To Our Shareholders

We would like to thank you for your continued support.

During the fiscal year ended March 31, 2025, we continued initiatives aimed at medium- to long-term growth, and in addition to the data center and cloud services business and commissioned calculation services business maintaining strong results, system development services for the financial, manufacturing, space- and defense-related industries also grew, and net sales increased from the previous fiscal year. However, due to rising licensing costs, amortization burdens, and personnel costs, operating profit and ordinary profit both declined, but due to a gain on sale of investment securities, profit increased from the previous fiscal year.

With regard to dividends, we propose a year-end dividend of 28 yen per share. Along with the interim dividend already paid, this will bring the total dividend for the full fiscal year to 56 yen per share, an increase of 2 yen over the previous fiscal year and the 13th consecutive year the dividend has increased.

Furthermore, we have launched a new Medium-term Management Plan starting from the fiscal year ending March 31, 2026. The founder of our company, the late Noriyoshi Ikeda, paved the way for our future based on the slogan “Up Stage, Up Player,” and in order to once again inherit our founder’s ideas and demonstrate our determination to achieve sustained growth, we have decided to name our new Medium-term Management Plan “Up Stage 2027.” We will continue our efforts to solve social issues and further enhance our corporate value.

We would like to ask our shareholders for their continuing further understanding and support.

Tomomichi Saeki

Representative Director and Executive President

Corporate Philosophy

To create new systems and values using information technology and contribute to the realization of a prosperous, happy society.

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: 9600
June 9, 2025
Start date of measures for electronic provision: June 4, 2025

Tomomichi Saeki,
Representative Director and Executive President
I-NET Corp.
5-1-2 Minatomirai, Nishi-Ku, Yokohama

Notice of the 54th Annual General Meeting of Shareholders

We are pleased to announce the 54th Annual General Meeting of Shareholders of I-NET Corp. (the "Company"), which will be held 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. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the following websites. Please access one of these websites by using the internet address shown below to review the information.

The Company's website:
https://www.inet.co.jp/english/ir/event/shareholders-meeting.html

Tokyo Stock Exchange website (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show (in Japanese)

On the Tokyo Stock Exchange website, search using "I-NET" in "Issue name (company name)" or the Company's securities code "9600" in "Code," click "Basic information," and select "Documents for public inspection/PR information."

If you are unable to attend the meeting in person, you may exercise your voting rights in writing, or via the internet, etc. Please review the Reference Documents for the General Meeting of Shareholders, then use either the voting form or the website for exercising voting rights designated by the Company (https://evote.tr.mufg.jp/) (in Japanese only) to indicate your approval or disapproval of the proposals and, if using the former, return the form to us by postal mail. In either case, your vote should reach us by 5:30 p.m. on Tuesday, June 24, 2025 (JST).

1. **Date and Time:** Wednesday, June 25, 2025, at 10:00 a.m. (JST) (Reception opens at 9:30 a.m.)

2. **Venue:** Queen's Grand Ballroom, B2F, The Yokohama Bay Hotel Tokyu
2-3-7 Minatomirai, Nishi-Ku, Yokohama

3. **Purpose of the Meeting:**

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 54th fiscal year (April 1, 2024 to March 31, 2025) as well as the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. Non-consolidated Financial Statements for the 54th fiscal year (April 1, 2024 to March 31, 2025)

Matters to be resolved:

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Proposal No. 3: Election of One Director Who Is an Audit and Supervisory Committee Member

4. **Guide to Exercising Voting Rights (in Japanese only)**

Please refer to the "Guide to Exercising Voting Rights" on page 4 of the Japanese version of the convocation notice.

5. **Arrangements in Convening the Meeting**

(1) Treatment of duplicate voting

In cases where the exercise of voting rights has been duplicated in writing and via the internet, etc., the vote exercised via the internet, etc. shall prevail, irrespective of the date and time they were received.

In cases where voting rights have been exercised multiple times via the internet, etc., the latest vote shall prevail.

(2) Treatment of voting forms with no indication of approval or disapproval

If you submit a voting form without indicating your approval or disapproval with respect to each proposal, it will be deemed as an approval.

(3) Instructions on exercise of voting rights via the internet, etc. (in Japanese only)

Please review the "Guidance on Exercising Voting Rights via the Internet, etc." on page 5 of the Japanese version of the convocation notice, then use the website for exercising voting rights designated by the Company (https://evote.tr.mufg.jp/) (in Japanese only) to exercise your voting rights by 5:30 p.m. on Tuesday, June 24, 2025 (JST).

- When you attend the meeting in person, please submit the voting form to the receptionist at the venue. In addition, please bring this notice with you to conserve resources.
- Among items for which measures for providing information in electronic format are to be taken, the following items are not provided in the documents delivered to shareholders who have requested the delivery of paper-based documents as provided for by the provisions of laws and regulations, and the Articles of Incorporation of the Company. The Auditors and the Audit and Supervisory Committee audit documents that include these matters.
  1. Notes to Consolidated Financial Statements (in Japanese only)
  2. Notes to Non-consolidated Financial Statements (in Japanese only)
- 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 the Company's website and the TSE website.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Year-end dividends

The Company has given consideration to matters including the business performance of the fiscal year under review and future business development, and it proposes to pay year-end dividends for the 54th fiscal year as follows:

Type of dividend property

Cash

Allotment of dividend property and their aggregate amount

¥28 per common share of the Company

Total dividends: ¥427,213,416

Effective date of dividends of surplus

June 26, 2025

Proposal No. 2: Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all eight Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this General Meeting of Shareholders.

Thus, the Company proposes that eight Directors be elected.

The nominations of the candidates for Director have been deliberated on by the Nominating and Compensation Committee, a majority of whose members are outside Directors, in order to further raise transparency, fairness and objectivity.

In addition, the Audit and Supervisory Committee of the Company has judged that all of the candidates for Director in this proposal are qualified.

The candidates for Director are as follows:

Candidate No.	Name	Gender	Position and responsibilities in the Company	
1	Tomomichi Saeki	Male	Representative Director and Executive President	Reelection
2	Naokatsu Uchida	Male	Representative Director and Senior Managing Executive Officer Executive Operational Officer and Head of Sensing Business Department	Reelection
3	Katsuyuki Imai	Male	Director and Managing Executive Officer Executive Administrative Officer and Head of Social Innovations Department	Reelection
4	Shinichi Koyama	Male	Director and Executive Officer Head of Digital Transformation Department	Reelection
5	Hidenao Negishi	Male	Director and Executive Officer Head of Information Managed Services Department	Reelection
6	Hiromi Kitagawa	Female	Outside Director	Reelection Outside Independent
7	Masao Kurokawa	Male	Outside Director	Reelection Outside Independent
8	Noriko Suzuki	Female	Outside Director (Audit and Supervisory Committee Member)	New election Outside Independent

Reelection: Candidate for Director to be reelected
New election: Candidate for Director to be newly elected
Outside: Candidate for outside Director
Independent: Independent officer as defined by the securities exchange

Candidate No.	Name (Date of birth)	[Career summary, and position and responsibility in the Company]		Number of the Company's shares owned
1	 Tomomichi Saeki (December 2, 1962) Reelection Attendance at Board of Directors meetings 16/16	Apr. 1984	Joined Fuji Consult Co, Ltd. (currently I-NET Corp.)	54,640
		Apr. 2007	Division Manager of MS Division of the Company	
		June 2008	Executive Officer and Division Manager of MS Division of the Company	
		June 2010	Director and Division Manager of Mailing Services Division of the Company	
		June 2013	President and Representative Director of I-NET DATA SERVICE CORP.	
		June 2015	Managing Director, Head of Totsuka Department, and Division Manager of Mailing Services Division of the Company Chairman of the Board of I-NET DATA SERVICE CORP.	
		Apr. 2016	Managing Director, Head of Data Center Department, Division Manager of Mailing Services Division, and Director in charge of IT Managed Services Division of the Company	
		Apr. 2018	Managing Director, Head of Data Center Department, and Director in charge of IT Managed Services Division of the Company	
		June 2019	Director and Managing Executive Officer, Head of Service Stations Department, Head of Data Center Department, and Director in charge of IT Managed Services Division of the Company	
		Apr. 2020	Director and Managing Executive Officer, Head of Service Stations Department, Head of Data Center Department, and Head of IT Managed Services Department of the Company	
		Apr. 2021	Director and Managing Executive Officer, Head of Service Stations Department, Head of Data Center Department, Head of IT Managed Services Department, and Director in charge of Mailing Services Division of the Company	
		Apr. 2022	Director and Managing Executive Officer, Executive Operational Officer and Head of IT Managed Services Department of the Company	
		June 2022	Director and Senior Managing Executive Officer, Executive Operational Officer and Head of IT Managed Services Department of the Company	
		Oct. 2022	Director and Senior Managing Executive Officer, Executive Operational Officer and Head of Data Center Department of the Company	
		Apr. 2023	Director and Senior Managing Executive Officer of the Company	
		June 2023	Representative Director and Executive President of the Company (current position)	
		June 2024	Head Director of The Inet Foundation (current position)	

Candidate No.	Name (Date of birth)	[Career summary, and position and responsibility in the Company]	Number of the Company's shares owned
		[Significant concurrent positions outside the Company] Head Director of The Inet Foundation	
		Reasons for nomination as a candidate for Director Since joining the Company, Mr. Saeki has amassed a strong sales record and is constantly enhancing the Company's competitive capabilities. He has been contributing to the business expansion of the Company through not only his perspective as a corporate manager but also his planning capability based on his experience amassed through sales and meticulous understanding of the Company's services, along with his strong leadership capabilities. Accordingly, the Company again nominates him as a candidate for Director.	

Candidate No.	Name (Date of birth)	[Career summary, and position and responsibility in the Company]	Number of the Company's shares owned
2	 Naokatsu Uchida (May 12, 1961) Reelection Attendance at Board of Directors meetings 16/16	May 2011 General Manager of Totsuka Branch of The Bank of Yokohama, Ltd. Apr. 2014 Joined the Company General Manager of Accounting Division, Finance Department June 2014 Executive Officer, and General Manager of Accounting Division, Finance Department of the Company Apr. 2015 Executive Officer and Deputy Executive Administrative Officer of the Company June 2015 Director and Deputy Executive Administrative Officer of the Company Apr. 2016 Director and Executive Administrative Officer of the Company June 2016 Director of I-NET DATA SERVICE CORP. Apr. 2017 Director, Executive Administrative Officer, and Senior Manager of Finance Division of the Company Apr. 2018 Director and Executive Administrative Officer of the Company June 2018 Managing Director and Executive Administrative Officer of the Company June 2019 Director and Managing Executive Officer; Executive Administrative Officer, and Head of Finance Department of the Company Apr. 2020 Director and Managing Executive Officer, and Head of Finance Department of the Company June 2021 Auditor of IST-Software Co.,Ltd. Apr. 2023 Director and Managing Executive Officer, and Executive Operational Officer of the Company June 2023 Representative Director and Senior Managing Executive Officer, Executive Operational Officer of the Company Apr. 2025 Representative Director and Senior Managing Executive Officer, Executive Operational Officer and Head of Sensing Business Department of the Company (current position) [Significant concurrent positions outside the Company] —	30,150
		Reasons for nomination as a candidate for Director Having displayed strong leadership capabilities, Mr. Uchida has been contributing to sound business management of the Company from a broad perspective, foremost of which is corporate management, but also including finance and internal control. He possesses extensive operational knowledge and experience, and has been performing his duties competently. Accordingly the Company has again nominated him as a candidate for Director with the expectation that he will greatly contribute to enhancing the corporate value of the Company.	

Candidate No.	Name (Date of birth)	[Career summary, and position and responsibility in the Company]	Number of the Company's shares owned
3	 Katsuyuki Imai (February 26, 1963) Reelection Attendance at Board of Directors meetings 16/16	Nov. 2013 Senior Examiner of Onsite Instruction Office, Credit Department of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.) Jan. 2018 Joined the Company Senior Manager of General Affairs Division Apr. 2018 Executive Officer, General Manager of General Affairs Division, and Head of Legal and Compliance Office of the Company Oct. 2018 Executive Officer, General Manager of General Affairs Division, and Head of Risk Management of the Company June 2019 Executive Officer, Head of General Affairs and Personnel Department, General Manager of General Affairs Division, and Head of Risk Management of the Company June 2020 Director and Executive Officer, Head of General Affairs and Personnel Department, General Manager of General Affairs Division, and Head of Risk Management of the Company Apr. 2021 Director and Executive Officer and Head of General Affairs and Personnel Department of the Company Apr. 2023 Director and Executive Officer; Executive Administrative Officer, and Head of Social Innovations Department of the Company June 2023 Director and Managing Executive Officer; Executive Administrative Officer, and Head of Social Innovations Department of the Company (current position) June 2024 Auditor of IST-Software Co.,Ltd. (current position) Director of The Inet Foundation (current position) [Significant concurrent positions outside the Company] Auditor of IST-Software Co.,Ltd. Director of The Inet Foundation	17,000
		Reasons for nomination as a candidate for Director Mr. Imai originally worked at a financial institution, and he possesses the extensive knowledge and experience required to expand new business fields, including those overseas. In addition, since joining the Company, he has been making sincere and appropriate responses to strengthen the business management systems along with compliance systems. Accordingly, the Company has again nominated him as a candidate for Director with the expectation that he will greatly contribute to the sustainable growth of the Company and the enhancement of its corporate value.	

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th>[Career summary, and position and responsibility in the Company]</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">4</td><td rowspan="2">
Shinichi Koyama
(October 16, 1974)

Reelection

Attendance at Board of Directors meetings
13/13</td><td>Apr. 1998 Joined I-NET Corp.
Apr. 2018 Division Manager of Solutions Division 1 of the Company
June 2020 Executive Officer, Deputy Head of Digital Transformation Department and Division Manager of FinTech Division of the Company
June 2021 Senior Executive Officer and Assistant Head of Digital Transformation Department of the Company
Apr. 2022 Senior Executive Officer and Head of Digital Transformation Department of the Company
June 2024 Director and Executive Officer, Head of Digital Transformation Department of the Company (current position)
[Significant concurrent positions outside the Company]
—</td><td>8,000</td></tr>
<tr><td colspan="2">Reasons for nomination as a candidate for Director
Since joining the company, Mr. Koyama has mainly been engaged in systems development divisions for finance customers, contributing to the business expansion of the Company as the person in charge of development departments. Accordingly, the Company again nominates him as a candidate for Director with the expectation that he will fulfill his role appropriately in enhancing the corporate value of the Company.</td></tr>
<tr><td rowspan="2">5</td><td rowspan="2">
Hidenao Negishi
(February 15, 1968)

Reelection

Attendance at Board of Directors meetings
13/13</td><td>Dec. 2019 Executive Officer, Deputy General Manager of Sales Division and Supervising Manager of Package Solutions Sales Division, Imura Envelope Co., Inc. (currently Imura & Co., Ltd.)
Feb. 2021 Joined the Company
Division Manager of Mailing Services Division
June 2022 Executive Officer, Division Manager of Mailing Services Division, Senior Manager of Sales Dept. and Head of General Affairs Division of the Company
Apr. 2023 Executive Officer and Division Manager of Mailing Services Division of the Company
Apr. 2024 Executive Officer, Head of Information Managed Services Department and Division Manager of Business Process Outsourcing Division of the Company
June 2024 Director, Executive Officer, Head of Information Managed Services Department and Division Manager of Business Process Outsourcing Division of the Company
Apr. 2025 Director and Executive Officer, Head of Information Managed Services Department of the Company (current position)
[Significant concurrent positions outside the Company]
—</td><td>4,200</td></tr>
<tr><td colspan="2">Reasons for nomination as a candidate for Director
As Mr. Negishi has been involved in the mailing services division for many years and has a wealth of experience and achievements in the sales field, the Company again nominates him as a candidate for Director with the expectation that he will contribute to the sustainable growth of the Company and the enhancement of its corporate value.</td></tr>
</table>

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">[Career summary, and position and responsibility in the Company]</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">6</td><td rowspan="2">
Hiromi Kitagawa
(July 20, 1961)

Reelection
Outside
Independent

Attendance at Board of Directors meetings
16/16</td><td>Apr. 2005
Apr. 2011
Apr. 2016
Apr. 2018
June 2020
[Significant concurrent positions outside the Company]
Professor of School of Information-Oriented Management, SANNO University</td><td>Associate Professor of School of Management Information, SANNO University (currently School of Information-Oriented Management, SANNO University)
Professor of School of Information-Oriented Management, SANNO University (current position)
Chair of Department of Modern Management, School of Information-Oriented Management, SANNO University
Head of Content Business Research Center, SANNO University (current position)
Outside Director of the Company (current position)</td><td>1,400</td></tr>
<tr><td colspan="3">Reasons for nomination as a candidate for outside Director and overview of expected role
Ms. Kitagawa has an objective perspective as someone who does not originally belong to the Company's industry, and she possesses advanced academic knowledge in information management. The Company expects her to utilize this perspective and knowledge in the Company's corporate management. Accordingly, the Company again nominates her as a candidate for outside Director. Ms. Kitagawa has never in the past been involved in the management of a company other than as an outside Director. However, the Company nominates her as a candidate for outside Director based on the above reasons. At the conclusion of this meeting, her tenure as outside Director of the Company will have been five years.</td></tr>
<tr><td rowspan="2">7</td><td rowspan="2">
Masao Kurokawa
(July 11, 1951)

Reelection
Outside
Independent

Attendance at Board of Directors meetings
16/16</td><td>Apr. 1974
June 2010
July 2017
July 2019
June 2023
June 2023
Oct. 2023
[Significant concurrent positions outside the Company]
Advisor of Kanagawa Prefectural Federation of Commerce and Industry
Director at Kanagawa University</td><td>Joined Kanagawa Prefectural Government
Vice Governor
Chairman of Credit Guarantee Corporation of Kanagawa
Director of Kanagawa Water Supply Authority
Advisor of Kanagawa Prefectural Federation of Commerce and Industry (current position)
Outside Director of the Company (current position)
Director at Kanagawa University (current position)</td><td>400</td></tr>
<tr><td colspan="3">Reasons for nomination as a candidate for outside Director and overview of expected role
Mr. Kurokawa, after joining the Kanagawa Prefectural Government, served in important positions such as Vice Governor. In addition to possessing extensive knowledge and experience, he also has extensive personal connections particularly in local government circles. Accordingly, the Company has nominated him as a candidate for outside Director with the expectation that he will contribute to enhancing the corporate value of the Company. Mr. Kurokawa has never in the past been involved in the management of a company other than as an outside Director. However, the Company nominates him as a candidate for outside Director based on the above reasons. At the conclusion of this meeting, his tenure as outside Director of the Company will have been two years.</td></tr>
</table>

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">[Career summary, and position and responsibility in the Company]</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">8</td><td rowspan="2">
Noriko Suzuki
(November 29, 1963)

New election
Outside
Independent

Attendance at Board of Directors meetings
16/16</td><td>June 1999
Apr. 2013
Apr. 2020
Apr. 2021
Sept. 2021
June 2022
Apr. 2025
May 2025</td><td>Joined Research Department of Hamagin Research Institute, Ltd.
Associate Professor of Gender Equality Promotion Center of Yokohama National University
Visiting researcher of Research Institute for Women and Careers of Japan Women's University
Part-time Lecturer of Faculty of Law of Chuo Gakuin University (current position)
Lecturer of Recurrent Education Course of Japan Women's University
Outside Director (Audit and Supervisory Committee Member) of the Company (current position)
Researcher in Faculty of Humanities of Japan Women's University (current position)
Specially Appointed Researcher of Research Institute for Women and Careers of Japan Women's University (current position)
[Significant concurrent positions outside the Company]
Part-time Lecturer, Faculty of Law of Chuo Gakuin University
Researcher in Faculty of Humanities of Japan Women's University
Specially Appointed Researcher of Research Institute for Women and Careers of Japan Women's University</td><td>–</td></tr>
<tr><td colspan="3">Reasons for nomination as a candidate for outside Director and overview of expected role
Ms. Suzuki has broad experience and insight related to working styles and career development for women as a university associate professor and lecturer, and the Company expects her to strengthen the audit and supervisory functions from an objective perspective. Accordingly, the Company has nominated her as a new candidate for outside Director. Ms. Suzuki has never in the past been involved in the management of a company other than as an outside Director. However, the Company nominates her as a candidate for outside Director based on the above reasons. Ms. Suzuki is currently an outside Director who is an Audit and Supervisory Committee Member of the Company, and at the conclusion of this meeting, her tenure as outside Director who is an Audit and Supervisory Committee Member will have been three years.</td></tr>
</table>

Notes:
1. There is no special interest between any of the candidates for Director and the Company.
2. Hiromi Kitagawa, Masao Kurokawa and Noriko Suzuki are candidates for outside Director.
3. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Hiromi Kitagawa, Masao Kurokawa and Noriko Suzuki to limit their liability for damages under Article 423, paragraph (1) of the Companies 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 they are elected, the Company plans to renew this agreement with each of them.
4. The Company has entered into a directors and officers liability insurance policy as set forth in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy will cover losses that may arise due to an insured's assumption of liability in the course of their performance of duties, or receipt of claims pertaining to the pursuit of such liability. Each of the candidates in this proposal is included as an insured in the policy. In addition, if this proposal is approved as proposed, all of the candidates for Director will be included as insureds in the policy. In addition, the Company plans to renew the policy with the same terms for the Directors in this proposal during their terms of office.
5. The Company has submitted notification to the Tokyo Stock Exchange that Hiromi Kitagawa, Masao Kurokawa and Noriko Suzuki have been designated as independent officers as provided for by the aforementioned exchange. If they are elected, the Company plans for their designation as independent officers to continue. The Company's independence standards for outside officers are described under "Reference" below.

Proposal No. 3: Election of One Director Who Is an Audit and Supervisory Committee Member

At the conclusion of this meeting, Audit and Supervisory Committee Member Noriko Suzuki will resign from the Audit and Supervisory Committee, so we request the election of One Director who is an Audit and Supervisory Committee Member.

As defined by the Articles of Incorporation of the Company, the tenure of the candidate to be elected as a Director who is an Audit and Supervisory Committee Member shall be the remaining period of the resigning Director who is an Audit and Supervisory Committee Member.

Also, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidate for Director who is Audit and Supervisory Committee Member is as follows:

Name	Gender	Position and responsibilities in the Company	
Toshihiko Matsuo	Male	Executive Adviser	New election

New election: Candidate for Director to be newly elected

<table>
<tr><th>Name
(Date of birth)</th><th colspan="2">[Career summary, and position and responsibility in the Company]</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">
Toshihiko Matsuo
(August 7, 1956)

New election

Attendance at Board of Directors meetings
–</td><td colspan="2">Feb. 1988 Joined Software Co., Ltd. (currently IST-Software Co.,Ltd.)
June 2001 Executive Officer and Senior Manager of Business Management Department of IST-Software Co.,Ltd.
June 2011 Senior Executive Officer, Senior Manager of Corporate Planning Department, and Senior Manager of Finance Department of IST-Software Co.,Ltd.
June 2013 Director and Deputy Executive Administrative Officer of IST-Software Co.,Ltd.
June 2016 Managing Director and Executive Administrative Officer of IST-Software Co.,Ltd.
June 2020 Standing Auditor of IST-Software Co.,Ltd.
Nov. 2024 Executive Adviser of the Company (current position)
[Significant concurrent positions outside the Company]
—</td><td>2,200</td></tr>
<tr><td colspan="3">Reasons for nomination as a candidate for Director who is an Audit and Supervisory Committee Member
After performing duties as the Executive Administrative Officer at IST-Software Co.,Ltd., a subsidiary of the Company, from June 2020 Mr. Matsuo performed auditing and supervisory duties as a Standing Auditor of the subsidiary, and has extensive experience and a high level of knowledge in general management and auditing. It is expected that he will contribute to enhancing the auditing and supervisory functions of the Company from expert and objective perspectives, and thus has been nominated as a candidate for Director who is an Audit & Supervisory Board Member.</td></tr>
</table>

Notes: 1. There is no special interest between the candidate and the Company.

2. If Toshihiko Matsuo is elected, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies 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.

3. The Company has entered into a directors and officers liability insurance policy as set forth in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy will cover losses that may arise due to an insured's assumption of liability in the course of their performance of duties, or receipt of claims pertaining to the pursuit of such liability. If this proposal is approved as proposed, Toshihiko Matsuo will be included as an insured in the policy. In addition, the Company plans to renew the policy with the same terms for the Director in this proposal during his term of office.

Reference

[Independence Standards for Outside Officers]

The Company deems that an outside officer has independence when he/she meets all of the following:

1. A person who has not been a director, auditor, executive officer or an employee of the Company or its subsidiary (collectively, the "Group") in the past ten years
2. A person who has not been a director, auditor, executive officer or an employee of a corporation which engages in major transactions with the Group in the past five years

   Note: "Major transactions" refers to transactions in which the transaction amount with the Group exceeds 2% of annual consolidated sales of either the Group or the counterparty.
3. A person who has not been a consultant, accounting professional, or legal professional who has been paid substantial amounts of money or other financial benefits from the Group in the past five years other than remuneration as officers (or if the party receiving such financial benefits is an incorporated entity, association or other organization, then persons belonging to such organization)

   Note: "Substantial amounts of money or other financial benefits" refers to annual payment by the Company of ¥10 million or more to an individual, or if such financial benefits are obtained by an organization, more than 2% of such organization's annual consolidated sales.
4. A person who has not been a shareholder that directly or indirectly owns 10% or more of the total voting rights of the Company (or if such shareholder is an incorporated entity, a person who has not been a director, auditor, executive officer or an employee thereof) in the past five years
5. A person who has not been a director, auditor, executive officer or any other employee of a corporation to which outside officers are mutually appointed in the past five years
6. A person who has not been a recipient of substantial donations from the Group or a person who has not been a director, auditor, executive officer or any other employee of such recipient in the past five years

   Note: "Substantial donations" refers to donations in excess of the higher of ¥10 million per year or 2% of total income of such recipient for the most recent fiscal year.
7. A person who is not a family member within the second degree of kinship of those who fall under any of items 1. to 6. above
8. There are otherwise no doubts concerning his/her independence as an outside officer of the Group.

Skill Matrix for the Board of Directors After the General Meeting of Shareholders

Note: If the elections of the candidates proposed in this notice are approved, the skill matrix of the Board of Directors will be as follows:

Name	Corporate management	IT and digital	Sales and marketing	Finance	Governance and compliance	Personnel and labor	Global
Tomomichi Saeki	●	●	●				
Naokatsu Uchida	●		●	●		●	
Katsuyuki Imai				●	●	●	●
Shinichi Koyama		●	●	●			
Hidenao Negishi		●	●		●		
Hiromi Kitagawa		●	●				
Masao Kurokawa					●	●	
Noriko Suzuki					●	●	
Yusuke Ichikawa				●	●		
Toshihiko Matsuo			●		●	●	
Tetsuro Tsuboya	●	●					
Hiromi Nakagawa				●			●

Skill	Definition
Corporate management	Ability to drive growth with knowledge of business and management that is conscious of markets
IT and digital	Ability to promote innovation and digital transformation (DX) by leveraging the latest technology
Sales and marketing	Ability to drive strategies for improving brand value to accelerate business growth
Finance	Ability to support corporate growth by developing accurate financial strategies based on advanced specialized knowledge
Governance and compliance	Ability to encourage sustained improvement of corporate value by strengthening corporate governance
Personnel and labor	Ability to enhance individual growth and organizational strength by developing and fully utilizing the capabilities of diverse human resources
Global	Ability to drive global business strategies based on diverse values and cultures

Business Report (April 1, 2024 to March 31, 2025)

1 Current Status of the Group

(1) Business Conditions in Fiscal Year Ended March 31, 2025

(i) Business Progress and Results

During the fiscal year ended March 31, 2025, the Japanese economy showed a gradual recovery as employment and personal income continued to improve. Meanwhile, due to rising prices stemming from wage increases and the impact of exchange rates, changes in overseas conditions such as geopolitical risks, and major fluctuations in financial markets, the outlook is uncertain.

The information service industry, to which the Group (the Company, consolidated subsidiaries, and equity-method affiliates) belongs, continues to see demand for business efficiency systems to help companies cope with labor shortages and other issues. In addition, the market is expanding as system-related investments are increasing due to the shift of systems to cloud computing, the use of artificial intelligence (AI), and the growing popularity of IoT under the theme of "Digital Transformation (DX)."

Under these circumstances, in the final year of its Medium-term Management Plan (April 2022-March 2025), our Group worked as one to achieve the goals of the Plan.
For the fiscal year ended March 31, 2025, net sales were 38,987 million yen (up 3.2% year-on-year (YoY)), operating profit was 2,640 million yen (down 8.5% YoY), ordinary profit was 2,681 million yen (down 8.6% YoY), and profit attributable to owners of parent was 2,259 million yen (up 2.8% YoY).

Net sales increased from the previous fiscal year. With regard to information processing services, data center and cloud services, which are stock businesses, and commissioned calculation services for service stations ("SSs" and "gas stations") remained strong, and new orders for mailing services also expanded. With regard to system development services, projects in the energy and distribution industries saw a decrease, while those in the financial, manufacturing, space- and defense related industries saw growth.

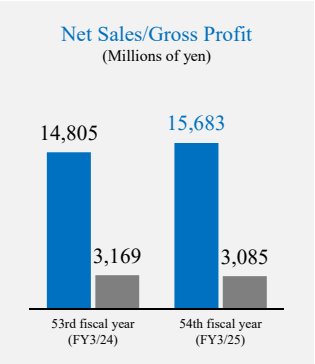
Both operating profit and ordinary profit decreased from the previous year. In the fiscal year ended March 31, 2025, cost of sales remained high, mainly due to higher licensing costs for cloud services and higher amortization burdens for system and capital investments. Though the profit margin gradually improved as a result of the shift in selling prices and reductions in cost of goods sold, the increase in SG&A expenses concentrated on labor costs resulted in a decrease in profit for the full year.

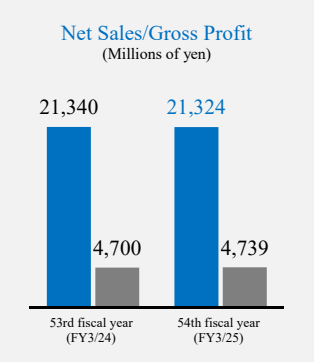
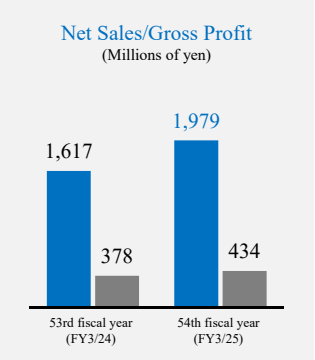
Profit attributable to owners of parent increased from the previous fiscal year, boosted by a gain on sales of investment securities.

	53rd fiscal year (ended March 31, 2024)	54th fiscal year (ended March 31, 2025)	Compared to the previous fiscal year
	Amount (Millions of yen)	Amount (Millions of yen)	Percentage change
Net sales	37,763	38,987	Up 3.2%
Operating profit	2,887	2,640	Down 8.5%
Ordinary profit	2,935	2,681	Down 8.6%
Profit attributable to owners of parent	2,197	2,259	Up 2.8%

Net sales and gross profit by service segment for the fiscal year ended March 31, 2025 are as follows.

Information processing services Net sales 15,683 million yen (Up 5.9% YoY) Gross profit 3,085 million yen (Down 2.6% YoY)	Net sales were 15,683 million yen (up 5.9% YoY) and gross profit was 3,085 million yen (down 2.6% YoY). The main factors contributing to the YoY increase in sales and decrease in profit were as follows. (i) While sales in the data center and cloud services business increased against the background of customers' ongoing needs to shift their systems and software to the cloud, the cost of licenses and other services increased. (ii) Though commissioned calculation services for the energy industry secured a certain market share in an environment of declining SSs, the profit margin declined. (iii) BPO services performed well, including the acquisition of large-lot projects. The status of the services that comprise our information processing services is as follows. Sales of data center and cloud services remained strong against the background of customers ongoing needs to shift to data centers and the cloud. On the other hand, higher licensing fees for software used in cloud services and an increased depreciation burden due to investments in equipment for updating data center facilities caused costs to rise, resulting in a lower profit margin. Amid a shrinking market in the commissioned calculation services for sales management and fee settlement agent systems for SS, the number of projects switching from in-house systems to our service increased. In addition, orders for "PROPANET," a sales management system for fee settlement compatible with smart meters for propane gas sellers, also increased. Meanwhile, the profit margin declined due to an increased depreciation burden on our systems. With regard to mailing services, though demand for printing and mailing services is shrinking, the number of competitors is decreasing and the number of companies that can provide stable services is limited, and this resulted in an increase in orders for our services. Expansion of services through the acquisition of business from other companies also contributed to the increase in sales. Profit margins were on par with the previous fiscal year, compensating for the decline in profits from other services.



System development services Net sales 21,324 million yen (Down 0.1% YoY) Gross profit 4,739 million yen (Up 0.8% YoY)	Net sales in system development services were 21,324 million yen (down 0.1% YoY) and gross profit was 4,739 million yen (up 0.8% YoY). The main factors contributing to the YoY decrease in sales and increase in profit were as follows. (i) Decrease in system development projects for the energy and distribution industries, which are our major customers (ii) Growth in system development projects for the financial and manufacturing industries, as well as in our space and defense-related businesses offset the decline in revenue at major customers and boosted profits. (iii) Two system development subsidiaries showed steady progress. We saw no growth in system development projects for the energy and distribution industries, which are our major customers. Meanwhile, growth in orders for development projects in the financial and manufacturing industries along with the space and defense industries, as well as the strong performance of two Group companies offset the decline in sales, resulting in sales that were almost on par with the previous fiscal year. In the first half of the fiscal year, profit margins declined due to delays in some development projects, but efforts to reduce costs and strengthen project management paid off, resulting in a year-on-year increase in gross profit for the full year.	
Product sales Net sales 1,979 million yen (Up 22.4% YoY) Gross profit 434 million yen (Up 15.0% YoY)	Both sales and profit increased, with net sales at 1,979 million yen (up 22.4% YoY) and gross profit at 434 million yen (up 15.0% YoY). Active capital investment mainly by customers using the Group's data center services and strong sales of equipment associated with system development resulted in increases in both sales and profit from the previous fiscal year.	

Net sales, gross profit and operating profit by service category		Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)		Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)		Change	
		Amount (Millions of yen)	Percentage distribution	Amount (Millions of yen)	Percentage distribution	Amount (Millions of yen)	Percent
Information processing services	Net sales	14,805	39.2	15,683	40.2	878	5.9
	Gross profit	3,169	38.2	3,085	37.3	(83)	(2.6)
	Operating profit	979	33.9	688	26.1	(290)	(29.7)
System development services	Net sales	21,340	56.6	21,324	54.7	(16)	(0.1)
	Gross profit	4,700	57.0	4,739	57.4	38	0.8
	Operating profit	1,755	60.8	1,800	68.2	45	2.6
Product sales	Net sales	1,617	4.3	1,979	5.1	362	22.4
	Gross profit	378	4.6	434	5.3	56	15.0
	Operating profit	153	5.3	152	5.7	(0)	(0.5)
Total	Net sales	37,763	100.0	38,987	100.0	1,224	3.2
	Gross profit	8,248	100.0	8,259	100.0	11	0.1
	Operating profit	2,887	100.0	2,640	100.0	(246)	(8.5)

Note: Operating profit by service category is a rough estimate.

(ii) Capital investment

The total amount of capital investment by the Group during the fiscal year ended March 31, 2025 was 2,259 million yen. This was mainly due to the expansion of data center facilities in preparation for an increase in orders for information processing services.

(iii) Fund raising

The Company concluded commitment line agreements with five financial institutions on August 26, 2024, enabling flexible and stable fund raising.

(iv) Business transfers, absorption-type splits or incorporation-type demergers

None.

(v) Acquisition of other company's business

None.

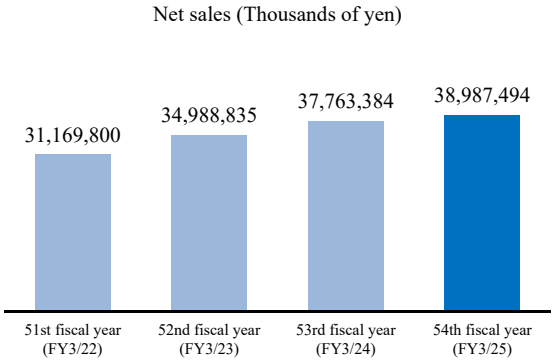
(vi) Succession to rights and obligations relating to the business of other corporations, etc. as a result of absorption-type mergers or absorption-type splits

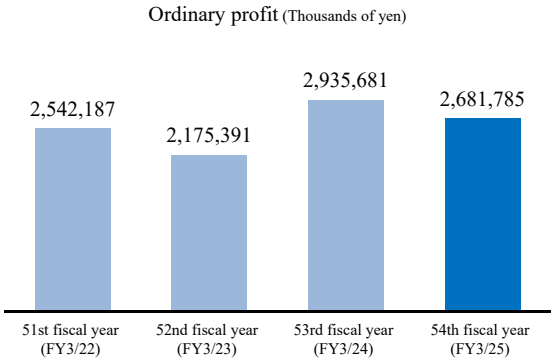
None.

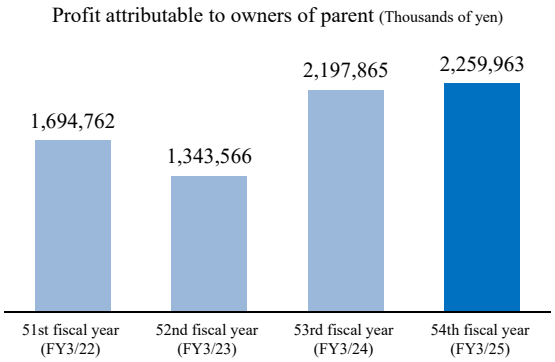
(vii) Acquisition or disposal of shares, other equity, or stock acquisition rights, etc. of other companies

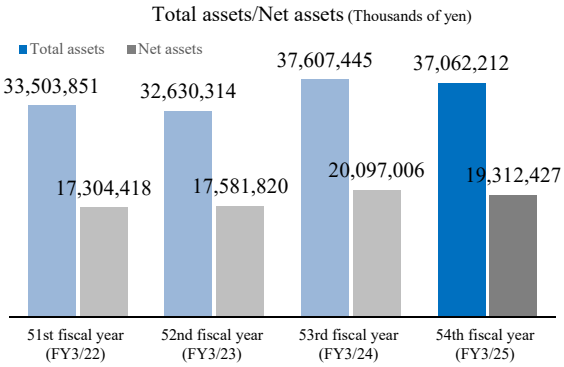
The Company's subsidiary IST-Software Co.,Ltd. acquired all the shares of ACU CORPORATION on February 26, 2025 (deemed acquisition date of March 31, 2025), making it a wholly owned subsidiary.

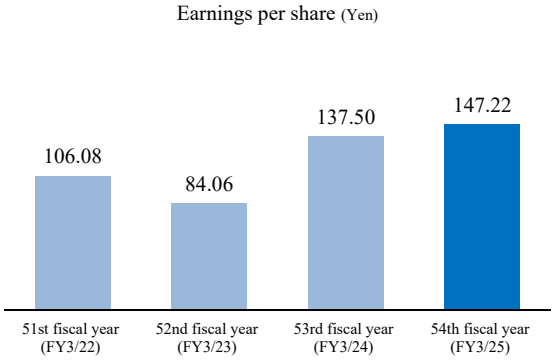
(2) Assets and profit and loss for the three most recent fiscal years

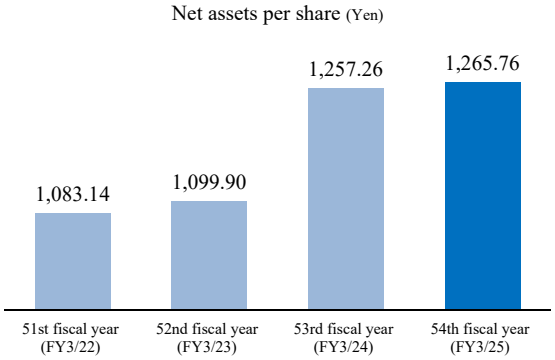












		51st fiscal year (ended March 31, 2022)	52nd fiscal year (ended March 31, 2023)	53rd fiscal year (ended March 31, 2024)	54th fiscal year (fiscal year ended March 31, 2025)
Net sales	(Thousands of yen)	31,169,800	34,988,835	37,763,384	38,987,494
Ordinary profit	(Thousands of yen)	2,542,187	2,175,391	2,935,681	2,681,785
Profit attributable to owners of parent	(Thousands of yen)	1,694,762	1,343,566	2,197,865	2,259,963
Earnings per share	(Yen)	106.08	84.06	137.50	147.22
Total assets	(Thousands of yen)	33,503,851	32,630,314	37,607,445	37,062,212
Net assets	(Thousands of yen)	17,304,418	17,581,820	20,097,006	19,312,427
Net assets per share	(Yen)	1,083.14	1,099.90	1,257.26	1,265.76

(3) Status of parent and principal subsidiaries

(i) Parent
None.

(ii) Principal subsidiaries

Name	Location	Capital	Capitalization ratio	Principal businesses
		Thousands of yen	%	
IST-Software Co.,Ltd.	Ota-ku, Tokyo	100,000	100.0	• Information processing services • System development services • Product sales
Software Control Corporation	Ota-ku, Tokyo	54,000	100.0	• System development services
ACU CORPORATION	Chiyoda-ku, Tokyo	10,000	100.0	• System development services

Note: The Company's wholly owned subsidiary IST-Software Co.,Ltd. acquired all the shares of ACU CORPORATION on February 26, 2025.

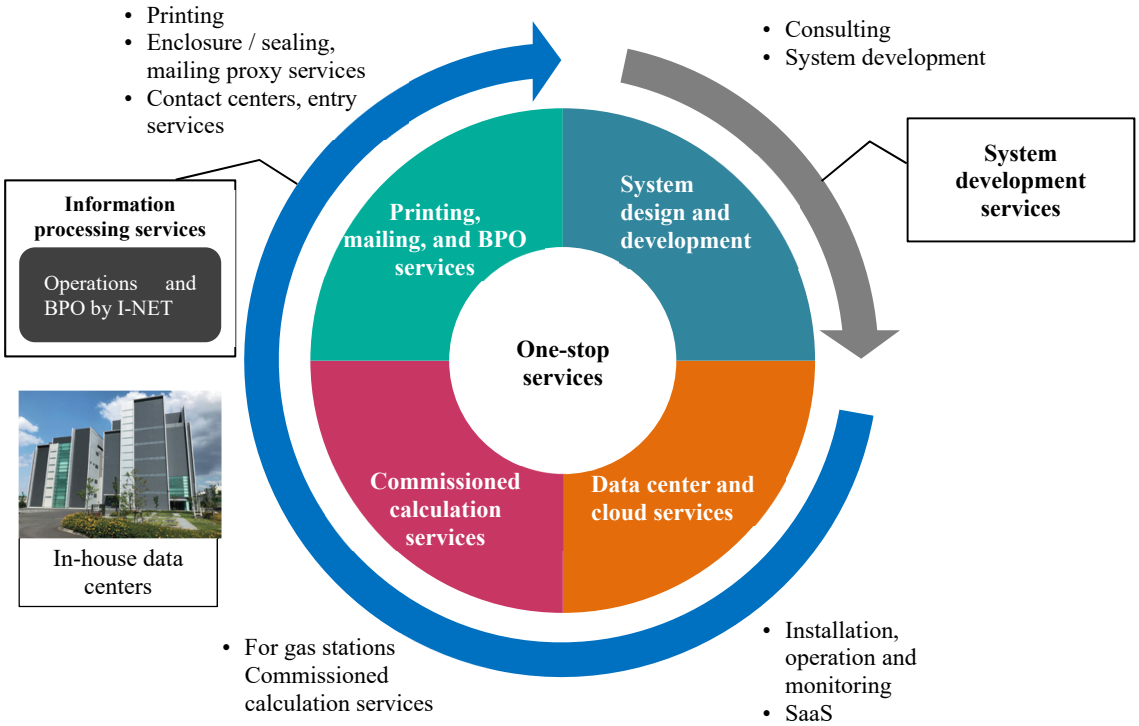
(4) Challenges

Japanese economy is expected to continue to face a challenging economic environment, as there is still a strong sense of uncertainty about the future due to concerns about inflation caused by rising prices and changes in overseas circumstances. Meanwhile, investments in system development and software, including the promotion of digital transformation (DX), are further increasing, and the steady expansion of the information service industry market is expected to continue unchanged.

In this environment, the Group positions its core business, information processing services, as a platform for advancing DX for customers and solving social issues, and will continue to focus on expanding this business. By strengthening our information processing services through the expansion of our in-house data centers and providing one-stop services in combination with system development, we will enhance our Group's advantageous position and expand our business base.

We believe that our main challenges going forward will be to strengthen our capacity to respond to rising costs, including rising energy prices and license fees and the amortization burden of data center and system investments, to expand our customer base by enhancing our services, and to secure and develop human resources.

(The Group's business model)



Operations and BPO by I-NET

With the know-how we accumulated from our in-house data center operations as a base, we have accurately responded to customer needs, from data sensor service to BPO, for many years thanks to our thorough security and reliable operation. Not only do make use of our operational know-how in-house, we also provide it as a service to customers.

The Group's business is configured of three service segments, including the two major services of "information processing services" and "system development services," and their associated "product sales" service.

The "information processing services" segment utilizes in-house data centers operated by the Company. This is also our core business, which started out as commissioned calculation business for service stations (SSs, gas stations), the Group's founding business. The information processing services segment comprises "data center and cloud services," "commissioned calculation services," and "print, mailing, and BPO (Business Process Outsourcing) services."

Our "system development services" is a business of contracted projects for the development/operation of software and hardware. The Group mainly receives commissions from companies in the finance, distribution, energy- and space-related industries for the development of software applications, etc.

We can provide an optimal combination of "information processing services" and "system development services" centered on its own in-house data centers. The Group's services include DX solutions, cloud services, commissioned calculation, fee settlement, printing, mailing, and BPO services, system development, embedded control, infrastructure development, operation and monitoring, etc.

By providing safe, one-stop services optimized to meet the needs of our customers in the DX era, the Group is developing a unique business that is not offered by any other company. As "I-NET for operation and BPO," we have established a solid business foundation in the information processing industry.

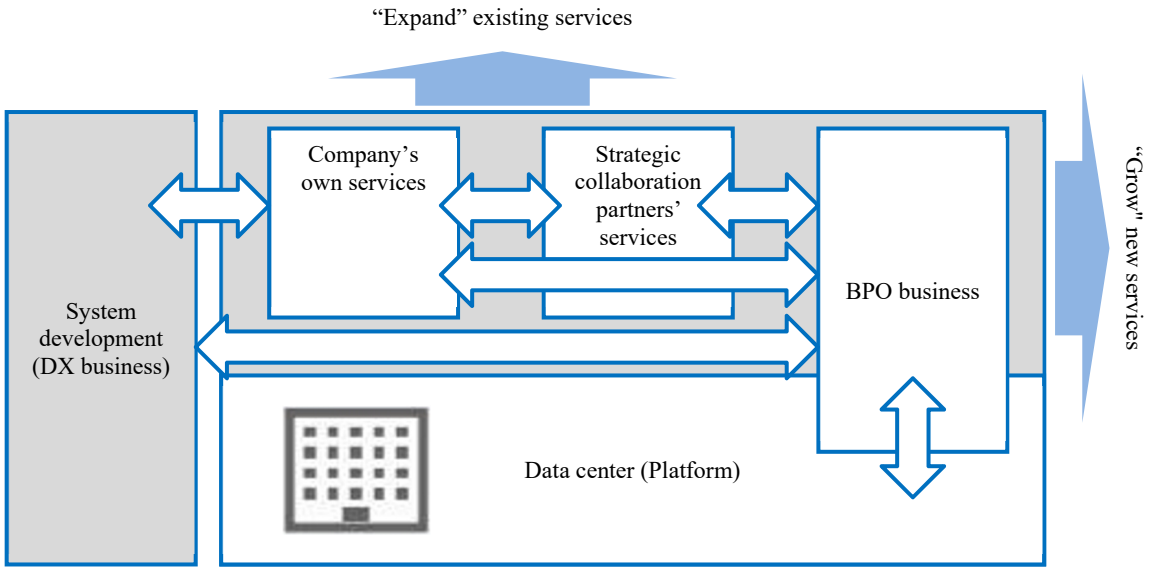
(Medium-term Management Plan)
From the fiscal year ending March 31, 2026, we started our Medium-term Management Plan, "Up Stage 2027," for the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2028.

To achieve sustainable enhancement of corporate value and continuously expand the scale of our business and market capitalization, we consider net sales, operating profit, operating profit margin, Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and return on equity (ROE) as important management indicators.

The numerical targets for the fiscal year ending March 31, 2028 in the Medium-term Management Plan are as follows.

(Millions of yen)	Fiscal year ended March 31, 2025	Fiscal year ending March 31, 2028
	Results	Targets
Net sales	38,987	50,000
Operating profit	2,640	3,500
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	4,918	6,500
Return on equity (ROE)	11.5%	13.0%

The Company's Platform Strategy consists of the following.



The business strategy by service is as follows.

Information processing services		
	Data center and cloud services	• Expand provision of managed services for infrastructure operations, system operations, etc. • Provide security services such as ransomware countermeasures, etc. • Build a new cloud platform service • Strengthen collaboration with SaaS providers, distributors and partner companies
	Commissioned calculation services	• Increase market share by increasing the number of customers (SS, LPG sales companies) • Expansion of DX support for energy industry to improve operational efficiency and streamlining, and labor savings • Expand business for petroleum wholesalers and trading companies
	Printing, mailing, and BPO services	• Expansion of print-on-demand (POD) services • Diversification of services, including cross-selling of data center services • Upgrading of facilities to enhance operational quality and volume, and running operations efficiently
System development services		• Securing and training highly skilled system development personnel • Develop in-house services, strengthen sales, and expand end-user transactions • Strengthen collaboration with business partners, and enhance project management

(Initiatives for achieving a Sustainable Digital Society)

Basic policy	Main initiatives
Enhance IT infrastructure and promote digital transformation	• Enhance cloud services and AI adoption to provide clients with support advancing digital transformation • Provide system development and infrastructure services with high added-value for a more affluent society
Expand/optimize our data center business	• Promote energy saving/green data centers (achieve carbon neutrality by 2040) • Enhance our data center capacity and capability, achieve our third data center
Develop human resources, enhance our organization	• Develop the next-generation of human resources and management candidates • Securing and training system development personnel, AI professionals, infrastructure personnel, etc. • Achieve improved productivity and optimization by promoting human resource diversity and female participation
A company needed by society	• As a company that provides infrastructure to society, continue to provide the optimal services required by society • Do not forget to thank society, and give back/contribute to the local community in order to promote coexistence with society

(Sustainability Initiatives)
(Environment)

- Switch the electricity used at our in-house data centers to 50% renewable energy by fiscal 2030 (currently 25% as of March 31, 2025)
- Achieve carbon neutrality by fiscal 2040

(Social)

- 3.2% employment rate of people with disabilities in our Group (aim for March 31, 2028; 3.0% average in fiscal 2024)
- 18.0% of managerial positions held by women (aim for March 31, 2028, 10.4% as of March 31, 2025)
- Expanded special subsidiary I-NET DATA SERVICE (both in terms of personnel and business scope)

(Governance)

- Achieve management with an awareness of capital costs (reduce policy stock holdings, etc.)
- Enhance group governance, improve management/monitoring function
- Develop the next-generation of managers and corporate human resources

(Initiatives for health management)

Based on the philosophy that employees are the greatest asset in management, the Company has established a management from the perspective of building employees health. In order to achieve sustainable growth, we consider the mental and physical health of our employees to be the most important issue. In order to pro-actively support efforts for the promotion of employees' health, we have appointed the Representative Director and Executive President as the Chief Health Officer, and the Human Resources Division, Health Support Office and the company health insurance association will work closely together to strategically promote various activities.

The Company has long enjoyed a certain level of recognition for its health management initiatives, and has been selected under the "Health and Productivity Management Outstanding Organizations 2025 (White 500)," a joint program of the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi for recognition as a company with excellent health management practices.

(5) Principal businesses (as of March 31, 2025)

The Group's main business is information services.

Business activities by service segment are as follows.

(A) Information processing services

(B) System development services

(C) Product sales

(6) Principal offices (as of March 31, 2025)

(i) The Company

Headquarters	Nishi-ku, Yokohama
Tokyo office	Ota-ku, Tokyo
Data centers	Yokohama (2 data centers)
Branches	Sapporo (Kita-ku, Sapporo), Sendai (Aoba-ku, Sendai), Chubu (Naka-ku, Nagoya), Osaka (Yodogawa-ku, Osaka), Chushikoku (Minami-ku, Hiroshima), Fukuoka (Chuo-ku, Fukuoka)

Note: As of April 30, 2024, the Company has relocated its headquarters to: 13F, YOKOHAMA SYMPHOSTAGE West Tower, 5-1-2 Minatomirai, Nishi-Ku, Yokohama, Kanagawa

(ii) Subsidiaries

IST-Software Co.,Ltd.	Ota-ku, Tokyo
Software Control Corporation	Ota-ku, Tokyo
ACU CORPORATION	Chiyoda-ku, Tokyo

(7) Status of employees (as of March 31, 2025)

(i) Status of Group employees

Number of employees	Change compared to fiscal year ended March 31, 2024
1,654 (241)	Increase of 3 (decrease of 13)

Note: The number of employees is the number of full-time employees, and the number of temporary employees (part-timers) is the annual average number of employees, shown in parentheses.

(ii) Status of employees at the Company

Number of employees	Change compared to fiscal year ended March 31, 2024	Average age	Average number of years of service
953 (241)	Decrease of 1 (decrease of 13)	40.2 years	16.4 years

Note: The number of employees is the number of full-time employees, and the number of temporary employees (part-timers) is the annual average number of employees, shown in parentheses.

(8) Principal lenders (as of March 31, 2025)

Lender	Amount borrowed (thousands of yen)
The Bank of Yokohama, Ltd.	3,275,050
MUFG Bank, Ltd.	2,512,988

2 Current status of the Company

(1) Stock status (as of March 31, 2025)

(i) Number of shares authorized 60,000,000 shares

(ii) Number of shares outstanding 15,475,524 shares

(iii) Number of shareholders 9,322

(iv) Major shareholders (top 10)

Shareholder name	Number of shares held (1,000 shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	1,450	9.51
I-NET Employee Stock Ownership	1,207	7.91
Custody Bank of Japan, Ltd. (Trust account)	849	5.57
Systena Corporation	766	5.02
The Bank of Yokohama, Ltd. (Standing Proxy: Custody Bank of Japan, Ltd.)	707	4.64
Reiko Tamano	478	3.14
Masato Ikeda	423	2.77
Yasuhiro Kitagawa	378	2.48
N and I Co., Ltd.	316	2.08
The Inet Foundation	300	1.97

Note: Shareholding ratios have been calculated after deducting shares of treasury stock (217,902 shares).

(v) Shares issued to Directors of the Company during the fiscal year ended March 31, 2025 as remuneration for the execution of their duties

Classification	Number of shares	Number of grantees
Directors (excluding Directors who are Audit and Supervisory Committee Members)	16,000 shares	5 individuals

(2) Status of stock acquisition rights, etc.

(i) Stock acquisition rights held by the Directors of the Company as of the end of the fiscal year ended March 31, 2025 that were issued in remuneration for the execution of their duties
None.

(ii) Stock acquisition rights issued to employees, etc. as remuneration for the execution of their duties during the fiscal year ended March 31, 2025
None.

(3) Status of Directors and other officers of the Company

(i) Status of Directors (as of March 31, 2025)

Position in the Company	Name	Responsibilities and significant concurrent positions outside the Company
Representative Director and Executive President	Tomomichi Saeki	Head Director of The Inet Foundation
Representative Director and Senior Managing Executive Officer	Naokatsu Uchida	Executive Operational Officer
Director and Managing Executive Officer	Katsuyuki Imai	Executive Administrative Officer, and Head of Social Innovations Department of the Company Auditor of IST-Software Co.,Ltd. Director of The Inet Foundation
Director and Executive Officer	Shinichi Koyama	Head of Digital Transformation Department
Director and Executive Officer	Hidenao Negishi	Head of Information Managed Services Department and Division Manager of Business Process Outsourcing Division
Director Outside Independent	Yukiko Takenouchi	Director of Independent Learning Research Center
Director Outside Independent	Hiromi Kitagawa	Professor of School of Information-Oriented Management, SANNO University
Director Outside Independent	Masao Kurokawa	Advisor of Kanagawa Prefectural Federation of Commerce and Industry Director at Kanagawa University
Director (Full-time Audit and Supervisory Committee Member) Outside Independent	Yusuke Ichikawa	Audit & Supervisory Board Member of YOKOREI Co., Ltd.
Director (Audit & Supervisory Committee Member) Outside Independent	Tetsuro Tsuboya	Auditor of NTT DATA INTRAMART Corporation
Director (Audit and Supervisory Committee Member) Outside Independent	Noriko Suzuki	Visiting researcher and Lecturer of Research Institute for Women and Careers of Japan Women's University Part-time Lecturer, Faculty of Law of Chuo Gakuin University
Director (Audit and Supervisory Committee Member) Outside Independent	Hiromi Nakagawa	Representative Director of InWIT USA LLC

Notes:
1. Directors Yukiko Takenouchi, Hiromi Kitagawa and Masao Kurokawa, Director (full-time Audit and Supervisory Committee Member) Yusuke Ichikawa, and Directors (Audit and Supervisory Committee Members) Tetsuro Tsuboya, Noriko Suzuki and Hiromi Nakagawa are the candidates for outside Directors. The Company has submitted notification to the Tokyo Stock Exchange that Yukiko Takenouchi, Hiromi Kitagawa, Masao Kurokawa, Yusuke Ichikawa, Tetsuro Tsuboya, Noriko Suzuki and Hiromi Nakagawa have been designated as independent officers as provided for by the aforementioned exchange.
2. Director (Audit and Supervisory Committee Member) Hiromi Nakagawa is a certified public accountant of the United States. and has considerable knowledge of finance and accounting.
3. The Company has selected Yusuke Ichikawa as a full-time Audit and Supervisory Committee Member in order to enhance the effectiveness of audits and strengthen the audit and supervisory functions through improved information gathering and adequate cooperation with the internal audit office and other departments.

(ii) Outline of the contents of the liability limitation agreement
Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with each Director (excluding Executive Directors, etc.) to limit their liability for damages under Article 423, paragraph (1) of the Companies 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.

(iii) Summary of contents of liability insurance policy for Directors and other officers
The Company has entered into a Directors (including Directors who are Audit and Supervisory Committee Members) as well as Directors and Audit and Supervisory Committee Members of our subsidiaries liability insurance policy with an insurance company in accordance with Article 430-3, paragraph (1) of the Companies Act. The policy will cover losses that may arise due to an insured's assumption of liability in the course of their performance of duties, or receipt of claims pertaining to the pursuit of such liability, and the insurance premiums are fully borne by the Company and its subsidiaries.

The summary of the content of the insurance policy is that the policy will cover losses that may arise due to an insured's assumption of liability in the course of their performance of duties, or receipt of claims pertaining to the pursuit of such liability, and that the policy is renewed annually. Provided, however, that in order to ensure that the insured's proper performance of his/her duties is not impaired, coverage is not provided for damages resulting from criminal acts, etc. committed by the insured.

(iv) Remuneration, etc. of Directors and other officers

(a). Total amount of remuneration, etc. for the fiscal year ended March 31, 2025

Classification	Directors and other officers of the Company (Persons)	Total amount of remuneration, etc. (Millions of yen)	Basic remuneration	Non-monetary remuneration, etc.
Directors (excluding Directors who are Audit and Supervisory Committee Members) (of whom are outside Directors)	9 [3]	159 [18]	125 [18]	32 [–]
Directors (Audit and Supervisory Committee Members) (of whom are outside Directors)	4 [4]	26 [26]	26 [26]	– [–]
Total (of whom are outside Directors and other officers)	13 [7]	186 [44]	152 [44]	32 [–]

Notes: 1. The above includes one Director (excluding Director who is Audit and Supervisory Committee Member) who retired at the conclusion of the 53rd Annual General Meeting of Shareholders held on June 25, 2024.
2. The amount of remuneration paid to Directors does not include the employee salaries of Directors who concurrently serve as employees.

(b) Stock remuneration (non-monetary remuneration, etc.)
To provide incentives to sustainably increase corporate value and to promote further value sharing with shareholders, the Company has introduced a transfer-restricted stock remuneration plan (hereinafter, the "Plan") for Directors (excluding Directors who are members of the Audit and Supervisory Committee and outside Directors; hereinafter referred to as "Eligible Directors"). The Eligible Directors will pay all of the monetary remuneration claims paid by the Company under the Plan as assets contributed in kind, and will receive the issuance or disposal of the Company's common stock. The total amount of monetary remuneration claims to be paid to the Eligible Directors for the grant of restricted stock is no more than 100 million yen a year, and the total number of shares of the Company's common stock to be issued or disposed of under the Plan is limited to 50,000 shares per year. The Company and the Eligible Directors shall enter into a transfer-restricted stock allotment

agreement that includes the following provisions: an Eligible Director shall not transfer, create a security interest, or otherwise dispose of the Company's common shares allotted during the period from the date of issuance to the date on which the Eligible Director retires, and the Company shall acquire the Allotted Shares without consideration in the event of certain events.

(c) Matters concerning resolution of the General Meeting of Shareholders on remuneration, etc. for Directors and Audit and Supervisory Committee Members

The Annual General Meeting of Shareholders held on June 24, 2020 adopted a resolution to set the amount of remuneration for Directors of the Company to be within 270 million yen per year (the amount for outside Directors (excluding Directors who are Audit and Supervisory Committee Members) is within 20 million yen per year). The amount of remuneration paid to Directors does not include the employee salaries of Directors who concurrently serve as employees. At the conclusion of that Annual General Meeting of Shareholders, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) was eight (including two outside Directors). Furthermore, the Annual General Meeting of Shareholders held on June 25, 2024 adopted a resolution that the total amount of monetary remuneration to be paid for the granting of restricted stock, which is separate from the above remuneration limit, would be no more than 100 million yen per year (Up to 50,000 shares of the Company's common stock to be issued or disposed of by paying all such monetary remuneration claims as assets contributed in kind per year). The number of Directors (excluding Directors who are Audit and Supervisory Committee Members) at the conclusion of this General Meeting of Shareholders will be eight (including three outside Directors).

The Annual General Meeting of Shareholders held on June 24, 2020 adopted a resolution to set the amount of remuneration, etc. for Directors who are Audit and Supervisory Committee Members to be within 40 million yen per year. The number of Directors who are Audit and Supervisory Committee Members at the conclusion of that Annual General Meeting of Shareholders is four (including four outside Directors).

(d) Policy for determining individual remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members)

The Board of Directors has resolved the policy for determining individual remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members), which is summarized as follows. The Board of Directors has confirmed that the specific remuneration, etc. of each individual Director (excluding Directors who are Audit and Supervisory Committee Members) for the relevant fiscal year as well as the specific methods of determination are consistent with the decision-making policies resolved at the Board of Directors' meetings and in accordance with the recommendations of the Nominating and Compensation Committee. Thus, the Board of Directors has determined that these matters were consistent with the policies for determining remuneration.

i) Basic policy

The basic policy on remuneration for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) is that the remuneration system shall be linked to shareholders' benefits so that remuneration functions as an incentive to continuously improve corporate value, and that when deciding on remuneration for individual Directors, it shall be an appropriate level based on their respective work responsibilities. Specifically, remuneration for Executive Directors consists of the basic remuneration, which is their fixed remuneration, and stock-based remuneration, while Directors and outside Directors who have supervisory functions and are not engaged in business execution are only paid a basic remuneration, given their work.

ii) Policy for determining amount of basic remuneration (monetary remuneration) for individuals

The Company's basic remuneration for its Directors (excluding Directors who are Audit and Supervisory Committee Members) is the fixed remuneration paid every month, and is determined based on comprehensive consideration of their job responsibilities, performance in each fiscal period, extent of contributions, and other.

iii) Policy regarding determining the content and method of calculating the amount or number of non-monetary remuneration, etc.
Non-monetary remuneration, etc. shall be in the form of restricted stock, and the total amount of monetary remuneration paid for the granting of restricted stock shall be no more than 100 million yen per year. Specific allocation shall be determined based on a comprehensive consideration of operating profit, profit, ordinary profit, net sales, etc. in the short term, and ROE, stock price, and total market value in the long term, and shall be reflected in the remuneration for the following fiscal year. The Board of Directors shall make a resolution on the timing of the payment in July each year, and the payment shall be allocated in August.

iv) Policy on deciding on percentage of monetary remuneration and non-monetary remuneration, etc. making up individual Directors' remuneration, etc.
The Nominating and Compensation Committee examines remuneration proportions by type for Executive Directors by objectively comparing remuneration levels and the connection to performance using data on director remuneration from an outside research organization in order to ensure objectivity and appropriateness. The Board of Directors (the Representative Director and Executive President who is delegated in line with v.) respects the recommendations of the Nominating and Compensation Committee, and the content of the remuneration, etc. for individual directors is determined within the scope of the percentage of remuneration by type laid out in these recommendations. The policy is that payment should be made at the optimal percentages so that shareholders and managers share the same interests and it contributes to the sustainable improvement of corporate value.

v) Matters related to decisions on content of Directors' individual remuneration, etc.
Based on the resolution by the Board of Directors, the Representative Director and Executive President is delegated to make decisions on the specific content of individuals' remuneration. Authority over this decision extends to the amount of basic remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) and the number of shares allocated to individuals as stock-based remuneration. The Board of Directors receives feedback and recommendations on the draft from the Nominating and Compensation Committee to ensure that this authority is exercised appropriately by the Representative Director and Executive President. The Representative Director and Executive President, having been given this authority, must make decisions in line with these recommendations.

vi) Important matters related to decisions on content of other remuneration, etc. for individuals
Stock remuneration, which is non-monetary remuneration, etc. in the form of transfer-restricted shares, is subject to a claw back clause in which all or some of the stock remuneration is returned without consideration in the event that the Director engages in inappropriate actions or violates laws during his/her tenure.

(e) Matters related to delegation of authority to determine individual Directors remuneration, etc.
Pursuant to a resolution of the Board of Directors meeting held on February 19, 2021, the Company has delegated authority to Tomomichi Saeki, Representative Director and Executive President, to determine the specific details of individual remuneration, etc. of Directors (excluding Directors who are Audit and Supervisory Committee Members). The content of the delegated authority includes the determination of the amount of basic remuneration and the number of shares to be allotted to each individual Director (excluding Directors who are Audit and Supervisory Committee Members) as stock-based remuneration. The reason these authorities have been delegated is that the Representative Director and Executive President is best suited to evaluate the businesses for which each Director is responsible, while overlooking the overall business performance of the Company as a whole. The Board of Directors receives feedback and recommendations on the draft from the Nominating and Compensation Committee to ensure that this authority is exercised appropriately by the Representative Director and Executive President. The Representative

Director and Executive President, having been given this authority, must make decisions in line with these recommendations.

Remuneration for each Director who is an Audit and Supervisory Committee Member is determined within the total amount of remuneration resolved at the Annual Meeting of Shareholders through discussions among the Directors who are Audit and Supervisory Committee Members, taking into consideration whether the Director serves full-time or part-time and the division of duties.

(v) Matters concerning outside Directors and other officers

(a) Significant concurrent positions held by outside Directors at organizations outside the Company and relationship of those companies to the Company

Concurrent positions held by outside Directors are as described in "(3) (i) Status of Directors" under "Significant concurrent positions outside the Company."

There is no special relationship between the Company and the companies where outside Directors and other officers hold concurrent positions.

(b) Major activities during the fiscal year ended March 31, 2025

• Attendance at Board of Directors meetings and Audit and Supervisory Committee meetings

	Board of Directors		Audit and Supervisory Committee	
	Attendance	Attendance rate	Attendance	Attendance rate
Director Yukiko Takenouchi	16/16	100%	–	–
Director Hiromi Kitagawa	16/16	100%	–	–
Director Masao Kurokawa	16/16	100%	–	–
Director (full-time Audit and Supervisory Committee Member) Yusuke Ichikawa	15/16	93.8%	12/12	100%
Director (Audit and Supervisory Committee Member) Tetsuro Tsuboya	16/16	100%	12/12	100%
Director (Audit and Supervisory Committee Member) Noriko Suzuki	16/16	100%	12/12	100%
Director (Audit and Supervisory Committee Member) Hiromi Nakagawa	13/13	100%	9/9	100%

Note: Because Hiromi Nakagawa was appointed as a Director (Audit and Supervisory Committee Member) in June 2024, her attendance numbers at Board of Directors meetings and Audit and Supervisory Committee meetings differ from other Directors and Audit and Supervisory Committee Members.

• Summary of statements made at the meetings of the Board of Directors and Audit and Supervisory Committee and duties performed with respect to the role expected of outside Directors

i) At Board of Directors meetings, Yukiko Takenouchi actively expresses her opinions on the theme of promoting women's activities based on knowledge cultivated through her many lectures and experience in consulting, and she plays an appropriate role in ensuring the adequacy and appropriateness of decision-making by providing supervision, advice, etc. from a professional standpoint, particularly with regard to the Company's management and diversity promotion. As a member of the Nominating and

Compensation Committee, she attended all committee meetings held during the fiscal year ended March 31, 2025, and fulfilled her supervisory function in the process of selecting candidates for executive positions in the Company, determining executive remuneration, etc. from an objective and neutral standpoint.

ii) Hiromi Kitagawa actively expresses her opinions at Board of Directors meetings from an objective viewpoint not of this industry, and plays an appropriate role in ensuring the adequacy and appropriateness of decision-making by providing supervision, advice, etc. from a professional standpoint, particularly with regard to her advanced academic knowledge in information management. As a member of the Nominating and Compensation Committee, she attended all committee meetings held during the fiscal year ended March 31, 2025, and fulfilled her supervisory function in the process of selecting candidates for executive positions in the Company, determining executive remuneration, etc. from an objective and neutral standpoint.

iii) Masao Kurokawa actively expresses his opinions at Board of Directors meetings based on his extensive experience in government agencies, and plays an appropriate role in ensuring the adequacy and appropriateness of decision-making by providing supervision, advice, etc. from an objective standpoint, independent of management.

iv) Yusuke Ichikawa actively expresses his opinions at meetings of the Board of Directors and Audit and Supervisory Committee based on his extensive knowledge of business management, and plays an appropriate role in ensuring the adequacy and appropriateness of decision-making by providing supervision, advice, etc. from an objective standpoint, independent of management.

v) Tetsuro Tsuboya actively expresses his opinions at meetings of the Board of Directors and Audit and Supervisory Committee based on the experience he gained in the execution of business for other companies in the same industry, and plays an appropriate role in ensuring the adequacy and appropriateness of decision-making by providing supervision, advice, etc. from an objective standpoint, independent of management.

vi) Noriko Suzuki actively expresses her opinions at meetings of the Board of Directors and Audit and Supervisory Committee based on a wide range of experience and insight gained as an associate professor and lecturer at a university, and plays an appropriate role in ensuring the adequacy and appropriateness of decision-making by providing supervision, advice, etc. from an objective standpoint, independent of management.

vii) Hiromi Nakagawa actively expresses her opinions at meetings of the Board of Directors and Audit and Supervisory Committee based on her extensive knowledge of accounting and taxation, and plays an appropriate role in ensuring the adequacy and appropriateness of decision-making by providing supervision, advice, etc. from an objective standpoint, independent of management.

(4) Status of Financial Auditor

(i) Name of Financial Auditor: Grant Thornton Taiyo LLC

(ii) Amount of remuneration, etc. of Financial Auditor for the fiscal year ended March 31, 2025

	Amount of remuneration, etc. (Millions of yen)
(i) Amount of remuneration, etc. for services under Article 2, paragraph (1) of the Certified Public Accountants Act	43
(ii) Total amount of cash and other financial benefits payable by the Company and its subsidiaries	43

Notes: 1. Because the audit contract between the Company and the Financial Auditor does not distinguish between the amount of remuneration, etc. for the auditing performed by the Financial Auditor under the Companies Act and the amount of remuneration, etc. for the auditing performed under the Financial Instruments and Exchange Act, the amount in (i) is the total of these amounts.

2. After reviewing and considering the details of the audit plan of the Financial Auditor, the status of the accounting audit, and the basis for calculating the estimated amount of remuneration, the Audit and Supervisory Committee determined that it was appropriate and consented to the remuneration, etc. of the Financial Auditor.

(iii) Services other than those set forth in Article 2, paragraph (1) of the Certified Public Accountants Act (non-audit services)

None.

(iv) Policy on dismissal or non-reappointment of Financial Auditor

The Audit and Supervisory Committee shall dismiss the Financial Auditor with the unanimous consent of all members of the Audit and Supervisory Committee if the Financial Auditor is deemed to fall under any of the items of Article 340, paragraph (1) of the Companies Act. In this case, the Audit and Supervisory Committee Member selected by the Audit and Supervisory Committee will report the dismissal of the Financial Auditor and the reasons for the dismissal at the first General Meeting of Shareholders convened after the dismissal.

In addition, in the event that the Audit and Supervisory Committee deems there is a problem with the Financial Auditor's performance of their duties, etc. and determines that action such as dismissal or non-reappointment is necessary, the Audit and Supervisory Committee will decide the content of the proposal for dismissal or non-reappointment of the Financial Auditor to be submitted to the General Meeting of Shareholders.

(v) Status of audits, other than those by the Company's Financial Auditor, of financial statements of the Company's subsidiaries by certified public accountants or audit corporations

None.

(5) System for ensuring operational appropriateness

The following is a summary of decisions made regarding the system for ensuring compliance with laws and the Articles of Incorporation in the execution of duties by Directors and employees of the Company and its Group companies, as well as other systems to ensure the operational appropriateness of the stock company and of the corporate group comprising the stock company and its subsidiaries.

(i) System for ensuring compliance with laws and the Articles of Incorporation in the execution of duties by Directors and employees of the Company and its Group companies

We have established the "Charter of Corporate Code" in accordance with the management policy. The Representative Director and Executive President repeatedly communicates the spirit of the charter to the Directors and employees of the Company and its Group companies in order to thoroughly establish compliance with laws and regulations as the basis upon which we conduct all our corporate activities.

The Representative Director and Executive President appoints the Director responsible for overall compliance and the Risk Management Division establishes, maintains and improves the compliance system.

The Auditing Office conducts audits from an independent standpoint and reports its results to the Representative Director and Executive President.

We have established the Whistleblower Protection Rules as an internal notification system for reporting suspected non-compliance. In accordance with the Rules, we operate the internal notification system that allows Directors and employees to report suspected non-compliance to the Company through whistle blowing contact points. The status of reporting through the internal notification system is promptly reported to the Audit and Supervisory Committee.

The Audit and Supervisory Committee analyzes potential problems in the compliance system and reports its results to the Board of Directors. The Board of Directors regularly reviews the compliance system, identifies problems and makes improvements.

(ii) System for retention and management of information pertaining to the execution of Directors' duties

The Representative Director and Executive President appoints a Director responsible for retaining and managing information pertaining to the execution of duties by Directors. Information pertaining to the execution of duties by Directors is archived and managed in the form of paper or electronic means in accordance with the Document Management Rules. Directors may access these documents at any time in accordance with the Document Management Rules. The Document Management Rules and relevant rules should be reviewed and revised, as required.

(iii) Rules and other systems for loss risk management by the Company and its Group companies

Under the initiative of the Risk Management Division, we established the cross-sectoral Risk Management Committee chaired by the Representative Director and Executive President to review the risks. The Risk Management Committee endeavors to improve and strengthen the risk management system by reviewing the Risk Management Rules, designating a department responsible for each risk category and managing risks for the entire Group exhaustively and comprehensively.

The Auditing Office audits the status of risk management by each department and regularly reports its results to the Board of Directors.

(iv) System for ensuring the effectiveness of the execution of duties by Directors of the Company and its Group companies

As a basic structure for ensuring the effectiveness of the execution of duties by Directors, the Board of Directors holds monthly meetings and extraordinary meetings, as required.

The status of execution of duties by Directors based on resolutions by the Board of Directors is reported by the Director in charge in a timely manner in to the Board of Directors when they meet, and audited in a timely manner by the Audit and Supervisory Committee and the Auditing Office. The monthly Department Head meetings are also held in order to ensure the effectiveness of the execution of duties by Directors.

Medium-term management plans and single-year business plans for the entire Group are developed and company-wide targets are set. The Group Executive Committee, composed of division managers and those with higher positions of the Company and its Group companies, holds monthly meetings, where the status of business execution is reported and measures and factors impeding the efficiency of business execution are analyzed and improved.

(v) System for ensuring operational appropriateness of the corporate Group consisting of the Company and its Group companies

Management of Group companies is conducted by the officer in charge in accordance with the "Affiliated Companies Management Rules." The presidents of Group companies attend the monthly Group Executive Committee meetings and exchange information smoothly.

Directors of the Company and its Group companies have the authority and responsibilities for the establishment and operation of the internal control system for ensuring appropriate business execution by each division of the Company and each Group company.

The Audit and Supervisory Committee and the Auditing Office audit the Group management system regularly or as required and report their results to the Board of Directors.

In order to facilitate this, we established the Group Auditors Liaison Committee and the Internal Auditors Liaison Committee to share information.

(vi) Matters regarding employees who assist the Audit and Supervisory Committee; matters regarding such employees' independence from Directors (excluding Directors who are Audit and Supervisory Committee Members); and matters regarding the ensuring of effectiveness of instructions given by the Audit and Supervisory Committee Members to such employees

In cases where the Audit and Supervisory Committee requests employees be appointed to assist it, the Board of Directors may appoint such employees from the Auditing Office or head office employees, in consultation with the Audit and Supervisory Committee. During the period of such employees' assisting the Audit and Supervisory Committee, the right to command such employees is deemed to have been delegated to the Audit and Supervisory Committee. In order to ensure the effectiveness of instructions given by the Audit and Supervisory Committee, with respect to the duties ordered to carry out by the Committee, such employees may not accept instructions from Directors (excluding Directors who are Audit and Supervisory Committee Members) and the organization, etc. to which they belong. Transfers of such employees during such period may not be carried out without the consent of the Audit and Supervisory Committee.

(vii) System for ensuring that parties who have reported to the Audit and Supervisory Committee do not incur unfavorable treatment as a consequence of such reporting

The Company and its Group companies shall not subject to unfavorable treatment a Director (excluding Directors who are members of the Audit and Supervisory Committee) of the Company and its Group companies who has made a report to the Audit and Supervisory Committee by reason of such report.

(viii) Procedures for pre-payment and reimbursement of expenses incurred in the execution of duties by the Audit and Supervisory Committee Members and matters regarding the policy on processing of other expenses and debt incurred in the execution of such duties

In cases where the Audit and Supervisory Committee Members claim pre-payment of expenses required for fulfilling its duties, we shall promptly provide pre-payment or reimbursement with respect to such expenses or debt.

(ix) System for Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees of the Company and its Group companies to report to the Audit and Supervisory Committee; other systems for reporting to the Audit and Supervisory Committee; and other systems for ensuring effective performance of audits by the Audit and Supervisory Committee Members

On June 24, 2020, we established regulations regarding matters to be reported to the Audit and Supervisory Committee (matters designated by law, matters that may have a material impact on the management and performance of the Company and its Group companies, status of implementation of internal audits, material violation of laws and the Articles of Incorporation and other matters). Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees of the Company must report matters set forth by the regulations to the Audit and Supervisory Committee without delay.

Full-time Audit and Supervisory Committee Members may attend Group Executive Committee meetings and other inhouse meetings and receive reports on important management information in a timely manner. In cases where the Audit and Supervisory Committee finds it necessary, the Committee may seek reports from Directors and employees of the Company and its Group companies at any time.

The Audit and Supervisory Committee regularly exchanges opinions with the Representative Director and Executive President.

(6) Summary of operational status of system for ensuring operational appropriateness

The Company has been operating appropriately, based on the internal control system described above, during the fiscal year ended March 31, 2025. The following is a summary of the status of principle operations.

(i) Execution of duties by Directors

The Company has established Rules of the Board of Directors, and Directors conduct themselves in strict compliance with the law and Articles of Incorporation. The Board of Directors deliberates on each proposal on the agenda, supervises the status of business execution, and actively exchanges opinions to ensure the effectiveness of decision-making and supervision.

The Group has introduced an executive officer system to separate management supervision from execution and ensure for prompt business execution. Important matters concerning business execution are brought up for discussion at Executive Officers Meetings as a preliminary step to being submitted to the Board of Directors, and based on those discussions, decisions are made on the need to submit them to the Board of Directors. In addition, the Company makes every effort to improve the appropriateness and efficiency of business execution by, for example, ensuring that items on the agenda for the Board of Directors and other meeting bodies are provided in advance to the greatest extent possible.

We have established the Nominating and Compensation Committee as a voluntary advisory body to the Board of Directors in order to appoint and dismiss senior management, nominate director candidates and to further enhance its corporate governance by strengthening the independence, objectivity and accountability of the Board of Directors' functions relating to the remuneration, etc. The majority of the members of the Nominating and Compensation Committee are outside Directors, and the committee discusses the appointment and remuneration of Directors, etc.

In addition, important matters related to business execution are reported and discussed at the Group Executive Committee, ensuring the appropriateness and efficiency of business execution. In addition, the effectiveness of the Board of Directors is evaluated once a year, in principle, to ascertain the current status of the Board of Directors and review its operation to enhance its effectiveness.

(ii) Execution of duties by the Audit and Supervisory Committee

The members of the Audit and Supervisory Committee conduct audits in accordance with the audit plan established by the Audit and Supervisory Committee. In addition, members of the Audit and Supervisory Committee attend meetings of the Board of Directors and the Group Executive Committee, and regularly exchange information with the Representative Director, Financial Auditor, and Auditing Office in auditing the execution of duties by Directors and confirming the development and operation of the internal control system.

(iii) Group management system

In addition to the presidents and officers of subsidiaries reporting on their business performance at the monthly Group Executive Committee, the Company dispatches its officers and others to subsidiaries as auditors in order to grasp the business activities of subsidiaries, provide appropriate instructions and advice. Such dispatched officers and others report back to the Company from time to time.

(iv) Compliance

In order to raise awareness of compliance and prevent misconduct, all employees are given a business card-sized version of the Charter of Corporate Behavior card to carry with them at all times. In addition, the Company is striving to foster a better corporate culture by providing training through e-learning and other means not only for employees, but also for part-time workers. In accordance with the Whistleblower Protection Rules, the Company has established whistleblower contact points outside the Company, in addition to the Company's Risk Management Division, to maintain an environment facilitating whistleblowing.

(v) Risk management system

In order to minimize serious losses and disadvantages in management, we have established Risk Management Rules and a cross-sectoral Risk Management Committee, which meets monthly to review Group-wide risks.

Consolidated Financial Statements

Consolidated Balance Sheet

(As of March 31, 2025)

(Thousands of yen)

Assets		Liabilities	
Item	Amount	Item	Amount
Current assets	**13,047,180**	**Current liabilities**	**10,659,405**
Cash and deposits	4,736,320	Accounts payable - trade	2,074,288
Notes receivable - trade	2,419	Short-term borrowings	3,130,942
Accounts receivable - trade	6,660,569	Lease liabilities	154,979
Contract assets	687,992	Income taxes payable	510,059
Merchandise and finished goods	88,811	Contract liabilities	339,788
Work in progress	101,690	Provision for bonuses	1,068,059
Raw materials and supplies	133,344	Provision for loss on orders received	8,315
Other	636,279	Asset retirement obligations	14,347
Allowance for doubtful accounts	(248)	Other	3,358,624
Non-current assets	**24,015,032**	**Non-current liabilities**	**7,090,379**
Property, plant and equipment	**15,817,694**	Long-term borrowings	6,256,776
Buildings and structures	10,460,513	Lease liabilities	384,343
Land	2,950,519	Deferred tax liabilities	228,524
Leased assets	488,416	Asset retirement obligations	212,847
Construction in progress	798,830	Other	7,889
Other	1,119,414	**Total liabilities**	**17,749,785**
Intangible assets	**2,098,760**	**Net assets**	
Goodwill	254,514	Item	Amount
Software	1,843,864	**Shareholders' equity**	**18,528,477**
Other	381	Share capital	3,203,992
Investments and other assets	**6,098,576**	Capital surplus	1,759,937
Investment securities	3,674,565	Retained earnings	13,961,044
Retirement benefit asset	1,529,028	Treasury shares	(396,497)
Deferred tax asset	18,205	**Accumulated other comprehensive income**	**783,949**
Other	877,927	Valuation difference on available-for-sale securities	552,632
Allowance for doubtful accounts	(1,150)	Remeasurements of defined benefit plans	231,317
		Total net assets	**19,312,427**
Total assets	**37,062,212**	**Total liabilities and net assets**	**37,062,212**

(Amounts are rounded down to the nearest thousand yen.)

Consolidated Statements of Income

(April 1, 2024 to March 31, 2025)

(Thousands of yen)

Item	Amount
Net sales	**38,987,494**
Cost of sales	**30,727,686**
Gross profit	**8,259,808**
Selling, general and administrative expenses	**5,619,130**
Operating profit	**2,640,677**
Non-operating income	**139,451**
Interest income	774
Dividend income	55,335
Gain on investments in investment partnerships	32,563
Foreign exchange gains	18,631
Other	32,147
Non-operating expenses	**98,344**
Interest expenses	57,660
Share of loss of entities accounted for using equity method	26,867
Commission expenses	11,392
Other	2,424
Ordinary profit	**2,681,785**
Extraordinary income	**719,579**
Gain on sale of investment securities	719,099
Gain on sales of golf club memberships	480
Extraordinary losses	**76,947**
Losses related to head office relocation	59,780
Office relocation expense	10,051
Loss on retirement of non-current assets	7,115
Profit before income taxes	**3,324,417**
Income taxes - current	973,464
Income taxes - deferred	90,989
Profit	**2,259,963**
Profit attributable to owners of parent	**2,259,963**

(Amounts are rounded down to the nearest thousand yen.)

Consolidated Statements of Changes in Equity

(April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the period	3,203,992	3,147,381	12,559,884	(304,839)	18,606,419
Changes during period					
Dividends from surplus			(858,803)		(858,803)
Profit attributable to owners of parent			2,259,963		2,259,963
Purchase of treasury shares				(1,559,701)	(1,559,701)
Disposal of treasury shares		7,997		72,602	80,600
Cancellation of treasury shares		(1,395,441)		1,395,441	–
Net changes in items other than shareholders' equity					
Total changes during period	–	(1,387,443)	1,401,160	(91,657)	(77,941)
Balance at end of period	3,203,992	1,759,937	13,961,044	(396,497)	18,528,477

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at the beginning of the period	1,264,573	226,013	1,490,586	20,097,006
Changes during period				
Dividends from surplus				(858,803)
Profit attributable to owners of parent				2,259,963
Purchase of treasury shares				(1,559,701)
Disposal of treasury shares				80,600
Cancellation of treasury shares				–
Net changes in items other than shareholders' equity	(711,940)	5,303	(706,636)	(706,636)
Total changes during period	(711,940)	5,303	(706,636)	(784,578)
Balance at end of period	552,632	231,317	783,949	19,312,427

(Amounts are rounded down to the nearest thousand yen.)

Non-consolidated Financial Statements

Balance Sheet

(As of March 31, 2025)

(Thousands of yen)

Assets		Liabilities	
Item	Amount	Item	Amount
Current assets	**9,801,811**	**Current liabilities**	**12,044,838**
Cash and deposits	3,478,216	Accounts payable - trade	1,621,515
Notes receivable - trade	2,419	Current portion of long-term debt	3,088,942
Accounts receivable - trade	4,946,121	Lease liabilities	154,979
Contract assets	505,660	Accounts payable - other	761,211
Merchandise and finished goods	87,491	Income taxes payable	333,499
Work in progress	60,086	Accrued consumption taxes	243,540
Raw materials and supplies	133,146	Accrued expenses	309,998
Advance payments to suppliers	85,022	Contract liabilities	335,441
Prepaid expenses	350,487	Deposits received	40,031
Other	153,278	Deposits received from subsidiaries and affiliates	3,100,000
Allowance for doubtful accounts	(119)	Suspense receipt	1,486,225
Non-current assets	**24,813,283**	Provision for bonuses	518,726
Property, plant and equipment	**15,621,184**	Provision for loss on orders received	8,059
Buildings	10,025,283	Asset retirement obligations	2,025
Structures	336,292	Other	40,642
Vehicles	0	**Non-current liabilities**	**6,949,889**
Tools, furniture and fixtures	1,066,710	Long-term borrowings	6,249,776
Land	2,905,650	Lease liabilities	384,343
Leased assets	488,416	Asset retirement obligations	143,988
Construction in progress	798,830	Guarantee deposits	271
Intangible assets	**1,885,523**	Deferred tax liabilities	171,510
Software	1,811,016	**Total liabilities**	**18,994,727**
Software in progress	74,226	**Net assets**	
Other	281	Item	Amount
Investments and other assets	**7,306,576**	**Shareholders' equity**	**15,358,859**
Investment securities	2,234,546	**Share capital**	**3,203,992**
Shares of subsidiaries and affiliates	3,310,119	**Capital surplus**	**1,751,593**
Investments in capital	1,302	Legal capital surplus	801,000
Distressed receivables	300	Other capital surplus	950,593
Long-term prepaid expenses	147,836	**Retained earnings**	**10,799,770**
Prepaid pension cost	1,131,977	Other retained earnings	10,799,770
Leasehold and guarantee deposits	443,647	Retained earnings brought forward	10,799,770
Membership	36,397	**Treasury shares**	**(396,497)**
Other	1,600	**Valuation and translation adjustments**	**261,508**
Allowance for doubtful accounts	(1,150)	Valuation difference on available-for-sale securities	261,508
		Total net assets	**15,620,367**
Total assets	**34,615,095**	**Total liabilities and net assets**	**34,615,095**

(Amounts are rounded down to the nearest thousand yen.)

Statements of Income

(April 1, 2024 to March 31, 2025)

(Thousands of yen)

Item	Amount
Net sales	**27,995,086**
Cost of sales	**22,134,818**
Gross profit	**5,860,268**
Selling, general and administrative expenses	**4,203,138**
Operating profit	**1,657,130**
Non-operating income	**257,274**
Interest income	730
Dividend income	191,617
Gain on investments in investment partnerships	32,563
Other	32,363
Non-operating expenses	**77,396**
Interest expenses	63,685
Commission expenses	11,392
Other	2,318
Ordinary profit	**1,837,008**
Extraordinary income	**719,579**
Gain on sale of investment securities	719,099
Gain on sale of membership	480
Extraordinary losses	**59,709**
Losses related to head office relocation	53,877
Loss on retirement of non-current assets	5,832
Profit before income taxes	**2,496,878**
Income taxes - current	620,974
Income taxes - deferred	80,743
Profit	**1,795,160**

(Amounts are rounded down to the nearest thousand yen.)

Statements of Changes in Equity

(April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Shareholders' equity					
		Capital surplus			Retained earnings	
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at the beginning of the period	3,203,992	801,000	2,338,037	3,139,037	9,863,412	9,863,412
Changes during period						
Dividends from surplus					(858,803)	(858,803)
Profit					1,795,160	1,795,160
Purchase of treasury shares						
Disposal of treasury shares			7,997	7,997		
Cancellation of treasury shares			(1,395,441)	(1,395,441)		
Net changes in items other than shareholders' equity						
Total changes during period	–	–	(1,387,443)	(1,387,443)	936,357	936,357
Balance at end of period	3,203,992	801,000	950,593	1,751,593	10,799,770	10,799,770

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of the period	(304,839)	15,901,603	980,030	980,030	16,881,633
Changes during period					
Dividends from surplus		(858,803)			(858,803)
Profit		1,795,160			1,795,160
Purchase of treasury shares	(1,559,701)	(1,559,701)			(1,559,701)
Disposal of treasury shares	72,602	80,600			80,600
Cancellation of treasury shares	1,395,441	–			–
Net changes in items other than shareholders' equity			(718,522)	(718,522)	(718,522)
Total changes during period	(91,657)	(542,744)	(718,522)	(718,522)	(1,261,266)
Balance at end of period	(396,497)	15,358,859	261,508	261,508	15,620,367

(Amounts are rounded down to the nearest thousand yen.)

Audit Report

Accounting Audit Report on the Consolidated Financial Statements

Independent Auditor's Report

May 15, 2025

Board of Directors
I-NET Corp.

Grant Thornton Taiyo LLC
Tokyo Office
Keita Tajiri
Designated Limited Liability Partner and Engagement Partner
Certified Public Accountant

Kenta Nishimura
Designated Limited Liability Partner and Engagement Partner
Certified Public Accountant

Opinion

We have audited the Consolidated Financial Statements, which comprise the Consolidated Balance Sheet, the Consolidated Statement of Income, the Consolidated Statements of Changes in Equity and the related notes of I-NET Corp. ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), as at March 31, 2025 and for the year from April 1, 2024 to March 31, 2025 in accordance with Article 444, paragraph (4) of the Companies Act.

In our opinion, the Consolidated Financial Statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the Consolidated Financial Statements were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for 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 other 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 comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The Audit and Supervisory Committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements and Others

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit and Supervisory Committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

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

Our objectives 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 includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. 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 economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit.
We also:

- Identify and assess the risk of material misstatement due to fraud or error. In addition, audit procedures shall be designed and implemented to address the risks of material misstatement. The selection and application of audit procedures are at the discretion of the auditor. Further, we obtain sufficient and appropriate audit evidence on which to base our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. 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 and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform an audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to provide a basis for our opinion on the consolidated financial statements. We are responsible for directing, supervising and reviewing the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Accounting Audit Report on the Non-Consolidated Financial Statements

Independent Auditor's Report

May 15, 2025

Board of Directors
I-NET Corp.

Grant Thornton Taiyo LLC
Tokyo Office

Keita Tajiri
Designated Limited Liability Partner and Engagement Partner
Certified Public Accountant

Kenta Nishimura
Designated Limited Liability Partner and Engagement Partner
Certified Public Accountant

Opinion

We have audited the Financial Statements, which comprise the Balance Sheet, the Statement of Income, the Statements of Changes in Equity and the related notes, and the supplementary schedules of I-NET Corp. ("the Company") as at March 31, 2025 and for the 54th fiscal year from April 1, 2024 to March 31, 2025 in accordance with Article 436, paragraph (2), item (i) of the Companies Act.

In our opinion, the Financial Statements etc. referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the Financial Statements etc. were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for 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 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 consolidated financial statements in Japan, and we have fulfilled our other 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 comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The Audit and Supervisory Committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements etc. does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements etc., our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements etc. or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit and Supervisory Committee for the Financial Statements etc. and Others

Management is responsible for the preparation and fair presentation of the financial statements etc. in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements etc. that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements etc., management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit and Supervisory Committee is responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements Etc.

Our objectives are to obtain reasonable assurance about whether the 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 includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. 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 economic decisions of users taken on the basis of these financial statements etc.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit.
We also:

- Identify and assess the risk of material misstatement due to fraud or error. In addition, audit procedures shall be designed and implemented to address the risks of material misstatement. The selection and application of audit procedures are at the discretion of the auditor. Further, we obtain sufficient and appropriate audit evidence on which to base our opinion.
- Obtain an understanding of internal control relevant to the audit in order design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 related disclosures in the financial statements etc. or, if such disclosures are inadequate, to modify our opinion. 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 and disclosures in the financial statements etc. are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements etc., including the disclosures, and whether the financial statements etc. represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Audit Report of the Audit and Supervisory Committee

Audit Report

The Audit and Supervisory Committee audited the performance of duties by Directors for the 54th fiscal year from April 1, 2024 to March 31, 2025. The Committee hereby submits its report on the method and results, as follows:

1. Methods and Contents of Audit

Regarding the content of a resolution of the Board of Directors concerning matters listed in Article 399-13, paragraph (1), item (i) (b) and (c) of the Companies Act and systems developed in accordance with the resolution (internal control system), the Audit and Supervisory Committee regularly received reports from Directors and employees, etc. on the status of its construction and operation, requested them to provide explanations when necessary, expressed its opinions, and conducted audit by the following method:

1) In accordance with the auditing policies and work responsibilities decided by the Audit and Supervisory Committee, while cooperating with the internal audit office of the Company, the Audit and Supervisory Committee attended important meetings, received reports from Directors, employees, etc., regarding the performance of their duties; requested them to provide explanations when necessary; examined important internal approval documents and associated information; and studied the operations and property conditions at the head office as well as other principal offices. As for the subsidiaries, the Audit and Supervisory Committee ensured to communicate effectively with directors, corporate auditors and other personnel of subsidiaries and to exchange information therewith, and, when necessary, received reports from the subsidiaries regarding their business.

2) The Audit and Supervisory Committee monitored and verified whether the financial auditors were maintaining their independence and properly performing audits; received reports from the financial auditors on the performance of their duties; and, when necessary, requested them to provide explanations. The Audit and Supervisory Committee also received from the financial auditors a notice confirming that "systems to ensure proper performance of duties" (matters stipulated in each Item of Article 131 of Regulations on Corporate Accounting) was properly implemented according to the "Standards on Quality Control for Audit" (Business Accounting Council) and other relevant standards, and, when necessary, requested them to provide explanations.

With respect to important audit considerations, we discussed them with Grant Thornton Taiyo LLC, received reports on the status of their audits, and requested explanations, as necessary. Furthermore, regarding the administrative disposition issued to the financial auditor on December 26, 2023 by the Financial Services Agency, we have received reports on the details and state of progress of the financial auditor's "business improvement plan" and requested explanations as necessary. The financial auditor completed its business improvement reports in July 2024.

Based on the aforementioned methods, the Audit and Supervisory Committee examined the Business Report and its supporting schedules, the Financial Statements (Balance sheet, the Statement of Income, the Statements of Changes in Equity and the related notes) and their supporting schedules, and the Consolidated Financial Statements (Consolidated Balance Sheet, the Consolidated Statement of Income, the Consolidated Statements of Changes in Equity and the related notes) for this fiscal year.

2. Audit Results

(1) Audit results concerning the Business Report, etc.

1) In our opinion, the Business Report and its supplementary schedules fairly represent the Company's condition in accordance with the related laws and regulations, and the Articles of Incorporation.

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

3) In our opinion, resolutions of the meetings of the Board of Directors regarding the internal control system are fair and reasonable.
Furthermore, we have found no matters to remark regarding the description in the Business Report and the performance of duties by Directors in relation to the internal control system.

(2) Audit results concerning the Financial Statements and supplementary schedules

In our opinion, the methods and results employed and rendered by the financial auditors, Grant Thornton Taiyo LLC, are fair and reasonable.

(3) Audit results of concerning the Consolidated Financial Statements

In our opinion, the methods and results employed and rendered by the financial auditors, Grant Thornton Taiyo LLC, are fair and reasonable.

May 16, 2025

Audit and Supervisory Committee, I-NET Corp.

Full-time Audit and Supervisory Committee Member	Yusuke Ichikawa	(seal)
Audit and Supervisory Committee Member	Tetsuro Tsuboya	(seal)
Audit and Supervisory Committee Member	Noriko Suzuki	(seal)
Audit and Supervisory Committee Member	Hiromi Nakagawa	(seal)

Note: Audit and Supervisory Committee Members, Yusuke Ichikawa, Tetsuro Tsuboya, Noriko Suzuki, and Hiromi Nakagawa are outside Directors as prescribed in Article 2, item (xv) and Article 331, paragraph (6) of the Companies Act.