proposed and Toshiyuki Fujita assumes office, the agreement will be renewed in the middle of his term of office. The outline of the contents of the agreement is in the business report (page 16).

Proposal No. 4 Election of One Substitute Audit & Supervisory Board Member

In order to prepare for a case in which the number of Audit & Supervisory Board Members falls below the number required by laws and regulations, the Company proposes the election of one Substitute Audit & Supervisory Board Member. In addition, this proposal has been approved in advance by the Audit & Supervisory Board.

Name (Date of birth)	Career summary and position in the Company (significant concurrent positions outside the Company)		Number of the Company's shares owned
Toshihiro Hanyu (February 26, 1968)	Oct. 1992	Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)	–
	July 1998	Joined With Co., Ltd.	
	Jan. 2001	Representative Director at Incorporation of Strategic Scenario Co., LTD.	
	Jan. 2005	Opened Toshihiro Hanyu Certified Public Accountant's Office	
	June 2005	Councilor in charge of administrative and financial reform for Nagano Prefecture	
	Feb. 2007	General Manager of Administration Department of VECTOR INC.	
	Feb. 2009	Director of the Company	
	May 2009	Director of VECTOR INC.	
		Representative Partner of Hinode Audit Office (currently Hinode Audit Corporation)	
	July 2011	Partner of Hinode Audit Corporation	
	May 2012	Resigned as Director of the Company	
	Jan. 2013	Audit & Supervisory Board Member of Tabi Capital Corp. (currently AirTrip Corp.)	
	Oct. 2013	Director of Architect Office Freedom Inc. (currently FREEDOM ARCHITECTS DESIGN INC.)	
	July 2014	Audit & Supervisory Board Member of the Company	
	Nov. 2014	Representative Director of Hinode Consulting (current position)	
	Nov. 2015	Outside Director of RPA Technologies, Inc.	
		Director (Audit and Supervisory Committee Member) of RPA Holdings, Inc. (current position)	
		Outside Director of SEGMENT, Inc.	
	Jan. 2016	Outside Director of OPEN ASSOCIATES Inc.	
	July 2019	Audit & Supervisory Board Member of Re-Tech RaaS inc. (current position)	

Notes: 1. There is no special interest between Toshihiro Hanyu and the Company.

2. The Company shall conclude a directors and officers liability insurance agreement as prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company to compensate for damages such as damages and dispute costs incurred by the insured. If this proposal is approved as originally proposed and Toshihiro Hanyu assumes office, the agreement will be renewed in the middle of his term of office. The outline of the contents of the agreement is in the business report (page 16).

(Reference) Skills Matrix of Directors and Audit & Supervisory Board Members

The skills matrix is a table of the combination of skills (professional), such as important knowledge, experience and abilities, as well as diversity in order for the Board of Directors to fulfill its supervisory function. Appropriate review of each item will be carried out in response to changes in the Company's business characteristics and business environment.

Name	Position	Gender	Experience as representative of listed company	Public relations	Market exploration/ marketing	Business development/ innovation	Experience working in a global setting	Finance/ accounting
Takumi Yamaguchi	President and CEO	Male	○	○	○	○		○
Akihiro Mishima	Director Head of Corporate Administration Unit	Male		○				○
Kazuhiko Kamata	Director (Outside, Independent)	Male	○		○	○		
Keita Suzuki	Director (Outside, Independent)	Male			○	○	○	
Hiroko Ozawa	Director (Outside, Independent)	Female			○		○	
Toshihito Mukaigawa	Full-time Audit & Supervisory Board Member (Outside, Independent)	Male						○
Noriyuki Tanaka	Audit & Supervisory Board Member (Outside, Independent)	Male						
Toshiyuki Fujita	Audit & Supervisory Board Member (Outside, Independent)	Male						○

Name	Position	Gender	Legal affairs	Compliance/ risk management	Organization/ personnel development	Consideration toward technology utilization	Consideration toward the Company's mission/ company culture
Takumi Yamaguchi	President and CEO	Male			○	○	○
Akihiro Mishima	Director Head of Corporate Administration Unit	Male	○	○	○	○	○
Kazuhiko Kamata	Director (Outside, Independent)	Male			○		
Keita Suzuki	Director (Outside, Independent)	Male			○		
Hiroko Ozawa	Director (Outside, Independent)	Female			○		
Toshihito Mukaigawa	Full-time Audit & Supervisory Board Member (Outside, Independent)	Male		○			
Noriyuki Tanaka	Audit & Supervisory Board Member (Outside, Independent)	Male	○	○			
Toshiyuki Fujita	Audit & Supervisory Board Member (Outside, Independent)	Male		○			

Note: Hiroko Ozawa and Toshiyuki Fujita are expected to newly assume office at the Annual General Meeting of Shareholders to be held on May 25, 2022.

Access to the Venue for the General Meeting of Shareholders

1. Date and Time	Wednesday, May 25, 2022, at 10:00 a.m. (reception opens at 9:30 a.m.) (JST)
2. Venue	11-44, Akasaka 1-chome, Minato-ku, Tokyo 8F, Akasaka Intercity, PR Times Head Office (Note that this year's venue is different than last year's.)
3. TEL	03-5770-7888
4. Nearest station	One minute walk from Tameike-sanno Station (Exit 14) on the Tokyo Metro Ginza Line or Namboku Line: