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December 22, 2022

To whom it may concern:

Company name: T. HASEGAWA CO., LTD.
Listing: Prime Market, Tokyo Stock Exchange
Stock code: 4958
URL https://www.t-hasegawa.co.jp/
Representative: President & CEO Takao Umino
Inquiries: Director & Senior Executive Vice President Minoru Nakamura
TEL: 03-3241-1151

Notice Concerning Issuance of Remuneration-type Stock Options (Stock Acquisition Rights)

At the meeting of the Board of Directors held on December 22, 2022, T. HASEGAWA CO., LTD. ("the Company") resolved to issue stock acquisition rights as remuneration in the form of remuneration-type stock options to Directors of the Company (Outside Directors excluded) in accordance with Article 236, paragraph (1), Article 238, paragraphs (1) and (2), and Article 240, paragraph (1) of the Companies Act. The details are as follows.

I. Reasons for issuance of stock acquisition rights as remuneration-type stock options

The Company issues stock acquisition rights as remuneration-type stock options to Directors (Outside Directors excluded) in order to elevate the performance of Directors over the medium to long term and to further boost their will to contribute to the improvement of shareholder value and their morale.

II. Details of the issuance of stock acquisition rights

1. Name of stock acquisition rights

T. HASEGAWA CO., LTD. 8th Series Stock Acquisition Rights

2. Party subject to allocation of share acquisition rights, number of parties, and number of share acquisition rights to be allocated (planned)

5 Directors of the Company (Outside Directors excluded); 210 stock acquisition rights

3. Total number of stock acquisition rights

The total number of stock acquisition rights shall be 210. (The number of shares subject to one stock acquisition right is one hundred (100) shares of common stock of the Company. However, in cases where the number of shares subject to stock acquisition rights as set forth in 4.-(1) below is adjusted, the number of shares of common stock will be adjusted in a similar manner.)

The total number stated above is the planned number and if the total number of stock acquisition rights allocated is decreased because an application for subscription is not made or for any other reasons, the said total number ends up being the total number of stock acquisition rights issued for the total number of

stock acquisition rights allocated.

4. Details of stock acquisition rights

(1) Class and number of shares subject to stock acquisition rights

Class of shares subject to stock acquisition rights shall be common stock of the Company, and the number of shares subject to each stock acquisition right ("Number of Shares Granted" below) shall be one hundred (100) shares.

However, should the Company perform a stock split or stock consolidation of the common stock of the Company after the date of allocation of stock acquisition rights ("Allocation Date" below), the Number of Shares Granted will be adjusted according to the following formula. (Fractions less than one (1) share shall be rounded down when calculating the Number of Shares Granted following adjustment.)

Number of Shares Granted following adjustment = Number of Shares Granted prior to adjustment × Ratio of stock split or stock consolidation

In addition to the above, in cases where the Company performs a merger, company split, share exchange or share transfer or performs an allocation of share without consideration after the Allocation Date, or in other cases where it is necessary to adjust the Number of Shares Granted, the Number of Shares Granted will be appropriately adjusted within a necessary and rational scope.

Note that the abovementioned adjustment is only performed for Numbers of Shares Granted that pertain to stock acquisition rights for which rights have not been exercised at the point of time when the reason for said adjustment comes into effect.

(2) Value of assets to be contributed upon exercise of stock acquisition rights

For the value of assets to be contributed upon the exercise of stock acquisition rights, the value of assets per share that can be granted by exercising each stock acquisition right ("Exercise Price" below) shall be one (1) yen, with the value of assets to be contributed to be the amount obtained by multiplying that amount by the Number of Shares Granted.

(3) Exercise period of stock acquisition rights

From January 14, 2023 to January 13, 2053

(4) Matters concerning the amount of increase in share capital and legal capital surplus resulting from issuance of shares upon exercise of stock acquisition rights

1) The amount of share capital to be increased by issuing shares upon the exercise of stock acquisition rights shall be half of the maximum amount of increases in share capital as calculated pursuant to the provisions of Article 17, paragraph (1) of the Regulations on Corporate Accounting, with fractions of less than one (1) yen rounded up to the nearest yen.

2) The amount of legal capital surplus to be increased by issuing shares upon the exercise of stock acquisition rights shall be the amount obtained by deducting the amount of share capital to be increased set forth in 1) above from the maximum amount of increases in share capital set forth in 1) above.

(5) Restriction on acquisition of stock acquisition rights through transfer

The acquisition of stock acquisition rights through transfer will require the approval of the Board of

Directors of the Company.

(6) Reasons for acquisition of the stock acquisition rights

1) Should Proposals (i), (ii), (iii), (iv) or (v) below be approved at the General Meeting of Shareholders of the Company (or should a resolution by the Board of Directors be made in cases where a resolution of the General Meeting of Shareholders is unnecessary), the Company may acquire stock acquisition rights that have not been exercised without consideration upon the arrival of the day separately set forth by the Board of Directors of the Company.

(i) Proposal to approve merger agreement under which Company will become extinct company

(ii) Proposal to approve split agreement or split plan under which Company will become split company

(iii) Proposal to approve share exchange agreement or share transfer plan under which Company becomes wholly-owned subsidiary

(iv) Proposal to approve changes to Articles of Incorporation setting forth content of all shares issued by Company as acquisition of said shares via transfer requiring approval of Company

(v) Proposal to approve changes to Articles of Incorporation setting forth content of shares subject to stock acquisition rights as acquisition of said shares via transfer requiring approval of Company or Company acquiring all shares of share class in question through resolution at General Meeting of Shareholders

2) In cases where a party to whom stock acquisition rights are allocated ("Stock Acquisition Rights Holders" below) become unable to exercise said rights based on (7) below, the Company may acquire the stock acquisition rights held by the Stock Acquisition Rights Holder in question without consideration upon the arrival of the day separately set forth by the Board of Directors of the Company.

3) In cases where Stock Acquisition Rights Holders proposes to forfeit all or part of their stock acquisition rights using documentation designated by the Company, the Company may acquire the stock acquisition rights in question without consideration upon the arrival of the day separately set forth by the Board of Directors of the Company.

(7) Conditions for exercise of stock acquisition rights

1) Stock Acquisition Rights Holders may only exercise said rights within ten (10) days of the day after the date that they lost their status as a Director of the Company.

2) In the event that a Stock Acquisition Rights Holder dies before losing the status as a Director of the Company, then notwithstanding 1) above, the successor of said Stock Acquisition Rights Holder shall succeed to the stock acquisition rights that have not been exercised as of the day when the cause of that inheritance occurred, and the successor may exercise those rights within a period of one (1) year from the day when the cause of that inheritance occurred.

3) Stock Acquisition Rights Holders must exercise the allocated stock acquisition rights (if part of those have been waived, then the stock acquisition rights remaining after such waiver) together as one whole, and may not exercise only a part of those stock acquisition rights.

4) Stock Acquisition Rights Holders may not exercise a part of one stock acquisition right.

5) Other conditions for the exercise of stock acquisition rights are set forth in an agreement on allocation of stock acquisition rights, to be entered between the Company and Stock Acquisition Rights Holders, in accordance with the resolution of the Board of Directors of the Company.

(8) Delivery of stock acquisition rights in case of merger, absorption-type company split, incorporation-type company split, share exchange, and share transfer

The Company, in the case of merger (limited only to cases in which the Company is dissolved by merger), absorption-type company split, incorporation-type company split, share exchange or share transfer (collectively "Organizational Restructure" below), may deliver the stock acquisition rights of the stock companies listed in Article 236, paragraph (1), item (viii)-(a) to (e) of the Companies Act ("Restructure Target Company" below) to each Stock Acquisition Rights Holder holding stock acquisition rights that remain outstanding at the time directly before the date on which the effects of the Organizational Restructure arises ("Remaining Stock Acquisition Rights" below), for each case thereof, based on the conditions set forth below. In such event, the Remaining Stock Acquisition Rights shall be terminated, and in exchange, the Restructure Target Company shall newly issue stock acquisition rights. However, the aforementioned delivery of stock acquisition rights by the Restructure Target Company shall only apply when such action is stated in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement or share transfer plan.

1) Number of share acquisition rights of the Restructure Target Company to be delivered

The number of stock acquisition rights equal to the number of Remaining Stock Acquisition Rights held by Stock Acquisition Rights Holders shall be delivered.

2) Class of shares of the Restructure Target Company subject to stock acquisition rights

The class of shares shall be common stock of the Restructure Target Company.

3) Number of shares of the Restructure Target Company subject to stock acquisition rights

It shall be determined in accordance with (1) above after considering the conditions, etc. for the Organizational Restructure.

4) Value of assets to be contributed upon exercise of stock acquisition rights

The value of assets to be contributed when each stock acquisition right to be delivered is exercised shall be the amount obtained by multiplying the Exercise Price after the restructure as specified below by the number of shares of the Restructure Target Company subject to stock acquisition rights, which is decided pursuant to 3) above. The Exercise Price after the restructure shall be one (1) yen per share of the shares of the Restructure Target Company that would be delivered by exercising the stock acquisition rights to be delivered.

5) Exercise period of stock acquisition rights

The period during which the stock acquisition rights that are delivered can be exercised shall commence either on the starting date of the period for exercising stock acquisition rights specified in (3) above, or on the date on which the Organizational Restructure comes into effect, whichever is later, and end on the expiry date of the period for exercising stock acquisition rights specified in (3) above.

6) Matters concerning the amount of increase in share capital and legal capital surplus resulting from issuance of shares upon exercise of stock acquisition rights

This shall be determined in accordance with (4) above.

7) Reasons for acquisition and conditions for exercise of share acquisition rights

Reasons for acquisition and conditions for exercise of share acquisition rights shall be determined in accordance with (6) and (7) above.

8) Restriction on acquisition of stock acquisition rights through transfer

The acquisition of stock acquisition rights through transfer will require the approval of the Board of Directors of the Restructure Target Company.

(9) Handling of fractions of less than one (1) share resulting from exercise of stock acquisition rights

Any fraction less than one (1) share shall be rounded down if the number of shares to be delivered to a Stock Acquisition Rights Holder who has exercised the stock acquisition rights includes such fractions.

5. Calculation method for the amount to be paid in for stock acquisition rights (issue price)

The amount to be paid in for each stock acquisition right shall be the fair valuation amount computed according to the Black-Scholes Model on the date of allocation of the stock acquisition right. However, as the payment obligations of the party subject to allocation based on the paid-in amount in question will be set off against the remuneration receivables (The amount of remuneration is identical to the payment receivable amount.) held towards the Company that are granted to the party subject to allocation on the date of allocation of the stock acquisition right on the condition that said stock acquisition right are subscribed to, monies do not have to be paid in exchange for the stock acquisition right.

6. Date of allocation of stock acquisition rights

January 13, 2023

7. Payment date of contribution in exchange for the stock acquisition rights

January 13, 2023

End