

May 31, 2023

Company name: RAKSUL INC.  
Representative: Yasukane Matsumoto  
Representative Director, President and CEO  
(TSE Prime Market Code No. 4384)  
Contact: Yo Nagami  
Director, CFO

**Notice Concerning the Stock Option Trust Introduced in 2022**

On May 29, 2023, the National Tax Agency and the Ministry of Economy, Trade and Industry (METI) held a briefing on the taxation of a new type of stock compensation, trust-type stock options (the “Stock Option Trust”). The National Tax Agency announced its position that compensation under the Stock Option Trust is considered actual salary at the time the employee exercises the rights granted by the company and acquires the shares, and that the company must retroactively withhold tax, even for employees who have already exercised the rights in the past.

Although there have been some newspaper articles speculating about the financial impact on companies that have already introduced the Stock Option Trust, there is no impact on RAKSUL INC. (the “Company”) from the Stock Option Trust, including any prior years’ tax liability reassessments. This is due to the fact that though the Company has introduced the Stock Option Trust, the beneficiaries have not been determined as of today and the rights have therefore obviously not been exercised by the employees.

In response to the opinion of the National Tax Agency, the dealing of the Stock Option Trust that have already been introduced will be determined upon internal discussions and consultation with external experts in consideration of legal amendments and other factors in the future. Should it become necessary to revise the financial forecast or should matters arise that need be announced in the future, such information will be promptly disclosed.