May 29, 2025

Company name:	Net Protections Holdings, Inc.
Representative:	Shin Shibata, President and Representative Director
(Security code:	7383 the Prime Market of TSE)
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Notice Regarding Revision of Compensation Plan for Directors

Net Protections Holdings, Inc. (the "Company" or "we") hereby announces that, at the Board of Directors meeting held today, the Company has resolved to revise the compensation plan for Company's Directors ("Compensation Plan Revision") and to submit a proposal regarding the revisions to the 7th Ordinary General Meeting of Shareholders scheduled to be held on June 27, 2025 ("General Meeting of Shareholders").

1. Purpose and Conditions of the Compensation Plan Revision

The Compensation Plan Revision aims to increase the basic compensation for the Company's Directors (excluding Directors who are Audit and Supervisory Committee members) in light of changes in the social environment surrounding and responsibilities of the Company, and to provide higher incentives for Company's Directors to achieve sustainable improvement in corporate value, as well as to promote further sharing of value with the Company's shareholders by revising the restricted stock-based compensation plan ("Restricted Stock Plan"), etc. In addition, to clarify the linkage between Directors' compensation and company performance and the value of Company shares, we will introduce a new post-delivery performance-based share compensation plan ("Performance-Based Share Compensation Plan") for Company's Directors (excluding Directors who are Audit and Supervisory Committee members and Outside Directors).

The Compensation Plan Revision is subject to approval of the proposal on Directors' compensation by the Company's shareholders at the General Meeting of Shareholders.

2. Overview of the Compensation Plan for Directors After the Compensation Plan Revision

(1) Basic Compensation for the Company's Directors (excluding Directors who are Audit and Supervisory Committee members)

The amount of compensation for the Company's Directors (excluding Directors who are Audit and Supervisory Committee members; hereinafter the same in this section (1)), which was to be within 200 million yen per year, was approved at the First Ordinary General Meeting of Shareholders held on June 21, 2019. Based on the purpose of the Compensation Plan Revision, the amount of monetary compensation payable to the Company's Directors will be within 300 million yen per year (of which 50 million yen is for Outside Directors).

(2) Content of the Performance-Based Share Compensation Plan

In the Performance-Based Share Compensation Plan, we will set performance targets and establish the number of shares to be granted based on the positions of the eligible Directors, for a period of three or more business years (for those who become eligible Directors during this period, one or more business years), as determined by the Company's Board of Directors ("Performance Evaluation Period"). If the conditions (including performance targets) are met, after the end of the Performance Evaluation Period we will grant shares of the Company to each eligible Director and pay part of the compensation in cash. The performance targets related to the granting of shares or payment of cash will be indicators, primarily relating to the market price of Company shares (such as TSR), indicators demonstrating the sales situation (such as GMV), indicators demonstrating the profit situation (such as pre-tax net profits), and other indicators determined by the Company's Board of Directors. The issuance or disposal of shares based on the Performance-Based Share Compensation Plan will be carried out either (i) without requiring the payment of money or the provision of property contributed in kind, or (ii) by granting monetary compensation claims, to be calculated by multiplying the number of shares to be granted to the eligible Directors by the payment amount per share, and the eligible Directors making a contribution in kind via these monetary compensation claims. The total number of ordinary shares issued or disposed of by the Company based on the Performance-Based Share Compensation Plan will be within 500,000 shares per year. The total amount of money paid based on the Performance-Based Share Compensation Plan will be

within 200 million yen per year. However, if the total number of issued shares of the Company increases or decreases due to a share consolidation or share split (including allotment of shares without contribution), the upper limit will be adjusted according to relevant percentages. Compensation based on the Performance-Based Share Compensation Plan will be separate from other compensation.

(3) Revision of the Restricted Stock Plan

The Restricted Stock Plan was approved at the 4th Ordinary General Meeting of Shareholders held on June 29, 2022, to be within 12 million yen per year for monetary compensation claims related to shares with restrictions on transfer for the Company's Directors (excluding Directors who are Audit and Supervisory Committee members and Outside Directors), and the total number of ordinary shares issued or disposed of by the Company based on the Restricted Stock Plan will be within 24,000 shares per year. The transfer restriction period ("Restriction Period") for the Restricted Stock Plan will be until the day the eligible Directors lose their position as Directors of the Company (excluding Directors who are Audit and Supervisory Committee members) or other positions, as determined by the Company's Board of Directors. When granting shares, we will issue or dispose of shares by granting monetary compensation claims and making a contribution in kind via these claims.

The Compensation Plan Revision will revise the existing Restricted Stock Plan as follows:

(i) For the same purpose as described with regard to the Company's Directors (excluding Directors who are Audit and Supervisory Committee members), Directors who are Audit and Supervisory Committee members and Outside Directors also will be eligible Directors.

(ii) Increase the compensation limit for the existing Restricted Stock Plan. Specifically, based on this proposal, the total number of ordinary shares issued or disposed of by the Company for Directors (excluding Directors who are Audit and Supervisory Committee members) will be within 90,000 shares per year (of which 15,000 shares are for Outside Directors), and the amount will be within 30 million yen per year (of which 5 million yen is for Outside Directors). For Directors who are Audit and Supervisory Committee members, the total number of shares will be within 15,000 shares per year, and the amount will be within 5 million yen per year. However, if the total number of issued shares of the Company increases or decreases due to a share consolidation or share split (including allotment of shares without contribution), the upper limit will be adjusted according to the relevant percentages.

(iii) The Restriction Period will be three or more years, as determined by the Company's Board of Directors.

(iv) The issuance or disposal of shares will be carried out either (i) without requiring the payment of money or the provision of property contributed in kind, or (ii) by granting monetary compensation claims calculated by multiplying the number of shares to be granted to the target Directors by the payment amount per share, and the eligible Directors making a contribution in kind via these monetary compensation claims. The compensation based on the new Restricted Stock Plan will be separate from other compensation.