Note: This document is a translation of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

Securities code 3694
June 11, 2024
(Date of starting e-provision measures: June 4, 2024)

To our shareholders

1 Honjomachi, Saga-shi, Saga
OPTiM CORPORATION
President Shunji Sugaya

Notice of the 24th Ordinary General Meeting of Shareholders

We would like to take this opportunity to express our sincere gratitude for your continued support.

We would like to inform you that we will hold the 24th Ordinary General Meeting of Shareholders as follows.

We are taking e-provision measures for the calling of this General Meeting of Shareholders. On the following website, we have released the e-provision measures as the Notice of Calling the 24th Ordinary General Meeting of Shareholders.

Company Website
(https://www.optim.co.jp/investors/irnews/other)

Please access the above website and then select and read the Notice of Calling the 24th Ordinary General Meeting of Shareholders.

This information has also been released on the website below.

Website of the Tokyo Stock Exchange, Inc.
(https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show)

Please access the above website, enter/search for the name of the Company or the securities code, select, in this order, Basic Information and Documents for Public Inspection/PR information, and read them.

If you don't attend the Ordinary General Meeting of Shareholders, you can exercise your voting rights through electronic or magnetic means (Internet, etc.) or in writing. We would appreciate it if you could kindly examine the reference documents for the General Meeting of Shareholders included in the e-provision measures and exercise your voting rights by 6:30 PM on Wednesday, June 26, 2024.

Yours sincerely

To whom it may concern

1. Date and time: Thursday, June 27, 2024, 1:00 PM
   *The reception starts at 12:20 PM.
2. Venue: 1 Honjomachi, Saga-shi, Saga
   OPTiM Headquarters Building
3. Agenda

   Matters to be reported
   1. Business Report and Consolidated Financial Statements for the 24th Fiscal Year (from April 1, 2023 to March 31, 2024) and the Results of Audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
   2. Report on the Financial Statements for the 24th Fiscal Year (From April 1, 2023 to March 31, 2024)

   Resolutions

   Proposal No. 1: Appointment of Six Board Directors
   Proposal No. 2: Determination of Stock Option Remuneration Amount and Details for Board Directors (excluding Outside Board Directors)

4. Other decisions regarding the calling of the meeting
   (1) Only when you entrust a shareholder with your voting rights, can he or she exercise those voting rights as an agent. Agents are limited to one person.
   (2) If you don't express your opinion (yes or no) on items on the agenda and on the voting rights exercise form, we interpret that as agreement with the agenda.
   (3) If you redundantly exercise your voting rights on both the Internet and in writing, we count only the voting rights exercised on the Internet. If you exercise your voting rights on the Internet multiple times, we count the last exercise as effective.

End

⊙ If you plan to attend the meeting in person, please submit the voting rights exercise form to the receptionist at the meeting.
⊙ At this General Meeting of Shareholders, regardless of whether a written delivery request is made, a document describing the e-provision measures will be sent uniformly.
⊙ If e-provision measures are revised, we will release details of the revision on each website on which the measures are released.

[The exercise of voting rights through electronic or magnetic means]
<Procedures for the exercise of voting rights on the Internet>

If you exercise your voting rights on the Internet, we would like to ask you to confirm the following items while exercising your voting rights.

If you attend the General Meeting of Shareholders in person, it is not necessary for you to exercise your voting rights by mail (voting rights exercise form) or on the Internet.

1. Site for exercising voting rights

(1) You can access your voting rights on the Internet by accessing our site for exercising voting rights (https://evote.tr.mufg.jp/) from a PC or a smartphone only. (The site cannot be accessed from 2:30 AM through 4:30 AM every day.)

(2) In cases where a firewall is used for Internet access, antivirus software has been set, a proxy server is used, or TLS encrypted communication has not been specified, you may not be able to use the site. It depends on your Internet use environment.

(3) We will accept exercises of voting rights until 6:30 PM on Wednesday, June 26, 2024. However, please exercise your voting rights early, and if you have any questions, please contact the help desk.

2. How to exercise your voting rights on the Internet

(1) From a PC

- Please use the login ID and the temporary password written on the voting rights exercise form on the site for exercising voting rights (https://evote.tr.mufg.jp/) and enter yes or no according to the instructions on the screen.
- To prevent unauthorized access (impersonated use) by third parties other than shareholders and falsification of details related to the exercise of voting rights, the temporary password can be changed to a password of your choice on the site for exercising voting rights.
- Whenever a General Meeting of Shareholders is called, we will notify you and send a new login ID and temporary password.

(2) From a smartphone

- You can automatically access the site for exercising voting rights and exercise those rights by using a smartphone to read the QR code written on the voting rights exercise form to log in.
  (You don't have to enter your login ID or temporary password.)
- With some smartphone models, logging in cannot be done by reading the QR code. If you cannot log in by reading the QR code, please exercise your voting rights by using a PC as mentioned above in 2-(1).

*The QR code is a registered trademark of Denso Wave Incorporated.

3. Treatment of voting rights exercised multiple times

(1) If you redundantly exercise your voting rights on both the Internet and in writing, we count only the voting rights exercised on the Internet.

(2) If you exercise your voting rights on the Internet multiple times, we count the last exercise as effective.

4. Expenses incurred when accessing the site to exercise voting rights

Shareholders are requested to bear any expenses incurred when accessing the site to exercise voting rights (Internet connection fees).

System inquiry
Trust Business Planning Division (Help desk), Mitsubishi UFJ Trust and Banking Corporation
Tel: 0120-173-027 (Business hours 9:00 to 21:00, toll-free)

<Use of the platform for electronically exercising voting rights (for institutional investors)>

With regard to the General Meeting, institutional investors can exercise their voting rights by electronic or magnetic means from the Platform for Electronically Exercising Voting Rights operated by ICJ, Inc.

[Online distribution of the General Meeting of Shareholders]

A webcast of this General Meeting will be available through a Zoom webinar. Shareholders who would like to view the meeting online may register in advance by filling out the form. We will separately inform you of the URL and password for viewing after the registration procedure is completed.

1. Your equipment or network environment may prevent you from viewing the program. If you encounter any problems, please check the operating environment from the Zoom Help Center.
   Zoom Help Center (https://support.zoom.us/hc/ja)
2. Online broadcasting of the meeting will not be considered as attendance at the meeting under the Companies Act. You can only watch the meeting.
3. Future circumstances may prevent online distribution. Please check our website for information on the status of the distribution.
4. It is prohibited to provide video or audio data to a third party, to show them in public, to reproduce or duplicate them, or to tell a third party how to log in to the site.
5. Only live broadcasts will be available. Please note that no on-demand delivery will be made at a later date.
6. Please note that video and audio may not be properly transmitted due to problems with the Internet environment or equipment, or other circumstances.
   Please be aware that video and audio may be affected by your computer environment (model, performance, etc.) and Internet connection environment (line conditions, connection speed, etc.) when viewing the webcast. Personal information of shareholders who have registered will be used only for online viewing of the General Meeting of Shareholders.

◆How to apply for online viewing◆

How to Register	Please register your name, shareholder number, e-mail address, and opinion through the form.
Form	
Deadline	Monday, June 24, 2024, 3:00 p.m.

Business Report

(From April 1, 2023 to March 31, 2024)

1. Current status of the corporate group

(1) Business conditions in the current consolidated fiscal year

(i) Progress and results of the business

During the current consolidated fiscal year, the Group continued to steadily grow its Mobile Management Services, which occupy an overwhelming market share, from the previous consolidated fiscal year, while aiming to achieve significant growth by creating innovation in the rapidly expanding DX (*1) market through X-Tech Services. The Group's business was developed with both services as dual engines of growth.

The following are the specific progress details for the current consolidated fiscal year, categorized into X-Tech Services, Mobile Management Services, and Other Services.

First, we would like to discuss X-Tech Services, which are at the center of proactive growth investment.

Regarding Agritech, the introduction of the Pinpoint Time Spraying service, which enables timely pest control through digital analysis of individual fields for paddy rice cultivation using drones, is rapidly spreading among paddy rice producers and agricultural organizations nationwide. From customers who used the Pinpoint Time Spraying service last year, we have received inquiries about continued use and expansion of service usage, and new implementations are also rapidly increasing.

For Marketing DX, we are focusing on providing the OPTiM Digital Experience platform. As a new development, we have started offering the Super App Platform for Municipalities, which aims to create regions and communities where everyone can live comfortably using digital tools. The Super App Platform for Municipalities is a platform that allows residents to access all services and information provided by municipalities through a single app and ID. By using the super app based on this platform, residents can complete various administrative procedures online without having to visit government offices. Additionally, they can obtain desired and important information related to themselves, such as garbage collection days, local news, and public safety and disaster prevention information. Municipalities can also promote digitalization by reducing staff for office counter tasks and disseminating information tailored to residents' attributes. This platform is being utilized in the Saga City Super App. This app achieved approximately 38,000 downloads within nine months of its launch. With an effective market penetration rate of approximately 30% among Saga residents, recognition of this new digital infrastructure for local government is spreading. It has also received high evaluations from external organizations, winning the Regional Award at the Digital Content of the Year 2023 / 29th AMD Awards (*2) by the Association of Media in Digital (AMD). Furthermore, Saga City's initiatives using this app have been selected as

recipients of TYPE 3 funding from the Digital Garden City National Initiative Grant promoted by the Digital Agency. This TYPE 3 grant targets projects that not only meet the requirements of TYPE 2, which involves the implementation of multiple services using an open data linkage platform and can serve as a model case, but are also pioneering, contribute to maintaining regional life through digital societal transformation, and receive a high overall evaluation, resulting in a higher funding limit and subsidy rate. The Group aims to expand the Super App Platform for Municipalities services to municipalities nationwide, leveraging the expertise gained from the Saga City Super App.

Regarding Digital Construction, the number of license contracts for the 3D surveying smartphone app OPTiM Geo Scan has been steadily increasing. This is due to the popularity of the basic functions of OPTiM Geo Scan, along with related services such as OPTiM Geo Scan Advance, which enables easy high-precision 3D surveying over long distances. These services allow smartphones to replace the expensive and specialized surveying equipment traditionally required for surveying, and to complete all necessary outputs such as drawing creation and quantity calculation on the smartphone. As a result, they have been widely used in various scenarios, including civil engineering surveys and disaster site surveys. Additionally, OPTiM Geo Scan received the highest rating of "VE" from the New Technology Information System (NETIS) provided by the Ministry of Land, Infrastructure, Transport, and Tourism. NETIS is a database system established by the Ministry of Land, Infrastructure, Transport, and Tourism to share and provide information related to new technologies for their utilization. By being registered in NETIS, information is shared with clients such as national and local government agencies, contractors, and consultants, encouraging nationwide use.

For Office DX, we are continuously upgrading the contract management service OPTiM Contract and the document management service OPTiM Electronic Bookkeeping, both utilizing AI. We have added features to streamline document management and improved AI analysis accuracy for contracts and forms, resulting in significantly increased license numbers due to enhanced user convenience. Furthermore, both services have obtained the Certification of Legal Requirements for Scanner Storage Software under the Electronic Bookkeeping Law (*3) from the Japan Image and Information Management Association (JIIMA). Users can comply with the electronic data storage requirements mandated by the revised Electronic Bookkeeping Law without individually confirming each requirement. With this certification, we can meet the demand for compliance with law revisions, expecting further growth.

For Video Management DX, we are providing the cloud AI video analysis service OPTiM AI Camera to various customers. For example, we have started offering it to Fukuoka City and Kitakyushu City. In these municipalities, OPTiM AI Camera visualizes the congestion status at government office counters, contributing to improved citizen services and operational efficiency. Following these examples, we will provide OPTiM AI Camera to municipalities nationwide, supporting the promotion of municipal DX.

Regarding Digital Health, we are strengthening the deployment of remote medical services, and the network support system MINS for the surgical support robot system hinotori™ Surgical Robot System by Medicaroid Corporation is continuously growing.

Next, we will discuss Mobile Management Services, another pillar of our business. For Mobile Management Services, we have established a structure to respond to diverse and deepening customer needs as mobile devices become more widespread, creating a

more efficient and effective environment for Optimal Biz, which has held the top market share for 13 consecutive years (*4). As a result of these measures, the number of licenses for Optimal Biz has been steadily increasing in line with market growth. We will continue to upgrade versions aimed at expanding market superiority and further growing the service.

Finally, regarding Other Services, license sales for Optimal Remote and Tabho are progressing as planned.

As a result of these activities, consolidated operating results for the current fiscal year were as follows: net sales of 10,243,411,000 yen (up 10.4% year on year), operating profit of 1,940,238,000 yen (up 10.9% year on year), ordinary profit of 1,844,116,000 yen (up 12.8% year on year), and profit attributable to owners of parent of 1,171,356,000 yen (up 21.7% year on year).

*1 DX: Digital transformation. The concept is that the widespread adoption of IT will improve people's lives in every aspect, meaning that companies will use technology to fundamentally change the performance and scope of their business.
*2 AMD Awards: AMD annually selects and awards outstanding works or services from among the digital content released or announced in the past year, recognizing the achievements of individual creators or groups. For details, please refer to the following website.
https://amd.or.jp/pressrelease/2024/20240305_29th_AMD_award_prize.pdf
*3 Certification of Legal Requirements for Scanner Storage Software under the Electronic Bookkeeping Law: A system in which the Japan Image and Information Management Association (JIIMA) checks whether commercially available software and software services for scanner storage (scanning documents received on paper and storing them as electronic data) meet the requirements of the Electronic Bookkeeping Law, and certifies those deemed to satisfy the legal requirements.
*4 Source: Deloitte Tohmatsu MIC Research Institute, Market Outlook of Collaboration & Mobile Management Software 2023 Edition, published in September 2023.

(ii) Capital investment

The capital investment amount for this consolidated fiscal year is 94,399,000 yen. The main details thereof are as follows: 34,736,000 yen for PCs and communication terminal devices, 28,529,000 yen for drones and drone-related devices (after deducting 21,328,000 yen through reduction entry from government subsidies, etc.), and 15,428,000 yen for agricultural machinery.

(iii) Financing

There were no notable fund procurements in the current consolidated fiscal year.

(iv) Transfer of business, absorption-type split, or incorporation-type demerger

Not applicable.

(v) Acquisition of other company's business

Not applicable.

(vi) Succession to rights and obligations related to the business of other corporations, etc., as a result of absorption-type merger or absorption-type split
Not applicable.

(vii) Acquisition or disposal of shares or other equity or stock acquisition rights, etc., of other companies
Not applicable.

(2) Assets and profit/loss

(i) Assets and profit/loss of the corporate group

Category		The 21st period (Fiscal year ended March 31, 2021)	The 22nd period (Fiscal year ended March 31, 2022)	The 23rd period (Fiscal year ended March 31, 2023)	The 24th period (Current consolidated fiscal year) (Fiscal year ended March 31, 2024)
Net sales	(1,000 yen)	7,517,790	8,310,717	9,277,336	10,243,411
Ordinary profit	(1,000 yen)	2,000,453	1,485,545	1,634,990	1,844,116
Profit attributable to owners of parent	(1,000 yen)	1,237,601	943,561	962,761	1,171,356
Basic earnings per share	(yen)	22.49	17.14	17.49	21.28
Total assets	(1,000 yen)	6,248,906	7,387,477	8,219,451	9,562,534
Net assets	(1,000 yen)	4,355,888	5,248,802	6,189,309	7,342,061
Net asset per share	(yen)	77.39	93.68	110.76	131.65

(Note) 1. Net income per share is calculated based on the average number of shares outstanding during the period, excluding treasury stock. Net assets per share is calculated based on the total number of shares outstanding at the end of the period, excluding treasury stock.

(ii) Assets and profit/loss of the Company

Category		The 21st period (Fiscal year ended March 31, 2021)	The 22nd period (Fiscal year ended March 31, 2022)	The 23rd period (Fiscal year ended March 31, 2023)	The 24th period (Current fiscal year) (Fiscal year ended March 31, 2024)
Net sales	(1,000 yen)	7,389,792	7,976,542	9,044,870	9,976,220
Ordinary profit	(1,000 yen)	1,993,407	1,557,826	1,780,246	1,946,251
Profit attributable to owners of parent	(1,000 yen)	1,234,659	1,013,067	1,000,320	1,046,513
Basic earnings per share	(yen)	22.43	18.40	18.17	19.01
Total assets	(1,000 yen)	6,086,965	7,313,454	8,218,043	9,409,930
Net assets	(1,000 yen)	4,262,365	5,229,295	6,207,149	7,234,834
Net asset per share	(yen)	77.44	94.99	112.76	131.38

(Note) 1. Net income per share is calculated based on the average number of shares outstanding during the period, excluding treasury stock. Net assets per share is calculated based on the total number of shares outstanding at the end of the period, excluding treasury stock.

(3) Parent company and significant subsidiaries

(i) Relationship with the parent company

Not applicable.

(ii) Significant subsidiaries

Company name	Share capital	Investment ratio (Voting rights ratio)	Main business
OPTiM AGRI MICHINOKU Corp.	80,000,000 yen	95.0 %	Smart agriculture business
OPTiM Bank Technologies Corp.	30,000,000 yen	95.0 %	Sales of AI and IoT solutions
OPTiM Digital Construction Corporation	10,000,000 yen	100.0 %	Sales of ICT equipment for the construction industry
YURASCORE Corp.	1,000,000 yen	100.0 %	Development and sales of cloud CRM
OPTiM Farm Corporation	20,000,000 yen	100.0 %	Smart agriculture business

(4) Issues to be addressed

The main issues to be addressed by the Group are as follows

(i) Expansion of sales

The Group's business model is based on a sales structure centered on stock-based licensing revenues. The Group has been steadily growing its dominant Mobile Management Services while aiming to achieve significant growth by creating innovation in the rapidly expanding DX market. Under this strategy, the Group will continue to steadily grow the successful Mobile Management Services while actively investing in achieving substantial growth for X-Tech Services, particularly the Agritech drone pesticide spraying service and document management services for Office DX. The Group aims to play a central role in the Fourth Industrial Revolution and intends to make flexible and proactive growth investments when excellent investment opportunities arise to achieve this goal.

(ii) Expansion of development personnel and strengthening of the organization

With stock-type license revenue as the Group's main source of income, the most important issue is to increase the number of development department personnel and strengthen the development system in order to handle multiple large-scale projects. The Group believes that its excellent engineers are the source of its competitiveness, and the Group is united in its efforts to recruit engineers.

On the other hand, there is a notable shortage of engineers in the whole market in the IT-related fields in which the Group operates, particularly in AI-related fields. In addition to acquiring talented engineers, we will work to raise the level of our organization by providing training and study sessions for our current development personnel, and we will also review our personnel and salary systems to reduce retirement risks.

We will further strengthen and improve our development system by improving our project management methods and other measures through the use of temporary employees with skills that match each project.

(iii) Strengthening of intellectual property strategy

The Group believes that the source of business growth lies in innovation, and has been actively engaged in research and development activities since its establishment. In particular, from the fiscal year ended March 31, 2018, we have been working to strengthen the personnel and operational structure of our research and development department in order to establish a foothold to become a core company in the 4th Industrial Revolution.

In addition, since intellectual property rights are the basis of differentiation from competitors and an important means to develop new markets and customers, we have been working on speeding up and streamlining our operations in addition to the integrated planning and promotion of business and intellectual property strategies so that the acquisition of intellectual property rights is in synchronization with our business development.

Examples of such initiatives include Patent No. 6290459, "Contract Management System, Contract Management Method, and Contract Management Program" (Minister of Education, Culture, Sports, Science and Technology Award, Kyushu Regional Invention Award, FY2021), which resulted from R&D achievements with "OPTiM Contract," and Patent No. 6928217, "Measurement Processing Device, Method, and Program," which resulted from R&D achievements with "OPTiM Geo Scan."

The knowledge gained through these efforts is disseminated domestically and internationally to contribute to industrial development through intellectual property. At an event hosted by the World Intellectual Property Organization (WIPO) in April 2023, an interview with our President, Shunji Sugaya, about the use of intellectual property was featured. In addition, examples of our intellectual property utilization in the agricultural business were included in WIPO's IP Advantage database (a database of intellectual property use cases from around the world).

We will continue our efforts to secure competitive advantage through the acquisition of intellectual property rights.

(iv) Compliance with the criteria for maintaining the listing in the prime market

The Company moved to the prime market upon the reorganization of the market classification of the Tokyo Stock Exchange, Inc. in April 2022, but does not meet the criteria for the ratio of tradable shares. We believe that meeting the criteria for maintaining our listing in the prime market will be an important management prerequisite for the future enhancement of our corporate value over the medium to long term.

Based on the "Progress Based on the Plan for Compliance with Listing Maintenance Criteria," which was submitted on June 29, 2023, the Company intends to meet the criteria for maintaining the listing by the fiscal year ending March 31, 2025, by implementing measures to meet the ratio of tradable shares.

(5) Principal businesses (as of March 31, 2024)

Segment information is omitted because the Group has a single business segment, license sales and maintenance support services (Optimal).

The following are details of the Group's business activities by service category.

1) X-Tech Services

Classification	Product/service name
Platform	• OPTiM Cloud IoT OS • OPTiM IoT • OPTiM ID+
Agritech	• Pinpoint Time Spraying Service • Drone Sowing Service • Smart Rice • Agri Field Manager
Digital Health	• MINS (Medicaroid Intelligent Network System) • Online Healthcare Platform
Digital Construction	• OPTiM Geo Scan
Marketing DX	• OPTiM Digital Experience • Super App Platform for Municipalities • OPTiM Hardware My Portal
Office DX	• OPTiM Contract • OPTiM Denshichobohozon • OPTiM Store • OPTiM SaaS Management
Video Management DX	• OPTiM AI Camera • OPTiM AI Camera Enterprise

2) Mobile Management Services

Classification	Product/service name
Mobile Management Service	• Optimal Biz

3) Other Services

Classification	Product/service name
Remote Management Service	• Optimal Remote • Optimal Remote Web • Communication SDK • OPTiM Taglet
Support Service	• Optimal Setup • Optimal Diagnosis & Repair
Other Services	• Unlimited use of PC Software • Tabuho (Unlimited e-magazine reading service) • Other Products

(6) Main sales offices (As of March 31, 2024)

(i) OPTiM CORPORATION

OPTiM TOKYO (Tokyo Head Office)	1-2-20 Kaigan, Minato-ku, Tokyo Shiodome Building 18F
OPTiM SAGA (Saga Head Office)	1 Honjomachi, Saga-shi, Saga
OPTiM KOBE	7-1-1 Onoedori, Chuo-ku, Kobe-shi, Hyogo Nihonseimei-Sannomiyaekimae Building 11F
TECH CENTER IIZUKA (Tech Center Iizuka)	680-41 Kawazu, Iizuka-shi, Fukuoka Room 103, Center of Iizuka Research and Development

(ii) Subsidiaries

OPTiM AGRI MICHINOKU Corp.	2-6-18, Shinmachi, Aomori-shi, Aomori Nakashinmachi Building 3F
OPTiM Digital Construction Corporation	1-2-20 Kaigan, Minato-ku, Tokyo Shiodome Building 18F
OPTiM Bank Technologies Corp.	1 Honjomachi, Saga-shi, Saga
YURASCORE Corp.	1-2-20 Kaigan, Minato-ku, Tokyo Shiodome Building 18F
OPTiM Farm Corporation	1-2-20 Kaigan, Minato-ku, Tokyo Shiodome Building 18F

(7) Employees (As of March 31, 2024)

(i) Employees of the corporate group

Number of employees	Increase (decrease) from the end of the previous consolidated fiscal year
398 employees	Increase of 17

(Note) 1. The number of employees is the number of full-time employees and does not include temporary and part-time employees.
2. The number of employees excludes employees seconded from the Company to outside consolidated subsidiaries.
3. The number of employees includes employees seconded to the Company and its consolidated subsidiaries from outside consolidated subsidiaries.
4. Since the Group's business is a single segment, license sales and maintenance support service (Optimal) business only, segment information is not provided.

(ii) Employees of the Company

Number of employees	Increase (decrease) from the end of the previous fiscal year	Average age	Average years of service
383 employees	Increase of 18	33.1 years old	4.9 years

(Note) 1. The number of employees is the number of full-time employees and does not include temporary and part-time employees.
2. The number of employees excludes employees seconded from the Company to other companies.
3. The number of employees includes employees seconded to the Company from other companies.

(8) Principal lenders (As of March 31, 2024)

Lender	Borrowing amount
Mizuho Bank, Ltd.	300,000,000 yen

(9) Other important matters concerning the current status of the corporate group
Not applicable.

2. Status of shares (As of March 31, 2024)

(1) Total number of shares authorized 195,712,000 shares

(2) Total number of issued shares 55,163,232 shares

(Note) The increase of 19,264 issued shares is due to the exercise of stock acquisition rights.

(3) Number of shareholders 14,015 shareholders

(4) Major shareholders (Top 10)

Name of shareholder	Number of shares held	Shareholding ratio
Shunji Sugaya	34,209,600 shares	62.12 %
Nippon Telegraph and Telephone East Corporation	3,200,000 shares	5.81 %
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,193,200 shares	3.98 %
Shozo Ogami	734,500 shares	1.33 %
FUJIFILM Holdings Corporation	589,280 shares	1.07 %
SBI SECURITIES Co., Ltd.	470,866 shares	0.86 %
Custody Bank of Japan, Ltd. (Trust Account)	404,000 shares	0.73 %
The Nomura Trust and Banking Co., Ltd. (Trust Account)	367,700 shares	0.67 %
Koichiro Nonomura	303,328 shares	0.55 %
Seiji Tokuda	277,408 shares	0.50 %

(Note) Shareholding ratio is calculated excluding treasury stock (95,347 shares).

3. Status of stock acquisition rights, etc.

Stock acquisition rights held by the Company's Officers as of the end of the current fiscal year that were issued in compensation for the execution of their duties

		The 5th series of stock acquisition rights		
Issuance resolution date		August 13, 2014		
Number of stock acquisition rights		574 shares		
Type and number of shares to be issued upon exercise of stock acquisition rights		Common shares (32 shares per stock acquisition right)	18,368 shares (Note) 3	
Amount to be paid in for stock acquisition rights		No payment is required in exchange for stock acquisition rights.		
Amount of assets to be contributed upon exercise of stock acquisition rights		Per stock acquisition right (48 yen per share)	1,536 yen (Note) 3	
Exercise period		From August 14, 2016 to August 13, 2024		
Conditions for exercise		(Note) 2		
Officers' ownership	Board Directors (excluding Outside Board Directors)	Number of stock acquisition rights Number of shares to be issued Number of holders	574 18,368 3	rights shares persons
	Outside Board Directors	Number of stock acquisition rights Number of shares to be issued Number of holders	0 0 0	rights shares persons
	Corporate Auditors	Number of stock acquisition rights Number of shares to be issued Number of holders	0 0 0	rights shares persons

(Note) 1. Holders of the stock acquisition rights (hereinafter referred to as the "stock acquisition right holders") shall exercise their stock acquisition rights in accordance with the following terms and conditions:

(i) Of the stock acquisition right holders, the Company's Officers and employees must continuously hold the position of Officer or employee of the Company from the time of allotment of stock acquisition rights until the time of exercise of the rights. However, the stock acquisition rights may continue to be exercised if approved by the Board of Directors of the Company.

(ii) Other conditions for the exercise of stock acquisition rights shall be as set forth in the "Stock Acquisition Rights Allotment Agreement" to be entered into between the Company and stock acquisition right holders based on resolutions of the General Meeting of Shareholders and the Board of Directors.

2. (i) Stock acquisition rights may be exercised by the stock acquisition right holders who have received allotment of stock acquisition rights at the time of issuance.

(ii) Those who are Board Directors, Corporate Auditors or employees of the Company at the time of issuance of stock acquisition rights must also be Board Directors, Corporate Auditors or employees of the Company, its subsidiaries or affiliates at the time of exercising the stock acquisition rights. However, this shall not apply in cases where the Board of Directors of the Company recognizes that there is a justifiable reason, such as retirement from office due to expiration of term of office or mandatory retirement age.

(iii) In the event of the death of a stock acquisition right holder, his or her heirs shall not inherit the stock acquisition rights.

(iv) Other conditions for the exercise of stock acquisition rights shall be determined by a resolution of the Board of Directors of the Company issuing the stock acquisition rights.

3. The Company conducted a 4-for-1 common stock split on April 1, 2015, a 2-for-1 common stock split on April 1, 2017, a 2-for-1 common stock split on April 1, 2019, and a 2-for-1 common stock split on April 1, 2020. Therefore, the number of shares to be issued upon exercise of stock acquisition rights and the value of assets to be contributed upon exercise of stock acquisition rights are stated in the figures after the stock split.

4. Officers of the Company

(1) Board Directors and Corporate Auditors (As of March 31, 2024)

Status in the Company	Name	Responsibilities and significant concurrent positions
President	Shunji Sugaya	OPTiM Digital Construction Corporation, Representative Director
Board Director	Genta Taniguchi	In charge of technology
Board Director	Takeshi Kyusaka	In charge of sales OPTiM AGRI MICHINOKU Corp., Board Director OPTiM Bank Technologies Corp., Board Director OPTiM Farm Corporation, Representative Director NTT e-Drone Technology Corporation, Board Director
Board Director	Akihiro Hayashi	In charge of administration OPTiM AGRI MICHINOKU Corp., Corporate Auditor OPTiM Bank Technologies Corp., Corporate Auditor
Board Director	Rikihei Egawa	
Board Director	Yuichiro Takezaki	Fairy Devices Inc., Board Director K.K. Hongo Shokurin Kenkyujo, Board Director Sojitz Morinomirai Corporation, Board Director KINKA Asset Management Co., Ltd., Board Director
Full-time Corporate Auditor	Takayuki Kojima	Board of Trustees of Nishikyushu University
Corporate Auditor	Katsuo Yoshidomi	
Corporate Auditor	Yoshinori Isagai	Professor, Faculty of Policy Management, Committee Member of Graduate School of Media and Governance, Keio University President, Non-profit Organization HOUSUU SCHOOL

(Note)
1. Rikihei Egawa and Yuichiro Takezaki, Board Directors, are Outside Directors.
2. Corporate Auditors Takayuki Kojima, Katsuo Yoshidomi, and Yoshinori Isagai are Outside Auditors.
3. The Company has submitted a notification to Tokyo Stock Exchange, Inc. designating the above five persons as Independent Officers.
4. Katsuo Yoshidomi, Corporate Auditor, has been an Outside Corporate Auditor since the Company's establishment, with particular emphasis on auditing related to accounting, based on his experience as Board Director at other companies. We believe that his experience and insight will enable him to continue to perform his duties as an Outside Corporate Auditor of the Company appropriately.

(2) Outline of the contents of the liability limitation agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company stipulates in its Articles of Incorporation that it may enter into an agreement to limit liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act, and has entered into liability limitation agreements with each Outside Board Director and each Outside Corporate Auditor.

The maximum amount of liability for damages under such agreements is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, provided that the Outside Board Director or Outside Corporate Auditor has performed his or her duties in good faith and without material negligence.

(3) Summary of contents of Directors and Officers Liability Insurance Contract

The Company has concluded a Directors and Officers Liability Insurance (D&O insurance) Contract with an insurance company, insuring the Board Directors and Corporate Auditors of the Company and its subsidiaries, as defined in Article 430-3, Paragraph 1 of the Companies Act.

The Company pays all premiums, including the special contract portion, and there is virtually no premium burden on the insured.

The policy provides for compensation for damages that may arise from the insured Board Director or Officer being held liable for the performance of his or her duties or being subject to a claim for such liability. However, there are certain exemptions, such as the fact that damages caused by acts committed with the knowledge that the acts are in violation of laws and regulations will not be compensated.

The policy has a provision for a deductible amount and does not cover damages up to such deductible amount.

The contract is scheduled to be renewed in December 2024 with the same terms and conditions.

(4) Remuneration for Board Directors and Corporate Auditors

(i) Policy for determining the details of remuneration, etc., for each individual Board Director

The Company's Board of Directors made resolutions at a meeting held to adopt a policy for determining the details of remuneration for individual Board Directors (the determination policy) based on the report from the Remuneration Committee chaired by Rikihei Egawa. The outline is as follows:

We believe that the Remuneration Committee examined the details of remuneration for individual Board Directors for the current business year based on a draft and that the Company's Board of Directors made its decision based on the following policy: Non-monetary remuneration has not been introduced.

(ii) Outline of the details of the determination policy

a. Basic policy

The Company's basic policy is to link the remuneration of the Company's Board Directors to the interests of shareholders so that the remuneration system will fully function as an incentive to continuously increase corporate value, and to set an appropriate level by comprehensively considering the position and duties of each Board Director when determining the remuneration of each Board Director. Specifically, remuneration for Executive Board Directors shall consist of base remuneration and performance-linked remuneration.

Outside Board Directors who are responsible for the supervisory function shall be paid only the basic remuneration in view of their duties.

b. Policy regarding the determination of the amount of remuneration, etc., for each individual for basic remuneration (monetary remuneration) (including policy regarding the determination of the timing or conditions of granting remuneration, etc.)

The remuneration shall be fixed monthly and shall be determined by the Board of Directors based on the report of the voluntary Remuneration Committee, which shall take into consideration the role and contribution of each Board Director, as well as performance and other factors.

c. Policy regarding determination of the details and calculation method of the amount or number of performance-linked and non-monetary remuneration, etc. (including policy regarding determination of the timing or conditions of granting remuneration, etc.)

Bonuses are paid to Board Directors as performance-linked remuneration.

The performance indicator selected as the basis for calculating performance-linked remuneration is the operating profit of the Group for each fiscal year. We selected the performance indicator to enhance motivation for improving performance in each fiscal year and to clearly show the performance of our main business in light of the Company's business details.

Performance-linked remuneration amounts are calculated in consideration of the target achievement ratio of operating profit, employee balance, return to shareholders, etc. The Group recorded an operating profit of 1,940 million yen for the current fiscal year. The timing of bonus payments is fixed at a certain time each year. The remuneration of Board Directors shall be cash only, and no stock or other non-monetary remuneration shall be granted to them.

The Board of Directors shall make a decision based on a report from the Remuneration Committee based on the policy mentioned above.

d. Policy on determining the ratio of the amount of monetary remuneration, performance-linked remuneration, etc., or non-monetary remuneration, etc., to remuneration, etc., for each individual Board Director

The ratio of base remuneration and performance-linked remuneration to the amount of remuneration for each individual Board Director shall be determined by the voluntary Remuneration Committee by comprehensively considering each Board Director's role, contribution, performance, etc., in an amount considered reasonable in light of the policy described above.

The Board of Directors shall determine the details of the remuneration, etc. for each individual Board Director within the range of the percentage of remuneration by type based on the report of the voluntary Remuneration Committee.

(iii) Matters concerning resolutions of the General Meeting of Shareholders regarding remuneration, etc., of Board Directors and Corporate Auditors

The maximum amount of remuneration for Board Directors was resolved at the 18th Ordinary General Meeting of Shareholders held on June 28, 2018 to be no more than 600 million yen per year (including no more than 100 million yen for Outside Board Directors, excluding employee's salaries for Board Directors who concurrently serve as employees). As of the close of this Ordinary General Meeting of Shareholders, the number of Board Directors is six (including two Outside Board Directors). At the 9th Ordinary General Meeting of Shareholders held on June 26, 2009, it was resolved that the maximum amount of remuneration for Corporate Auditors shall be no more than 10 million yen per year, with a bonus of no more than 3 million yen per year paid separately. As of the close of this Ordinary General Meeting of Shareholders, the number of Corporate Auditors is three.

(iv) Matters concerning delegation of authority to determine the details of remuneration, etc., of individual Board Directors

The amount of remuneration for each individual Board Director shall be determined specifically by the Board Directors based on the report of the voluntary Remuneration Committee within the total amount of remuneration for Board Directors approved by the General Meeting of Shareholders.

(v) Total amount of remuneration, etc., for the current fiscal year

Classification of Officers	Total amount of remuneration, etc.	Total amount of remuneration, etc., by type			Number of Officers
		Basic remuneration	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.	
Board Directors (Number of Outside Board Directors among them)	69,840,000 yen (6,840,000 yen)	48,640,000 yen (6,840,000 yen)	21,200,000 yen (—)	— (—)	6 persons (2 persons)
Corporate Auditors (Number of Outside Corporate Auditors among them)	3,000,000 yen (3,000,000 yen)	3,000,000 yen (3,000,000 yen)	— (—)	— (—)	3 persons (3 persons)
Total (Number of Outside Officers among them)	72,840,000 yen (9,840,000 yen)	51,640,000 yen (9,840,000 yen)	21,200,000 yen (—)	— (—)	9 persons (5 persons)

(Note) The amount of remuneration, etc., of Board Directors does not include the employee's salaries for Board Directors who concurrently serve as employees.

(5) Matters concerning Outside Officers

(i) Significant concurrent positions held at other companies and relationship between the Company and such other companies

Position	Name	Significant concurrent positions	Relationship between the Company
Board Director	Yuichiro Takezaki	Fairy Devices Inc., Board Director K.K. Hongo Shokurin Kenkyujo, Board Director Sojitz Morinomirai Corporation, Board Director KINKA Asset Management Co., Ltd., Board Director	There is no special relationship.
Corporate Auditor	Takayuki Kojima	Board of Trustees of Nishikyushu University	There is no special relationship.
Corporate Auditor	Yoshinori Isagai	Professor, Faculty of Policy Management, Committee Member of Graduate School of Media and Governance, Keio University President, Non-profit Organization HOUSUU SCHOOL	There is no special relationship.

(ii) Major activities during the current fiscal year

		Status of attendance and comments made
Board Director	Rikihei Egawa	He attended 14 of the 14 meetings of the Board of Directors held during the current fiscal year. At the Board of Directors' meetings he attended, he provided useful suggestions and opinions regarding the Company's management.
Board Director	Yuichiro Takezaki	He attended 14 of the 14 meetings of the Board of Directors held during the current fiscal year. At the Board of Directors' meetings he attended, he provided useful suggestions and opinions regarding the Company's management.
Corporate Auditor	Takayuki Kojima	He attended 14 of the 14 meetings of the Board of Directors and 14 of the 14 meetings of the Board of Corporate Auditors held during the current fiscal year. At the Board of Directors' meetings and the Board of Corporate Auditors' meetings he attended, he provided useful suggestions and opinions regarding the Company's management.
Corporate Auditor	Katsuo Yoshidomi	He attended 14 of the 14 meetings of the Board of Directors and 14 of the 14 meetings of the Board of Corporate Auditors held during the current fiscal year. At the Board of Directors' meetings and the Board of Corporate Auditors' meetings he attended, he provided useful suggestions and opinions regarding the Company's management.
Corporate Auditor	Yoshinori Isagai	He attended 14 of the 14 meetings of the Board of Directors and 14 of the 14 meetings of the Board of Corporate Auditors held during the current fiscal year. At the Board of Directors' meetings and the Board of Corporate Auditors' meetings he attended, he provided useful suggestions and opinions regarding the Company's management.

(iii) Outline of duties in relation to the expected role as Outside Director

Rikihei Egawa has abundant experience in sales and marketing, and since his appointment as Outside Board Director of the Company in 2015, he has played an appropriate role in advising and supervising the execution of the Company's business operations through such means as actively speaking from this perspective at meetings of the Company's Board of Directors.

In addition, as Chairperson of the Nominating Committee and the Remuneration Committee, he took the initiative in operating the Committees. He is in charge of supervising the execution of the Company's business operations and procedures objectively and transparently.

Yuichiro Takezaki has abundant experience as president of an IT company as well as experience/knowledge about corporate acquisition and corporate finance. Since his appointment as Outside Board Director of the Company in 2022, he has played an appropriate role in advising and supervising the execution of the Company's business operations through such means as actively speaking from this perspective at meetings of the Company's Board of Directors.

In addition, as a Member of the Nominating Committee and the Remuneration Committee, he is in charge of supervising the execution of the Company's business operations and procedures objectively and transparently.

5. Status of Accounting Auditor

(1) Name Grant Thornton Taiyo LLC

(2) Amount of remuneration, etc.

	Amount of remuneration, etc.
Amount of remuneration, etc., to the Accounting Auditor for the current fiscal year	27,000,000 yen
Total amount of monetary and other financial benefits payable by the Company and its subsidiaries to the Accounting Auditor	27,000,000 yen

(Note) 1. The audit contract between the Company and the Accounting Auditor does not clearly distinguish between the amounts of audit remuneration, etc., for audits based on the Companies Act and those for audits based on the Financial Instruments and Exchange Act, and it is not practically possible to distinguish between them. Therefore, the amount of remuneration, etc., to the Accounting Auditor for the current fiscal year is the sum of these amounts.

2. The Board of Corporate Auditors made a decision to agree on the amount of remuneration, etc., to be paid to the Accounting Auditor after necessary verification of the appropriateness of the details of the audit plan of the Accounting Auditor, the performance of duties by the Accounting Auditor, and the basis for calculation of the estimate of remuneration.

(3) Non-auditing activities

Not applicable.

(4) Policy on dismissal or non-reappointment of Accounting Auditor

The Board of Corporate Auditors will decide the content of the proposal for dismissal or non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders if it determines that such action is necessary, such as when there is a problem with the performance of the Accounting Auditor's duties.

In addition, the Board of Corporate Auditors will dismiss the Accounting Auditor with the unanimous consent of the Corporate Auditors if the Accounting Auditor is deemed to fall under any of the items of Article 340, Paragraph 1 of the Companies Act. In this case, the Corporate Auditor selected by the Board of Corporate Auditors shall report the dismissal of the Accounting Auditor and the reasons thereof at the first General Meeting of Shareholders to be convened after the dismissal.

(5) Outline of the contents of the liability limitation agreement

Not applicable.

(6) Matters concerning business suspension orders received by the Accounting Auditor in the past two years

Overview of the sanctions announced by the Financial Services Agency on December 26, 2023

(i) Sanction target
Grant Thornton Taiyo LLC
(ii) Details of the sanction
- Suspension of new contract signing operations for three months
(From January 1, 2024 to March 31, 2024. However, this excludes the renewal of audit contracts for already contracted audit clients and the signing of new contracts associated with listing.)
- Business improvement order (improvement of business management system)
- Prohibition for three months of employees who had significant responsibility for the reason of the sanctions from participating in part of the audit work (review related to audit work)
(From January 1, 2024 to March 31, 2024)

(iii) Reason for the sanction

In the audit of another company's correction reports, two certified public accountants who were employees of the same audit corporation failed to exercise due care and certified financial documents that contained significant falsehoods as if they did not contain significant falsehoods.

6. Systems to ensure the appropriateness of business operations and the status of operation of such systems

(1) Details of decisions on systems to ensure the appropriateness of business operations

The following are the details of the decisions made regarding the system to ensure that the execution of duties by Board Directors complies with laws, regulations, and the Articles of Incorporation, as well as other systems to ensure the appropriateness of the Company's operations.

(i) Systems to ensure that the execution of duties by Board Directors complies with laws, regulations, and the Articles of Incorporation

In order to ensure that the execution of duties by Board Directors complies with laws, regulations, and the Articles of Incorporation, Board Directors themselves shall promote compliance-related initiatives based on the recognition that compliance with laws, regulations, the Articles of Incorporation, and internal regulations as well as thorough enforcement of corporate ethics are fundamental to management.

The Board of Directors shall make decisions regarding the execution of important business operations in accordance with laws, regulations, the Articles of Incorporation, and internal regulations and shall supervise the execution of duties by the Board Directors.

Corporate Auditors shall audit the execution of duties by Board Directors in accordance with the Regulations of Corporate Auditors under the authority provided by laws, regulations, and internal regulations.

(ii) System for the storage and management of information related to the execution of duties by Board Directors

The Company shall appropriately store and manage documents, records and other information related to the execution of duties by Board Directors in accordance with laws, regulations, and internal regulations.

(iii) Regulations and other systems for managing the risk of loss

With respect to the management of risk of loss, Board Directors and employees (staff) shall, in accordance with the Risk Management Regulations, proactively foresee and appropriately assess business risks and take necessary measures in advance to avoid, mitigate and transfer risks or take other necessary actions so that the Company can obtain the best results at the lowest possible cost.

(iv) Systems to ensure the efficient execution of duties by Board Directors

As a system to ensure the efficient execution of duties by Board Directors, Board Directors shall make prompt and appropriate decisions and execute their duties efficiently in accordance with the Regulations of the Board of Directors, etc.

The Board of Directors shall also make decisions on basic management policies and important management matters, and shall be an organization that supervises the execution of duties by Board Directors.

(v) Systems to ensure that the execution of duties by employees (staff) complies with laws, regulations, and the Articles of Incorporation

To ensure that the execution of duties by employees (staff) complies with laws, regulations, and the Articles of Incorporation, the Company shall establish action

guidelines, develop internal regulations, etc., implement compliance education, and ensure that employees comply with laws, regulations, and corporate ethics.

In addition, an independent internal audit department shall conduct audits to confirm that business operations are being conducted legally and appropriately.

(vi) System concerning employees (staff) to assist the duties of Corporate Auditors when Corporate Auditors request such assistance

When a Corporate Auditor requests to have an employee (staff) to assist him or her in the performance of his or her duties, the Company may, upon consultation with the Corporate Auditor, assign an employee (staff) to assist the Corporate Auditor.

(vii) Matters concerning independence of the employee (staff) described in (vi) from Board Directors

In order to ensure the independence of the employee (staff), the employee (staff) who assists the Corporate Auditors shall be an employee (staff) who is not subject to the direction and orders of the Board Directors after obtaining the prior consent of the Board of Corporate Auditors.

(viii) System for Board Directors and employees (staff) to report to Corporate Auditors and other systems related to reporting to Corporate Auditors

Board Directors and employees (staff) shall promptly report to the Corporate Auditors any occurrence or potential occurrence of matters that may have a material impact on the Company, in addition to matters that violate any laws, regulations, and the Articles of Incorporation.

In order to understand the process of important decision-making and the status of business execution, Corporate Auditors shall attend meetings of the Board of Directors and other important meetings such as Directors' meetings, as well as review important documents such as approval requests.

In addition, Corporate Auditors shall conduct individual hearings from Board Directors and each Director, etc., on a regular basis.

(ix) Other systems to ensure that audits by Corporate Auditors are conducted effectively

Board Directors and employees (staff) shall strive to deepen their understanding of audits by Corporate Auditors and to create an environment that enhances the effectiveness of audits by Corporate Auditors.

In addition, Corporate Auditors shall conduct effective audit operations through regular exchanges of opinions with President and cooperation with the internal audit staff.

In addition, Corporate Auditors shall receive explanations and exchange information with the Accounting Auditor of the Company regarding the details of the accounting audit.

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

The following is an overview of the operation of the system to ensure the appropriateness of business operations.

(i) Execution of duties by Board Directors

To ensure that the execution of duties by Board Directors complies with laws, regulations, and the Articles of Incorporation, the Company ensures that they act in compliance with laws, regulations, the Articles of Incorporation, and internal regulations as well as in accordance with corporate ethics. The Company also ensures that the execution of duties by Board Directors is adequately audited in accordance with the Regulations of Corporate Auditors. Meetings of the Board of Directors were held 14 times during the current fiscal year to ensure prompt and appropriate decision-making and efficient business execution. Additionally, as voluntary committees of the Board of Directors, the Nominating Committee and the Remuneration Committee, each composed of a majority of Independent Outside Board Directors, have been established to ensure objectivity in the nomination and remuneration decisions for Board Directors.

Furthermore, a Special Committee composed entirely of Independent Outside Board Directors has been established to ensure fairness, transparency, and objectivity in transactions and actions where the interests of the controlling shareholder and minority shareholders may conflict.

(ii) Risk management

In order to avoid and mitigate risks, Board Directors and employees (staff) are required to proactively foresee operational risks and promptly report them in accordance with the Risk Management Regulations so that appropriate measures can be taken. In addition, the Risk Management Committee was held four times during the current fiscal year to share information and assess the significance of risks. Furthermore, the internal audit staff conduct audits to confirm that legal and proper business operations are being carried out.

(iii) Regarding compliance system

In addition to matters in violation of laws, regulations and the Articles of Incorporation, the Company has established a system that enables the prompt reporting to the Corporate Auditors of the occurrence or potential occurrence of any matter that may have a significant impact on the Company, and has made this system known throughout the Company. In addition, the Company ensures that no one is treated unfavorably in personnel evaluations, etc., as a result of their reporting and Corporate Auditors are in charge of supervision. In addition, compliance training is provided to Board Directors and employees (staff) to ensure that they comply with laws, regulations, and corporate ethics.

(iv) Execution of duties by the Corporate Auditors

In order to enhance the effectiveness of audits by Corporate Auditors, we strive to enhance the understanding of Corporate Auditors' audits among Board Directors and employees (staff), and conduct appropriate auditing operations in cooperation with internal audit staff and the Accounting Auditor. During the fiscal year under review, Corporate Auditors participated in 12 Directors' meetings and performed effective

auditing work. Given the size of the Company, there are no employees (staff) assigned to assist the duties of the Corporate Auditors.

7. Basic policy regarding control of the Company

Not applicable.

Consolidated Balance Sheets

(As of March 31, 2024)

(1,000 yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
Current assets	4,599,064	Current liabilities	2,080,916
Cash and deposits	1,902,753	Notes and accounts payable – trade	335,448
Notes, accounts receivable-trade and contract assets	2,491,259	Short-term borrowings	314,550
Merchandise and finished goods	50,124	Accounts payable	259,727
Work in process	1,524	Income taxes payable	397,346
Raw materials and supplies	7,095	Contract liabilities	327,382
Other	146,307	Provision for bonuses	224,359
Non-current assets	4,963,470	Provision for bonuses for directors (and other officers)	21,826
Property, plant and equipment	440,196	Other	200,276
Buildings and structures	295,930	Non-current liabilities	139,557
Machinery, equipment and vehicles	73,935	Asset retirement obligations	139,557
Construction in progress	1,275	Total liabilities	2,220,473
Other	69,054	(Net assets)	
Intangible assets	3,074,632	Shareholders' equity	7,285,980
Software	2,852,745	Share capital	444,587
Software in progress	174,160	Capital surplus	728,719
Other	47,727	Retained earnings	6,188,174
Investments and other assets	1,448,641	Treasury shares	(75,500)
Investment securities	350,366	Accumulated other comprehensive income	(36,019)
Shares of subsidiaries and associates	335,874	Valuation difference on available-for-sale securities	(36,019)
Leasehold and guarantee deposits	346,503	Non-controlling interests	92,100
Deferred tax assets	327,078		
Other	88,818	Total net assets	7,342,061
Total assets	9,562,534	Total liabilities and net assets	9,562,534

Consolidated Statements of Income

(From April 1, 2023 to March 31, 2024)

(1,000 yen)

Item	Amount	
Net sales		10,243,411
Cost of sales		5,196,167
Gross profit		5,047,243
Selling, general and administrative expenses		3,107,004
Operating profit		1,940,238
Non-operating income		
Interest income	64	
Commission income	2,940	
Insurance claim income	1,414	
Subsidy income	1,671	
Other	5,480	11,571
Non-operating expenses		
Interest expenses	1,418	
Share of loss of entities accounted for using equity method	69,884	
Loss on investments in investment partnerships	13,617	
Loss on retirement of non-current assets	22,733	
Other	38	107,693
Ordinary profit		1,844,116
Extraordinary income		
Gain on change in equity	19,324	
National subsidies	21,328	40,652
Extraordinary losses		
Loss on reduction of non-current assets	21,328	21,328
Profit before income taxes		1,863,440
Income taxes – current	610,615	
Income taxes – deferred	81,244	691,860

Profit		1,171,580
Profit attributable to non-controlling interests		224
Profit attributable to owners of parent		1,171,356

Consolidated Statement of Changes in Equity

(From April 1, 2023 to March 31, 2024)

(1,000 yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	444,125	728,256	5,016,817	(75,401)	6,113,799
Changes during period					
Issuance of new shares – exercise of share acquisition rights	462	462			924
Profit (loss) attributable to owners of parent			1,171,356		1,171,356
Acquisition of treasury shares				(99)	(99)
Net changes in items other than shareholders' equity					
Total changes during period	462	462	1,171,356	(99)	1,172,181
Balance at end of period	444,587	728,719	6,188,174	(75,500)	7,285,980

	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	(16,365)	(16,365)	91,876	6,189,309
Changes during period				
Issuance of new shares – exercise of share acquisition rights				924
Profit (loss) attributable to owners of parent				1,171,356
Acquisition of treasury shares				(99)
Net changes in items other than shareholders' equity	(19,653)	(19,653)	224	(19,429)
Total changes during period	(19,653)	(19,653)	224	1,152,752
Balance at end of period	(36,019)	(36,019)	92,100	7,342,061

Notes to Consolidated Financial Statements

1. Notes to important matters to be the basis of presenting Consolidated Financial Statements, etc.

(1) Matters concerning scope of consolidation

(i) Consolidated subsidiaries

- Number of consolidated subsidiaries: 5 companies
- Name of major consolidated subsidiaries: OPTiM AGRI MICHINOKU Corp.
  OPTiM Bank Technologies Corp.
  OPTiM Digital Construction Corporation
  YURASCORE Corp.
  OPTiM Farm Corporation

LANDLOG Marketing Corporation changed its company name to OPTiM Digital Construction Corporation on October 1, 2023.

(ii) Non-consolidated subsidiaries

Not applicable.

(2) Matters concerning application of equity method

(i) Non-consolidated subsidiaries and affiliates accounted for by the equity method

- Number of companies accounted for by the equity method: 5 companies
- Name of companies accounted for by the equity method: D'PULA Medical Solutions Corporation
  Digital Transformation Fund Investment Limited Partnership No. 1
  NTT e-Drone Technology Corporation
  DXGoGo Corporation
  Net Resource Management, Inc.

(ii) Non-consolidated subsidiaries and affiliates not accounted for by the equity method

Not applicable.

(3) Matters concerning fiscal year of consolidated subsidiaries

The fiscal year end of consolidated subsidiaries coincides with the end of the consolidated fiscal year.

(4) Matters concerning accounting policies

(i) Valuation standards and methods for significant assets

a. Other available-for-sale securities

- Assets other than stocks with no market price, etc.: Market value method
  (All valuation gains or losses are treated as a component of net assets, and costs of securities sold are calculated by the moving average method.)
- Stocks with no market price, etc.: Cost method based on the moving average method
  Investments in limited liability investment partnerships (deemed as securities under Article 2, Paragraph 2 of the Financial Instruments and Exchange Act) are accounted for by the net amount of the Company's equity based on the most recent financial statements available as of the financial reporting date stipulated in the partnership agreement.

b. Inventories

- Merchandise and finished goods, raw materials and supplies	Stated at cost method based on the moving-average method (the amount stated in the Balance Sheet was calculated by writing down the book value of assets due to a decline in profitability).
- Work in process	Cost method based on the specific identification method

(ii) Depreciation and amortization method for significant depreciable assets

a. Property, plant and equipment

Depreciation is based on the declining-balance method. However, building fixtures acquired on or after April 1, 2016 are depreciated by the straight-line method.
The major useful lives are as follows:

Buildings and structures	3 to 18 years
Machinery, equipment and vehicles	2 to 7 years

b. Intangible assets

- Software for sale in the market	Amount of amortization based on estimated sales revenue or the amount equally allocated over the remaining effective period (within 3 years), whichever is larger, is recorded.
- Software for internal use	Software for internal use is amortized by the straight-line method over the estimated useful life (within 5 years).

(iii) Basis for recognition of significant provisions

a. Provision for bonuses	To provide for the payment of bonuses to employees, an amount accrued for the current consolidated fiscal year among the estimated bonuses to be paid is recorded.
b. Provision for bonuses for directors (and other officers)	To provide for the payment of bonuses to Officers, an amount accrued for the current consolidated fiscal year among the estimated bonuses to be paid is recorded.

(iv) Details about the main obligations in important businesses that need to be fulfilled with regard to revenues arising from contracts signed with the customers of the Group and the usual time points at which those obligations are to be fulfilled (or those revenues are to be recognized) are provided in the following paragraphs.

a Stock-type revenue

Contracts in stock-based income are obligated to provide services over the contract period. Regarding the timing of revenue recognition, for license contracts, since control over the services transfers to the customer with the use of the license, revenue is recognized based on the usage of licenses over the contract period. For other maintenance service contracts, since control over the services transfers to the customer over time, revenue is recognized over the service provision period specified in the contract.

b Flow-type revenue

For contracts in flow-type revenue, the Company is obligated to develop software and provide it to the customer based on the contract. For quasi-contracts, the Company is obligated to develop the software over the contract period based on the contract. Regarding the timing of revenue recognition, revenue is recognized over a certain period using the rate of progress based on the proportion of actual costs to the estimated total costs (input method), since incurred costs are judged to be proportional to the rate of progress of fulfilling the performance obligation. However, if the period from the start of the transaction to the expected complete fulfillment of the performance obligation in the contract is very short, revenue is recognized at the point when the performance obligation is fully satisfied, rather than over a certain period.

(v) Translation of significant assets and liabilities denominated in foreign currencies into Japanese yen

Monetary receivables and payables denominated in foreign currencies are translated into yen at the spot exchange rates as of the Consolidated Balance Sheet date. The difference resulting from such translation is recognized as income or loss.

2. Notes to changes in presentation method

(Consolidated balance sheet)

Due to increased materiality, "Accounts payable - other" (94,594,000 yen in the previous consolidated fiscal year) included in "Other" under "Current liabilities" in the previous consolidated fiscal year is separately listed in the current consolidated fiscal year.

3. Notes to accounting estimates

The following are items for which an amount has been recorded in the Consolidated Financial Statements for the current consolidated fiscal year based on an accounting estimate and which may have a material effect on the Consolidated Financial Statements for the next consolidated fiscal year.

Software 2,852,745,000 yen, Software in progress 174,160,000 yen

Software and software in progress are mainly self-use software for service provision. The asset value is evaluated based on estimated license revenue plans within five years, and these are capitalized if it is certain that future revenues will be earned. These estimates may be affected by fluctuations in future uncertain economic conditions, and if the actual revenue from licenses differs from the estimates, it may significantly impact the amounts recorded for software and software in progress in the financial statements of the following fiscal year.

4. Notes to Consolidated Balance Sheets

(1) Notes receivable, accounts receivable, and contract assets

Of notes receivable, accounts receivable, and contract assets, the amount of claims and contract assets arising from contracts with customers is described in "7. Notes to revenue recognition (3) Information that provides a basis for understanding revenues and the amount of revenues for the current and subsequent consolidated fiscal years (i) Balance of contract assets and contract liabilities, etc."

(2) Accumulated depreciation directly deducted from assets

Property, plant and equipment	448,499,000 yen
Buildings and structures	67,515,000 yen
Machinery and vehicles	82,513,000 yen
Other	298,470,000 yen

(3) Amounts of reduction entry

The amounts of reduction entry deducted from the acquisition costs of machinery and vehicles due to government subsidies, etc., are as follows.

Amounts of reduction entry	21,328,000 yen

(4) Overdraft agreement

To efficiently procure working capital, we have entered into overdraft agreements with our banks.

The unused balance of borrowings under these agreements at the end of the current consolidated fiscal year is as follows.

Maximum overdraft limit	1,500,000,00 yen
Executed borrowing balance	300,000,000 yen
Net amount	1,200,000,000 yen

5. Notes to Consolidated Statement of Changes in Equity

(1) Type and total number of shares issued as of the end of the current consolidated fiscal year

Common shares	55,163,232 shares

(2) Matters concerning dividends from surplus

(i) Dividends paid, etc.
Not applicable.
(ii) Dividends with a record date in the current consolidated fiscal year but an effective date in the next consolidated fiscal year
Not applicable.

(3) Type and number of shares to be issued or transferred upon exercise of stock acquisition rights (excluding those for which the first day of the exercise period has not arrived) as of the end of the current consolidated fiscal year

Common shares	377,344 shares

6. Notes to financial instruments

(1) Matters concerning status of financial instruments

(i) Policy for financial instruments

The Group's policy is to invest surplus funds in highly safe financial assets as a general rule and not to engage in speculative transactions, except when there is a rational reason to do so. The Company's financing policy is to use its own funds for working capital and small capital investments in principle, and to borrow mainly from banks and other financial institutions for other investments that require large amounts of funds.

(ii) Description of financial instruments and risks associated with such financial instruments

Trade notes and accounts receivables, which are operating receivables, are exposed to the credit risk of customers.

Investment securities mainly consist of shares of companies with which we have business relationships and contributions to investment partnerships, exposing us to the credit risk of the issuers (business partners). Among these, listed shares are exposed to market price fluctuation risks.

There is a risk that a portion or the entire amount of leasehold and guarantee deposits related to real estate leases and other properties may not be collected due to the financial failure of the recipients of the leasehold and guarantee deposits.

Trade notes and accounts payable, which are operating payables, are mostly due within one month.

(iii) Risk management system for financial instruments

a. Management of credit risk (risk related to nonperformance of contracts by counterparties, etc.)

In accordance with the Credit Management Regulations, the Group's sales department regularly monitors the status of major customers and manages due dates and outstanding balances by counterparty in order to early identify and mitigate potential collection risks due to deterioration of financial conditions and other factors. The Company also periodically monitors the status of counterparties with respect to leasehold and guarantee deposits.

b. Management of market risk (fluctuation risk of exchange rates and interest rates, etc.)

For investment securities, we regularly monitor the market value and financial condition of the issuers (business partners) and continuously review our holdings considering our relationships with the business partners.

c. Management of liquidity risk (risk of being unable to make payments on due dates) related to fund procurement

The Group manages liquidity risk by preparing and updating funding plans in a timely manner by the department in charge based on reports from each department and by maintaining liquidity on hand.

(iv) Supplementary explanation of matters concerning fair value, etc., of financial instruments

The fair value of financial instruments includes values based on market prices as well as reasonably calculated values in cases where market prices are not available. Since variable factors are incorporated in the calculation of such value, such value may change due to the adoption of different assumptions, etc.

(2) Matters concerning fair value, etc., of financial instruments

The Consolidated Balance Sheet amount, fair value and the difference between the two as of March 31, 2024 are as follows. Please refer to (Note 2) as equities and other securities with no market price are not included in the following table.

	The Consolidated Balance Sheet amount (1,000 yen)	Fair value (1,000 yen)	Difference (1,000 yen)
Investment securities	240,024	240,024	―
Leasehold and guarantee deposits	346,503	308,592	(37,910)
Total assets	586,528	548,617	(37,910)

(Note 1) "Cash and deposits," "Notes and accounts receivable - trade, and contract assets," "Notes and accounts payable - trade," "Accounts payable - other," "Short-term borrowings" and "Income taxes payable" are omitted as they are cash and their fair value approximates their book value due to their short maturities.

(Note 2) Stocks, etc., with no market price

Classification	The Consolidated Balance Sheet amount (1,000 yen)
Investments in limited liability investment partnerships (*1)	136,216
Unlisted stocks (*2)	309,910

*1 Investments in limited liability investment partnerships are not stated in accordance with Paragraph 24-16 of the Guidance on Accounting Standards for Fair Value Calculation (ASBJ Guidance No. 31) because they do not have market prices.

*2 Unlisted stocks are not stated because they do not have market prices.

(Note 3) Redemption schedule of monetary claims after the Consolidated Balance Sheet date

	Within 1 year (1,000 yen)	Over 1 year Within 5 years (1,000 yen)	Over 5 years Within 10 years (1,000 yen)	Over 10 years (1,000 yen)
Cash and deposits	1,902,753	–	–	–
Notes, accounts receivable-trade and contract assets	2,491,259	–	–	–
Total	4,394,012	–	–	–

* Leasehold and guarantee deposits are not included in the above table, as the redemption schedule cannot be clearly determined.

(Note 4) Amount of short-term borrowings scheduled to be repaid after the Consolidated Balance Sheet date

	Within 1 year (1,000 yen)	Over 1 year Within 5 years (1,000 yen)	Over 5 years Within 10 years (1,000 yen)	Over 10 years (1,000 yen)
Short-term borrowings	314,550	–	–	–
Total	314,550	–	–	–

(3) Matters concerning the breakdown of the fair value of financial instruments by appropriate classification

The fair value of financial instruments is classified into the following three levels based on the observability and materiality of the inputs used to calculate fair value.

Level 1 fair value: Fair value calculated based on market prices for assets or liabilities subject to the calculation of such fair value that are formed in an active market among the inputs for the calculation of observable fair value

Level 2 fair value: Fair value calculated using inputs for the calculation of observable fair value other than Level 1 inputs among the inputs for the calculation of observable fair value

Level 3 fair value: Fair value calculated using inputs for calculating unobservable fair value

When multiple inputs that have a significant impact on the calculation of fair value are used, fair value is classified to the level with the lowest priority in the calculation of fair value among the levels to which each of those inputs belongs.

(i) Financial instruments recorded on the Consolidated Balance Sheets at fair value

Category	Fair value (1,000 yen)			
	Level 1	Level 2	Level 3	Total
Investment securities	240,024	–	–	240,024
Total assets	240,024	–	–	240,024

(Note) Explanation of valuation techniques used in the calculation of fair value and inputs related to the calculation of fair value

Listed stocks are valued at market prices. Because listed stocks are transacted in an active market, market prices are classified as level 1.

(ii) Financial instruments other than those recorded on the Consolidated Balance Sheets at fair value

Category	Fair value (1,000 yen)			
	Level 1	Level 2	Level 3	Total
Leasehold and guarantee deposits	–	308,592	–	308,592
Total assets	–	308,592	–	308,592

(Note) Explanation of valuation techniques used in the calculation of fair value and inputs related to the calculation of fair value

The fair value of leasehold and guarantee deposits is calculated based on the present value of future cash flows discounted at the risk-free rate and classified as Level 2 fair value.

7. Notes to revenue recognition

(1) Information that disaggregates revenue from contracts with customers

Fiscal year ended March 31, 2023 (From April 1, 2023 to March 31, 2024)

	Amount of money (1,000 yen)
Stock-type revenue	6,921,640
Flow-type revenue	3,321,771
Revenue from contracts with customers	10,243,411
Other revenue	-
Sales to external customers	10,243,411

(2) Information that provides a basis for understanding revenues

Information that forms the basis for understanding revenue from contracts with customers is as described in "1. Notes to important matters to be the basis of presenting Consolidated Financial Statements, etc. (4) Matters concerning accounting policies (iv) Basis for recording significant revenues and expenses."

(3) Information that provides a basis for understanding revenues and the amount of revenues for the current and subsequent consolidated fiscal years

(i) Balance of contract assets and contract liabilities, etc.

Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

	Amount of money (1,000 yen)
Notes receivable	81,907
Accounts receivable	2,019,449
Claims arising from contracts with customers (beginning balance)	2,101,357
Notes receivable	91,585
Accounts receivable	2,287,770
Claims arising from contracts with customers (ending balance)	2,379,356
Contract assets (beginning balance)	-
Contract assets (ending balance)	111,902
Contract assets (beginning balance)	197,557
Contract assets (ending balance)	327,382

Contract assets are rights to consideration for revenue recognized based on the fulfillment of performance obligations in flow-type revenue contracts which have not yet been billed. These are transferred to claims arising from contracts with customers when the rights to consideration become billable.

Contract liabilities are advance revenues received from customers for stock-type revenue services and are reduced as revenue is recognized over the contract period. Payment terms vary by individual contract.

Of the revenue recognized in the current consolidated fiscal year, the amount included in the beginning balance of contract liabilities was 151,836,000 yen.

The main reason for the increase in contract assets in the current consolidated fiscal year was the occurrence of flow-type revenue contracts for which revenue should be recognized but not yet billed. The main reason for the increase in contract liabilities was that the decrease due to revenue recognition was less than the increase due to the receipt of advance revenues for new stock-type revenue services.

(ii) Transaction price allocated to remaining performance obligations

The Group applies the practical expedient in noting the transaction price allocated to the remaining performance obligations, and does not include transactions where revenue is recognized based on the amount the Group has the right to bill for fixed amounts according to the period of provided services, as well as royalties of intellectual property license agreements based on sales or usage, in the notes. For royalties with a specified period, it is expected that revenue will generally be recognized within one year.

Additionally, there are no significant transactions that exceed one year, which is initially expected, except for the above transactions, so information on remaining performance obligations is omitted by applying the practical expedient.

8. Notes to per share information

(1) Net assets per share	131.65 yen
(2) Basic earnings per share	21.28 yen

9. Notes to significant subsequent events

Not applicable.

Balance Sheets
(As of March 31, 2024)

(1,000 yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
Current assets	4,433,982	Current liabilities	2,035,537
Cash and deposits	1,714,957	Accounts payable - trade	322,452
Notes, accounts receivable-trade and contract assets	2,356,323	Short-term borrowings	300,000
Merchandise and finished goods	43,880	Accounts payable - other	256,036
Raw materials and supplies	6,073	Accrued expenses	70,562
Prepaid expenses	91,554	Income taxes payable	396,534
Short-term loans to subsidiaries and affiliates	225,000	Contract liabilities	319,893
Other	54,856	Provision for bonuses	225,285
Allowance for doubtful accounts	(58,664)	Provision for bonuses for directors (and other officers)	20,900
Non-current assets	4,975,947	Other	123,872
Property, plant and equipment	424,469	Non-current liabilities	139,557
Buildings	295,151	Asset retirement obligations	139,557
Machinery and equipment	59,491	Total liabilities	2,175,095
Tools, furniture and fixtures	68,551	(Net assets)	
Construction in progress	1,275	Shareholders' equity	7,270,854
Other	0	Share capital	444,587
Intangible assets	3,082,351	Capital surplus	728,719
Software	2,860,463	Legal capital surplus	409,087
Software in progress	174,160	Other capital surplus	319,631
Other	47,727	Retained earnings	6,173,047
Investments and other assets	1,469,126	Other retained earnings	6,173,047
Investment securities	350,276	Reserve for investment loss	43,190
Shares of subsidiaries and associates	355,798	Retained earnings brought forward	6,129,857
Long-term loans receivable from subsidiaries and associates	30,350	Treasury shares	(75,500)
Leasehold and guarantee deposits	345,147	Valuation and translation adjustments	(36,019)
Deferred tax assets	329,285	Valuation difference on available-for-sale securities	(36,019)
Other	88,618		
Allowance for doubtful accounts	(30,350)	Total net assets	7,234,834

Total assets	9,409,930	Total liabilities and net assets	9,409,930

Statements of Income

(From April 1, 2023 to March 31, 2024)

(1,000 yen)

Item	Amount	
Net sales		9,976,220
Cost of sales		4,955,632
Gross profit		5,020,588
Selling, general and administrative expenses		3,056,355
Operating profit		1,964,232
Non-operating income		
Interest income	1,950	
Commission income	2,940	
Insurance claim income	1,414	
Subsidy income	1,420	
Outsourcing service income	6,950	
Other	5,296	19,972
Non-operating expenses		
Interest expenses	1,272	
Loss on investments in investment partnerships	14,687	
Loss on retirement of non-current assets	21,954	
Other	38	37,953
Ordinary profit		1,946,251
Extraordinary income		
National subsidies	21,328	21,328
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	200,732	
Provision of allowance for doubtful accounts for subsidiaries and associates	12,604	
Loss on reduction of non-current assets	21,328	234,665

Profit before income taxes		1,732,914
Income taxes - current	608,541	
Income taxes - deferred	77,859	686,401
Profit		1,046,513

Statement of Changes in Equity

(From April 1, 2023 to March 31, 2024)

(1,000 yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings
					Reserve for investment loss	Retained earnings brought forward	
Balance at beginning of period	444,125	408,625	319,631	728,256	53,787	5,072,747	5,126,534
Changes during period							
Issuance of new shares – exercise of share acquisition rights	462	462		462			
Reversal of reserve for investment loss					(10,597)	10,597	–
Profit						1,046,513	1,046,513
Acquisition of treasury shares							
Net changes in items other than shareholders' equity							
Total changes during period	462	462	–	462	(10,597)	1,057,110	1,046,513
Balance at end of period	444,587	409,087	319,631	728,719	43,190	6,129,857	6,173,047

	Shareholders' equity		Valuation and translation adjustments		Total assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(75,401)	6,223,515	(16,365)	(16,365)	6,207,149
Changes during period					
Issuance of new shares – exercise of share acquisition rights		924			924
Reversal of reserve for investment loss		–			–
Profit		1,046,513			1,046,513
Acquisition of treasury shares	(99)	(99)			(99)
Net changes in items other than shareholders' equity			(19,653)	(19,653)	(19,653)
Total changes during period	(99)	1,047,338	(19,653)	(19,653)	1,027,684
Balance at end of period	(75,500)	7,270,854	(36,019)	(36,019)	7,234,834

Notes to Non-consolidated Financial Statements

1. Notes to significant accounting policies

(1) Valuation standards and methods for assets

(i) Valuation standards and methods for securities

a. Shares of subsidiaries and affiliates: Cost method based on the moving average method

b. Other available-for-sale securities

- Assets other than stocks with no market price, etc.: Market value method (All valuation gains or losses are treated as a component of net assets, and costs of securities sold are calculated by the moving average method.)
- Stocks with no market price, etc.: Cost method based on the moving average method. Investments in limited liability investment partnerships (deemed as securities under Article 2, Paragraph 2 of the Financial Instruments and Exchange Act) are accounted for by the net amount of the Company's equity based on the most recent financial statements available as of the financial reporting date stipulated in the partnership agreement.

(ii) Valuation standards and methods for inventories

- Merchandise and finished goods, raw materials and supplies: Stated at cost method based on the moving-average method (the amount stated in the Balance Sheet was calculated by writing down the book value of assets due to a decline in profitability).
- Work in process: Cost method based on the specific identification method

(2) Depreciation method for non-current assets

1) Property, plant and equipment

Depreciation is based on the declining-balance method. However, building fixtures acquired on or after April 1, 2016 are depreciated by the straight-line method.
The major useful lives are as follows:

Buildings	3 to 15 years
Machinery and Equipment	4 to 7 years
Tools, furniture and fixtures	2 to 10 years

2) Intangible assets

- Software for sale in the market: Amount of amortization based on estimated sales revenue or the amount equally allocated over the remaining effective period (within 3 years), whichever is larger, is recorded.
- Software for internal use: Software for internal use is amortized by the straight-line method over the estimated useful life (within 5 years).

(3) Basis for recognition of provisions

1) Allowance for doubtful accounts: To prepare for bad-debt loss including loans, the collectability of general accounts receivable is examined by using the ratio of actual bad-debt loss, and the collectability of specified accounts receivable including doubtful accounts receivable is examined on a case-by-case basis, and unrecoverable loans are estimated and posted.

2) Provision for bonuses: To provide for the payment of bonuses to employees, an amount accrued for the current fiscal year among the estimated bonuses to be paid is recorded.

3) Provision for bonuses for directors (and other officers): To provide for the payment of bonuses to Officers, an amount accrued for the current fiscal year among the estimated bonuses to be paid is recorded.

(4) Basis for recording significant revenues and expenses

Details about the main obligations in important businesses that need to be fulfilled with regard to revenues arising from contracts signed with the customers of the Company and the usual time points at which those obligations are to be fulfilled (or those revenues are to be recognized) are provided in the following paragraphs.

a. Stock-type revenue

Contracts in stock-based income are obligated to provide services over the contract period. Regarding the timing of revenue recognition, for license sales contracts, since control over the services transfers to the customer with the use of the license, revenue is recognized based on the usage of licenses over the contract period. For other maintenance service contracts, since control over the services transfers to the customer over time, revenue is recognized over the service provision period specified in the contract.

b. Flow-type revenue

For contracts in flow-type revenue, the Company is obligated to develop software and provide it to the customer based on the contract. For quasi-contracts, the Company is obligated to develop the software over the contract period based on the contract. Regarding the timing of revenue recognition, revenue is recognized over a certain period using the rate of progress based on the proportion of actual costs to the estimated total costs (input method), since incurred costs are judged to be proportional to the rate of progress of fulfilling the performance obligation. However, if the period from the start of the transaction to the expected complete fulfillment of the performance obligation in the contract is very short, revenue is recognized at the point when the performance obligation is fully satisfied, rather than over a certain period.

(5) Conversion of assets and liabilities denominated in foreign currencies into Japanese yen

Monetary receivables and payables denominated in foreign currencies are converted into yen at the spot exchange rates as of the end of fiscal year. The difference resulting from such conversion is recognized as income or loss.

2. Notes to changes in presentation method

(Balance sheet)

Due to increased materiality, "Short-term loans to subsidiaries and affiliates" (54,500,000 yen in the previous fiscal year) included in "Other" under "Current assets" in the previous fiscal year is separately listed in the current fiscal year.

3. Notes to accounting estimates

The following are items for which an amount has been recorded in the financial statements for the current fiscal year based on an accounting estimate and which may have a material effect on the financial statements for the next fiscal year.

Software 2,860,463,000 yen, Software in progress 174,160,000 yen

Software and software in progress are mainly self-use software for service provision. The asset value is evaluated based on estimated license revenue plans within five years, and these are capitalized if it is certain that future revenues will be earned. Such estimates may be affected by uncertain future changes in economic conditions, etc., and if the actual amount of license revenue incurred differs from the estimates, it may have a significant impact on the amount of software and software in progress recorded in the financial statements for the next fiscal year.

4. Notes to Balance Sheets

(1) Accumulated depreciation directly deducted from assets

Property, plant and equipment	437,508,000 yen
Buildings	66,867,000 yen
Machinery and equipment	74,513,000 yen
Tools, furniture and fixtures	295,151,000 yen
Other	975,000 yen

(2) Monetary receivables from and payables to subsidiaries and affiliates

Short-term monetary receivables	62,273,000 yen
Short-term monetary payables	6,469,000 yen

(3) Total amount of monetary receivables from and monetary payables to Board Directors and Corporate Auditors

Monetary payables	915,000 yen

(4) Amounts of reduction entry

The amounts of reduction entry deducted from the acquisition costs of machinery and vehicles due to government subsidies, etc., are as follows.

Amounts of reduction entry	21,328,000 yen

(5) Overdraft agreements

To efficiently procure working capital, we have entered into overdraft agreements with our banks. The unused balance of borrowings under these agreements at the end of the current consolidated fiscal year is as follows.

Maximum overdraft limit	1,500,000 yen
Executed borrowing balance	300,000 yen
Net amount	1,200,000 yen

5. Notes to Statements of Income

Transactions with subsidiaries and affiliates

Operating transactions (revenue)	226,197,000 yen
Operating transactions (expense)	74,265,000 yen
Non-operating transactions (revenue)	59,477,000 yen

6. Notes to Statement of Changes in Equity

Type and number of treasury shares as of the end of the current fiscal year

Common shares	95,347 Shares

7. Notes to tax effect accounting

Breakdown of deferred tax assets and deferred tax liabilities by major cause

Deferred tax assets		
Provision for bonuses	68,982,000	yen
Provision for bonuses for directors (and other officers)	6,399,000	yen
Asset retirement obligations	42,732,000	yen
Accrued enterprise tax	21,699,000	yen
Shares of subsidiaries and associates	109,492,000	yen
Accrued expenses	25,430,000	yen
Excess depreciation	225,206,000	yen
Allowance for doubtful accounts	27,256,000	yen
Valuation difference on available-for-sale securities	18,373,000	yen
Other	41,476,000	yen
Deferred tax assets, Subtotal	587,050,000	yen
Valuation allowance	(200,006,000)	yen
Total deferred tax assets	387,043,000	yen
Deferred tax liabilities		
Removal costs corresponding to asset retirement obligations	(36,219,000)	yen
Reserve for investment loss	(19,061,000)	yen
Valuation difference on available-for-sale securities	(2,476,000)	yen
Deferred tax liabilities, Total	(57,758,000)	yen
Deferred tax assets, net	329,285,000	yen

8. Notes to non-current assets used under leases

In addition to the non-current assets recorded on the Balance Sheet, certain office equipment and other assets are used under finance lease contracts that do not transfer ownership of the leased property to the lessee.

(1) Leased property acquisition cost, accumulated depreciation and book value as of the end of the fiscal year

	Acquisition cost	Accumulated depreciation	Book value as of the end of the fiscal year
Tools, furniture and fixtures	7,458,000 yen	4,820,000 yen	2,637,000 yen
Vehicles	5,382,000 yen	1,969,000 yen	3,412,000 yen
Total	12,840,000 yen	6,790,000 yen	6,049,000 yen

The acquisition cost is calculated based on the interest paid inclusive method, since the balance of future lease payments is small in the balance of property, plant and equipment, etc., at the end of the fiscal year.

(2) Balance of future lease payments at the end of the period

Within 1 year	1,804,000 yen
Over 1 year	4,245,000 yen
Total	6,049,000 yen

The balance of future lease payments at the end of the period is calculated based on the interest paid inclusive method, since the balance of future lease payments is small in the balance of property, plant and equipment, etc., at the end of the fiscal year.

(3) Lease payments and depreciation expense

Lease payments	1,776,000 yen
Depreciation expense	1,776,000 yen

(4) Calculation method for depreciation expense

Depreciation is calculated by the straight-line method over the lease term with a residual value of zero.

9. Notes to revenue recognition

Information that forms the basis for understanding revenue from contracts with customers is as described in "1. Notes to significant accounting policies (4) Basis for recording significant revenues and expenses."

10. Notes to related-party transactions

Company, etc.

Type	Name of company, etc.	Percentage of voting rights, etc., owned by the Company	Relationship with related parties	Details of transactions	Amount of transaction (1,000 yen)	Account	Balance at end of year (1,000 yen)
Subsidiaries	YURASCORE Corp.	100% directly owned by the Company	Outsourcing of development work Loan of funds	Loan of funds (Note)	125,500	Short-term loans to subsidiaries and affiliates Long-term loans receivable from subsidiaries and associates	215,350

(Note) For loans of funds, the interest rate is reasonably determined in consideration of market interest rates.

11. Notes to per share information

(1) Net assets per share	131.38 yen
(2) Basic earnings per share	19.01 yen

12. Notes to significant subsequent events

Not applicable.

Audit Report on the Consolidated Financial Statements

Independent Auditor's Audit Report

May 22, 2024

To the Board of Directors of OPTiM Corporation

Grant Thornton Taiyo LLC
Tokyo Office

Designated Limited Liability Partner Corporate Executive Partner	Certified Public Accountant	Youichi Honma seal
Designated Limited Liability Partner Corporate Executive Partner	Certified Public Accountant	Motoki Ishikawa seal

Audit opinions

We have audited the Consolidated Financial Statements, comprising the Consolidated Balance Sheet, the Consolidated Statements of Income, the Consolidated Statement of Changes in Equity, and the Notes to the Consolidated Financial Statements of OPTiM Corporation for the fiscal year from April 1, 2023 to March 31, 2024, in accordance with Article 444, Paragraph 4 of the Companies Act.

We confirm that the above Consolidated Financial Statements present fairly, in all material respects, the financial position and results of operations of the Group, which consisted of OPTiM Corporation and consolidated subsidiaries, for the period, for which the Consolidated Financial Statements were prepared, in conformity with Accounting Standard generally accepted in Japan.

Basis for audit opinion

We have audited in accordance with the auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's responsibility in auditing the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the rules of professional ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that we have obtained sufficient and appropriate audit evidence that forms the basis for our opinion.

Other statements

The other statements are the business report and its supporting schedules. Management is responsible for preparing and disclosing other statements. The responsibility of the Corporate Auditors and the Board of Corporate Auditors is to monitor the execution of duties by the Board Directors in the preparation and operation of the process for reporting other statements.

Our audit opinion on the Consolidated Financial Statements does not cover other statements and, accordingly, we express no opinion on them.

Our responsibility in the audit of the Consolidated Financial Statements is to read the other statements carefully and, in the course of that reading, to consider whether there are material differences between the other statements and the Consolidated Financial Statements or our knowledge obtained in the audit, and to pay attention to whether there is any indication of material errors in the other statements other than such material differences.

If, based on the work we have performed, we determine that there are material errors in the other statements, we are required to report those facts.

We have no other matters to report with respect to the other statements.

Responsibility of management, Corporate Auditors, and Board of Corporate Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements in conformity with Accounting Standard generally accepted in Japan. This includes the establishment and operation of internal control deemed necessary by management to prepare and properly present Consolidated Financial Statements that are free from material misstatement, either due to fraud or error.

In preparing Consolidated Financial Statements, management evaluates whether it is appropriate to prepare Consolidated Financial Statements based on the premise of going concern, and if it is necessary to disclose matters concerning going concern in accordance with Accounting Standard generally accepted in Japan, management is responsible for disclosing such matters.

The responsibility of the Corporate Auditors and the Board of Corporate Auditors is to monitor the execution of duties by the Board Directors in the preparation and operation of the financial reporting process.

Auditor's responsibility in auditing the Consolidated Financial Statements

The auditor is responsible for obtaining reasonable assurance about whether the Consolidated Financial Statements as a whole are free of material misstatement, whether due to fraud or error, based on the audit performed by the auditor, and for expressing an opinion on the Consolidated Financial Statements from an independent standpoint in the audit report. A misstatement is considered to be material if it could have been caused by fraud or error and, individually or in the aggregate, could reasonably be expected to affect the decisions of users of the Consolidated Financial Statements.

Throughout the audit process, the auditor will exercise professional judgment in accordance with auditing standards generally accepted in Japan and will conduct the following with professional skepticism.

- Identify and assess the risk of material misstatement due to fraud or error. Develop and implement audit procedures that address the risks of material misstatement as well. The selection and application of audit procedures are at the auditor's discretion. Obtain sufficient and appropriate audit evidence that forms the basis for the opinion.
- The purpose of an audit of the Consolidated Financial Statements is not to express an opinion on the effectiveness of the entity's internal control; however, in making those risk assessments, the auditor shall consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of the accounting policies and methods of application thereof adopted by management, the reasonableness of the accounting estimates made by management, and the adequacy of related note disclosures.

- Conclude whether it is appropriate for management to prepare the Consolidated Financial Statements on a going concern basis and, based on the audit evidence obtained, whether there are material uncertainties regarding events or conditions that might cast significant doubt on the entity's ability to continue as a going concern. If a material uncertainty regarding the entity's ability to continue as a going concern exists, we are required to draw attention to the notes to the Consolidated Financial Statements in the audit report or, if the notes to the Consolidated Financial Statements are not appropriate with respect to the material uncertainty, to express a modified opinion regarding the Consolidated Financial Statements. Although the auditor's conclusions are based on audit evidence obtained up to the date of the audit report, it is possible that future events or circumstances may make it impossible for the entity to continue as a going concern.
- Evaluate whether the presentation and notes to the Consolidated Financial Statements conform to Accounting Standard generally accepted in Japan, and whether the Consolidated Financial Statements, including the related notes, present fairly the underlying transactions and accounting events, as well as the overall presentation, structure and content of the Consolidated Financial Statements that include the related notes.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to enable us to express an opinion on the Consolidated Financial Statements. The auditor is responsible for directing, supervising and performing the audit of the Consolidated Financial Statements. The auditor shall be solely responsible for the auditor's opinions.

The auditor shall report to the Corporate Auditors and the Board of Corporate Auditors on the scope and timing of the planned audit, significant audit findings, including material deficiencies in internal controls that have been identified in the course of conducting the audit, and other matters required by the auditing standards.

The auditor shall report to the Corporate Auditors and the Board of Corporate Auditors on the auditor's compliance with the provisions of professional ethics in Japan regarding independence, on matters that may reasonably be considered to affect the auditor's independence, and on measures, if any, taken to remove disincentives or safeguards, if any, applied to reduce disincentives to an acceptable level.

Conflicts of interest

There are no interests between the Company or its consolidated subsidiaries and our audit firm or its executive partners that should be disclosed pursuant to the provisions of the Certified Public Accountants Law.

End

Audit Report on the Non-Consolidated Financial Statements

Independent Auditor's Audit Report

May 22, 2024

To the Board of Directors of OPTiM Corporation

Grant Thornton Taiyo LLC
Tokyo Office

Designated Limited Liability Partner Corporate Executive Partner	Certified Public Accountant	Youichi Honma seal
Designated Limited Liability Partner Corporate Executive Partner	Certified Public Accountant	Motoki Ishikawa seal

Audit opinions

We have audited the Non-consolidated Financial Statements, comprising the Non-consolidated Balance Sheet, the Non-consolidated Statements of Income, the Non-consolidated Statement of Changes in Equity, and the Notes to the Non-consolidated Financial Statements (hereinafter referred to as "Non-consolidated Financial Statements, etc.") of OPTiM Corporation for the 24th fiscal year from April 1, 2023 to March 31, 2024, in accordance with Article 436, Paragraph 2, Item 1 of the Companies Act.

We confirm that the above Non-consolidated Financial Statements, etc., present fairly, in all material respects, the financial position and results of operations of OPTiM Corporation for the period, for which the Non-consolidated Financial Statements, etc., were prepared, in conformity with Accounting Standards generally accepted in Japan.

Basis for audit opinion

We have audited in accordance with the auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's responsibility in auditing the Non-consolidated Financial Statements, etc." We are independent of the Company in accordance with the rules of professional ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that we have obtained sufficient and appropriate audit evidence that forms the basis for our opinion.

Other statements

The other statements are the business report and its supporting schedules. Management is responsible for preparing and disclosing other statements. The responsibility of the Corporate Auditors and the Board of Corporate Auditors is to monitor the execution of duties by the Board Directors in the preparation and operation of the process for reporting other statements.

Our audit opinion on the Non-consolidated Financial Statements, etc., does not cover other statements and, accordingly, we express no opinion on them.

Our responsibility in the audit of the Non-consolidated Financial Statements, etc., is to read the other statements carefully and, in the course of that reading, to consider whether there are material differences between the other statements and the Non-consolidated Financial Statements, etc., or our knowledge obtained in the audit, and to pay attention to whether there is any indication of material errors in the other statements other than such material differences.

If, based on the work we have performed, we determine that there are material errors in the other statements, we are required to report those facts.

We have no other matters to report with respect to the other statements.

Responsibility of management, Corporate Auditors, and Board of Corporate Auditors for the Non-consolidated Financial Statements, etc.

Management is responsible for the preparation and fair presentation of the Non-consolidated Financial Statements, etc., in conformity with Accounting Standard generally accepted in Japan. This includes the establishment and operation of internal control deemed necessary by management to prepare and properly present Non-consolidated Financial Statements, etc., that are free from material misstatement, either due to fraud or error.

In preparing the Non-consolidated Financial Statements, etc., management evaluates whether it is appropriate to prepare Non-consolidated Financial Statements, etc., based on the premise of going concern, and if it is necessary to disclose matters concerning going concern in accordance with Accounting Standard generally accepted in Japan, management is responsible for disclosing such matters.

The responsibility of the Corporate Auditors and the Board of Corporate Auditors is to monitor the execution of duties by the Board Directors in the preparation and operation of the financial reporting process.

Auditor's responsibility in auditing the Non-consolidated Financial Statements, etc.

The auditor is responsible for obtaining reasonable assurance about whether the Non-consolidated Financial Statements, etc., as a whole are free of material misstatement, whether due to fraud or error, based on the audit performed by the auditor, and for expressing an opinion on the Non-consolidated Financial Statements, etc., from an independent standpoint in the audit report. A misstatement is considered to be material if it could have been caused by fraud or error and, individually or in the aggregate, could reasonably be expected to affect the decisions of users of the Non-consolidated Financial Statements, etc.

Throughout the audit process, the auditor will exercise professional judgment in accordance with auditing standards generally accepted in Japan and will conduct the following with professional skepticism.

- Identify and assess the risk of material misstatement due to fraud or error. Develop and implement audit procedures that address the risks of material misstatement as well. The selection and application of audit procedures are at the auditor's discretion. Obtain sufficient and appropriate audit evidence that forms the basis for the opinion.
- The purpose of an audit of the Non-consolidated Financial Statements, etc., is not to express an opinion on the effectiveness of the entity's internal control; however, in making those risk assessments, the auditor shall consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of the accounting policies and methods of application thereof adopted by management, the reasonableness of the accounting estimates made by management, and the adequacy of related note disclosures.

- Conclude whether it is appropriate for management to prepare the Non-consolidated Financial Statements, etc., on a going concern basis and, based on the audit evidence obtained, whether there are material uncertainties regarding events or conditions that might cast significant doubt on the entity's ability to continue as a going concern. If a material uncertainty regarding the entity's ability to continue as a going concern exists, we are required to draw attention to the notes to the Non-consolidated Financial Statements, etc., in the audit report or, if the notes to the Non-consolidated Financial Statements, etc., are not appropriate with respect to the material uncertainty, to express a modified opinion regarding the Non-consolidated Financial Statements, etc. Although the auditor's conclusions are based on audit evidence obtained up to the date of the audit report, it is possible that future events or circumstances may make it impossible for the entity to continue as a going concern.
- Evaluate whether the presentation and notes to the Non-consolidated Financial Statements, etc., conform to Accounting Standards generally accepted in Japan, and whether the Non-consolidated Financial Statements, etc., including the related notes, present fairly the underlying transactions and accounting events, as well as the overall presentation, structure and content of the Non-consolidated Financial Statements, etc., that include the related notes.

The auditor shall report to the Corporate Auditors and the Board of Corporate Auditors on the scope and timing of the planned audit, significant audit findings, including material deficiencies in internal controls that have been identified in the course of conducting the audit, and other matters required by the auditing standards.

The auditor shall report to the Corporate Auditors and the Board of Corporate Auditors on the auditor's compliance with the provisions of professional ethics in Japan regarding independence, on matters that may reasonably be considered to affect the auditor's independence, and on measures, if any, taken to remove disincentives or safeguards, if any, applied to reduce disincentives to an acceptable level.

Conflicts of interest

There are no interests between the Company and the audit firm or its executive partners that should be disclosed pursuant to the provisions of the Certified Public Accountants Law.

End

Audit Report from the Board of Corporate Auditors

Audit Report

With respect to the Board Directors' performance of their duties during the 24th fiscal year from April 1, 2023 to March 31, 2024, the Board of Corporate Auditors, based on the audit reports prepared by each of the Corporate Auditors, has prepared this audit report and hereby reports as follows as the unanimous opinion of all the Corporate Auditors after deliberation.

1. Method and details of audits by Corporate Auditors and the Board of Corporate Auditors
   (1) The Board of Corporate Auditors established the audit policy and audit plan for the current fiscal year, received reports from each Corporate Auditor on the status and results of their audits, received reports from the Board Directors, etc., and the Accounting Auditor on the status of execution of their duties, and requested explanations as necessary.
   (2) In accordance with the audit policy and audit plan, etc., established by the Board of Corporate Auditors, each Corporate Auditor endeavored to communicate with the Board Directors, internal audit staff, other employees, etc., to collect information and develop the audit environment, and conducted audits in the following manner.
      a. Attended meetings of the Board of Directors and other important meetings, received reports from Board Directors and persons in charge of internal audit on the status of execution of their duties, requested explanations as necessary, perused important approval documents, etc., and investigated the status of operations and assets at the head office and principal business offices. With respect to subsidiaries, we communicated and exchanged information with Board Directors, Corporate Auditors, and others of the subsidiaries, and received business reports from the subsidiaries as necessary.
      b. With respect to a system to ensure that the execution of duties by Board Directors as stated in the Business Report complies with laws and regulations and the Articles of Incorporation of the Company, details of the resolution of the Board of Directors regarding the development of other systems stipulated in Article 100, Paragraphs 1 and 3 of the Enforcement Regulations of the Companies Act as necessary to ensure the appropriateness of business operations of a stock company, and the systems established in accordance with such resolutions (the internal control system), we have regularly received reports from Board Directors and employees, etc., on the status of its establishment and operation, and when necessary, we have requested explanations and expressed our opinions.
      c. We monitored and verified whether the Accounting Auditor maintained its independence and conducted appropriate audits, as well as received reports from the Accounting Auditor on the execution of its duties and requested explanations as necessary. In addition, we received notice from the Accounting Auditor that systems to ensure that duties are performed properly (matters set forth in each item of Article 131 of the Corporate Calculation Regulations) are maintained in accordance with the Quality Control Standards for Audits (Business Accounting Council) and other relevant standards, and sought explanations as necessary.

Based on the above methods, we have examined the Business Report and its supporting schedule, the Non-consolidated Financial Statements (Non-consolidated Balance Sheet, Non-consolidated Statements of Income, Non-consolidated Statement of Changes in Equity, and Notes to Non-consolidated Financial Statements) and its supporting schedules, and the Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Statements of Income, Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements) for the current fiscal year.

2. Audit results

(1) Results of audit of Business Reports, etc.

a. In our opinion, the Business Report and its supporting schedules present fairly the condition of the Company in conformity with applicable laws and regulations and the Articles of Incorporation of the Company.

b. We have found no misconduct or material facts in violation of laws and regulations or the Articles of Incorporation in connection with the Board Directors' performance of their duties.

c. In our opinion, the contents of the resolution of the Board of Directors regarding the internal control system are appropriate. In addition, we have found no matters to be pointed out with respect to the descriptions in the Business Report and the execution of duties by the Board Directors with respect to such internal control system.

(2) Results of audit of Financial Statements and supplementary schedules

In our opinion, the auditing methods and results of the Accounting Auditor, Grant Thornton Taiyo LLC, are appropriate.

(3) Results of audit of Consolidated Financial Statements

In our opinion, the auditing methods and results of the Accounting Auditor, Grant Thornton Taiyo LLC, are appropriate.

May 23, 2024

Board of Corporate Auditors of OPTIM Corporation

Outside Corporate Auditor (full-time)	Takayuki Kojima	seal
Outside Corporate Auditor	Katsuo Yoshidomi	seal
Outside Corporate Auditor	Yoshinori Isagai	seal

End

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appointment of Six Board Directors

The terms of all six Board Directors will expire at the conclusion of this General Meeting. Therefore, the appointment of six Board Directors is requested.

If this Proposal is approved as originally proposed, the ratio of Independent Outside Board Directors on the Board of Directors will be one-third or more, as required by the Corporate Governance Code.

Candidate Number	Name (Date of birth)	Brief history, position, responsibilities at the Company (Significant concurrent positions)	Number of shares held in the Company
1 Reappointment	Shunji Sugaya (June 13, 1976)	June 2000 Established the Company while studying at Saga University Faculty of Agriculture Appointed Representative Director and President (current) To the present (Position and responsibilities) Member of the Nominating Committee and the Remuneration Committee (Significant concurrent positions) Representative Director, OPTiM Digital Construction Corporation,	34,209,600 shares
	Reason for candidacy As the founding president, he has led the Company to achieve record sales for 24 consecutive terms since its founding. His management experience based on a broad perspective is expected to enhance the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors, so he has been selected as a candidate for Board Director.		
2 Reappointment	Genta Taniguchi (February 10, 1982)	April 2006 Joined the Company April 2013 Director of Business Unit 3 January 2016 Executive Officer Director of Business Unit 1 April 2017 Executive Officer Director of the Platform Business Division July 2019 Director of the Technology General Headquarters June 2020 Appointed Director of Technology (current) To the present	30,200 shares
	Reason for candidacy Since being appointed as a Board Director in 2020, he has overseen the Development Division as Director of Technology, responsible for the development and operation of products. His insight, skills, and business experience are expected to continue enhancing the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors, so he has been selected as a candidate for Board Director.		

<table>
<tr><th>Candidate Number</th><th>Name
(Date of birth)</th><th>Brief history, position, responsibilities at the Company
(Significant concurrent positions)</th><th>Number of shares held
in the Company</th></tr>
<tr><td rowspan="2">3

Reappointment</td><td>Takeshi Kyusaka
(August 4, 1984)</td><td>April 2009 Joined the Company
April 2014 Head of Corporate & Marketing IR Office
April 2017 Executive Officer Director of the Industry Business Division
July 2019 Director of the Business General Headquarters
June 2020 Appointed Director of Sales (current)
To the present
(Significant concurrent positions)
Board Director, OPTiM AGRI MICHINOKU Corp.
Board Director, OPTiM Bank Technologies Corp.
Representative Director, OPTiM Farm Corporation
Board Director, NTT e-Drone Technology Corporation</td><td>7,600 shares</td></tr>
<tr><td colspan="3">Reason for candidacy
Since being appointed as Board Director in 2020, he has overseen the sales division as the Director in charge of Sales and has been responsible for a wide range of tasks including sales, marketing, and planning. His insight, skills, and business experience are expected to continue enhancing the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors, so he has been selected as a candidate for Board Director.</td></tr>
<tr><td rowspan="2">4

Reappointment</td><td>Akihiro Hayashi
(October 22, 1973)</td><td>April 1996 Joined Shōkō Fund Co., Ltd.
July 2003 Joined Galia Plus Co., Ltd.
January 2006 Joined Clearstone Co., Ltd.
June 2007 Appointed Board Director of Clearstone Co., Ltd.
March 2010 Resigned as Board Director of Clearstone Co., Ltd.
April 2010 Joined the Company
June 2011 Appointed Board Director in charge of Administration (current)
To the present
(Significant concurrent positions)
Corporate Auditor, OPTiM AGRI MICHINOKU Corp.
Corporate Auditor, OPTiM Bank Technologies Corp.</td><td>16,280 shares</td></tr>
<tr><td colspan="3">Reason for candidacy
Since being appointed as Board Director in 2011, he has been well-versed in the overall operations of the Company as the Director in charge of Administration and has played an important role in internal controls, information management, etc. His extensive business experience are expected to continue enhancing the effectiveness of the decision-making and supervisory functions of the Company’s Board of Directors, so he has been selected as a candidate for Board Director.</td></tr>
</table>

Candidate Number	Name (Date of birth)	Brief history, position, responsibilities at the Company (Significant concurrent positions)	Number of shares held in the Company
5 Reappointment Outside Independent	Rikihei Egawa (January 6, 1945)	April 1968 Joined Hayakawa Electric Industry Co., Ltd. (now Sharp Corporation) April 1997 General Manager of the Information and Communication Sales Division of Sharp Corporation December 1999 Deputy General Manager of the Information and Communication Sales Division of Sharp Corporation January 2001 Deputy General Manager of the Domestic Sales Division of Sharp Corporation April 2006 NTT Electronics Corporation Head of Sales Division, BB System Devices Business Headquarters September 2015 Appointed Outside Director of the Company (current) To the present (Significant concurrent positions) Chairman of the Nominating Committee, Chairman of the Remuneration Committee, Chairman of the Special Committee	6,400 shares
—	Reason for candidacy Since being appointed as Outside Director of the Company in 2015, he has attended all Board of Directors meetings and has contributed to the supervisory function of the Board of Directors with his extensive sales experience. He is expected to continue enhancing the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors from an objective standpoint independent of management, so he has been selected as a candidate for Independent Outside Director. His term as Outside Director will be 8 years and 10 months at the conclusion of this General Meeting.		

<table>
<tr><th>Candidate Number</th><th>Name
(Date of birth)</th><th colspan="2">Brief history, position, responsibilities at the Company
(Significant concurrent positions)</th><th>Number of shares held in the Company</th></tr>
<tr><td rowspan="2">6
Reappointment
Outside
Independent</td><td>Yuichiro Takezaki
(July 9, 1979)</td><td colspan="2">April 2003 Joined Morgan Stanley Securities Co., Ltd.
November 2006 Perry Capital Senior Analyst
October 2009 Japan Representative, Silver Lake Partners
July 2013 CFO, Telepathy Japan Inc.
August 2019 Executive Officer and CSO, Fairy Devices Inc.
December 2020 Appointed Director of Fairy Devices Inc. (current)
June 2022 Appointed Outside Director of the Company (current)
To the present
(Position and responsibilities)
Member of the Nominating Committee, the Remuneration Committee, and the Special Committee
(Significant concurrent positions)
Board Director, Fairy Devices Inc.
Board Director, Hongo Research Institute Inc.
Board Director, Sojitz Morinomirai Corporation
Board Director, KINKA Asset Management Co., Ltd.</td><td>0,400 shares</td></tr>
<tr><td colspan="4">Reason for candidacy
Since being appointed as Outside Director of the Company in 2022, he has attended all Board of Directors meetings and has contributed to the supervisory function of the Board of Directors with his knowledge of financial institutions and his extensive experience as a manager at an IT company. He is expected to continue enhancing the effectiveness of the decision-making and supervisory functions of the Company's Board of Directors from an objective standpoint independent of management, so he has been selected as a candidate for Independent Outside Director. His term as Outside Director will be 2 years at the conclusion of this General Meeting.</td></tr>
</table>

(Note)
1. There are no special interests between any of the candidates and the Company.
2. Shunji Sugaya is defined as a parent company, etc., under Article 2, Item 4-2 of the Companies Act.
3. The number of shares of the Company held by the above Board Director candidates is as of March 31, 2024.
4. Rikihei Egawa and Yuichiro Takezaki are candidates for Outside Board Directors. Board Directors Rikihei Egawa and Yuichiro Takezaki have been notified as Independent Board Directors to the Tokyo Stock Exchange as per its regulations, and if appointed as proposed, they will continue to be Independent Board Directors.
5. The Company has entered into a liability limitation agreement with Rikihei Egawa and Yuichiro Takezaki as per Article 423, Paragraph 1 of the Companies Act, limiting their liability to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, provided they have acted in good faith and without gross negligence in performing their duties. If their reappointment is approved, the Company plans to continue the liability limitation agreement with both of them.
6. The Company has concluded a Directors And Officers Liability Insurance (D&O insurance) Contract with an insurance company, as defined in Article 430-3, Paragraph 1 of the Companies Act. If this Proposal is approved as originally proposed and the candidates are appointed as Board Directors, each candidate will become an insured person under the said insurance contract. The summary of the contents of the contract is as described in the business report "4. (3) Summary of contents of Directors and Officers Liability Insurance Contract." The Company plans to renew the said insurance contract in December 2024, midway through the term.

(For Reference) Skill Matrix of the Board of Directors

The composition of the Board of Directors and the main skills, experience, and knowledge of each officer if Proposal No. 1 is approved are as follows:

By leveraging each individual's expertise and maintaining overall balance, we have established a system allowing us to flexibly respond to various changes in the business environment.

Position	Name	Corporate Management	Innovation	Finance & Accounting	Human Resources, Labor, & Talent Development	Legal & Risk Management	Environmental & Social	Internal Control & Governance
Board Director	Shunji Sugaya	○	○	○	○	○	○	○
	Genta Taniguchi		○	○	○	○		○
	Takeshi Kyusaka		○		○	○	○	○
	Akihiro Hayashi			○	○	○	○	○
Outside Board Director	Rikihei Egawa	○		○	○	○		○
	Yuichiro Takezaki	○		○		○	○	○

Proposal No. 2: Determination of Stock Option Remuneration Amount and Details for Board Directors (excluding Outside Board Directors)

I. Reasons for the proposal and why the remuneration is appropriate

To increase motivation and morale regarding the Company's performance and corporate value enhancement, and to promote operations that further prioritize shareholders' interests, the approval for the amount of remuneration, etc. regarding stock acquisition rights as stock options for the Company's Board Directors (excluding Outside Board Directors) and the specific details on stock acquisition rights is requested.

The stock options for which approval is requested in this Proposal are stock options allocated to provide incentives to further enhance motivation and morale towards improving the Company's performance and increasing corporate value. The upper limit of the remuneration amount and the total number of stock acquisition rights to be granted in this Proposal have been determined by comprehensively considering various circumstances, including the execution status and contribution of the Board Directors' duties. The specific details are deemed appropriate.

II. Details of the Proposal (amount and details of remuneration, etc. in this System)

1. Amount of remuneration for stock acquisition rights as stock options

The remuneration for the Company's Board Directors, based on Article 361, Paragraph 1 of the Companies Act, was approved at the 18th Ordinary General Meeting of Shareholders held on June 28, 2018 to be within 600 million yen per year (of which up to 100 million yen is for Outside Board Directors, excluding employee salaries for Board Directors who concurrently serve as employees).

This time, to increase motivation and morale towards improving the Company's performance and corporate value, and to share the benefits and risks of stock price fluctuations with shareholders, thereby further enhancing the willingness to contribute to stock price appreciation and corporate value enhancement, approval is requested for an annual amount of remuneration for stock acquisition rights as stock options to be within 90 million yen for the Company's Board Directors (excluding Outside Board Directors, hereinafter referred to as "Eligible Board Directors").

The amount of stock acquisition rights to be issued as stock option remuneration to Eligible Board Directors will be the fair value per stock acquisition right calculated as of the allocation date multiplied by the total number of stock acquisition rights to be allocated. The fair value per stock acquisition right as of the allocation date will be calculated using a generally accepted method for calculating the fair value of stock acquisition rights.

If this Proposal is approved, the policy on the content of individual remuneration, etc. for Board Directors as described in the business report (page 19 of this Notice) will be modified by the Company's Board of Directors after the conclusion of this General Meeting of Shareholders to align with the approved content, with changes to the non-monetary remuneration details described on page 20 of this Notice. This Proposal aligns with the revised policy and its content is deemed appropriate.

If Proposal No. 1 "Appointment of Six Board Directors" is approved as originally proposed, the Board of Directors will consist of six Board Directors (including two Outside Board Directors).

If this Proposal is approved, the Company also plans to allocate similar stock options to

employees of the Company in addition to the Eligible Board Directors.

The upper limit of the remuneration amount, the total number of stock acquisition rights to be issued, and the conditions for granting stock acquisition rights in this Proposal have been determined after deliberation by the Remuneration Committee, comprehensively considering various factors.

Furthermore, the specific remuneration amount, the number of stock acquisition rights to be granted, and the conditions for each Board Director will be decided by the Board of Directors after consulting with the Remuneration Committee.

Therefore, the content of this Proposal is deemed appropriate.

2. Details of the remuneration, etc. (specific details of the stock acquisition rights issued as stock options)

(1) Number of stock acquisition rights

The maximum number of stock acquisition rights to be issued within one year from the date of the Ordinary General Meeting of Shareholders for each fiscal year is 1,000.

(2) Type and number of shares for which the stock acquisition rights are issued

The maximum number of shares underlying the stock acquisition rights to be issued within one year from the date of the Ordinary General Meeting of Shareholders for each fiscal year is 100,000 shares. The type of shares underlying the stock acquisition rights will be common shares, and the number of shares per stock acquisition right will be 100. If it is appropriate for the Company to adjust the number of shares due to a stock split, reverse stock split, etc. of the Company's common shares, the Company will make adjustments as it deems necessary.

(3) Amount payable in exchange for stock acquisition rights

No payment is required in exchange for stock acquisition rights.

(4) Value of property contributed upon exercise of the stock acquisition rights

The exercise price will be the higher of the amount obtained by multiplying the average closing price of the Company's common shares in regular trading on the Tokyo Stock Exchange on each day of the month preceding the month in which the stock acquisition rights are issued (excluding days with no concluded transactions) by 1.05 (rounding up any fraction less than 1 yen) and the closing price of the Company's common shares on the Tokyo Stock Exchange on the date of issuance of the stock acquisition rights (or the most recent closing price if there is no transaction on that day). If it is appropriate for the Company to adjust the exercise price due to a stock split, reverse stock split, etc. of the Company's common shares, the Company will make adjustments as it deems necessary.

(5) The period during which the stock acquisition rights can be exercised

The exercise period of the stock acquisition rights will be determined by the Board of Directors within the range from the date two years after the resolution to grant the stock acquisition rights to the date ten years after the resolution.

(6) Restrictions on acquiring stock acquisition rights by transfer

The acquisition of stock acquisition rights by transfer requires approval by the Board of

Directors.

(7) Summary of conditions for exercising stock acquisition rights

(i) Stock acquisition rights can be exercised by the stock acquisition right holders who were allocated the rights at the time of issuance.

(ii) Those who were Board Directors, Corporate Auditors, or employees of the Company at the time of issuance of the stock acquisition rights must continue to be Board Directors, Corporate Auditors, or employees of the Company, its subsidiaries, or affiliates at the time of exercising the stock acquisition rights. However, this does not apply if the Company's Board of Directors recognizes that there are legitimate reasons such as resignation due to term expiration, retirement age, or other justifiable reasons.

(iii) If the stock acquisition right holder dies, their heirs will not inherit the stock acquisition rights.

(iv) Other conditions for exercising rights will be determined by the resolution of the Board of Directors on issuing the stock acquisition rights.

(8) Summary of matters concerning acquisition of stock acquisition rights (acquisition clauses)

(i) If the Company receives approval at a General Meeting of Shareholders (or a Board of Directors resolution if General Meeting of Shareholders approval is not required) for a merger contract in which the Company becomes the extinguished company, a division contract or division plan in which the Company becomes the divided company, or a share exchange contract or share transfer plan in which the Company becomes a wholly owned subsidiary, the Company may acquire all of the stock acquisition rights without consideration on a date separately determined by the Board of Directors.

(ii) If the person allocated the stock acquisition rights no longer meets the conditions for exercising the rights as specified in (7) above, the Company may acquire the stock acquisition rights without consideration.

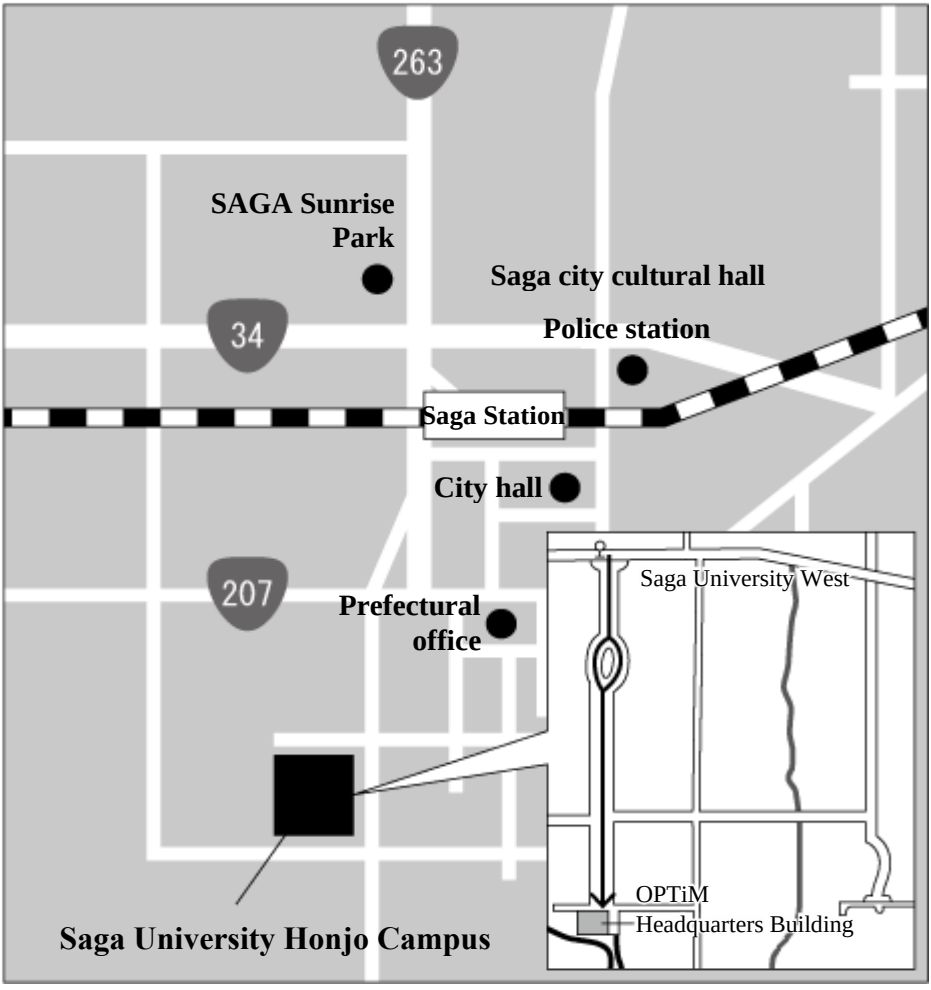
(9) Other matters concerning the offer for subscription of stock acquisition rights

Other details regarding the stock acquisition rights will be determined by the Board of Directors determining the matters related to an offer for subscription of the stock acquisition rights.

End

Map of the Venue of the General Meeting of Shareholders

Venue: 1 Honjomachi, Saga-shi, Saga
OPTiM Headquarters Building
TEL 0952-41-4277



Transportation Approximately 15 minutes by bus from JR Saga Station
(6-minute walk from Saga University West Bus Stop)
Approximately 20 minutes by cab from Kyushu Saga International Airport
*Please note that there is no free parking.