Note: This document has been translated from a part of 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.

Securities code: 4176
Date of sending by postal mail: November 8, 2024
Start date of measures for electronic provision: November 5, 2024

To our shareholders:

Ayumu Suzuki
Chief Executive Officer
coconala Inc.
Shibuya Infoss Tower 6F,
20-1 Sakuragaoka-cho, Shibuya-ku, Tokyo

Notice of the 13th Annual General Meeting of Shareholders

We are pleased to announce the 13th Annual General Meeting of Shareholders of coconala Inc. (the "Company"), which will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on each of the following websites. Please access either of the websites to view the information.

The Company's website:

https://coconala.co.jp/ir/ (in Japanese)

(From the above website, select "Stock Information MORE," and then "General Meeting of Shareholders.")

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

https://d.sokai.jp/4176/teiji/ (in Japanese)

Tokyo Stock Exchange (TSE) website (Listed Company Search):

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

(Access the TSE website by using the Internet address shown above, enter "coconala" in "Issue name (company name)" or the Company's securities code "4176" 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].")

Instead of attending the meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 7:00 p.m. on Tuesday, November 26, 2024 (JST).

[Exercise of voting rights via the Internet]

Please access the voting website designated by the Company (https://soukai.mizuho-tb.co.jp/ (in Japanese)), use the voting code and password displayed on the voting form sent with this Notice, and indicate your approval or disapproval to the proposals by following the instructions on the screen by the above exercise due date.

If you intend to exercise your voting rights via the Internet, please refer to "Exercise of Voting Rights via the Internet, etc." below.

[Exercise of voting rights by postal mail]

Please indicate your approval or disapproval of the proposals in the voting form and return the completed voting form so that your vote is received by the voting deadline indicated above.

1. Date and Time: Wednesday, November 27, 2024, at 11:00 a.m. (Doors open at 10:30 a.m.) (JST)

2. Venue: SHIBUYA SOLASTA CONFERENCE
SHIBUYA SOLASTA 4F, 1-21-1 Dogenzaka, Shibuya-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 13th fiscal year (from September 1, 2023 to August 31, 2024), and the audit reports of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 13th fiscal year (from September 1, 2023 to August 31, 2024)

Matters to be resolved:

Proposal No. 1: Election of Three Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Proposal No. 2: Election of Three Directors Who Are Audit and Supervisory Committee Members

Proposal No. 3: Determination of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Proposal No. 4: Reduction in the Amount of Legal Capital Surplus and Appropriation of Surplus

4. Matters Decided Upon Convocation (Information on Exercise of Voting Rights)

(1) If there is no indication of approval or disapproval of proposals on the voting form when voting rights are exercised in writing (by post), we will treat it as an indication of approval.

(2) If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective.

(3) If you exercise your voting rights in duplicate both via the Internet and in writing (by post), the vote exercised via the Internet shall prevail regardless of the date and time of arrival.

5. Other Matters Relating to this Notice

◎ For those attending the meeting on the day, please submit the voting form at the reception desk.

◎ If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on each of the aforementioned websites.

◎ Paper-based documents stating items subject to measures for electronic provision are sent to shareholders who have requested the delivery of paper-based documents, but those documents do not include the following matters in accordance with the provisions of laws and regulations and Article 15 of the Company's Articles of Incorporation.

(i) "Share Acquisition Rights," "Operational Status of System to Ensure the Properness of Operations," "Basic Policy on Control of Company" and "Policy on Decisions on Dividends and Other Appropriation of Surplus" included in the Business Report

(ii) "Consolidated Statements of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements

(iii) "Non-consolidated Statements of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

Accordingly, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements included in this document constitute part of the documents audited by the Financial Auditor and the Audit and Supervisory Committee in preparing their respective audit reports.

Information on Exercise of Voting Rights

Exercise of voting rights at the Company's General Meeting of Shareholders is shareholders' important right. Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders.
You may exercise your voting rights by one of the following three methods.

Exercise of voting rights by attending the Annual General Meeting of Shareholders

Please exercise your voting rights by submitting the voting form to the reception desk at the meeting.

Date and time: Wednesday, November 27, 2024, at 11:00 a.m. (Reception will open at 10:30 a.m.) (JST)

Exercise of voting rights via the Internet

Please indicate whether you approve or disapprove of each proposal following the instructions on the next page.

Deadline: To complete registering by no later than 7:00 p.m. on Tuesday, November 26, 2024

Exercise of voting rights by postal mail

Please indicate your approval or disapproval of the proposals on the voting form and return it to us.

Deadline: To arrive by no later than 7:00 p.m. on Tuesday, November 26, 2024 (JST)

How to Fill out the Voting Form

Please indicate whether you approve or disapprove of each proposal.

Proposals No. 1 and No. 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 candidate(s)>>	Circle "Approve" and write the number of the candidate(s) you wish to disapprove.

Proposals No. 3 and No. 4

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

- Please note that your online vote will prevail should you exercise your voting rights both via the Internet, etc. and in writing (by post). If you exercise your voting rights more than once via the Internet, etc., only the last vote shall be deemed effective.
- If there is no indication of approval or disapproval of proposals on the voting form when voting rights are exercised in writing (by post), we will treat it as an indication of approval.

Exercise of Voting Rights via the Internet, etc.

Scanning the QR Code "Smart Vote"

You can simply log in to the voting website without entering your voting code and password.

1. Please scan the QR Code printed on the lower right-hand side of the voting form.
   * "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.
2. Indicate your approval or disapproval by following the instructions on the screen.

Please note that exercising voting rights by using "Smart Vote" method is available **only once**.
If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering your voting code and password printed on the voting form, then exercise your voting rights again.
* You can access the website for personal computer by scanning the QR Code again.

Entering voting code and password

Voting website: https://soukai.mizuho-tb.co.jp/

1. Access the voting website.
2. Enter the voting code printed on the voting form.
3. Enter the password printed on the voting form.
4. Indicate your approval or disapproval by following the instructions on the screen.

In case you need instructions for how to operate your personal computer, smartphone or mobile phone in order to exercise your voting rights via the Internet, please contact:

Internet Help Dial, Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.
0120-768-524
(Business hours: 9:00 a.m.-9:00 p.m. (JST), excluding the New Year holidays)

Institutional investors may use the Electronic Voting Platform for institutional investors operated by ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Election of Three Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all three Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes the election of three Directors.

As for this proposal, the Audit and Supervisory Committee of the Company has judged that all the candidates for Director are eligible.

The candidates for Director are as follows:

Candidate No.	Name	Position	Responsibility	
1	Ayumu Suzuki	Representative Director and President	In charge of Marketplace Business Division, coconala Job Requests Department, Business Development Project Group, Ecosystem Common Infrastructure Department, Ecosystem Success Department, Design Department, Marketing Department, Business Development Office, Data Technology Office, Agent Business Division, Corporate Division, and CEO Office	Reelection
2	Akiyuki Minami	Director	–	Reelection
3	Masahide Koike	–	–	New election Outside Independent

Note: Current positions and responsibilities at the Company of the candidates for Director are current as of the time of the provision of this Notice.

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">[Career summary and position in the Company]</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">1
Reelection</td><td>Ayumu Suzuki
(September 3, 1982)

Number of years in office
7 years and 7 months

Attendance at Board of Directors meetings
26/26</td><td>Apr. 2006
Oct. 2012
Apr. 2015
May 2016
Sept. 2016
Mar. 2017
Sept. 2020
Jan. 2024
June 2024
Sept. 2024
[Significant concurrent positions outside the Company]
Representative Director and President of Mizuho coconala, Inc.
Representative Director of coconala tech Inc.</td><td>Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.)
Transferred to Recruit Marketing Partners Co., Ltd.
Seconded to Recruit Holdings Co., Ltd.
Joined the Company
Executive Officer
Director
Representative Director and President (current position)
Representative Director of Mizuho coconala, Inc. (current position)
Director of an consulting Inc. (currently coconala tech Inc.)
Representative Director of coconala tech Inc. (current position)</td><td>399,500 shares</td></tr>
<tr><td colspan="4">Reasons for nomination as candidate for Director
Ayumu Suzuki, as Representative Director and President, has been in command of management, and has contributed to the improvement of corporate value. Accordingly, the Company judges that he is qualified to continue carrying out management of the Company with his strong leadership, and proposes his election as a Director.</td></tr>
<tr><td rowspan="2">2
Reelection</td><td>Akiyuki Minami
(June 6, 1975)

Number of years in office
12 years and 10 months

Attendance at Board of Directors meetings
26/26</td><td>Apr. 1999
Jan. 2004
Jan. 2012

Sept. 2020
Jan. 2022
Nov. 2022
Nov. 2023
[Significant concurrent positions outside the Company]
Representative Director of coconala Skill Partners</td><td>Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
Joined Advantage Partners Inc.
Founded WelSelf Inc. (currently the Company)
Representative Director
Representative Director and Chairman of the Company
Founded coconala Skill Partners Representative Director (current position)
Director and Chairman of the Company
Director of the Company (current position)</td><td>2,190,000 shares</td></tr>
<tr><td colspan="4">Reasons for nomination as candidate for Director
Akiyuki Minami, as founder of the Company, has led management of the Company, and spearheaded the e-commerce industry in service. Accordingly, the Company judges that he is qualified to continue making decisions regarding important management matters, and proposes his election as a Director.</td></tr>
</table>

Candidate No.	Name (Date of birth)	[Career summary and position in the Company]		Number of the Company's shares owned
3 New election Outside Independ-ent	* Masahide Koike (July 6, 1975)	Apr. 1998	Joined Hagishima, Co., Ltd. (currently AiiA Corporation)	0 shares
		Apr. 2000	Joined LINC Media, Inc.	
		Oct. 2000	Joined platform4e.com, Inc.	
		Oct. 2001	Joined Cybro, Inc.	
		Apr. 2002	Joined CyberAgent, Inc.	
		Apr. 2011	Representative Director of AMoAd, Inc.	
		Oct. 2012	Director of CyberAgent, Inc.	
		Oct. 2013	Managing Director	
		Apr. 2016	Director of AbemaTV, Inc.	
		Oct. 2020	Senior Managing Executive Officer of CyberAgent, Inc.	
		Dec. 2021	**Representative Director of gratch scaling Inc. (current position)**	
		Jan. 2022	**Representative Director of BusenaProduct, Inc. (current position)**	
		Apr. 2022	Senior Managing Executive Officer and CSO of CyberAgent, Inc.	
		Jan. 2023	**Founded Healthcare Marketing & Technology, Inc. Representative Director (current position)**	
		[Significant concurrent positions outside the Company]		
		Representative Director of gratch scaling Inc.		
		Representative Director of BusenaProduct, Inc.		
		Representative Director of Healthcare Marketing & Technology, Inc.		
	Reasons for nomination as candidate for outside Director and overview of expected roles Masahide Koike, as Senior Managing Executive Officer of CyberAgent, Inc. and Director of AbemaTV, Inc., has been in charge of scaling media platform models, including Ameba and ABEMA, as well as games, public competitions, etc. Accordingly, the Company judges that he can play a sufficient role in supervision, etc., which is highly effective in the management of the Company based on the perspective of launching new businesses and management and proposes his election as a Director.			

Notes:
1. New candidate for Director is indicated by an asterisk (*).
2. There is no special interest between any of the candidates and the Company.
3. Masahide Koike is a candidate for outside Director.
4. Pursuant to Article 427, paragraph (1) of the Companies Act, the Company plans to enter into an agreement with Masahide Koike to limit his liability for damages under Article 423, paragraph (1) of the same Act. Pursuant to this agreement, the defined maximum amount of liability for damages is the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act. If Mr. Koike is elected, the Company plans to enter into the aforementioned agreement with him.
5. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses that may arise from the assumption of liability by any of the insureds (including the Company's Directors) incurred in the course of the performance of duties, or receipt of claims pertaining to the pursuit of such liability. (However, damages incurred through acts that are in violation of laws or regulations and carried out with the knowledge of their illegality are not covered.) If each candidate is elected and assumes the office as Director, each candidate will be an insured in the insurance policy. In addition, when the insurance policy is renewed, the Company plans to renew the insurance policy with the same terms.
6. The Company plans to submit notification to the Tokyo Stock Exchange that Masahide Koike has been designated as an independent officer as provided for by the aforementioned exchange.

Proposal No. 2: Election of Three Directors Who Are Audit and Supervisory Committee Members

The terms of office of all three Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes the election of three Directors who are Audit and Supervisory Committee Members.

The Audit and Supervisory Committee of the Company has given its consent to this proposal.

The candidates for Director who is an Audit and Supervisory Committee Member are as follows:

Candidate No.	Name	Position	Responsibility	
1	Kentaro Yadomi	Director (Audit and Supervisory Committee Member)	–	Reelection Outside Independent
2	Yuika Higo	Director (Audit and Supervisory Committee Member)	–	Reelection Outside Independent
3	Kenichi Imamura	–	–	New election Outside Independent

Note: Current positions and responsibilities at the Company of the candidates for Director who are Audit and Supervisory Committee Members are current as of the time of the provision of this Notice.

Candidate No.	Name (Date of birth)	[Career summary and position in the Company]		Number of the Company's shares owned
1 Reelection Outside Independ-ent	Kentaro Yadomi (April 13, 1977) Number of years in office 7 years and 7 months Attendance at Board of Directors meetings 26/26	Dec. 2004	Joined KPMG AZSA & Co. (currently KPMG AZSA LLC)	6,000 shares
		Mar. 2017	Full-time Outside Audit & Supervisory Board Member of the Company	
		Jan. 2022	**Audit & Supervisory Board Member of coconala Skill Partners (current position)**	
		Nov. 2022	**Outside Director (Audit and Supervisory Committee Member) of the Company (current position)**	
		Feb. 2023	**Partner of Minami-Fuji Audit LLC (current position)**	
		Mar. 2023	**Outside Director (Audit and Supervisory Committee Member) of Glocalist Co., Ltd. (current position)**	
		July 2023	**Audit & Supervisory Board Member of Carry On inc. (current position)**	
		Sept. 2023	Audit & Supervisory Board Member of coconala Agent Inc.	
		Sept. 2023	Audit & Supervisory Board Member of Legal Connect Inc.	
		Jan. 2024	**Audit & Supervisory Board Member of Mizuho coconala, Inc. (current position)**	
		June 2024	**Audit & Supervisory Board Member of an consulting Inc. (currently coconala tech Inc.) (current position)**	
		[Significant concurrent positions outside the Company] Audit & Supervisory Board Member of coconala Skill Partners Audit & Supervisory Board Member of Mizuho coconala, Inc. Audit & Supervisory Board Member of coconala tech Inc. Partner of Minami-Fuji Audit LLC Outside Director (Audit and Supervisory Committee Member) of Glocalist Co., Ltd. Audit & Supervisory Board Member of Carry On inc.		
	Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member and overview of expected roles Kentaro Yadomi, as a certified public accountant, has a wealth of experience and a wide range of knowledge on finance and accounting. Accordingly, the Company judges that he can be expected to play a sufficient role in supervision, etc., which is highly effective for the management of the Company from an independent and objective standpoint, and proposes his election as an outside Director who is an Audit and Supervisory Committee Member.			

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">[Career summary and position in the Company]</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">2

Reelection
Outside
Independ-ent</td><td>Yuika Higo
(August 21, 1979)

Number of years in office
9 years and 2 months

Attendance at Board of Directors meetings
26/26</td><td colspan="2">Mar. 2004 Joined Recruit Co., Ltd.
Nov. 2011 Founded Inclusion Japan Inc. Representative Director (current position)
June 2013 Retired from Recruit Marketing Partners Co., Ltd. (Spun off from Recruit Co., Ltd.)
Aug. 2015 Outside Audit & Supervisory Board Member of the Company
Apr. 2018 J-Startup recommendation committee member of the Ministry of Economy, Trade and Industry (current position)
Aug. 2021 Invited Associate Professor of ESG Integration Research and Education Center, Osaka School of International Public Policy (part-time) (current position)
June 2022 Outside Director of Flier Inc. (current position)
Nov. 2022 Outside Director (Audit and Supervisory Committee Member) of the Company (current position)
Aug. 2023 Outside director of OVGO Co., Ltd.
Jan. 2024 Chairman of Japan Venture Capital Association (current position)
[Significant concurrent positions outside the Company]
Representative Director of Inclusion Japan Inc.
Outside Director of Flier Inc.
Invited Associate Professor of ESG Integration Research and Education Center, Osaka School of International Public Policy
Chairman of Japan Venture Capital Association</td><td>0 shares</td></tr>
<tr><td colspan="4">Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member and overview of expected roles
Yuika Higo is the manager of a company whose business is the incubation business and has a wealth of experience in management. Accordingly, the Company judges that she can be expected to play a sufficient role in supervision, etc., which is highly effective for the management of the Company from an independent and objective standpoint, and proposes her election as an outside Director who is an Audit and Supervisory Committee Member.</td></tr>
</table>

Candidate No.	Name (Date of birth)	[Career summary and position in the Company]	Number of the Company's shares owned
3 New election Outside Independent	* Kenichi Imamura (February 1, 1976)	Apr. 1999 Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.) Apr. 2012 General Manager of Corporate Planning Office and General Manager of Human Resources Management Office Apr. 2021 Joined Z HOLDINGS CO., LTD (currently LY Corporation) Executive Officer and General Manager of Human Resources Management Department **Oct. 2023 Joined ispace, inc.** **Chief People Officer (current position)** **[Significant concurrent positions outside the Company]** Chief People Officer of ispace, inc.	0 shares
	Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member and overview of expected roles Kenichi Imamura has been involved in general human resources management at Recruit, focusing on system design, as well as management of Holdings and promotion of overseas business, and subsequently served as Executive Officer in charge of human resources at Z HOLDINGS and CPO at ispace. Accordingly, the Company judges that he can be expected to play a sufficient role in supervision, etc., which is highly effective for the management of the Company utilizing his expertise in the fields of human resources and corporate planning, and proposes his election as an outside Director who is an Audit and Supervisory Committee Member.		

Notes:
1. New candidate for Director who is an Audit and Supervisory Committee Member is indicated by an asterisk (*).
2. There is no special interest between any of the candidates and the Company.
3. Kentaro Yadomi, Yuika Higo and Kenichi Imamura are candidates for outside Director.
4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Kentaro Yadomi and Yuika Higo to limit their liability for damages under Article 423, paragraph (1) of the same Act. Pursuant to this agreement, the defined maximum amount of liability for damages is the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act. If each candidate is elected, the Company plans to renew the aforementioned agreement with Kentaro Yadomi and Yuika Higo and to enter into the aforementioned agreement with Kenichi Imamura.
5. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses that may arise from the assumption of liability by any of the insureds (including the Company's Directors) incurred in the course of the performance of duties, or receipt of claims pertaining to the pursuit of such liability. (However, damages incurred through acts that are in violation of laws or regulations and carried out with the knowledge of their illegality are not covered.) If each candidate is elected and assumes the office as Director who is an Audit and Supervisory Committee Member, each candidate will be an insured in the insurance policy. In addition, when the insurance policy is renewed, the Company plans to renew the insurance policy with the same terms.
6. If Kenichi Imamura is elected, the Company plans to submit notification to the Tokyo Stock Exchange that he has been designated as an independent officer as provided for by the aforementioned exchange. Furthermore, Kentaro Yadomi and Yuika Higo satisfy the requirements for independent officers as provided for by the Tokyo Stock Exchange, and if they are elected, the Company plans to submit notification to the aforementioned exchange concerning their designation as independent officers.

Proposal No. 3: Determination of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The maximum total amount of remuneration, etc. for the Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company was approved at the Annual General Meeting of Shareholders held on November 29, 2022 to be 70,000 thousand yen or less per annum as monetary remuneration (5,000 thousand yen or less per annum for outside Directors).

The Company proposes that the maximum total amount of remuneration of the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) be 80,000 thousand yen or less per annum as monetary remuneration (5,000 thousand yen or less per annum for outside Directors).

The amount of remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members) shall not include the employee portion of salaries for the Directors concurrently serving as employees. In addition, the remuneration, etc. for Directors (excluding outside Directors and Directors who are Audit and Supervisory Committee Members) of the Company shall consist of basic remuneration at a fixed amount based on this proposal and the restricted share-based remuneration approved at the Annual General Meeting of Shareholders held on November 29, 2022. The Board of Directors has judged that the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) based on this proposal is appropriate, being in line with the "Policy on Determination of the Contents of Officers' Remuneration, etc." (see the next page) resolved by the Board of Directors, as well as the scale of the Company's business, the level of payment of remuneration for officers, and the duties of Directors (excluding Directors who are Audit and Supervisory Committee Members).

(Reference) Policy on Determination of the Contents of Officers' Remuneration, etc.

At the Board of Directors meeting held on August 12, 2022, the Company resolved the policy on the determination of the contents of remuneration, etc. for individual Directors as follows.

1. Basic policy

   The Company's basic policy for determining remuneration for individual Directors is to set it at appropriate levels for their responsibilities under a system linked to shareholders' interests so that the remuneration serves as a sufficient incentive for the Directors to continuously improve the Company's corporate value. Specifically, remuneration for Directors shall consist of basic remuneration as fixed remuneration and non-monetary remuneration, etc. (restricted shares).

2. Policy on the determination of the amount of remuneration, etc. of basic remuneration (monetary remuneration) for individual Directors (including policy for determining the timing or conditions for granting remuneration, etc.)

   Basic remuneration for Directors of the Company shall be monthly fixed remuneration within the scope of total remuneration amounts that have been approved at the General Meeting of Shareholders, and shall be determined according to their position, responsibility and number of years in office after comprehensively taking into account various factors while also giving consideration to other companies' remuneration levels, the Company's operating results and the level of employee salaries.

3. Policy on the determination of the contents of non-monetary remuneration, etc. and the calculation method of the amount or number thereof (including policy for determining the timing or conditions for granting remuneration, etc.)

   Separate from basic remuneration and in consideration of the operating results for each fiscal year and other factors, non-monetary remuneration, etc. of common shares, consisting of a total quantity of 80 thousand shares or less and an amount of 20,000 thousand yen or less per annum, shall be paid based on the restricted share-based remuneration plan to Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) in accordance with a resolution of the Annual General Meeting of Shareholders held on November 29, 2022. The payment shall be considered and determined at a Board of Directors meeting held in the period from the end of each fiscal year to within approximately two months after the Annual General Meeting of Shareholders concerning that fiscal year.

4. Policy on the determination of the ratio of the amount of monetary remuneration, the amount of performance-linked remuneration, etc. or the amount of non-monetary remuneration, etc. to the amount of remuneration, etc. for individual Directors

   For the policy on the determination of the payment ratio for the amount of monetary remuneration and the amount of non-monetary remuneration, etc. to the remuneration, etc. for individual Directors, the determined payment ratio shall be the most appropriate, according to the position, role, etc. of Directors, for contributing to continuously improving the Company's corporate value. In addition, the Company shall not pay performance-linked remuneration, etc.

5. Matters related to the determination of the contents of remuneration, etc. for individual Directors

   The Company's policy is to determine remuneration, etc. for individual Directors by resolution of the Board of Directors following formulation of the remuneration-related proposal by the voluntary Nomination and Remuneration Committee and consultations with the said committee.

   A majority of the members of the voluntary Nomination and Remuneration Committee shall be independent outside Directors.

Proposal No. 4: Reduction in the Amount of Legal Capital Surplus and Appropriation of Surplus

1. Reasons for the proposal

The Company recorded a deficit of 1,381,828,720 yen in retained earnings brought forward for the fiscal year ended August 31, 2024. To cover the deficit, the Company proposes to reduce the amount of legal capital surplus, aiming to restore the sound financial position of the Company.

Specifically, the Company proposes to reduce the amount of legal capital surplus in accordance with the provisions of Article 448, paragraph (1) of the Companies Act, transfer the amount of that reduction to other capital surplus, and then transfer a portion of the increased other capital surplus to retained earnings brought forward in accordance with the provisions of Article 452 of the Companies Act.

Note that this proposal is solely for the reduction in the amount of legal capital surplus without changing the total number of issued shares. Accordingly, this proposal will not affect the number of shares held by individual shareholders. In addition, as the reduction in the amount of legal capital surplus involves a transfer between the account items under net assets in the balance sheets, there will be no change in net assets per share since there will be no change in the amount of net assets of the Company.

2. Matters relating to reduction in the amount of legal capital surplus

(1)	The amount of legal capital surplus as of August 31, 2024	2,054,957,450 yen
(2)	The amount of reduction in legal capital surplus	2,054,957,450 yen
(3)	Item of surplus to be increased and amount of increase	
	Other capital surplus	2,054,957,450 yen
(4)	The amount of legal capital surplus after the reduction	0 yen

3. Matters relating to appropriation of surplus

In accordance with the provisions of Article 452 of the Companies Act and on the condition that the reduction in the amount of legal capital surplus described in 2. above takes effect, 1,381,828,720 yen of the other capital surplus that resulted from the decrease in the amount of legal capital surplus will be transferred to retained earnings brought forward and used to cover the deficit.

(1)	The amount of reduction in capital surplus	1,381,828,720 yen
(2)	Item of surplus to be increased and amount of increase	
	Retained earnings brought forward	1,381,828,720 yen
(3)	The amount of surplus after the appropriation	
	Other capital surplus	1,008,039,602 yen
	Retained earnings brought forward	0 yen

4. Effective date of reduction in the amount of legal capital surplus

January 10, 2025 (planned)