Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Paper-based documents
Securities code: 3922
May 14, 2024
(Start of electronic provisioning: May 7, 2024)

To Shareholders

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

Notice of the 19th Annual General Meeting of Shareholders

The 19th Annual General Meeting of Shareholders of PR TIMES Corporation (the "Company") will be convened as described below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as "Notice of the 19th Annual General Meeting of Shareholders" on the Company's website and each of the following websites. Please access the Company's website, etc. to review the information.

The Company's website:

https://prtimes.co.jp/ir/meeting.html (in Japanese)

You may also access the Company's website (prtimes.co.jp (in Japanese)), click "IR" on the top banner, and select "General Meeting of Shareholders" in the "Stock" section to view the above website.

Listed Company Search (Tokyo Stock Exchange):

https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show (in Japanese)

Enter "PR TIMES" in "Issue name (company name)" or the Company's securities code "3922" in "Code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting]."

General Meeting of Shareholders Portal (Sumitomo Mitsui Trust Bank):

https://www.soukai-portal.net (in Japanese)

Please enter this website by either accessing it via the QR code on the enclosed Voting Form, or by entering your ID and initial password also stated on the enclosed Voting Form.

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

Website for posted informational materials for the general meeting of shareholders:

https://d.sokai.jp/3922/teiji/ (in Japanese)

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet or in writing (postal mail). Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 7:00 p.m. on Tuesday, May 28, 2024 (JST).

1. **Date and Time** Wednesday, May 29, 2024, at 10:00 a.m. (reception opens at 9:30 a.m.) (JST)
2. **Venue** 11-44, Akasaka 1-chome, Minato-ku, Tokyo
   8F, Akasaka Intercity, PR Times Head Office
   (Please refer to the map of the venue at the end of this document.)
3. **Type of Meeting** Hybrid Virtual General Meeting of Shareholders
   (In addition to attending the General Meeting of Shareholders at the venue, you may "attend" the General Meeting of Shareholders under the Companies Act by using the Internet or other means without having to come to the venue on the day of the Meeting [hereafter, "virtual attendance"].)
4. **Agenda of the Meeting**

Matters to be reported

1. Business report, consolidated financial statements, and the audit reports of the consolidated financial statements by the financial auditor and Audit & Supervisory Board for the 19th fiscal year (March 1, 2023 to February 29, 2024)
2. The non-consolidated financial statements for the 19th fiscal year (March 1, 2023 to February 29, 2024)

5. **Matters to be resolved**

Proposal No. 1	Partial Amendments to Articles of Incorporation
Proposal No. 2	Election of Four Directors
Proposal No. 3	Election of One Substitute Audit & Supervisory Board Member
Proposal No. 4	Revision of Remuneration for Allotment of Restricted Share-Based Remuneration for Directors

6. **Other information regarding the Meeting**

(1) Please refer to the "Guide to the Exercise of Voting Rights" of this notice for information about the exercise of voting rights.
(2) For matters not stated in the document to be delivered to shareholders who have made a written request for delivery of paper-based documents, please refer to "Matters Not to be Stated in the Document to be Delivered" of this notice.
(3) Shareholders who wish to attend the Meeting by proxy are requested to delegate their attendance to one shareholder who will attend the Meeting in accordance with laws and regulations and the Articles of Incorporation.
(4) If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's aforementioned website and other websites above.

Matters Not to be Stated in the Document to be Delivered

Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 14, paragraph 2 of the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. Accordingly, the documents that are delivered to shareholders who have made a request for delivery of paper-based documents are part of the documents included in the scope of audits by the Audit & Supervisory Board Members and the financial auditor when they create their respective audit reports.

The following items from the consolidated financial statements:

- Notes to consolidated financial statements

The following items from the non-consolidated financial statements:

- Notes to non-consolidated financial statements



Information on Exercise of Voting Rights

The right to vote at shareholders' meetings is an important right for all shareholders.
Please review the Reference Documents for the General Meeting of Shareholders before exercising your voting rights.
There are three ways to exercise your voting rights:



Exercise of voting rights by attending the General Meeting of Shareholders

Please submit the Voting Form to the receptionist at the venue.

* Attendees must register in advance. Please refer to page 6.

Date and time

Wednesday, May 29, 2024, at 10:00 a.m. (reception opens at 9:30 a.m.) (JST)



Exercise of voting rights via the Internet

Please enter your approval or disapproval of the proposals following the instructions on the next page.

Deadline for exercise of voting rights via the Internet

All data entry to be completed no later than 7:00 p.m., Tuesday, May 28, 2024 (JST).



Exercising voting rights in writing (postal mail)

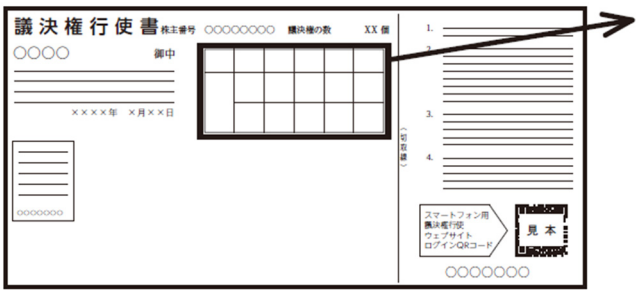
Please indicate your approval or disapproval of the proposals on the Voting Form and return it to the Company.

Deadline for exercise of voting rights by post

The Company must receive the completed Voting Form by Tuesday, May 28, 2024, at 7:00 p.m. (JST).

Institutional investors may also exercise their voting rights for this General Meeting of Shareholders via the "Electronic Voting Platform" operated by ICJ Inc.

How to fill out the Voting Form



* Example of the Voting Form (in Japanese only)

Please indicate whether you approve or disapprove of each proposal.

Proposals 1, 3 and 4

To mark your approval	>>	Circle "Approve."
To mark your disapproval	>>	Circle "Disapprove."

Proposal 2

To mark your approval for all candidates	>>	Circle "Approve."
To mark your disapproval for all candidates	>>	Circle "Disapprove."
To mark your disapproval for certain candidates	>>	Circle "Approve" and write the number of the candidate(s) you disapprove.

- If you exercise your voting rights both via the Internet and in writing (postal mail), the votes submitted via the Internet shall be the ones deemed valid. If you exercise your voting rights more than once via the Internet, the final votes submitted will be the ones treated as valid.
- If you exercise your voting rights in writing (postal mail) and there is no indication of approval or disapproval of a proposal on the Voting Form, it shall be deemed that you have indicated your approval of the proposal.

Information About Exercising Your Voting Rights via the Internet

Deadline for exercise of voting rights via the Internet
Tuesday, May 28, 2024, at 7:00 p.m. (JST)

Exercise Voting Rights via Smartphone, etc.

(i) Please scan the QR Code® printed on the Voting Form.

(ii) Tap the "Exercise Voting Rights" button on the top screen of the General Meeting of Shareholders Portal®.

(iii) The Smart Vote® top screen is displayed. Indicate your approval or disapproval following the instructions on the screen.







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

Exercise Voting Rights via PC, etc.
Access from the following URL by entering the login ID and password shown on your Voting Form. After logging in, indicate your approval or disapproval following the instructions on the screen.

URL for General Meeting of Shareholders Portal ▶ https://www.soukai-portal.net (in Japanese)
You may also exercise your voting rights from the website for exercising voting rights.
▶ https://www.web54.net (in Japanese)

Guidance for Questions in Advance

Deadline for accepting preliminary questions
From Wednesday, May 14, midnight to Friday, May 24, 2024, at 5:00 p.m. (JST)

For this General Meeting of Shareholders, questions from shareholders concerning proposals may be arranged in advance through the General Meeting of Shareholders Portal. Questions from those received thought to be of most interest to shareholders shall be taken up at this General Meeting of Shareholders. As with the above method for exercising voting rights, access the General Meeting of Shareholders Portal and tap/click the "Questions in Advance" button on the top screen. The "Questions in Advance" screen will be displayed, so indicate your questions following the instructions on the screen.
* Please be advised that the scope of questions in advance is limited to matters related to the purpose of the Meeting and we may not be able to respond to all questions submitted as the time for Q&A is limited.
In addition, each shareholder is limited to two questions in advance (maximum 300 characters per question).

Notes
- If you wish to change your vote after exercising your voting rights, you must input the "Voting Code" and "Password" indicated on the Voting Form
- Unavailable from 0:00 a.m. to 5:00 a.m. on the first Monday of the month in January, April, July and October due to scheduled maintenance.

Contact Information

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agent Web Support Center

0120-652-031

(Available from 9:00 a.m. to 9:00 p.m. (JST))

Please also refer to the Q&A.

Guide for Shareholders Attending the Meeting in Person

(Attendees must register in advance)

Shareholders who wish to attend this General Meeting of Shareholders at the venue in person are requested to register in advance on the shareholders' website shown below by logging in with the ID and Password printed on the "Notice on How to Attend the Virtual General Meeting of Shareholders Virtually" enclosed with this notice, and following the instructions below:

1. Shareholders' website: https://3922.ksoukai.jp
2. Registration period: Tuesday, May 7, 2024, midnight to Friday, May 24, 2024, 5:00 p.m.
3. Please click the "Register Attendance" button on the shareholders' webpage.
4. Please select "Attend at Venue" on the Attendance Registration Form, fill in the required information, and press "Apply."

Be advised that since the capacity in the venue is limited, if you arrive at the venue on the day of the event without registering to attend, you may be denied admission.

Also, be aware that although we will take your privacy into consideration when photographing the live stream at the venue, there is a possibility that you may inadvertently be filmed.

Guide for Shareholders Attending the Meeting Virtually

This General Meeting of Shareholders is a Hybrid Virtual General Meeting of Shareholders whereby shareholders can exercise their voting rights, etc., by attending the Meeting in person or virtually via the Internet or other means. For information about how to attend the Meeting virtually, please read the following.

1. How to Attend the Meeting Virtually

(1) Shareholders who wish to attend this General Meeting of Shareholders virtually must log in to the shareholders' website shown below with the ID and Password printed on the "Notice on How to Attend the General Meeting of Shareholders Virtually" enclosed with this notice.

- Shareholders' website: https://3922.ksoukai.jp

* Shareholders who will attend the Meeting virtually are requested to access the site in advance to confirm that they can see the test page for viewing confirmation without any issues.

- Viewing confirmation period: Tuesday, May 7, 2024, midnight to Wednesday, May 29, 2024, 9:00 a.m.

(2) Please click the "Register Attendance" button on the shareholders' website.

(3) Please select "Attend Virtually" on the Attendance Registration Form and press "Apply."

(4) The "Attend" button will become active when it becomes time to open the doors. Please click the "Attend" button and attend virtually.

2. How Questions Are Asked and Handled

If you wish to ask a question on the day of the General Meeting, please follow the Chair's instructions.

The following explains how to ask questions on the day of the General Meeting:

(1) Click on the "Questions" tab on the live streaming screen.

(2) Enter your question in text format and click the "Next" button.

(3) After confirming the text, click the "Submit" button.

Please be advised that the scope of questions from shareholders attending virtually is limited to matters related to the purpose of the Meeting and we may not be able to respond to all questions submitted as the time for Q&A is limited. In addition, each shareholder in virtual attendance is limited to two questions (maximum 300 characters per question).

Please be advised that if the Chair determines that a virtual attendee's submission of the same question multiple times in succession, repeated transmission of questions containing inappropriate content, or other such behavior is disruptive to the progress of the proceedings or the stable operation of the virtual shareholders' meeting system, he or she has the authority to ban such a virtual attendee from the Meeting.

3. How Motions Are Handled

Motions will not be accepted from shareholders in virtual attendance, as it may be difficult to take up the motions due to the system and other reasons. Shareholders who may want to submit a motion should attend the Meeting in person.

Similarly, please be advised that if a motion is submitted by a shareholder present at the venue on the day of the Meeting, or if a vote is required on a matter not mentioned in the notice, shareholders in virtual attendance will be treated as abstaining or absent, in accordance with the treatment of shareholders who exercise their voting rights in writing or via the Internet in advance and do not attend the meeting.

4. How Voting Rights Are Exercised

Shareholders in virtual attendance can view the agenda and exercise their voting rights on the day of the Meeting.

The procedure for exercising voting rights is as follows:

* Please refer to "1. How to Attend the Meeting Virtually" above and register your attendance in advance.

(1) Click on the “Voting” tab on the live streaming screen.

(2) Select “For” or “Against” the resolution. After clicking the “For” or “Against” button for all resolutions, click the “Vote” button at the bottom.

5. Other Notes of Importance

(1) Please note that the virtual attendance platform is available only in Japanese.

(2) Although the Company will take reasonable measures against network disturbances, etc., in holding the Virtual General Meeting of Shareholders, there may be cases where shareholders cannot attend the Meeting virtually or exercise their voting rights, etc., due to network disturbances, etc. Please note that the Company shall not be liable for any disadvantages incurred by shareholders in virtual attendance due to such disturbances.

(3) Sharing the URL or ID and Password for virtual attendance with third parties, recording, videotaping, or public disclosure of the Meeting is prohibited.

(4) The Company reserves the right to change or cancel any part of the Virtual General Meeting of Shareholders if the Company deems it necessary.

(5) If there are any changes in the operation of the Virtual General Meeting of Shareholders, such as in response to system failures or other emergencies or changes in circumstances, please check the Company’s website (https://prtimes.co.jp/ir/meeting.html) for announcements as needed.

(6) The video quality of the live stream is automatically adjusted according to the network conditions of the viewer. Please note that video quality may deteriorate during viewing due to deterioration of network conditions.

6. Contact Us for Inquiries

We are taking inquiries by telephone. If you have any questions regarding the Virtual General Meeting of Shareholders, please have the “Notice on How to Attend the Virtual General Meeting of Shareholders” enclosed with this notice ready at hand and call us at one of the numbers below.

Please note that we are unable to respond to problems that may be due to bad network connectivity, computer or smartphone malfunction, or an unfavorable environment on the shareholder’s end.

If you do not know your ID or Password for virtual attendance, a form containing them can be sent to your registered address. Requests for this form can be accepted up to 5 business days prior to the date of the Meeting (Wednesday, May 22, 2024, at 5:00 p.m.). Please understand that we will not be able to communicate your ID or Password over the telephone.

[Inquiries about the Virtual General Meeting of Shareholders]

Sumitomo Mitsui Trust Bank, Limited, Virtual Shareholders’ Meeting Support Center

0120-782-041 (Hours: 9:00 a.m. to 5:00 p.m., weekdays. Holidays excluded.)

[Inquiries about the system after logging in on the day of the Virtual General Meeting of Shareholders]

V-cube, Inc.

03-6833-6208 (Hours: Wednesday, May 29, 2024, 9:00 a.m. until the end of the Meeting)

Relevant documents

Business Report

(From March 1, 2023 to February 29, 2024)

1. Current state of the corporate group

(1) Business conditions in the fiscal year under review

1) Progress and results of operations

In the fiscal year ended February 29, 2024, the PR TIMES Corporation Group (the "Group") continued to aim to increase recognition and acquire new customer segments by focusing on activities to strengthen the core structure for the press release distribution service "PR TIMES," which is a key business, as well as to grow business of the tools "Jooto" and "Tayori" for SaaS-based businesses in order to realize our mission of "Towards an age where information inspires hearts and minds."

The number of companies using "PR TIMES" has reached 94,258 companies (up 18.2% year on year), and 57.8% of listed companies in Japan were using "PR TIMES." The number of press releases reached a monthly record high of 34,092 in October 2023. Furthermore, as press release materials, 187,016 images were posted in October, which is a monthly record high, and 3,109 videos were posted in February 2024, which is also a monthly record high, as the shift to press releases with rich content continues. In addition, there were 10,675 distribution recipients, 26,911 media users and 252 partner media, and the number of monthly site views for press releases in August 2023 was the highest recorded at 89.84 million page views.

We worked to expand usage and improve service with the key indicators of number of paying users and average sale per customer for "Jooto," our task and project management tool, and "Tayori," our customer support tool. As a result, the number of paying users for "Jooto" fell 4.3% year on year to 1,828 companies and the average sale per company rose 87.8% to ¥7,839. For "Tayori," the number of paying users rose 25.8% year on year to 1,127 accounts and the average sale per account rose 24.7% to ¥7,686. The effects of both services on net sales were limited, and we continue to be in the investment phase. Furthermore, "Jooto" saw a temporary decline in the number of paying user companies compared to the end of the previous fiscal year due to our consolidation and elimination of plans offered in the fiscal year under review.

In addition, on March 31, 2023, the Company acquired all shares of glucose inc. (hereinafter "glucose") and made it a consolidated subsidiary. Glucose is a group of engineers characterized by its service development capabilities. It is particularly strong in providing solutions related to the web, social media, and mobile app fields, and in building prototypes. Glucose provides contracted development and consulting to clients including media companies and startups that prioritize development capabilities for online services, and to think tanks and research institutions that value its technologies and results. By adding glucose to the Group, the Company believes that it will combine the customer base and networks of the Group with the prototype assembly and service development capabilities of glucose, start the commissioned development business for new projects, make the desires of "people who carry out actions" concrete, and provide integrated support from product development to PR.

Furthermore, on December 1, 2023, the Company acquired 70% of the issued shares of NAVICUS Co., Ltd. (hereinafter "NAVICUS") and made it a consolidated subsidiary. NAVICUS is engaged in "fan creation" by supporting communities, such as through its social media marketing support for companies and its promotional support for local governments and regional companies.

Many of the clients who form the customer base of "PR TIMES" are persons in charge of public relations and executives who face various public relations issues, and we believe that they have great needs for social media operation support. By adding NAVICUS to the Group, we also believe that we will be able to offer public relations support for social media marketing, in addition to press releases, and that we will be able to support our customers' public relations activities in a more well-rounded way.

As a result, for the fiscal year under review, the Company posted net sales of ¥6,836,966 thousand (up 19.8% year on year), operating profit of ¥1,746,581 thousand (up 46.7% year on year), ordinary profit of ¥1,717,188 thousand (up 44.5% year on year) and profit attributable to owners of parent of ¥1,161,386 thousand (up 49.3% year on year).

The Group previously only had one segment, the “Press Release Distribution Business.” However, during the fiscal year under review, we acquired all shares of glucose and 70% of the issued shares of NAVICUS and newly added them to our scope of consolidation. With this addition, we began disclosing segment information on our system development business and social media marketing support business, business segments not included in our reportable segments, in the “Other” category. The ratio of our “Press Release Distribution Business” as part of the Group’s reportable segments is extremely high, and as the information for this business is nearly the same as that for our entire business listed above, we have omitted segment-specific listings.

2) Status of capital investment

The total amount of capital investments made by the Group in the fiscal year under review was ¥177,621 thousand. This is mainly an enhancement of existing services. As a result, at the end of the fiscal year under review non-current assets stood at ¥1,671,127 thousand.

3) Status of financing

Not applicable.

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

Not applicable.

5) Status of acquisition of business from other companies

Not applicable.

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

Not applicable.

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

On March 31, 2023, the Company acquired all shares of glucose inc. and made it a consolidated subsidiary. In addition, on December 1, 2023, the Company acquired 70% of the issued shares of NAVICUS Co., Ltd. and made it a consolidated subsidiary.

(2) Status of assets and profit/loss

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

Item	16th Term From March 1, 2020 to February 28, 2021	17th Term From March 1, 2021 to February 28, 2022	18th Term From March 1, 2022 to February 28, 2023	19th Term (Fiscal year under review) From March 1, 2023 to February 29, 2024
Net sales (Thousands of yen)	–	4,854,526	5,706,238	6,836,966
Ordinary profit (Thousands of yen)	–	1,833,592	1,188,704	1,717,188
Profit attributable to owners of parent (Thousands of yen)	–	1,281,285	777,782	1,161,386
Earnings per share (Yen)	–	96.96	57.96	86.60
Total assets(Thousands of yen)	–	4,831,057	5,265,368	7,071,492
Net assets (Thousands of yen)	–	3,740,240	4,466,515	5,662,903
Net assets per share (Yen)	–	278.52	333.01	421.20

Notes: 1. The Company executed a 2-for-1 stock split of its common stock on August 5, 2020. Earnings per share and the net assets per share are calculated assuming that these stock splits took place at the beginning of the 17th term.

2. The 16th term is not presented due to the change to non-consolidated financial results. As the Company has changed back to consolidated financial results from the 17th term, assets and profit/loss are presented in the consolidated financial statements.

3. The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations have been applied from the beginning of the 18th term, and the status of assets and profit/loss for the 18th term and beyond are those after the application of these accounting standards and regulations. There is no impact on the status of assets and profit/loss.

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

Item	16th Term From March 1, 2020 to February 28, 2021	17th Term From March 1, 2021 to February 28, 2022	18th Term From March 1, 2022 to February 28, 2023	19th Term (Fiscal year under review) From March 1, 2023 to February 29, 2024
Net sales (Thousands of yen)	3,765,954	4,842,403	5,670,472	6,531,352
Ordinary profit (Thousands of yen)	1,299,420	1,851,831	1,189,135	1,743,299
Profit (Thousands of yen)	1,043,392	1,286,638	778,362	1,183,173
Earnings per share (Yen)	80.01	97.37	58.00	88.23
Total assets(Thousands of yen)	3,457,974	4,830,398	5,265,703	7,007,246
Net assets (Thousands of yen)	2,484,504	3,745,014	4,471,899	5,690,014
Net assets per share (Yen)	190.63	278.91	333.45	423.26

Notes: 1. The Company executed a 2-for-1 stock split of its common stock on August 5, 2020. Earnings per share and the net assets per share are calculated assuming that these stock splits took place at the beginning of the 16th term.
2. The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations have been applied from the beginning of the 18th term, and the status of assets and profit/loss for the 18th term and beyond are those after the application of these accounting standards and regulations. There is no impact on the status of assets and profit/loss.

(3) Status of significant parent company and subsidiaries

1) Status of parent company

Company name	Share capital	Percentage of voting rights of the Company	Relationship with the Company
VECTOR INC.	¥3,038,771 thousand	55.5%	Provision of press release distribution services

Note: The percentage of voting rights is calculated after subtracting treasury shares (22,876 shares) from the total number of issued shares.

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

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

3) Status of significant subsidiaries

Company name	Share capital	Ratio of voting rights of the Company	Main business lines
THE BRIDGE, Inc.	¥15,000 thousand	95%	Operation of "BRIDGE," a media business for start-ups, and all businesses peripheral to this.
glucose inc.	¥12,000 thousand	100%	Planning, development, sales, maintenance, etc. of computer software and hardware.
NAVICUS Co., Ltd.	¥100 thousand	70%	Social media marketing support, social media advertising operation support, and agent sales of social media analysis tools.

Notes: 1. On March 31, 2023, the Company acquired all shares of glucose inc. and made it a consolidated subsidiary.
2. On December 1, 2023, the Company acquired 70% of the issued shares of NAVICUS Co., Ltd. and made it a consolidated subsidiary.

(4) Issues to address

The Group aims to realize its mission of "Towards an age where information inspires hearts and minds." We have set the following medium-term management target, Milestone 2025, and recognize the following major issues to be addressed.

1) Spread "PR TIMES" to all 47 prefectures and increase the number of companies using the service to 150,000.

The number of companies using "PR TIMES" reached 94,258, a year-on-year growth of 18.2%. However, the companies that use our services are concentrated in Tokyo, and when comparing the number of companies, there are far fewer companies registered to use "PR TIMES" in other regions. We have newly established branches, mainly within regional large cities, and we aim to provide the opportunities of information dissemination to people in various regions of Japan.

2) Establish a product-market fit for "PR TIMES" in the U.S.

Under Milestone 2025, the Group had planned to enter the U.S. Market in fiscal year 2022. However, the Group was unable to achieve U.S. market entry even in fiscal year 2023. At the moment, the situation has not reached the point of conducting due diligence, which is a prerequisite for M&A. We will continue to seek early expansion into the U.S. market.

3) Achieve business expansion for products other than "PR TIMES," such as "Jooto" and "Tayori."

The rise of businesses beyond "PR TIMES" is necessary to achieve sustainable enhancement of the Group's corporate value. The task and project management tool "Jooto" and our customer support tool "Tayori" grew according to plan, their effect on net sales was limited, and we continue to be in the investment phase.

In order to achieved the sales target, the Group is expanding services capable of meeting the wishes of from small teams to medium- to large-sized corporate customers with regard to "Jooto".

As for "Tayori," the Group aims to add functions while improving its recognition.

(5) Main business lines (as of February 29, 2024)

Business classification	Business lines
Press release distribution business	Operation of the Company's service (PR TIMES) and other related businesses
Other	System development business and social media marketing support business

(6) Main business location (as of February 29, 2024)

1) The Company

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

2) Subsidiary(ies)

Company name	Address
THE BRIDGE, Inc.	11-44, Akasaka 1-chome, Minato-ku, Tokyo
glucose inc.	18-2, Roppongi 5-chome, Minato-ku, Tokyo
NAVICUS Co., Ltd.	73 Kanda-neribei-cho, Chiyoda-ku, Tokyo

(7) Status of employees (as of February 29, 2024)

1) Status of employees of the corporate group

Business classification	Number of employees	Change compared to the previous fiscal year

Press release distribution business	104 (89)	Up 16 (11)
Other	75 (-)	Up 75 (-)
Corporate (common)	17 (15)	- (-)
Total	196 (104)	Up 91 (11)

Notes: 1. The number of employees represents permanent employees employed as of the end of the fiscal year. The number of contract employees, part-time workers and temporary employees is presented in parentheses as the average for the year.
2. "Corporate (common)" denotes the number of employees in the Company's administrative division.
3. The increase in the number of employees compared to the end of the previous fiscal year is due to hiring in connection with business expansion and the inclusion of glucose inc. on March 31, 2023 and NAVICUS Co., Ltd. on December 1, 2023 in the scope of consolidation.

2) Status of employees of the Company

Number of employees	Change compared to the previous fiscal year	Average age	Average years of service
119 (104)	Up 16 (11)	30.5 years old	2.7 years

Notes: 1. The number of employees represents permanent employees employed as of the end of the fiscal year. The number of contract employees, part-time workers and temporary employees is presented in parentheses as the average for the year.
2. Average age and average years of service are calculated based on the number of permanent employees employed at the end of the fiscal year.
3. The increase in the number of employees compared to the end of the previous fiscal year is due to hiring in connection with business expansion.

(8) Status of main lenders (as of February 29, 2024)

Not applicable.

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

Not applicable.

2. Current state of the Company

(1) Status of stock (as of February 29, 2024)

1) Authorized shares 40,000,000

2) Total number of issued shares 13,462,249 (including 22,876 treasury shares)

3) Shareholders 6,879

4) Major shareholders

Shareholder name	Number of shares owned (shares)	Ownership percentage (%)
VECTOR INC.	7,465,400	55.5%
Custody Bank of Japan, Ltd. (Trust Account)	961,900	7.1
Takumi Yamaguchi	808,173	6.0
The Master Trust Bank of Japan, Ltd. (Trust Account)	798,100	5.9
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	330,479	2.4
RE FUND 107-CLIENT AC	300,000	2.2
Custody Bank of Japan, Ltd. (Trust Account B)	131,100	0.9
The Dai-ichi Life Insurance Company, Limited	117,800	0.8
Akihiro Mishima	116,970	0.8
JPMorgan Securities Japan Co., Ltd.	72,078	0.5

Note: The ownership percentage is calculated after subtracting treasury shares (22,876 shares) from the total number of issued shares.

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

Shareholder name	Number of shares delivered (shares)	Number of recipients
Directors (excluding outside Directors)	8,000 shares	2
Outside Directors	–	–
Audit & Supervisory Board Members	–	–

Note: The details of share-based remuneration of the Company are presented in "2. (3) 4) Remuneration, etc., of Directors and Outside Audit & Supervisory Board Members" of the Business Report.

6) Other significant matters concerning the Company's shares

Purchase of treasury shares

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

Acquisition of treasury shares pursuant to the resolution at the Meeting of the Company's Board of Directors held on February 22, 2023

・Acquisition date: March 1, 2023
・Total number of acquired shares: 20,000 shares
・Total value of shares acquired: ¥36,580,000

Disposal of treasury shares through third-party allotment

At the meeting of the Board of Directors held on November 20, 2023, the Company resolved to perform a disposal of treasury shares through third-party allotment, and conducted the Disposal of Treasury Shares as described below.

・Date of disposal: December 5, 2023
・Class and number of shares for disposal: 20,971 common shares of the Company
・Disposal value: ¥1,669 per share
・Total disposal value: ¥35,000,599
・Recipients of disposed shares Kazuya Takeuchi (Representative Director of NAVICUS Co., Ltd.)

(2) Status of share acquisition rights, etc.

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

Not applicable.

2) Status of share acquisition rights delivered to employees as consideration for the execution of duties during the fiscal year under review

Not applicable.

3) Status of other share acquisition rights, etc.

Fifth series of share acquisition rights

Item	Details of share acquisition rights
Date of resolution on issuance	April 13, 2021
Number of share acquisition rights	390 units
Type and number of shares subject to share acquisition rights	Common shares: 39,000
Payment for share acquisition rights	¥39,000
Value of assets to be contributed upon the exercise of share acquisition rights	¥375,000 per share acquisition right (¥3,750 per share)
Exercise period	From June 1, 2027 To April 30, 2033
Conditions for exercise	Note:
Eligible person(s) for the allotment of share acquisition rights and number of units to be allotted	Directors of the Company 1 person 390 units

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

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

Seventh series of share acquisition rights

Item	Details of share acquisition rights
Date of resolution on issuance	May 25, 2023
Number of share acquisition rights	460 units
Type and number of shares subject to share acquisition rights	Common shares: 46,000
Payment for share acquisition rights	¥414,000
Value of assets to be contributed upon the exercise of share acquisition rights	¥142,600 per share acquisition right (¥1,426 per share)
Exercise period	From June 1, 2026 To May 31, 2031
Conditions for exercise	Note:
Eligible person(s) for the allotment of share acquisition rights and number of units to be allotted	Directors of the Company 1 person 460 units

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

1) The share acquisition rights holder shall be able to exercise the share acquisition rights only if the amount of operating profit in the consolidated statement of income stated in the Securities Report for the fiscal year ending February 28, 2026, exceeds ¥2,500 million. In the determination of operating profit, if there is a material change in the concept of items to be referred to by the application of International Financial Reporting Standards, etc., the Company's Board of Directors shall determine the indicators to be referred to separately.
2) Share acquisition rights holders must hold the position of Director of the Company even at the time of exercising the share acquisition rights. Provided, however, that this shall not be the case if the Board of Directors finds that there is a justifiable reason.
3) If the share acquisition rights holder dies, his/her heir(s) may not exercise the share acquisition rights.
4) If the exercise of the share acquisition rights causes the total number of issued shares of the Company to exceed the authorized shares at that time, said share acquisition rights may not be exercised.
5) The share acquisition rights cannot be exercised in sums of less than one unit.

Ninth series of share acquisition rights

Item	Details of share acquisition rights
Date of resolution on issuance	July 13, 2023
Number of share acquisition rights	958 units
Type and number of shares subject to share acquisition rights	Common shares: 95,800
Payment for share acquisition rights	¥287,400
Value of assets to be contributed upon the exercise of share acquisition rights	¥142,700 per share acquisition right (¥1,427 per share)
Exercise period	From June 1, 2027 To May 31, 2031
Conditions for exercise	Note:
Eligible person(s) for the allotment of share acquisition rights and number of units to be allotted	Directors of the Company 1 person 148 units Employees of the Company 58 persons 706 units Directors of subsidiaries 4 persons 80 units Employees of subsidiaries 12 persons 24 units

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

1) The share acquisition rights holder shall be able to exercise the share acquisition rights up to the percentage listed in the following items if the amount of operating profit in the consolidated

statement of income stated in the Securities Report satisfies any of the following conditions for either of the fiscal years ending February 28, 2025 to 2027. In the determination of operating profit described above, if there is a material change in the concept of items to be referred to by the application of International Financial Reporting Standards, etc., the Company's Board of Directors shall determine the indicators to be referred to separately. In addition, if, in the calculation of the exercisable percentage, the number of share acquisition rights that the share acquisition rights holder can exercise includes a fraction of less than one, the number shall be rounded down.

a) If the amount exceeds ¥2,800 million: 50% of the share acquisition rights allotted
b) If the amount exceeds ¥3,150 million: 75% of the share acquisition rights allotted
c) If the amount exceeds ¥3,500 million: 100% of the share acquisition rights allotted

2) Share acquisition right holders must hold the position of Director, Audit & Supervisory Board Member, or employee of the Company or an affiliated company of the Company at the time of exercising the share acquisition rights and must have at least five years of tenure/service at the Company or an affiliated company of the Company at the time of exercising the share acquisition rights (if the share acquisition rights holder became an officer or employee of a subsidiary of the Company through the corporate acquisition, the share acquisition rights holder must have at least five years of tenure/service from the date on which the acquisition went into effect or the closing date of the acquisition). Provided, however, that this shall not be the case if the Board of Directors finds that there is a justifiable reason, such as retirement due to the expiration of the term of office or reaching the mandatory retirement age. In addition, a vesting clause shall be defined in the allotment agreement.
3) If the share acquisition rights holder dies, his/her heir(s) may not exercise the share acquisition rights.
4) If the exercise of the share acquisition rights causes the total number of issued shares of the Company to exceed the authorized shares at that time, said share acquisition rights may not be exercised.
5) The share acquisition rights cannot be exercised in sums of less than one unit.

Tenth series of share acquisition rights

Item	Details of share acquisition rights
Date of resolution on issuance	July 13, 2023
Number of share acquisition rights	958 units
Type and number of shares subject to share acquisition rights	Common shares: 95,800
Payment for share acquisition rights	¥862,200
Value of assets to be contributed upon the exercise of share acquisition rights	¥142,700 per share acquisition right (¥1,427 per share)
Exercise period	From June 1, 2026 To May 31, 2031
Conditions for exercise	Note:
Eligible person(s) for the allotment of share acquisition rights and number of units to be allotted	Directors of the Company 1 person 148 units Employees of the Company 58 persons 706 units Directors of subsidiaries 4 persons 80 units Employees of subsidiaries 12 persons 24 units

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

1) The share acquisition rights holder shall be able to exercise the share acquisition rights only if the amount of operating profit in the consolidated statement of income stated in the Securities Report for the fiscal year ending February 28, 2026, exceeds ¥2,500 million. In the determination of operating profit, if there is a material change in the concept of items to be referred to by the application of International Financial Reporting Standards, etc., the Company's Board of Directors shall determine the indicators to be referred to separately.

2) Share acquisition right holders must hold the position of Director, Audit & Supervisory Board Member, or employee of the Company or an affiliated company of the Company at the time of exercising the share acquisition rights and must have at least five years of tenure/service at the Company or an affiliated company of the Company at the time of exercising the share acquisition rights (if the share acquisition rights holder became an officer or employee of a subsidiary of the Company through the corporate acquisition, the share acquisition rights holder must have at least five years of tenure/service from the date on which the acquisition went into effect or the closing date of the acquisition). Provided, however, that this shall not be the case if the Board of Directors finds that there is a justifiable reason, such as retirement due to the expiration of the term of office or reaching the mandatory retirement age. In addition, a vesting clause shall be defined in the allotment agreement.
3) If the share acquisition rights holder dies, his/her heir(s) may not exercise the share acquisition rights.
4) If the exercise of the share acquisition rights causes the total number of issued shares of the Company to exceed the authorized shares at that time, said share acquisition rights may not be exercised.
5) The share acquisition rights cannot be exercised in sums of less than one unit.

(3) Status of company officers

1) Status of Directors and Audit & Supervisory Board Members (as of February 29, 2024)

Position at the Company	Name	Responsibilities and important concurrent positions
President and CEO	Takumi Yamaguchi	Director, glucose inc. Director, NAVICUS Co., Ltd.
Director	Akihiro Mishima	Head of PR and HR Unit Director, THE BRIDGE, Inc.
Director	Kazuhiko Kamata	Representative Director, K&A Co., Ltd. Representative Director and President, Open House Co., Ltd. Representative Director, OuchiLink Co., Ltd. Director and Executive Vice President, Open House Group Co., Ltd. Director, Open House Architect Co., Ltd. Director, Open House Real Estate Co., Ltd.
Director	Keita Suzuki	Representative Director, AuB, Inc.
Director	Hiroko Ozawa	External Director, OUTSOURCING Inc. Outside Director, SUNCALL CORPORATION
Full-time Audit & Supervisory Board Member	Hirohisa Takata	Head, Takata Accounting Firm Outside Director and Audit Committee Member of Nihon Suido Consultants Co., Ltd.
Audit & Supervisory Board Member	Noriyuki Tanaka	Director, Tokyo Office, Minato International Law Office Outside Audit & Supervisory Board Member, NewsTV Inc. Councilor, The Japanese Association of Pharmaceutical Medicine Outside Audit & Supervisory Board Member, TRIAD co., ltd
Audit & Supervisory Board Member	Toshiyuki Fujita	Executive Officer and CFO, PowerX, Inc.

Notes:
1. Directors Kazuhiko Kamata, Keita Suzuki and Hiroko Ozawa are outside Directors.
2. Full-time Audit & Supervisory Board Member Hirohisa Takata, Audit & Supervisory Board Members Noriyuki Tanaka and Toshiyuki Fujita are outside Audit & Supervisory Board Members.
3. Full-time Audit & Supervisory Board Member Hirohisa Takata and Audit & Supervisory Board Member Toshiyuki Fujita possess the qualification of Certified Public Accountant, and they maintain considerable knowledge concerning finance and accounting.
4. Audit & Supervisory Board Member Noriyuki Tanaka possesses the qualification of attorney-at-law, and maintains considerable knowledge concerning corporate law.
5. Director Kazuhiko Kamata, Director Keita Suzuki, Director Hiroko Ozawa, Full-time Audit & Supervisory Board Member Hirohisa Takata, Audit & Supervisory Board Member Noriyuki Tanaka, and Audit & Supervisory Board Member Toshiyuki Fujita have been designated as independent officers based on the rules of the Tokyo Stock Exchange and reported to said stock exchange.
6. The Company has the executive officer system. Executive officers as of February 29, 2024 excluding those serving concurrently as Director are as follows.

Position	Name	Responsibility
Executive Officer	Shinsuke Yamada	Senior Executive Manager, Jooto
Executive Officer	Kazuki Miura	Head, Customer Relations Unit

2) Summary of the limited liability agreement

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

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

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

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

4) Remuneration, etc., of Directors and outside Audit & Supervisory Board Members

Item	Total amount of remuneration, etc. (Thousands of yen)	Basic remuneration (Thousands of yen)	Restricted share-based remuneration (Thousands of yen)	Recipient(s) (Number)
Directors	98,943	86,526	12,417	5
(Of which outside Directors)	(16,800)	(16,800)	(−)	(3)
Audit & Supervisory Board Members	13,800	13,800	–	4
(Of which outside Audit & Supervisory Board Members)	(13,800)	(13,800)	(−)	(4)
Total	112,743	100,326	12,417	9
(Of which outside Officers)	(30,600)	(30,600)	(−)	(7)

Notes: 1. The amount paid to Directors does not include employee wages paid to Directors serving concurrently as employees.
2. At the 16th Annual General Meeting of Shareholders held on May 26, 2021, the basic remuneration for Directors was resolved to be no more than ¥200 million per year (up to ¥40 million per year for outside Directors) and restricted share-based remuneration to be no more than ¥20 million per year (up to ¥4 million per year for outside Directors). At the conclusion of this General Meeting of Shareholders, the number of Directors was five (including two outside Directors). Restricted Share-Based Remuneration indicates the amount of expenses recorded for the fiscal year under review.
3. The maximum remuneration amount of Audit & Supervisory Board Members was resolved to be ¥20 million per year or less at the Extraordinary General Meeting of Shareholders held on July 16, 2014. At the conclusion of this General Meeting of Shareholders, the number of Audit & Supervisory Board Members was three (including two outside Audit & Supervisory Board Members).

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

1. Policy determination method

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

2. Summary of the policy

Remuneration of Directors comprises basic remuneration and restricted share-based remuneration. At the 16th Annual General Meeting of Shareholders held on May 26, 2021, the basic remuneration for Directors was resolved to be no more than ¥200 million per year (up to ¥40 million per year for outside Directors) and restricted share-based remuneration to be no more than ¥20 million per year (up to ¥4 million per year for outside Directors). The Company has established a policy of setting a suitable level of remuneration for Directors in consideration of social conditions, market levels, comparisons with other companies, etc., and as consideration for fully demonstrating management decision-making and supervisory functions at the Company.

The remuneration of each Director is to be within the maximum amount resolved at the General Meeting of Shareholders, with the basic remuneration determined by Takumi Yamaguchi, President and CEO, who has been appointed by the Board of Directors, and the restricted share-based remuneration is determined by the Board of Directors. The reason for delegating basic remuneration to the President and CEO is that the Company has judged the President and CEO as fit to appropriately evaluate the roles expected of each Director while considering, among other things, the Company's business performance, scope and business structure.

The Company voluntarily established a Nomination and Remuneration Committee in May 2023. The Committee issued a recommendation to the Board of Directors to use a ratio of approximately the certain ratio for basic remuneration to restricted share-based remuneration for full-time Directors. Remuneration is scheduled to be paid in accordance with this policy from the fiscal year ending February 28, 2025.

6) Matters concerning outside officers

1. Status of important concurrent positions at other companies and relationship between the Company and these companies

1) Director Kazuhiko Kamata is the Representative Director of K&A Co., Ltd. and OuchiLink Co., Ltd. and the Representative Director and President of Open House Co., Ltd. In addition, he is Director and Executive Vice President of Open House Group Co., Ltd. and Director of Open House Architect Inc. and Open House Real Estate Co., Ltd. The Company has no special relationships with companies in which Kazuhiko Kamata holds concurrent positions.

2) Director Keita Suzuki is Representative Director of AuB, Inc. The Company has no special relationships with the companies in which Keita Suzuki holds concurrent positions.

3) Director Hiroko Ozawa is an external Director of OUTSOURCING Inc. and an outside Director of SUNCALL CORPORATION. The Company has no special relationships with companies in which Hiroko Ozawa holds concurrent positions.

4) Audit & Supervisory Board Member Hirohisa Takata is the Head of Takata Accounting Firm. He is also an outside Director and Audit Committee Member of Nihon Suido Consultants Co., Ltd. The Company has no special relationships with companies in which Hirohisa Takata holds concurrent positions.

5) Audit & Supervisory Board Member Noriyuki Tanaka is a Director of the Tokyo Office of Minato International Law Office. In addition, he is an outside Audit & Supervisory Board Member of NewsTV Inc. and TRIAD co., ltd, and a Councilor of The Japanese Association of Pharmaceutical Medicine. NewsTV Inc. is a sister company of the Company; however, the Company has no special relationships with this company or other companies in which Noriyuki Tanaka holds concurrent positions.

6) Audit & Supervisory Board Member Toshiyuki Fujita is an Executive Officer and CFO of PowerX, Inc. The Company has no special relationships with companies in which Toshiyuki Fujita holds concurrent positions.

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

Name (Title)	Status of Major Activities and Overview of Duties in Relation to the Roles Expected of Outside Directors
Kazuhiko Kamata (Director)	He attended 13 of the 13 Board of Director meetings (attendance rate of 100%) held during the fiscal year under review. He has a wealth of management experience and broad insight as a Director at other companies, and makes remarks to ensure the validity and appropriateness of decisions made by the Board of Directors. In addition, he attended committee meetings held during the fiscal year under review as chair of the voluntary Nomination and Remuneration Committee, proactively providing his opinion on matters including the details of officer succession planning and officer remuneration as well as nomination of officers, contributing to further improvements in their objectivity and transparency.
Keita Suzuki (Director)	He attended 12 of the 13 Board of Director meetings (attendance rate of 92%) held during the fiscal year under review. He has extensive experience and insight as a professional athlete and corporate manager, and makes remarks to ensure the validity and appropriateness of decisions made by the Board of Directors.
Hiroko Ozawa (Director)	She attended 13 of the 13 Board of Director meetings (attendance rate of 100%) held during the fiscal year under review. She has extensive experience and expertise regarding diversity as a corporate manager, and makes remarks to ensure the validity and appropriateness of decisions made by the Board of Directors. In addition, she attended committee meetings held during the fiscal year under review as a member of the voluntary Nomination and Remuneration Committee, proactively providing her opinion on matters including the details of officer succession planning and officer remuneration as well as nomination of officers based on her experience and expertise stated above, contributing to further improvements in their objectivity and transparency.
Hirohisa Takata (Full-time Audit & Supervisory Board Member)	He attended 10 of the 10 Board of Director meetings (attendance rate of 100%) held during the fiscal year under review since his appointment on May 24, 2023. He attended 10 of the 10 Audit & Supervisory Board meetings (attendance rate of 100%) held during the fiscal year under review since his appointment on May 24, 2023. At meetings of the Board of Directors, he provides advice and proposals to ensure the validity and appropriateness of decisions made by the Board of Directors from a certified public account's specialized point of view. In addition, at meetings of the Audit & Supervisory Board, he discusses and exchanges opinions on important matters related to audits.
Noriyuki Tanaka (Audit & Supervisory Board Member)	He attended 13 of the 13 Board of Director meetings (attendance rate of 100%) held during the fiscal year under review. He attended 13 of the 13 Audit & Supervisory Board meetings (attendance rate of 100%) held during the fiscal year under review. At meetings of the Board of Directors, he provides advice and proposals to ensure the validity and appropriateness of decisions made by the Board of Directors from an attorney-at-law's professional point of view. In addition, at meetings of the Audit & Supervisory Board, he discusses and exchanges opinions on important matters related to audits.

Name (Title)	Status of Major Activities and Overview of Duties in Relation to the Roles Expected of Outside Directors
Toshiyuki Fujita (Audit & Supervisory Board Member)	He attended 13 of the 13 Board of Director meetings (attendance rate of 100%) held during the fiscal year under review. He also attended 13 of the 13 Audit & Supervisory Board meetings (attendance rate of 100%) held during the fiscal year under review. In addition to his specialized point of view as a certified public account, he possesses extensive experience as a financial officer of a business firm, and provides advice and proposals to ensure the validity and appropriateness of decisions made by the Board of Directors. In addition, at meetings of the Audit & Supervisory Board, he discusses and exchanges opinions on important matters related to audits.

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

(4) Status of the financial auditor

1) Name Crowe Toyo & Co.

2) Amount of remuneration, etc.

	Amount of remuneration, etc.
Amount of remuneration, etc., paid to the financial auditor related to the fiscal year under review	¥26,000 thousand
The total amount of money and other property benefits to be paid by the Company and its subsidiaries to the financial auditor	¥26,000 thousand

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

3) Details of non-auditing work

Not applicable.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13) System for ensuring the reliability of financial reporting

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

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

14) Management system for excluding antisocial forces

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

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

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

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

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

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

1) Execution of duties by Directors

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

2) Supervision by the Audit & Supervisory Board

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

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

3) Operation of compliance system

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

4. Basic policy on the control of the Company

Not applicable.

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

The Company recognizes that returning profits to shareholders is an important management issue, and the current basic policy is to achieve sustainable growth in net sales and operating profit while aiming to increase market capitalization over the medium to long term through appropriate valuation. It is the Company's policy to continue to pay no dividend under the medium-term management target Milestone 2025, and retained earnings will be applied to investments aimed at future expansion in the scale of business.

Based on the basic policy outlined above, the Company will pay no dividend for the fiscal year under review.

With respect to the purchase of treasury shares, although the Company holds a certain number of shares in order to provide flexible options for investment strategies, its policy is to issue new shares for the exercise of share acquisition rights by employees, etc. and the allotment of shares for restricted share-based remuneration.

Consolidated balance sheet

(As of February 29, 2024)

(Thousands of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	5,400,365	Current liabilities	1,405,965
Cash and deposits	4,536,792	Notes and accounts payable - trade	81,840
Notes and accounts receivable - trade, and contract assets	732,112	Lease obligations	785
Other	164,038	Income taxes payable	457,672
Allowance for doubtful accounts	(32,578)	Contract liabilities	209,916
Non-current assets	1,671,127	Provision for bonuses	68,097
Property, plant and equipment	239,654	Provision for shareholder benefit program	20,090
Buildings and structures	212,164	Other	567,562
Tools, furniture and fixtures	172,218	Non-current liabilities	2,624
Leased assets	10,682	Lease obligations	2,051
Accumulated depreciation	(155,410)	Deferred tax liabilities	572
Intangible assets	530,118	Total liabilities	1,408,589
Goodwill	252,005	Net assets	
Software	276,072	Shareholders' equity	5,660,638
Software in progress	1,475	Share capital	422,717
Other	565	Capital surplus	397,717
Investments and other assets	901,354	Retained earnings	4,891,507
Investment securities	180,866	Treasury shares	(51,302)
Investments in capital	78,550	Share acquisition rights	1,654
Leasehold and guarantee deposits	124,588	Non-controlling interests	610
Deferred tax assets	146,491		
Other	370,857	Total net assets	5,662,903
Total assets	7,071,492	Total liabilities and net assets	7,071,492

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

Consolidated statement of income

(From March 1, 2023 to February 29, 2024)

(Thousands of yen)

Item	Amount	
Net sales		6,836,966
Cost of sales		942,523
Gross profit		5,894,442
Selling, general and administrative expenses		4,147,861
Operating profit		1,746,581
Non-operating income		
Interest income	0	
Recoveries of written off receivables	785	
Other	380	1,166
Non-operating expenses		
Interest expenses	554	
Loss on investments in capital	5,475	
Non-payment additional tax	24,344	
Other	184	30,559
Ordinary profit		1,717,188
Extraordinary losses		
Loss on valuation of investment securities	14,625	14,625
Profit before income taxes		1,702,562
Income taxes - current	600,318	
Income taxes - deferred	(59,202)	541,115
Profit		1,161,447
Profit attributable to non-controlling interests		60
Profit attributable to owners of parent		1,161,386

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

Consolidated statement of changes in equity

(From March 1, 2023 to February 29, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	420,660	395,660	3,764,178	(114,725)	4,465,774
Changes during period					
Issuance of new shares	2,056	2,056			4,113
Profit attributable to owners of parent			1,161,386		1,161,386
Purchase of treasury shares				(36,643)	(36,643)
Disposal of treasury shares		(34,057)		100,066	66,008
Transfer of loss on disposal of treasury shares		34,057	(34,057)		–
Net changes in items other than shareholders' equity					
Total changes during period	2,056	2,056	1,127,329	63,422	1,194,864
Balance at end of period	422,717	397,717	4,891,507	(51,302)	5,660,638

	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	191	549	4,466,515
Changes during period			
Issuance of new shares			4,113
Profit attributable to owners of parent			1,161,386
Purchase of treasury shares			(36,643)
Disposal of treasury shares			66,008
Transfer of loss on disposal of treasury shares			–
Net changes in items other than shareholders' equity	1,462	60	1,523
Total changes during period	1,462	60	1,196,388
Balance at end of period	1,654	610	5,662,903

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

Balance sheet

(As of February 29, 2024)

(Thousands of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	5,190,451	Current liabilities	1,315,228
Cash and deposits	4,370,737	Accounts payable - trade	62,908
Notes receivable - trade	431	Lease obligations	667
Accounts receivable - trade	645,387	Accounts payable - other	322,995
Prepaid expenses	140,173	Accrued expenses	60,411
Other	65,964	Income taxes payable	456,519
Allowance for doubtful accounts	(32,243)	Deposits received	9,884
Non-current assets	1,816,794	Contract liabilities	207,168
Property, plant and equipment	231,042	Provision for bonuses	51,800
Buildings and structures	173,441	Provision for shareholder benefit program	20,090
Tools, furniture and fixtures	55,250	Other	122,784
Leased assets	2,350	Non-current liabilities	2,002
Intangible assets	278,113	Lease obligations	2,002
Software	276,072	Total liabilities	1,317,231
Software in progress	1,475	Net assets	
Other	565	Shareholders' equity	5,688,360
Investments and other assets	1,307,637	Share capital	422,717
Investment securities	180,866	Capital surplus	397,717
Shares of subsidiaries and associates	333,033	Legal capital surplus	397,717
Investments in capital	78,550	Retained earnings	4,919,228
Long-term loans receivable from subsidiaries and associates	105,000	Other retained earnings	4,919,228
Leasehold and guarantee deposits	120,211	Retained earnings brought forward	4,919,228
Deferred tax assets	145,992	Treasury shares	(51,302)
Other	343,983	Share acquisition rights	1,654
		Total net assets	5,690,014
Total assets	7,007,246	Total liabilities and net assets	7,007,246

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

Statement of income

(From March 1, 2023 to February 29, 2024)

(Thousands of yen)

Item	Amount	
Net sales		6,531,352
Cost of sales		758,652
Gross profit		5,772,700
Selling, general and administrative expenses		4,000,092
Operating profit		1,772,608
Non-operating income		
Interest income	208	
Recoveries of written off receivables	785	
Other	273	1,267
Non-operating expenses		
Interest expenses	570	
Loss on investments in capital	5,475	
Non-payment additional tax	24,344	
Other	184	30,575
Ordinary profit		1,743,299
Extraordinary losses		
Loss on valuation of investment securities	14,625	14,625
Profit before income taxes		1,728,674
Income taxes - current	596,830	
Income taxes - deferred	(51,329)	545,500
Profit		1,183,173

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

Statement of changes in equity

(From March 1, 2023 to February 29, 2024)

(Thousands of yen)

	Shareholders' equity					
	Share capital	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	420,660	395,660	–	395,660	3,770,111	3,770,111
Changes during period						
Issuance of new shares	2,056	2,056		2,056		
Profit					1,183,173	1,183,173
Purchase of treasury shares						
Disposal of treasury shares			(34,057)	(34,057)		
Transfer of loss on disposal of treasury shares			34,057	34,057	(34,057)	(34,057)
Net changes in items other than shareholders' equity						
Total changes during period	2,056	2,056	–	2,056	1,149,116	1,149,116
Balance at end of period	422,717	397,717	–	397,717	4,919,228	4,919,228

	Shareholders' equity		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity		
Balance at beginning of period	(114,725)	4,471,707	191	4,471,899
Changes during period				
Issuance of new shares		4,113		4,113
Profit		1,183,173		1,183,173
Purchase of treasury shares	(36,643)	(36,643)		(36,643)
Disposal of treasury shares	100,066	66,008		66,008
Transfer of loss on disposal of treasury shares		–		–
Net changes in items other than shareholders' equity			1,462	1,462
Total changes during period	63,422	1,216,652	1,462	1,218,115
Balance at end of period	(51,302)	5,688,360	1,654	5,690,014

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

Audit Report on the Consolidated Financial Statements (Translation)

Independent Auditor's Report

April 11, 2024

To the Board of Directors of PR TIMES Corporation

Crowe Toyo & Co.
Tokyo Office

Designated and Engagement Partner
Certified Public Accountant: Shigeki Tsujimura

Designated and Engagement Partner
Certified Public Accountant: Yuki Ishikawa

Audit Opinion

Pursuant to Article 444, paragraph (4) of the Companies Act, we have audited the consolidated financial statements of PR TIMES Corporation (the "Company") and its consolidated subsidiaries (collectively, the "Group"), which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the notes to the consolidated financial statements applicable to the fiscal year from March 1, 2023 through February 29, 2024.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Group applicable to the fiscal year ended February 29, 2024 in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

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

Other Information

The other information refers to the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. In addition, Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of duties within the maintenance and operation of the reporting process for the other information.

The scope of our audit opinion on the consolidated financial statements does not include the content of the other information, and we do not express an opinion regarding the other information. Our responsibility in auditing the consolidated financial statements is to read through the other information, and in the process of reading it, we examine whether there are material differences between the other information and the consolidated financial statements or the knowledge we have gained in the auditing process, and we also pay attention as to whether there are any indications in the other information of material errors besides such material differences.

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

There are no matters to report regarding the other information.

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

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

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

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

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

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

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

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

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

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

Conflicts of Interest

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

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

Independent Auditor's Report

April 11, 2024

To the Board of Directors of PR TIMES Corporation

Crowe Toyo & Co.
Tokyo Office

Designated and Engagement Partner
Certified Public Accountant: Shigeki Tsujimura

Designated and Engagement Partner
Certified Public Accountant: Yuki Ishikawa

Audit Opinion

Pursuant to Article 436, paragraph (2), item (i) of the Companies Act, we have audited the non-consolidated financial statements of PR TIMES Corporation (the "Company"), which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, the notes to the non-consolidated financial statements and the accompanying supplemental schedules (collectively, "non-consolidated financial statements, etc.") applicable to the 19th fiscal year from March 1, 2023 through February 29, 2024.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations of the Company applicable to the fiscal year ended February 29, 2024 in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

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

Other Information

The other information refers to the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. In addition, Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of duties within the maintenance and operation of the reporting process for the other information.

The scope of our audit opinion on the non-consolidated financial statements, etc. does not include the content of the other information, and we do not express an opinion regarding the other information.

Our responsibility in auditing the non-consolidated financial statements, etc. is to read through the other information, and in the process of reading it, we examine whether there are material differences between the other information and the non-consolidated financial statements, etc. or the knowledge we have gained in the auditing process, and we also pay attention as to whether there are any indications in the other information of material errors besides such material differences.

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

There are no matters to report regarding the other information.

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

The responsibility of management is to prepare and appropriately present the non-consolidated financial statements, etc. in accordance with the standards of corporate accounting generally accepted in Japan. This

includes developing and operating internal controls deemed necessary by management in order to prepare and appropriately present the non-consolidated financial statements, etc. without material misstatement due to fraud or error.

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

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

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

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

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

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

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

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

Conflicts of Interest

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

Audit Report of the Audit & Supervisory Board

Audit Report

Regarding the execution of duties by the Directors for the 19th fiscal year from March 1, 2023 through February 29, 2024, the Audit & Supervisory Board hereby submits its audit report, which has been prepared through discussions based on the audit reports prepared by each Audit & Supervisory Board Member.

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

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

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

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

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

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

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

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

2. Results of audit

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

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

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

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

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

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

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

(3) Results of audit of consolidated financial statements

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

April 11, 2024

Audit & Supervisory Board, PR TIMES Corporation
Full-time Audit & Supervisory Board Member
(Outside Audit & Supervisory Board Member) Hirohisa Takata [Seal]
Audit & Supervisory Board Member
(Outside Audit & Supervisory Board Member) Noriyuki Tanaka [Seal]
Audit & Supervisory Board Member
(Outside Audit & Supervisory Board Member) Toshiyuki Fujita [Seal]

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Partial Amendments to Articles of Incorporation

1. Reasons for the proposal
   (1) For the convenience of shareholders holding less than one unit of shares, the Company proposes to newly establish Article 10 (Request for Additionally Purchasing Shares of Less Than One Unit) to introduce an additional purchase system for shares less than one unit as stipulated in Article 194 of the Companies Act.
   (2) With regard to provisions concerning substitute Audit & Supervisory Board Members already provided for in the current Articles of Incorporation, the Company proposes to clarify the term of office of substitute Audit & Supervisory Board Members by newly stipulating in paragraph (4) of Article 35 (Substitute Audit & Supervisory Board Members) an effective period for resolutions to appoint substitute Audit & Supervisory Board Members, and by stipulating in the proviso of paragraph (2) of Article 33 (Term of Office of Audit & Supervisory Board Members) in the proposed partial amendments that the term of office of a substitute Audit & Supervisory Board Member shall not exceed the time when the resolution to appoint said substitute Audit & Supervisory Board Member ceases to be effective.
   (3) To enable the distribution of dividends of surplus without requiring a resolution of a General Meeting of Shareholders, even in cases where it is difficult to hold a General Meeting of Shareholders, the Company proposes to newly establish Article 45 (Organizational Body to Determine Distribution of Dividends of Surplus, etc.) in the proposed partial amendments so that the distribution of dividends of surplus, etc. may also be undertaken by the Board of Directors. The General Meeting of Shareholders may still pass resolutions for the distribution of dividends of surplus, etc. even after the amendments to the Articles of Incorporation come into effect.
   (4) In addition, amendments will also be made to the numbers, wording, and some expressions of the articles in accordance with the above changes.

2. Details of amendments
   The details of the amendments are as follows:

(Underlined text indicates amendments)

Current Articles of Incorporation	Proposed amendments
Chapter 1 – General Provisions	Chapter 1 – General Provisions
Article 1 (Trade Name) The name of the Company shall be PR TIMES Corporation.	Article 1 (Trade Name) The name of the Company shall be PR TIMES Corporation. (Change in Japanese only; English unchanged)
Article 2 (Purpose) The purpose of the Company shall be to engage in the following activities: (1) Public relations planning, production and public relations agency services (2) Advertising planning, production and advertising agency services (3) Various information processing services and information provision services that utilizing the Internet (4) Digital content planning, production, distribution and sales (5) Internet website planning, production, sales, operation and intermediary services (6) Computer software planning, development, sales, licensing, maintenance, import, export and intermediary services (7) Various marketing operations (8) Consulting and outsourcing of operations related to each of the preceding items (9) Operational management services related to the business activities of subsidiaries and affiliated companies	Article 2 (Purpose) The purpose of the Company shall be to engage in the following activities: (1) Public relations planning, production and public relations agency services (2) Advertising planning, production and advertising agency services (3) Various information processing services and information provision services that utilizing the Internet (4) Digital content planning, production, distribution and sales (5) Internet website planning, production, sales, operation and intermediary services (6) Computer software planning, development, sales, licensing, maintenance, import, export and intermediary services (7) Various marketing operations (8) Consulting and outsourcing of operations related to each of the preceding items (9) Operational management services related to the business activities of subsidiaries and affiliated companies

Current Articles of Incorporation	Proposed amendments
(10) Any and all business relating or incidental to each of the above stated items	(10) Any and all business relating or incidental to each of the above stated items (Change in Japanese only; English unchanged)
Article 3 (Location of Head Office) The head office of the Company shall be located in Minato-ku, Tokyo, Japan.	Article 3 (Location of Head Office) The head office of the Company shall be located in Minato-ku, Tokyo, Japan.
Article 4 (Organizational Framework) In addition to General Meetings of Shareholders and Directors, the Company shall have the following organizations. (1) The Board of Directors (2) Audit & Supervisory Board Members (3) The Audit & Supervisory Board (4) A financial auditor	Article 4 (Organizational Framework) In addition to General Meetings of Shareholders and Directors, the Company shall have the following organizations. (1) The Board of Directors (2) Audit & Supervisory Board Members (3) The Audit & Supervisory Board (4) A financial auditor (Change in Japanese only; English unchanged)
Article 5 (Means of Giving Public Notices) The Company publishes notices electronically; provided, however, that in the event a notice cannot be published electronically due to an accident or some other unavoidable circumstance, the notice shall be published in *The Nikkei*.	Article 5 (Means of Giving Public Notices) The Company publishes notices electronically; provided, however, that if a notice cannot be published electronically due to an accident or some other unavoidable circumstance, the notice shall be published in *The Nikkei*.
Chapter 2 - Shares	Chapter 2 - Shares
Article 6 (Number of Authorized Shares) The total number of shares authorized to be issued by the Company shall be 40,000,000.	Article 6 (Number of Authorized Shares) The total number of shares authorized to be issued by the Company shall be 40,000,000. (Change in Japanese only; English unchanged)
Article 7 (Acquisition of Treasury Stock) The Company may acquire its own shares by a resolution of the Board of Directors pursuant to Article 165, paragraph (2) of the Companies Act.	Article 7 (Acquisition of Treasury Stock) The Company may acquire its own shares by a resolution of the Board of Directors pursuant to Article 165, paragraph (2) of the Companies Act. (Change in Japanese only; English unchanged)
Article 8 (Number of Shares Constituting One Unit of Shares) The number of shares constituting one unit of shares in the Company shall be 100.	Article 8 (Number of Shares Constituting One Unit of Shares) The number of shares constituting one unit of shares in the Company shall be 100. (Change in Japanese only; English unchanged)
Article 9 (Right to Shares of Less Than One Unit) Shareholders who hold shares of less than one unit may not exercise any rights other than the rights stated below with respect to shares of less than one unit: (1) Rights listed in each item of Article 189, paragraph (2) of the Companies Act (2) Right to make a request in accordance with the provisions of Article 166, paragraph (1) of the Companies Act (3) Right to receive allotment of shares for subscription and share options for subscription in proportion to the number of shares held by shareholders (Newly established)	Article 9 (Right to Shares of Less Than One Unit) Shareholders who hold shares of less than one unit may not exercise any rights other than the rights stated below with respect to shares of less than one unit: (1) Rights listed in each item of Article 189, paragraph (2) of the Companies Act (2) Right to make a request in accordance with the provisions of Article 166, paragraph (1) of the Companies Act (3) Right to receive allotment of shares for subscription and share options for subscription in proportion to the number of shares held by shareholders (4) Right to make a request set forth in the following Article
(Newly established)	Article 10 (Request for Additional Purchase of Shares of Less Than One Unit) Shareholders who hold shares of less than one unit may make a request to the Company for the sale of the number of shares which, together with the number of shares of less than one unit which they hold, constitute one share unit, in accordance with that set forth for in the Rules Concerning Share Handling.

Current Articles of Incorporation	Proposed amendments
Article 10 (Record Date) The Company shall deem shareholders entered or recorded in the final shareholder register at the end of each fiscal year to be the shareholders who should exercise their rights at the ordinary General Meeting of Shareholders relating to that fiscal year. 2. Notwithstanding the provisions of the preceding paragraph, in cases where the rights of the shareholders set forth in the paragraph are not violated, all or some of the persons who have acquired the Company's shares with voting rights due to the issuance of shares for subscription, merger, share exchange, absorption-type split or other similar circumstances after the date stated in the paragraph, may be determined as shareholders entitled to exercise voting rights at the said ordinary General Meeting of Shareholders. 3. In addition to paragraph (1), when necessary, with an announcement in advance, shareholders or registered share pledgees entered or recorded in the final shareholder register on a certain date may be determined as shareholders or registered share pledgees entitled to exercise their rights.	Article 11 (Record Date) 1. The Company shall deem shareholders entered or recorded in the final shareholder register at the end of each fiscal year (hereinafter referred to as "Shareholders as of the Record Date") to be the shareholders who should exercise their rights at the ordinary General Meeting of Shareholders relating to that fiscal year. 2. Notwithstanding the provisions of the preceding paragraph, in cases where the rights that can be exercised by Shareholders as of the Record Date are voting rights at General Meetings of Shareholders, when the rights of the shareholders set forth in the paragraph are not violated, all or some of the persons who have acquired the Company's shares with voting rights due to the issuance of shares for subscription, merger, share exchange, absorption-type split or other similar circumstances after the date stated in the paragraph, may be determined as shareholders entitled to exercise voting rights at the said ordinary General Meeting of Shareholders. 3. In addition to paragraph (1), when necessary, with an announcement in advance, shareholders or registered share pledgees entered or recorded in the final shareholder register on a certain date may be determined as shareholders or registered share pledgees entitled to exercise their rights, through a resolution of the Board of Directors.
Article 11 (Shareholder Register Administrator) The Company shall appoint a shareholder register administrator. 2. The shareholder register administration and the place of their business thereof shall be appointed by a resolution of the Board of Directors. 3. The Company's shareholder register and share options register shall be kept at the place of business of the shareholder register administrator. The Company shall have the shareholder register administrator handle administrative work relating to entering and recording in the shareholder register and the share option register and other administrative work relating to shares and share options, and the Company shall not handle such work.	Article 12 (Shareholder Register Administrator) 1. The Company shall appoint a shareholder register administrator. 2. The shareholder register administrator and the administrative work handling location thereof shall be appointed by a resolution of the Board of Directors. 3. The Company's shareholder register and share options register shall be kept at the place of business of the shareholder register administrator. The Company shall have the shareholder register administrator handle administrative work relating to entering and recording in the shareholder register and the share option register and other administrative work relating to shares and share options, and the Company shall not handle such work.
Article 12 (Share Handling Regulations) In addition to those stipulated in laws and regulations and the Articles of Incorporation, the type of share certificates issued by the Company and the entering or recording of matters in the shareholder register and share options register, and other handling and charges relating to shares and share options shall be in accordance with the Share Handling Regulations established by the Board of Directors.	Article 13 (Share Handling Regulations) In addition to those stipulated in laws and regulations and the Articles of Incorporation, the entering or recording of matters in the shareholder register and share options register of the Company, and other handling and charges relating to shares and share options shall be in accordance with the Share Handling Regulations established by the Board of Directors.
Chapter 3 - General Meeting of Shareholders	Chapter 3 - General Meeting of Shareholders
Article 13 (Convocation of General Meetings of Shareholders) The Company's ordinary General Meetings of Shareholders shall be convened within three months of the date immediately following the last day of the business year, and extraordinary General Meetings of Shareholders shall be convened whenever necessary.	Article 14 (Convocation of General Meetings of Shareholders) The Company's ordinary General Meetings of Shareholders shall be convened within three months of the date immediately following the last day of the business year, and extraordinary General Meetings of Shareholders shall be convened whenever necessary.

Current Articles of Incorporation	Proposed amendments
Article 14 (Measures, etc. for Providing Information in Electronic Format) When the Company convenes a general meeting of shareholders, it shall take measures for providing information in electronic format that constitutes the content of reference documents for the general meeting of shareholders, etc. 2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.	Article 15 (Measures, etc. for Providing Information in Electronic Format) 1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information in electronic format that constitutes the content of reference documents for the general meeting of shareholders, etc., as stipulated in Article 325-2 of the Companies Act. 2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.
Article 15 (Convenor and Chairperson) Unless otherwise provided for in laws and regulations, General Meetings of Shareholders shall be convened and chaired by the President pursuant to a resolution of the Board of Directors. 2. When the President is unable to act, another Director shall convene and chair a General Meeting of Shareholders in accordance with an order of priority determined in advance by the Board of Directors.	Article 16 (Convenor and Chairperson) 1. Unless otherwise provided for in laws and regulations, General Meetings of Shareholders shall be convened and chaired by the President and CEO pursuant to a resolution of the Board of Directors. 2. When the President and CEO is unable to act, another Director shall convene and chair a General Meeting of Shareholders in accordance with an order of priority determined in advance by the Board of Directors.
Article 16 (Method of Adopting Resolutions of General Meetings of Shareholders) Unless otherwise provided for in laws and regulations or these Articles of Incorporation, resolutions of General Meetings of Shareholders shall be made by the majority of the voting rights of shareholders in attendance who are entitled to exercise their voting rights. 2. Resolutions in accordance with the provisions of Article 309, paragraph (2) of the Companies Act shall be made by a minimum of one third of the voting rights of shareholders entitled to exercise their voting rights being in attendance and when a majority of two thirds or more of the votes of such voting rights are in agreement.	Article 17 (Method of Adopting Resolutions of General Meetings of Shareholders) 1. Unless otherwise provided for in laws and regulations or the Articles of Incorporation, resolutions of General Meetings of Shareholders shall be made by the majority of the voting rights of shareholders in attendance who are entitled to exercise their voting rights. 2. Resolutions in accordance with the provisions of Article 309, paragraph (2) of the Companies Act shall be made by a minimum of one third of the voting rights of shareholders entitled to exercise their voting rights being in attendance and when a majority of two thirds or more of the votes of such voting rights are in agreement.
Article 17 (Exercise of Voting Rights by Proxy) A shareholder may have another shareholder who has voting rights in the Company exercise their vote as a proxy. 2. The shareholder or the proxy must submit a document evidencing the authority of proxy to the Company for each General Meeting of Shareholders.	Article 18 (Exercise of Voting Rights by Proxy) 1. A shareholder may have another shareholder who has voting rights in the Company exercise their vote as a proxy. 2. The shareholder or the proxy must submit a document evidencing the authority of proxy to the Company for each General Meeting of Shareholders.
Article 18 (Minutes of General Meetings of Shareholders) A summary of agenda proceedings at General Meetings of Shareholders, the outcomes thereof, and other matters stipulated in laws and regulations shall be stated or recorded in minutes.	Article 19 (Minutes of General Meetings of Shareholders) A summary of agenda proceedings at General Meetings of Shareholders, the outcomes thereof, and other matters stipulated in laws and regulations shall be stated or recorded in minutes.
Chapter 4 - Directors and the Board of Directors	Chapter 4 - Directors and the Board of Directors
Article 19 (Number of Directors) The number of Directors of the Company shall not be more than ten.	Article 20 (Number of Directors) The number of Directors of the Company shall not be more than ten.
Article 20 (Appointment of Directors) Directors shall be appointed at General Meetings of Shareholders.	Article 21 (Appointment of Directors) 1. Directors shall be appointed at General Meetings of Shareholders.

Current Articles of Incorporation	Proposed amendments
2. Resolutions on the appointment of Directors shall be made by a minimum of one third of the voting rights of shareholders entitled to exercise their voting rights being in attendance and when a majority of the votes of such voting rights are in agreement. 3. Resolutions on the appointment of Directors shall not be based on a cumulated vote.	2. Resolutions on the appointment of Directors shall be made by a minimum of one third of the voting rights of shareholders entitled to exercise their voting rights being in attendance and when a majority of the votes of such voting rights are in agreement. 3. Resolutions on the appointment of Directors shall not be based on a cumulated vote.
Article 21 (Term of Office of Directors) The term of office of Directors shall expire at the close of the ordinary General Meeting of Shareholders for the final business year ending within one year of appointment. 2. The term of a Director appointed as an additional or substitute Director shall continue until the expiration of the term of other incumbent Directors.	Article 22 (Term of Office of Directors) 1. The term of office of Directors shall expire at the close of the ordinary General Meeting of Shareholders for the final business year ending within one year of appointment. 2. The term of a Director appointed as an additional or substitute Director shall continue until the expiration of the term of other incumbent Directors.
Article 22 (Representative Director and Executive Directors) The Board of Directors may, by its resolution, appoint one President and CEO from among the Directors, and as necessary, one Chairman, and a number of Vice Presidents, Senior Managing Directors, and Managing Directors.	Article 23 (Representative Director and Executive Directors) The Board of Directors may, by its resolution, appoint one President and CEO from among the Directors, and as necessary, one Chairman, and a number of Vice Presidents, Senior Managing Directors, and Managing Directors.
Article 23 (Convenor and Chairperson of the Board of Directors) Unless otherwise provided for in laws and regulations, meetings of the Board of Directors shall be convened and chaired by the President. 2. When the President and CEO is unable to act, another Director shall convene and chair a meeting of the Board of Directors in accordance with an order of priority determined in advance by the Board of Directors.	Article 24 (Convenor and Chairperson of the Board of Directors) 1. Unless otherwise provided for in laws and regulations, meetings of the Board of Directors shall be convened and chaired by the President and CEO. 2. When the President and CEO is unable to act, another Director shall convene and chair a meeting of the Board of Directors in accordance with an order of priority determined in advance by the Board of Directors.
Article 24 (Notice of Convocation of Meetings of the Board of Directors) Notices of convocation of meetings of the Board of Directors shall be issued to each Director and Audit & Supervisory Board Member at least three days prior to the date of the meeting; provided, however, that this period may be shortened when urgently necessary. 2. Meetings of the Board of Directors may be held without the procedures for convocation when all Directors and Audit & Supervisory Board Members have given their consent.	Article 25 (Notice of Convocation of Meetings of the Board of Directors) 1. Notices of convocation of meetings of the Board of Directors shall be issued to each Director and each Audit & Supervisory Board Member at least three days prior to the date of the meeting; provided, however, that this period may be shortened when urgently necessary. 2. Meetings of the Board of Directors may be held without the procedures for convocation when all Directors and Audit & Supervisory Board Members have given their consent.
Article 25 (Method of Adopting Resolutions of the Board of Directors) Resolutions of the Board of Directors shall be adopted by a majority of the votes of Directors present at a meeting of the Board of Directors, at which a majority of the Directors entitled to take part in the resolution are present. 2. Directors with a special interest in a resolution may not exercise their voting rights. 3. The Company shall deem that a resolution of the Board of Directors has been passed when the requirements of Article 370 of the Companies Act have been met.	Article 26 (Method of Adopting Resolutions of the Board of Directors) 1. Resolutions of the Board of Directors shall be adopted by a majority of the votes of Directors present at a meeting of the Board of Directors, at which a majority of the Directors entitled to take part in the resolution are present. 2. Directors with a special interest in a resolution may not exercise their voting rights. 3. The Company shall deem that a resolution of the Board of Directors has been passed when the requirements of Article 370 of the Companies Act have been met.
Article 26 (Minutes of Meetings of the Board of Directors) A summary of agenda proceedings at meetings of the Board of Directors, the outcomes thereof, and other matters stipulated in laws and regulations shall be stated or recorded in minutes, and shall be signed and sealed or electronically signed by the Directors and Audit & Supervisory Board Members in attendance.	Article 27 (Minutes of Meetings of the Board of Directors) A summary of agenda proceedings at meetings of the Board of Directors, the outcomes thereof, and other matters stipulated in laws and regulations shall be stated or recorded in minutes, and shall be signed and sealed or electronically signed by the Directors and Audit & Supervisory Board Members in attendance.

Current Articles of Incorporation	Proposed amendments
Article 27 (Regulations of the Board of Directors) In addition to laws and regulations and these Articles of Incorporation, matters relating to the Board of Directors shall be in accordance with the Rules of the Board of Directors established by the Board of Directors.	Article 28 (Regulations of the Board of Directors) In addition to laws and regulations and the Articles of Incorporation, matters relating to the Board of Directors shall be in accordance with the Rules of the Board of Directors established by the Board of Directors.
Article 28 (Remuneration for Directors) Remuneration, bonuses and other economic benefits provided by the Company as consideration for the execution of duties (hereinafter referred to as the "Remuneration, Etc.") to Directors shall be determined by resolution of a General Meeting of Shareholders.	Article 29 (Remuneration for Directors) Remuneration, bonuses and other economic benefits provided by the Company as consideration for the execution of duties (hereinafter referred to as the "Remuneration, Etc.") to Directors shall be determined by resolution of a General Meeting of Shareholders.
Article 29 (Exemption of Directors from Liability) Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Directors (including former Directors) from their liability for damages arising from negligence of their duties to the extent permitted by laws and regulations. 2. Pursuant to Article 427, paragraph (1) of the Companies Act, the Company may conclude agreements with outside Directors to limit their liability for damages as specified in Article 423, paragraph (1) of the same Act; provided, however, that the limit of liability pursuant to such agreements shall be the amount specified in laws and regulations.	Article 30 (Exemption of Directors from Liability) 1. Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Directors (including former Directors) from their liability for damages arising from negligence of their duties to the extent permitted by laws and regulations. 2. Pursuant to Article 427, paragraph (1) of the Companies Act, the Company may conclude agreements with outside Directors to limit their liability for damages due to negligence of their duties; provided, however, that the limit of liability pursuant to such agreements shall be the amount specified in laws and regulations.
Chapter 5 - Audit & Supervisory Board Members and the Audit & Supervisory Board	Chapter 5 - Audit & Supervisory Board Members and the Audit & Supervisory Board
Article 30 (Number of Audit & Supervisory Board Members) The number of Audit & Supervisory Board Members of the Company shall not be more than three.	Article 31 (Number of Audit & Supervisory Board Members) The number of Audit & Supervisory Board Members of the Company shall not be more than three.
Article 31 (Appointment of Audit & Supervisory Board Members) Audit & Supervisory Board Members shall be appointed by a resolution at a General Meeting of Shareholders by a minimum of one-third of the voting rights of shareholders entitled to exercise their voting rights being in attendance and when a majority of the votes of such voting rights are in agreement.	Article 32 (Appointment of Audit & Supervisory Board Members) Audit & Supervisory Board Members shall be appointed by a resolution at a General Meeting of Shareholders by a minimum of one-third of the voting rights of shareholders entitled to exercise their voting rights being in attendance and when a majority of the votes of such voting rights are in agreement.
Article 32 (Term of Office of Audit & Supervisory Board Members) The term of office of Audit & Supervisory Board Members shall expire at the close of the ordinary General Meeting of Shareholders for the final business year ending within four years of appointment. 2. The term of office of an Audit & Supervisory Board Member elected as a substitute shall continue until the expiration of the term of the Audit & Supervisory Board Member who retired from office.	Article 33 (Term of Office of Audit & Supervisory Board Members) 1. The term of office of Audit & Supervisory Board Members shall expire at the close of the ordinary General Meeting of Shareholders for the final business year ending within four years of appointment. 2. The term of office of an Audit & Supervisory Board Member elected as a substitute shall continue until the expiration of the term of the Audit & Supervisory Board Member who retired from office; provided, however, that in the event by the time the term of office of the retired Audit & Supervisory Board Member is due to expire, the appointment of a substitute Audit & Supervisory Board Member has lost validity pursuant to Article 35, paragraph (4), the term of office of the Audit & Supervisory Board Member appointed as a substitute shall expire when the appointment of the substitute Audit & Supervisory Board Member loses validity.

Current Articles of Incorporation	Proposed amendments
Article 33 (Full-time Audit & Supervisory Board Members) The Audit & Supervisory Board shall, by its resolution, appoint full-time Audit & Supervisory Board Members from among the Audit & Supervisory Board Members.	Article 34 (Full-time Audit & Supervisory Board Members) The Audit & Supervisory Board shall, by its resolution, appoint full-time Audit & Supervisory Board Members from among the Audit & Supervisory Board Members.
Article 34 (Substitute Audit & Supervisory Board Members) Substitute Audit & Supervisory Board Members may be appointed at a General Meeting of Shareholders in preparation for an event that the number of Audit & Supervisory Board Members falls short of the number stipulated for in laws and regulations and the Articles of Incorporation. 2 The provisions of Article 31, paragraph (1) (Appointment of Audit & Supervisory Board Members) shall apply mutatis mutandis to the quorum for resolutions for the appointment of substitute Audit & Supervisory Board Members. 3 The term of office of a substitute Audit & Supervisory Board Member in the event that he or she has been appointed in accordance with paragraph (1) shall be the remaining term of office of his or her predecessor. 4 The validity of the appointment of a substitute Audit & Supervisory Board Member shall be the period until the first ordinary General Meeting of Shareholders held after appointment.	Article 35 (Substitute Audit & Supervisory Board Members) 1. Substitute Audit & Supervisory Board Members may be appointed at a General Meeting of Shareholders in preparation for when the number of Audit & Supervisory Board Members falls short of the number stipulated for in laws and regulations and the Articles of Incorporation. 2. The provisions of Article 32 (Appointment of Audit & Supervisory Board Members) shall apply mutatis mutandis to the quorum for resolutions for the appointment of substitute Audit & Supervisory Board Members. 3. The term of office of a substitute Audit & Supervisory Board Member that has been appointed in accordance with paragraph (1) shall be the remaining term of office of his or her predecessor. 4. The validity of the appointment of a substitute Audit & Supervisory Board Member shall be until the close of the ordinary General Meeting of Shareholders relating to the final business year ending within four years after the resolution for his or her appointment.
Article 35 (Notice of Convocation of Meetings of the Audit & Supervisory Board) Notice of convocation of a meeting of the Audit & Supervisory Board shall be issued to each Audit & Supervisory Board Member at least three days prior to the date of the meeting; provided, however, that this period may be shortened in case of emergencies. 2. Meetings of the Audit & Supervisory Board may be held without the procedures for convocation when all Audit & Supervisory Board Members have given their consent.	Article 36 (Notice of Convocation of Meetings of the Audit & Supervisory Board) 1. Notice of convocation of a meeting of the Audit & Supervisory Board shall be issued to each Audit & Supervisory Board Member at least three days prior to the date of the meeting; provided, however, that this period may be shortened in emergencies. 2. Meetings of the Audit & Supervisory Board may be held without the procedures for convocation when all Audit & Supervisory Board Members have given their consent.
Article 36 (Method of Adopting Resolutions of the Audit & Supervisory Board) Unless otherwise provided for in laws and regulations, resolutions of meetings of the Audit & Supervisory Board shall be made by a majority of Audit & Supervisory Board Members.	Article 37 (Method of Adopting Resolutions of the Audit & Supervisory Board) Unless otherwise provided for in laws and regulations, resolutions of meetings of the Audit & Supervisory Board shall be made by a majority of Audit & Supervisory Board Members.
Article 37 (Minutes of Meetings of the Audit & Supervisory Board) A summary of agenda proceedings at meetings of the Audit & Supervisory Board, the outcomes thereof, and other matters stipulated in laws and regulations shall be specified or recorded in minutes, and shall be signed and sealed or electronically signed by the Audit & Supervisory Board Members in attendance.	Article 38 (Minutes of Meetings of the Audit & Supervisory Board) A summary of agenda proceedings at meetings of the Audit & Supervisory Board, the outcomes thereof, and other matters stipulated in laws and regulations shall be specified or recorded in minutes, and shall be signed and sealed or electronically signed by the Audit & Supervisory Board Members in attendance.
Article 38 (Regulations of the Audit & Supervisory Board) In addition to those stipulated in laws and regulations and these Articles of Incorporation, matters relating to the Audit & Supervisory Board shall be in accordance with the Rules of the Audit & Supervisory Board established by the Audit & Supervisory Board.	Article 39 (Regulations of the Audit & Supervisory Board) In addition to those stipulated in laws and regulations and the Articles of Incorporation, matters relating to the Audit & Supervisory Board shall be in accordance with the Rules of the Audit & Supervisory Board established by the Audit & Supervisory Board.

Current Articles of Incorporation	Proposed amendments
Article 39 (Remuneration for Audit & Supervisory Board Members) Remuneration, Etc. for Audit & Supervisory Board Members shall be determined by resolution of a General Meeting of Shareholders.	Article 40 (Remuneration, etc., for Audit & Supervisory Board Members) Remuneration, Etc. for Audit & Supervisory Board Members shall be determined by resolution of a General Meeting of Shareholders.
Article 40 (Exemption of Audit & Supervisory Board Members from Liability) Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from their liability for damages arising from negligence of their duties to the extent permitted by laws and regulations. 2. Pursuant to Article 427, paragraph (1) of the Companies Act, the Company may execute agreements with outside Audit & Supervisory Board Members to limit their liability for damages due to negligence of their duties; provided, however, that the limit of liability pursuant to such agreements shall be the amount specified in laws and regulations.	Article 41 (Exemption of Audit & Supervisory Board Members from Liability) 1. Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from their liability for damages arising from negligence of their duties to the extent permitted by laws and regulations. 2. Pursuant to Article 427, paragraph (1) of the Companies Act, the Company may execute agreements with outside Audit & Supervisory Board Members to limit their liability for damages due to negligence of their duties; provided, however, that the limit of liability pursuant to such agreements shall be the amount specified in laws and regulations.
Chapter 6 - Financial Auditor	Chapter 6 - Financial Auditor
Article 41 (Method of Appointment) A financial auditor shall be appointed at a General Meeting of Shareholders.	Article 42 (Method of Appointment) A financial auditor shall be appointed at a General Meeting of Shareholders.
Article 42 (Term of Office) The term of office of the financial auditor shall expire at the close of the ordinary General Meeting of Shareholders for the final year ending within one year of appointment. 2. Unless otherwise resolved at the ordinary General Meeting of Shareholders provided for in the preceding paragraph, the financial auditor shall be deemed to have been re-appointed at such ordinary General Meeting of Shareholders.	Article 43 (Term of Office) 1. The term of office of the financial auditor shall expire at the close of the ordinary General Meeting of Shareholders for the final year ending within one year of appointment. 2. Unless otherwise resolved at the ordinary General Meeting of Shareholders provided for in the preceding paragraph, the financial auditor shall be deemed to have been re-appointed at such ordinary General Meeting of Shareholders.
Chapter 7 - Accounts	Chapter 7 - Accounts
Article 43 (Business Year) The business year of the Company shall be from March 1 of each year until the last day of February of the following year.	Article 44 (Business Year) The business year of the Company shall be from March 1 of each year until the last day of February of the following year.
Article 44 (Year-end Dividends) The Company shall pay a dividend of surplus (hereinafter referred to as "Year-end Dividends") in cash to shareholders and registered pledgees of shares entered or recorded in the final shareholder register on the last day of February each year by a resolution of a General Meeting of Shareholders.	Article 45 (Dividends of Surplus, etc.) Unless otherwise provided for in laws and regulations, the Company may, by a resolution of the Board of Directors, determine dividends of surplus and other matters set forth in each item of Article 459, paragraph (1) of the Companies Act.
Article 45 (Interim Dividends) The Company may pay a dividend of surplus as set forth in Article 454, paragraph (5) of the Companies Act (hereinafter, "Interim Dividends") to shareholders and registered pledgees of shares entered or recorded in the final shareholder register on August 31 each year by a resolution of the Board of Directors.	(Deleted)
(Newly established)	Article 46 (Record Date for Dividends of Surplus) 1. The record date for the Company's Year-end Dividends shall be last day of February each year. 2. The record date for the Company's interim dividends shall be the last day of August each year.

Current Articles of Incorporation	Proposed amendments
	3. In addition to the preceding two paragraphs, the Company may determine record dates and pay dividends of surplus.
Article 46 (Period of Exclusion of Year-end Dividends) The Company shall be exempt from the obligation to pay Year-end Dividends when dividends have not been accepted after three years have elapsed from the date of commencing payment.	Article 47 (Period of Exclusion of Dividends) The Company shall be exempt from the delivery obligation when dividend property has not been accepted after three years have elapsed from the date of commencing delivery.

Proposal No. 2 Election of Four Directors

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

If this proposal is approved as originally proposed, outside Directors will consist half of the total number of Directors. However, at the Annual General Meeting of Shareholders scheduled to be held in May 2025, the Company plans to appoint outside Directors so that outside Directors will again consist the majority of Directors.

1. Candidates for Director

The candidates for Director are as follows:

Candidate no.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)		Number of the Company's shares owned
1 Re-appointed	Takumi Yamaguchi (January 12, 1974) Attendance at the Board of Directors 13 out of 13	Apr. 1996 Apr. 1997 Oct. 1999 Mar. 2006 June 2006 Jan. 2007 May 2009 June 2011 Oct. 2016 Jan. 2020 Mar. 2023 Dec. 2023	Joined Yamaichi Securities Company, Limited Joined Gulfnet Communication Co., Ltd. Joined Deloitte Tohmatsu Consulting Co., Ltd. (current ABeam Consulting Ltd.) Joined VECTOR INC. Director Director of the Company President and CEO (current position) Representative Director of Second News, Inc. Representative Director of Straight Press Network Co., Ltd. (currently merged with PR TIMES Corporation) Director of PR RESEARCH INC. (currently merged with PR TIMES Corporation) Outside Director of Goodpatch Inc. Director of glucose inc. (current position) Director of NAVICUS Co., Ltd. (current position)	808,173
[Reasons for nomination as candidate for Director and summary of expected roles] Since the Company's founding, Takumi Yamaguchi has participated in management as a Director, and since assuming the position of President and CEO in 2009, he has made significant contributions to the Company's growth as a corporate manager. Based on these achievements, the Company has determined that he is qualified for supporting the further growth and development of the Company in the future; thus, the Company has again nominated him as a candidate for Director.				
2 Re-appointed	Akihiro Mishima (March 26, 1980) Attendance at the Board of Directors 13 out of 13	Mar. 2005 Aug. 2007 Mar. 2015 May 2017 Oct. 2019 Dec. 2022 Sept. 2023	Joined VECTOR INC. Joined the Company Executive Officer, Head of Service Unit Director, Head of Corporate Planning Unit Director, Head of Corporate Administration Unit Director of THE BRIDGE, Inc. (current position) Director, Head of PR and HR Unit of the Company (current position)	116,970
[Reasons for nomination as candidate for Director and summary of expected roles] Akihiro Mishima has been involved in the service business since the Company's founding period, and has served as Head of Corporate Planning Unit and Head of Corporate Administration Unit after assuming the position of Director, and has experience in conducting a wide range of business operations at the Company and engaging in medium- to long-term management decision-making. Based on these achievements, the Company has determined that he is qualified as a Director for supporting the further growth and development of the Company in the future; thus, the Company has again nominated him as a candidate for Director.				

Candidate no.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)		Number of the Company's shares owned
3 Re-appointed Outside Independent	Keita Suzuki (July 8, 1981) Attendance at the Board of Directors 12 out of 13	Feb. 2000 Oct. 2015 Jan. 2016 Sept. 2016 May 2020	Joined URAWA RED DIAMONDS Representative Director of AuB, Inc. (current position) Left URAWA RED DIAMONDS and retired as professional soccer player Outside Director of RUNSYSTEM CO., LTD. Outside Director of the Company (current position)	–
[Reasons for nomination as candidate for outside Director and summary of expected roles] Keita Suzuki, a former professional soccer player, was promoted to Japan's national team (Representative A) and after his retirement as player, he founded biotech venture AuB, Inc. and currently manages the company as Representative Director. Since assuming the position of outside Director of the Company, he has been providing appropriate advice and supervision based on a wide range of experience and knowledge from an independent standpoint. Based on these achievements, as an independent outside Director, the Company decided that he can be expected to provide advice, etc. from an independent third-party point of view for decision-making by the Board of Directors, etc.; thus, the Company again has nominated him as a candidate for outside Director.				
4 Re-appointed Outside Independent	Hiroko Ozawa (December 15, 1961) Attendance at the Board of Directors 13 out of 13	Apr. 1985 Aug. 1991 Dec. 1997 Aug. 1999 July 2001 Sept. 2007 Oct. 2008 June 2015 Oct. 2015 Nov. 2018 June 2021 May 2022 May 2022 Mar. 2023 June 2023	Joined Sony Corporation (currently Sony Group Corporation) Personal Audio Product Manager of Sony (Deutschland) GmbH International Marketing Division of Sony Corporation (currently Sony Group Corporation) Event and Entertainment Promotion Department Transferred to Sony Pictures Entertainment (Japan) Inc. Transferred to AXN Co., Ltd. Director, Executive Vice President and General Manager Transferred to Mystery Channel, Inc. Director, Executive Vice President and General Manager (concurrent position) Outside Director of Animax Broadcast Japan Inc. (concurrent position) Transferred to STAR CHANNEL, INC. Representative Director and Executive Vice President Vice President of Sony Pictures Entertainment (Japan) Inc. Outside Director of Nojima Corporation Outside Director of the Company (current position) External Director of Cecile Co., Ltd. External Director of OUTSOURCING Inc. (current position) Outside Director of SUNCALL CORPORATION (current position)	100
[Reasons for nomination as candidate for outside Director and summary of expected roles] Hiroko Ozawa has management experience at entertainment companies of the Sony Group, experience in international business, a track record in diversity promotion activities at business organizations, and broad insight concerning marketing gained from her involvement in the operation of various businesses. Since assuming the position of outside Director of the Company, she has been providing appropriate advice and supervision based on a wide range of experience and knowledge from an independent standpoint. Based on these achievements, as an independent outside Director, the Company decided that she can be expected to provide advice, etc. from an independent third-party point of view for decision-making by the Board of Directors, etc.; thus, the Company again has nominated her as a candidate for outside Director.				

Notes:
1. There is no special interest between any of the candidates and the Company.
2. Keita Suzuki and Hiroko Ozawa are candidates for outside Director.
3. Keita Suzuki and Hiroko Ozawa are currently outside Directors of the Company, and their tenures as outside Directors will have been four years and two years, respectively, at the conclusion of this Meeting.
4. In accordance with Article 427, paragraph (1) of the Companies Act, the Company and candidates for outside Director Keita Suzuki and Hiroko Ozawa have each concluded an agreement to limit liability for damages under Article 423, paragraph (1) of the Companies Act, and if the re-election of each candidate is approved, the Company intends to renew said

agreements. The limit on liability for damages based on said agreements is the minimum amount stipulated in Article 425, paragraph (1) of the Companies Act.

5. The Company has reported that Keita Suzuki and Hiroko Ozawa are independent officers pursuant to the rules of the Tokyo Stock Exchange. If each candidate for Director is re-elected, the Company intends to continue to designate them as independent officers.
6. The Company shall conclude a directors and officers liability insurance agreement as prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company to compensate for damages such as damages and dispute costs incurred by the insured. If this proposal is approved as originally proposed and each candidate assumes office, each candidate will be included in the insured of the insurance agreement and the agreement will be renewed with the same details in the middle of their term of office. The outline of the contents of the agreement is given in “Matters concerning limited liability agreements for directors and officers, etc.” in the business report.

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

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

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

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

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

There are currently three Audit & Supervisory Board Members. If any one of them retires from office, the number of Audit & Supervisory Board Members will fall short of the number stipulated in laws and regulations. To prepare for such event, the Company therefore proposes the election of one substitute Audit & Supervisory Board Member in advance.

Furthermore, the submission of this proposal has been approved in advance by the Audit & Supervisory Board.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position in the Company (significant concurrent positions outside the Company)	
Kengo Hirabayashi (February 15, 1978)	Apr. 2003	Entered the Legal Training and Research Institute of Japan
	Oct. 2004	Registered as an attorney (Dai-Ichi Tokyo Bar Association)
	Oct. 2004	Joined Paul Hastings LLP
	Nov. 2009	Joined NAVER Japan Corporation
	June 2013	Joined City Lights Law Partner (current position)
	Mar. 2017	Joined SmartNews, Inc.
	Aug. 2017	Outside Director of ASOBIMO, Inc.
	Feb. 2019	Director of SlowNews, Inc.
	Aug. 2020	Outside Auditor of OpenWork Inc. (current position)
[Reasons for nomination as candidate for substitute outside Audit & Supervisory Board Member] Kengo Hirabayashi has legal knowledge accumulated as an attorney at law over many years, and he is familiar with the operations of corporate management from such experience as working at an operating company. Accordingly, the Company expects that he would be capable of reflecting such skills in the audit system of the Company.		

Notes:
1. There is no special interest between Kengo Hirabayashi and the Company.
2. Kengo Hirabayashi is a candidate for substitute outside Audit & Supervisory Board Member.
3. The Company shall conclude a directors and officers liability insurance agreement as prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company to compensate for damages such as damages and dispute costs incurred by the insured. If this proposal is approved as originally proposed and Kengo Hirabayashi assumes office as Audit & Supervisory Board Member, he will be included in the insured of the insurance agreement
4. In accordance with Article 427, paragraph (1) of the Companies Act, the Company shall conclude an agreement with Kengo Hirabayashi to limit his liability for damages under Article 423, paragraph (1) of the same Act. The limit on liability for damages based on said agreements is the minimum amount stipulated in Article 425, paragraph (1) of the Companies Act.
5. If Kengo Hirabayashi assumes office as an Audit & Supervisory Board Member, the Company intends to submit notification to the Tokyo Stock Exchange concerning his designation as an independent officer as provided for by the aforementioned exchange.
6. The total amount of standby allowance and Audit & Supervisory Board Member remuneration paid by the Company to Kengo Hirabayashi during his term as a substitute Audit & Supervisory Board Member shall be within the maximum amount of remuneration for Audit & Supervisory Board Members (¥20 million per year).

Proposal No. 4 Revision of Remuneration for Allotment of Restricted Share-Based Remuneration for Directors

The Company received approval for the current annual payment of restricted share-based remuneration to Directors for the purpose of sharing the benefits and risks of stock price fluctuations with shareholders by holding the Company's shares and motivating Directors to contribute to share price appreciation and improvement to corporate value (decided at the 16th Annual General Meeting of Shareholders held on May 26, 2021).
On this occasion, Company proposes to increase the amount of restricted share-based remuneration for the purpose of increasing the share of restricted share-based remuneration in the amount of remuneration for Directors, sharing the benefits and risks of stock price fluctuations with shareholders, enhancing motivation of each Director more than ever before to contribute to share price appreciation and improvement to corporate value, and sharing value with shareholders for as long as possible through the holding of restricted shares until Directors retire or resign. Accordingly, in light of changes in the Company's stock price and other circumstances, the Company proposes to change the maximum amount of remuneration for the granting of restricted share-based remuneration from no more than ¥20 million per year (of which, up to ¥4 million per year for outside Directors) to ¥120 million per year (of which, up to ¥24 million per year for outside Directors), and the total number of restricted shares to be allotted in each fiscal year from no more than 10,000 shares per year (of which, up to 2,000 shares per year for outside Directors) to 65,000 shares per year (of which, up to 13,000 shares per year for outside Directors).
The maximum amount of remuneration, the total number of the Company's common shares to be issued or disposed of, and other conditions for granting restricted-share remuneration to Directors based on this proposal have been determined in consideration of the above-mentioned purpose, the Company's business conditions, and various other circumstances, and accordingly this proposal is deemed reasonable.
This proposal envisions five Directors.
If Proposal 2 is approved as originally proposed, the number of Directors of the Company will be four (including two outside Directors). However, the Company plans to submit a proposal to elect five Directors (including three outside Directors) at the Annual General Meeting of Shareholders to be held in May 2025.
Except for the above revisions, there will be no change to the content of the initial proposal. The revised plan will be as follows. (Underlined parts indicate amendments.)

Specific Details and Maximum Number of Restricted Shares for the Company's Directors

1. Allotment and Payment of Restricted Shares
   The Company shall pay monetary remuneration claims to the Company's Directors of up to ¥120 million per year (of which, up to ¥24 million per year for outside Directors), as restricted-share based remuneration, based on a resolution of the Board of Directors. Each Director shall be allotted restricted shares by paying all of such monetary remuneration claims in the form of a contribution in kind.
   The paid-in amount for restricted shares will be determined by the Board of Directors, within a scope in which the amount is not particularly favorable to Directors who accept such restricted shares. Such amount will be based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution by the Board of Directors pertaining to the issue or disposal of such shares (or the closing price on the most recent trading day prior to that day if no transactions take place on that day).
   The above-stated monetary remuneration claims shall be paid on the condition that the Company's Directors have consented to the above-stated contribution in kind, and have concluded an agreement on the allotment of restricted shares that includes the details set forth in 3. below.

2. Total Number of Restricted Shares
   The total number of restricted shares to be allotted to the Company's Directors shall be 65,000 shares (of which, up to 13,000 shares to outside Directors), which is the maximum number of restricted shares for allotment each fiscal year.
   However, if a share split (including an allotment of common shares without contribution) or a share consolidation involving the Company's common shares is conducted after the date of the resolution for this proposal, or if the total number of restricted shares to be allotted in accordance with such situations needs to be adjusted, the total number of such restricted shares may be reasonably adjusted.

3. Details in the Agreement on the Allotment of Restricted Shares

In accordance with a resolution of the Board of Directors, agreements on the allotment of restricted shares to be concluded between the Company and Directors who will receive allotment of restricted shares when allotting restricted shares shall include the following details.

(1) Details of Transfer Restrictions

Directors who receive allotment of restricted shares may not transfer, pledge, grant security interests, gift during their lifetime, or bequeath, to any third party, or engage in any other act of disposal (hereinafter, "Transfer Restrictions") with regard to the restricted shares allotted to them (hereinafter, "Allotted Shares") during the period from the date of delivery of the restricted shares until the date on which they resign or retire from their position as either Directors, Executive Officers, or employees of the Company (hereinafter, "Transfer Restriction Period").

(2) Acquisition of Restricted Shares Without Contribution

If a Director who has received allotment of restricted shares resigns as a Director during the period on or after the date of commencement of the Transfer Restriction Period until the day before the date of the first ordinary General Meeting of Shareholders thereafter, the Company will automatically acquire the Allotted Shares without contribution, unless there are grounds deemed justifiable by the Board of Directors.

The Company shall also automatically acquire the Allotted Shares without contribution if there are any Allotted Shares for which Transfer Restrictions have not been lifted pursuant to the provisions of the grounds for lifting Transfer Restrictions in (3) below at the time when the Transfer Restriction Period in (1) above expires.

(3) Lifting of Transfer Restrictions

The Company shall lift Transfer Restrictions for all of the Allotted Shares upon the expiration of the Transfer Restriction Period, on the condition that the Director who has received allotment of restricted shares held the position of Director of the Company continuously from the date of commencement of the Transfer Restriction Period until the date of the first ordinary General Meeting of Shareholders thereafter.

However, if, due to grounds deemed justifiable by the Board of Directors, such Director resigns as a Director of the Company during the period on or after the date of commencement of the Transfer Restriction Period until the day before the date of the first ordinary General Meeting of Shareholders thereafter, the Company shall make reasonable adjustments, as necessary, to the number of Allotted Shares for which Transfer Restrictions will be lifted and the timing at which Transfer Restrictions will be lifted.

(4) Handling When Reorganizing, etc.

If, during the Transfer Restriction Period, proposals concerning a merger agreement in which the Company becomes the disappearing company, a share transfer agreement or a share transfer plan in which the Company becomes a wholly owned subsidiary, or any other proposal concerning reorganization, etc. is approved by the Company's General Meeting of Shareholders (or the Board of Directors, in cases where approval by a General Meeting of Shareholders is not required for such reorganization, etc.) (limited to when the effective date of such reorganization, etc. is prior to when the Transfer Restriction Period expires; hereinafter, "Time of Approval for Reorganization, etc.") and the Directors who received allotment of restricted shares will resign or retire from their position as either Directors, Executive Officers or employees in line with such reorganization, etc., the Company shall, by resolution of the Board of Directors, lift Transfer Restrictions prior to the effective date of such reorganization, etc., for the number of Allotted Shares that is reasonably determined based on the period from the date of commencement of the Transfer Restriction Period until the date of approval of such reorganization, etc.

At the Time of Approval for Reorganization, etc., the Company shall automatically acquire without contribution Allotted Shares for which Transfer Restrictions have not been lifted as of the business day immediately preceding the effective date of such reorganization, etc.

Access to the Venue for the General Meeting of Shareholders

1. Date and Time	Wednesday, May 29, 2024, at 10:00 a.m. (reception opens at 9:30 a.m.) (JST)
2. Venue	11-44, Akasaka 1-chome, Minato-ku, Tokyo 8F, Akasaka Intercity, PR Times Head Office
3. TEL	03-5770-7888
4. Nearest station	One minute walk from Tameike-sanno Station (Exit 14) on the Tokyo Metro Ginza Line or Namboku Line: