



October 15, 2020

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Notice Regarding Issuance of Stock Options (Stock Acquisition Rights)

Demae-can Co., Ltd. (hereinafter “the Company”) hereby announces that, at its Board of Directors meeting held on October 15, 2020, it resolved to issue the 12th stock acquisition rights and the 13th stock acquisition rights as stock options to directors and employees of the Company based on the provisions of Article 236, Article 238, and Article 240 of the Companies Act. Details are as follows.

If the stock acquisition rights are exercised, the Company shall not issue new shares, but deliver the treasury shares that the Company holds.

I. Objectives of and reasons for offering of the stock acquisition rights

As stated in the “Notice Regarding Revision of Consolidated Financial Forecast” dated March 26, 2020, the Group has been engaged in consultation and examination for the creation of business synergy since the conclusion of a capital and business alliance agreement with the LINE Group.

Both companies aim to become a food marketing platform through the capital and business alliance and to make “Demae-can” a service used daily by customers. It is essential for the Group to establish a dominant position at an early stage for sustainable growth into the future, which is feasible by demonstrating the synergies of both companies. Given this vision, as the Company, united as one, aims to increase the Company’s corporate value for the medium to long-term as published in “Notice of Formation of Medium-Term Management Plan” dated October 10, 2020, it will issue stock acquisition rights to directors and employees of the Company as an incentive plan to boost morale and increase their commitment to the expansion of business performance.

II. Outline of the terms of the 12th stock acquisition rights (for employees of the Company)

1. Number of stock acquisition rights: 5,200 units

The above total is the projected number to be allotted, and in cases of reduction in the number of the stock acquisition rights for allocation due to an unfulfilled application for acceptance of the stock acquisition rights and so on, the total number of the stock acquisition rights of effective allocation shall be regarded as the total number of the stock acquisition rights issued.

The total number of shares to be received by exercising the stock acquisition rights shall be 520,000 shares of the Company's common stock. If the number of granted shares related to the stock acquisition rights is adjusted pursuant to 3. (1) below, the total number of shares to be received by exercising the stock acquisition rights shall be the number obtained by multiplying the number of granted shares after adjustment by the number of the stock acquisition rights.

2. Cash payment for stock acquisition rights

Cash payment for one stock acquisition right shall be the amount based on the fair value of stock acquisition rights determined using the Black-Scholes model and other fair calculation methods in the allotment of stock acquisition rights.

The payment shall be set off against claims for remuneration made to the Company by the person who has been allotted stock acquisition rights.

3. Details of stock acquisition rights

(1) The class and number of shares subject to stock acquisition rights

The number of shares to be issued subject to stock acquisition rights per stock acquisition right (hereinafter "the number of granted shares") shall be 100 shares of the Company's common stock.

In the event that the Company completes the stock split (including gratis allotment of shares of the Company's common stock, the same shall apply hereinafter) or stock consolidation after the allotment date of the stock acquisition rights, an adjustment shall be made to the number of granted shares based on the following formula. Provided, however, that the adjustment shall be made to the number of shares to which stock acquisition rights have not been exercised at the time of the stock split or consolidation and that any fraction of a share that arises as a result of an adjustment shall be rounded down.

Number of granted shares after adjustment = Number of granted shares before adjustment × Ratio of split (or consolidation)

In case of a merger with another company, corporate split or capital reduction of the Company or in another case similar thereto where adjustment of the number of granted shares shall be required, in each case after the allotment date of the stock acquisition rights, the number of granted shares shall be appropriately adjusted to a reasonable extent.

(2) The value of assets to be contributed upon exercise of stock acquisition rights and its calculation method

The value of assets to be contributed upon exercise of stock acquisition rights shall be the amount obtained by multiplying the amount to be paid per share (hereinafter "the strike price") by the number of granted shares.

The strike price shall be the amount obtained by multiplying the average closing price of the Company's common stock on the Tokyo Stock Exchange JASDAQ market on all trading days (except days on which no trading is reported) in the month preceding the month in which the stock acquisition rights are allotted, by 1.05 (any fraction of less than one yen rounded up to one yen). However, in the case that the amount is below the closing price on the allotment date of the stock acquisition rights

(or the closing price of the immediately preceding day if any transaction is made on the date), the strike price shall be this closing price.

In case of stock split or stock consolidation after the allotment date of the stock acquisition rights, the strike price shall be adjusted based on the following formula, and any fractional amount below one yen resulting from such adjustment shall be rounded up.

$$\begin{array}{rcccl} \text{Strike price} & & \text{Strike price} & & 1 \\ \text{after} & = & \text{before} & \times & \hline \text{adjustment} & & \text{adjustment} & & \text{Ratio of split} \\ & & & & \text{(or consolidation)} \end{array}$$

After the allotment date of the stock acquisition rights, if the Company issues new shares or disposes of treasury shares of the Company's common stock below market price (excluding such cases as issuance of new shares and disposition of treasury shares based on the exercise of the stock acquisition rights and transfer of treasury shares by way of share exchange), the strike price shall be adjusted based on the following formula and any fractional amount below one yen resulting from such adjustment shall be rounded up.

$$\begin{array}{rcccl} & & \text{Number} & & \text{Number of} & & \text{Payment} \\ & & \text{of} & & \text{new shares to} & \times & \text{amount per} \\ & & \text{shares} & + & \text{be issued} & & \text{share} \\ & & \text{already} & & \text{Market price per share before} & & \\ & & \text{issued} & & \text{issuance of new shares} & & \\ \text{Strike} & \text{Strike price} & & \times & \hline \text{price after} & = & \text{before} & \times & \text{Number of shares already issued} + \text{Number of} \\ \text{adjustment} & \text{adjustment} & & & \text{new shares to be issued} \end{array}$$

In the above-mentioned formula, "Number of shares already issued" shall be the number obtained by subtracting the number of treasury shares of the Company's common stock from the total number of issued shares of the Company's common stock. In addition, if treasury shares of the Company's common stock are disposed of, "number of new shares issued" shall read as "number of treasury shares to be disposed of."

In addition to the above, if any event occurs after the allotment date of the stock acquisition rights such as a merger with another company and a demerger that requires adjustment of the strike price, the Company may appropriately adjust the strike price to a reasonable extent.

(3) Exercise period of the stock acquisition rights

The exercise period of the stock acquisition rights (hereinafter "the exercise period") shall be from January 20, 2021 to January 19, 2026 (if January 19, 2025 is a bank holiday, the day shall be the preceding banking day).

(4) Matters relating to capital stock and legal capital surplus to be increased

- 1) The amount of increase in capital stock in the event of the issuance of shares through the exercise of the stock acquisition rights shall be half of the amount of the limit of the increase in capital stock, etc., which is calculated in accordance with Paragraph 1 of Article 17 of the Corporate Accounting Regulations. Any fraction below one yen created as a result of the calculation shall be rounded up.
- 2) The amount of increase in legal capital surplus in the event of the issuance of shares through the exercise of the stock acquisition rights shall be the amount obtained by subtracting the amount of increase in capital stock as stipulated in 1) above from maximum increase amount of the capital stock, etc. stated in 1) above.
- (5) Restriction on acquisition of stock acquisition rights through transfer
The acquisition of stock acquisition rights by transfer requires approval by resolution of the Board of Directors of the Company.
- (6) Terms and conditions for exercise of stock acquisition rights
 - 1) The holder of the stock acquisition rights (hereinafter “the holder of the stock acquisition rights”) may exercise the stock acquisition rights if the Company registers surplus ordinary profit either in the fiscal year ending August 31, 2021, the fiscal year ending August 31, 2022 or the fiscal year ending August 31, 2023. As for the determination of realization of ordinary profit, ordinary profit in the consolidated statement of income included in the Company’s securities report (in case no consolidated statement of income is prepared, statement of income) shall be referenced, and in case expenses for stock compensation are generated relating to the stock acquisition rights, calculations shall be made excluding this. If a significant change occurs in the concept of the ordinary profit to be referred to due to the adoption of the International Financial Reporting Standards or other reasons, any other indicator to be referred to shall be determined by the Company’s Board of Directors.
 - 2) Each holder of the stock acquisition rights shall have the position of director, the Audit & Supervisory Board member or employee of the Company or the Company’s subsidiaries and associates (subsidiaries and associates specified in the Regulation on Terminology, Forms, and Preparation Methods of Financial Statements) at the time of exercising the stock acquisition rights. However, this condition shall not apply to completion of term of office, reaching the age of retirement, or any other legitimate reasons.
 - 3) The stock acquisition rights cannot be exercised by the heir of the holder.
 - 4) If the total number of issued shares of the Company would exceed the number of then-authorized shares by the exercise of stock acquisition rights, the relevant stock acquisition rights cannot be exercised.
 - 5) Each stock acquisition right may not be exercised in part.
 - 6) If the contract for allotment of stock acquisition rights is violated, stock acquisition rights cannot be exercised.
4. Allotment date of stock acquisition rights

January 19, 2021

5. Date of payment of money in exchange for stock acquisition rights

January 19, 2021

6. Matters relating to the Company's acquisition of stock acquisition rights

- (1) If a merger agreement that will make the Company a disappearing company, a corporate split agreement or a corporate split plan that will make the Company a split company, or a share exchange agreement or a share transfer plan that will make the Company become a wholly owned subsidiary of another company is approved at a General Meeting of Shareholders of the Company (in case no approval of a General Meeting of Shareholders is required, a resolution of the Board of Directors), the Company may obtain all stock acquisition rights for new shares free of charge on the day specified by the Board of Directors of the Company.
- (2) The Company may obtain stock acquisition rights for new shares free of charge in a case where the right holder becomes unable to exercise the right in accordance with the provisions of 3. (6) before exercising the right.
- (3) If the stock acquisition right holder gives up the stock acquisition rights, the Company may obtain stock acquisition rights for new shares free of charge.

7. Handling of stock acquisition rights at the time of the Reorganization

In the event that the Company experiences a merger (only if the Company is eliminated as a result of the merger), absorption-type company split, incorporation-type company split, share exchange or share transfer (the above events thereafter collectively referred to as the "Reorganization), then the holders of stock acquisition rights shall be issued stock acquisition rights of the company indicated in Article 236, Paragraph 1, Item 8 (a)-(e) of the Companies Act (hereinafter referred to as the "Reorganized Company") on the effective date of the Reorganization based on the conditions below. However, the stock acquisition rights shall be granted only if provisions for issuing the stock acquisition rights of the Reorganized Company according to the following conditions are included in the absorption-type merger agreement, consolidation-type merger agreement, absorption-type company split agreement, incorporation-type company split agreement, share exchange agreement, or share transfer plan.

(1) Number of issued stock acquisition rights of the Reorganized Company

The number of issued stock acquisition rights shall be the same as the number of stock acquisition rights possessed by the holder of stock acquisition rights.

(2) Class of shares of the Reorganized Company to be acquired upon the exercise of stock acquisition rights

It shall be common shares of the Reorganized Company.

(3) Number of shares of the Reorganized Company acquired upon the exercise of the stock acquisition rights

It shall be determined in accordance with 3. (1) above, considering the conditions of the Reorganization.

(4) Value of assets to be contributed upon the exercise of the stock acquisition rights

The value of assets to be contributed upon the exercise of each stock acquisition right shall be the amount obtained by multiplying the post-restructuring strike price after adjusting the strike price determined in 3. (2) above by the number of shares of the Reorganized Company subject to the stock acquisition right as decided in accordance with 6. (3) above, considering the conditions of the Reorganization.

(5) Period for exercising stock acquisition rights

The period shall be from the later date of either the first day of the exercise period of stock acquisition rights determined in 3. (3) above or the effective date of the Reorganization to the last day of the exercise period defined in 3. (3) above.

(6) Matters relating to capital stock and legal capital surplus to be increased by the issuance of shares through exercising stock acquisition rights

They shall be determined in accordance with 3. (4) above.

(7) Restriction on acquisition of a stock acquisition right through transfer

Restriction on acquisition of a stock acquisition right through transfer shall require approval by resolution of the Board of Directors of the Reorganized Company.

(8) Other exercise conditions of stock acquisition rights

They shall be determined in accordance with 3. (6) above.

(9) Reasons and conditions for the Company's acquisition of stock acquisition rights

They shall be determined in accordance with 5 above.

(10) Other conditions shall be determined in accordance with the terms and conditions of the Reorganized Company.

7. Matters relating to subscription warrants related to stock acquisition rights

The Company shall not issue subscription warrants related to stock acquisition rights.

8. Subject person to receive allotment of stock acquisition rights and the number of such persons

Employees of the Company: 330 persons 5,200 units

III. Outline of the terms of the 13th stock acquisition rights (for directors of the Company)

1. Number of stock acquisition rights: 1,700 units

The total number of shares to be received by exercising the stock acquisition rights shall be 170,000 shares of the Company's common stock. If the number of granted shares related to the stock acquisition rights is adjusted pursuant to 3. (1) below, the total number of shares to be received by exercising the stock acquisition rights shall be the number obtained by multiplying the number of granted shares after adjustment by the number of the stock acquisition rights.

2. Cash payment for stock acquisition rights

Issue price per unit of the stock acquisition rights is 1,202 yen.

The Company asked Stewart McLaren & Co. (address: 15-6, Higashi Azabu 1-chome, Minato-ku, Tokyo), a third-party valuation institution, to calculate the stock acquisition

price considering conditions provided for in the outline of the terms of the stock acquisition rights. In determining the calculation method to be used to calculate the price, the third-party valuation institution compared the Black-Scholes equation that finds a solution from boundary conditions analytically with other calculation methods such as the lattice model using the finite difference method for examination and then conducted the calculation of the stock acquisition rights by using a numerical calculation method based on the standard Black-Scholes equation, among general calculation methods, as the calculation method able to appropriately reflect exercise conditions (business performance conditions) of the stock acquisition rights defined in the outline in the terms of the stock acquisition rights in the calculation result.

With the numerical calculation method based on the standard Black-Scholes equation, it is assumed that prices of shares, underlying assets of the stock acquisition rights, vary in the stochastic process defined in the standard Black-Scholes equation. The standard regular random numbers included in the stochastic process are repeatedly generated while simultaneously different standard regular random numbers based on the probability distribution of future business performance are repeatedly generated, and then the achievement probability of performance conditions which are exercise conditions for the stock acquisition rights is calculated. By obtaining the pathways of future stock prices given the result of the calculation at an arbitrary number of times, the present value of the payoff that arises from the exercise of the stock acquisition rights in each pathway is found, and a theoretical price from these average values is obtained.

The third-party valuation institution made the calculation of the stock acquisition rights using a numerical calculation method based on the standard Black-Scholes equation, a general price-calculation model, based on the closing price of 3,105 yen/share, the fluctuation rate 65.08% (annualized rate), dividend rate 0.12% (annualized rate), and return on riskless assets (0.11%) (annualized rate) of the Company on Tokyo Stock Exchange, Inc. (hereinafter “the TSE”) on a trading day immediately prior to the date of the Board of Directors resolution related to the issuance of the stock acquisition rights, and the conditions defined in the outline of the terms of the stock acquisition rights (the strike price 3,105 yen/share, the period to maturity of 5.26 years, and the exercise conditions).

Because the third-party valuation institution factored in an assumption of events that may impact the calculation and used a common calculation method for calculation of the price of the stock acquisition rights, the Company carried out an examination referring to the calculation results at the third-party valuation institution in determining the issue price of the stock acquisition rights. As a result, the Company determined that the amount was not particularly advantageous to the Company because the payment amount is the same as the calculation value.

3. Details of stock acquisition rights

(1) The class and number of shares subject to stock acquisition rights

The number of shares to be issued subject to stock acquisition rights per stock acquisition right (hereinafter “the number of granted shares”) shall be 100 shares of

the Company's common stock.

In the event that the Company completes the stock split (including gratis allotment of shares of the Company's common stock, the same shall apply hereinafter) or stock consolidation after the allotment date of the stock acquisition rights, an adjustment shall be made for the number of granted shares based on the following formula. Provided, however, that the adjustment shall be made to the number of shares to which stock acquisition rights have not been exercised at the time of the stock split or consolidation and that any fraction of a share that arises as a result of an adjustment shall be rounded down.

Number of granted shares after adjustment = Number of granted shares before adjustment × Ratio of split (or consolidation)

In case of a merger with another company, corporate split or capital reduction of the Company or in another case similar thereto where adjustment of the number of granted shares is required, in each case after the allotment date of the stock acquisition rights, the number of granted shares shall be appropriately adjusted to a reasonable extent.

(2) The value of assets to be contributed upon exercise of stock acquisition rights and its calculation method

The value of assets to be contributed upon exercise of stock acquisition rights shall be the amount obtained by multiplying the amount to be paid per share (hereinafter "the strike price") by the number of granted shares.

The strike price shall be 3,105 yen (the closing price of the Company's common stock on the TSE JASDAQ market on the day (except days on which no trading is reported) prior to the date of resolution to issue stock acquisition rights).

In case of stock split or stock consolidation after the allotment date of the stock acquisition rights, the strike price shall be adjusted based on the following formula, and any fractional amount below one yen resulting from such adjustment shall be rounded up.

$$\begin{array}{rcccl} \text{Strike price} & & \text{Strike price} & & 1 \\ \text{after} & = & \text{before} & \times & \hline \text{adjustment} & & \text{adjustment} & & \text{Ratio of split (or} \\ & & & & \text{consolidation)} \end{array}$$

After the allotment date of the stock acquisition rights, if the Company issues new shares or disposes of treasury shares of the Company's common stock below market price (excluding such cases as issuance of new shares and disposition of treasury shares based on the exercise of the stock acquisition rights and transfer of treasury shares by way of share exchange), the strike price shall be adjusted based on the following formula and any fractional amount below one yen resulting from such adjustment shall be rounded up.

$$\text{Strike price after adjustment} = \frac{\text{Strike price before adjustment} \times \left(\frac{\text{Number of shares already issued} + \frac{\text{Number of new shares to be issued} \times \text{Payment amount per share}}{\text{Market price per share before issuance of new shares}}}{\text{Number of shares already issued} + \text{Number of new shares to be issued}} \right)}{1}$$

In the above-mentioned formula, “Number of shares already issued” shall be the number obtained by subtracting the number of treasury shares of the Company’s common stock from the total number of issued shares of the Company’s common stock. In addition, if treasury shares of the Company’s common stock are disposed of, “number of new shares issued” shall read as “number of treasury shares to be disposed of.”

In addition to the above, if this event occurs after the allotment date of the stock acquisition rights such as a merger with another company and a demerger that requires adjustment of the strike price, the Company may appropriately adjust the strike price to a reasonable extent.

(3) Exercise period of stock acquisition rights

The exercise period of the stock acquisition rights (hereinafter “the exercise period”) shall be from January 20, 2021 to January 19, 2026 (if January 19, 2026 is a bank holiday, the day shall be the preceding banking day).

(4) Matters relating to capital stock and legal capital surplus to be increased

- 1) The amount of increase in capital stock in the event of the issuance of shares through the exercise of the stock acquisition rights shall be half of the amount of the limit of the increase in capital stock, etc., which is calculated in accordance with Paragraph 1 of Article 17 of the Corporate Accounting Regulations. Any fraction below one yen created as a result of the calculation shall be rounded up.
- 2) The amount of increase in legal capital surplus in the event of the issuance of shares through the exercise of the stock acquisition rights shall be the amount obtained by subtracting the amount of increase in capital stock as stipulated in 1) above from maximum increase amount of the capital stock, etc. stated in 1) above.

(5) Restriction on acquisition of stock acquisition rights through transfer

The acquisition of stock acquisition rights by transfer requires approval by resolution of the Board of Directors of the Company.

(6) Terms and conditions for exercise of stock acquisition rights

- 1) The holder of the stock acquisition rights (hereinafter “the holder of the stock acquisition rights”) may exercise the stock acquisition rights within the limit of the ratio listed in each of the following items of the stock acquisition rights allotted to each holder of the stock acquisition rights (hereinafter “the exercisable ratio”), if the Company registers a surplus ordinary profit either in the fiscal year ending

August 31, 2021, the fiscal year ending August 31, 2022 or the fiscal year ending August 31, 2023 and if net sales and GMV (Number of orders for a year × Average order price unit) exceed each amount mentioned below in any of the fiscal year ending August 31, 2021 to the fiscal year ending August 31, 2025.

- (a) If net sales exceed 28 billion yen in any fiscal year ending August 31, 2021 to August 31, 2025, it can be exercised at 30%
- (b) If net sales exceed 60 billion yen in any fiscal year ending August 31, 2021 to August 31, 2025, it can be exercised up to 40%, including (a) above
- (c) If net sales exceed 97 billion yen in any fiscal year ending August 31, 2021 to August 31, 2025, it can be exercised up to 50% including (b) above
- (d) If GMV exceeds 160 billion yen in any fiscal year ending August 31, 2021 to August 31, 2025, it can be exercised at 30%
- (e) If GMV exceeds 250 billion yen in any fiscal year ending August 31, 2021 to August 31, 2025, it can be exercised up to 40% including (d) above
- (f) If GMV exceeds 340 billion yen in any fiscal year ending August 31, 2021 to August 31, 2025, it can be exercised up to 50% including (e) above

As for the determination of realization of ordinary profit and net sales, ordinary profit and net sales in the consolidated statement of income included in the Company's securities report (in case no consolidated statement of income is prepared, statement of income) shall be referenced. As for the determination of realization of GMV, KPI indicators included in the Company's securities report shall be referenced. If a significant change occurs in the concept of items to be referenced to due to the adoption of the International Financial Reporting Standards or other reasons, any other indicator to be referenced to shall be determined by the Company's Board of Directors.

- 2) Each holder of the stock acquisition rights shall have the position of director, the Audit & Supervisory Board member or employee of the Company or the Company's subsidiaries and associates (subsidiaries and associates specified in the Regulation on Terminology, Forms, and Preparation Methods of Financial Statements) at the time of exercising the stock acquisition rights. However, this condition shall not apply to completion of term of office, reaching the age of retirement, or any other legitimate reasons.
 - 3) The stock acquisition rights cannot be exercised by the heir of the holder.
 - 4) If the total number of issued shares of the Company would exceed the number of then-authorized shares by exercise of the stock acquisition rights, the relevant stock acquisition rights cannot be exercised.
 - 5) A fraction below one unit of a stock acquisition right shall not be exercisable.
4. Allotment date of stock acquisition rights
January 19, 2021
5. Matters relating to the Company's acquisition of stock acquisition rights
- (1) If a merger agreement that will make the Company a disappearing company, a corporate split agreement or a corporate split plan that will make the Company a split company, or a share exchange agreement or a share transfer plan that will

make the Company become a wholly owned subsidiary of another company is approved at a General Meeting of Shareholders of the Company (in case no approval of a General Meeting of Shareholders is required, a resolution of the Board of Directors), the Company may obtain all stock acquisition rights for new shares free of charge on the day specified by the Board of Directors of the Company.

- (2) The Company may obtain stock acquisition rights for new shares free of charge in a case where the right holder becomes unable to exercise the right in accordance with the provisions of 3. (6) before exercising the right.

6. Handling of stock acquisition rights at the time of the Reorganization

In the event that the Company experiences a merger (only if the Company is eliminated as a result of the merger), absorption-type company split, incorporation-type company split, share exchange or share transfer (the above events thereafter collectively referred to as the “Reorganization”), then the holders of stock acquisition rights shall be issued stock acquisition rights of the company indicated in Article 236, Paragraph 1, Item 8 (a)-(e) of the Companies Act (hereinafter referred to as the “Reorganized Company”) on the effective date of the Reorganization based on the conditions below. However, the stock acquisition rights shall be granted only if provisions for issuing the stock acquisition rights of the Reorganized Company according to the following conditions are included in the absorption-type merger agreement, consolidation-type merger agreement, absorption-type company split agreement, incorporation-type company split agreement, share exchange agreement, or share transfer plan.

- (1) Number of issued stock acquisition rights of the Reorganized Company

The number of issued stock acquisition rights shall be the same as the number of stock acquisition rights possessed by the holder of stock acquisition rights.

- (2) Class of shares of the Reorganized Company to be acquired upon the exercise of stock acquisition rights

It shall be common shares of the Reorganized Company.

- (3) Number of shares of the Reorganized Company acquired upon the exercise of the stock acquisition rights

It shall be determined in accordance with 3. (1) above, considering the conditions of the Reorganization.

- (4) Value of assets to be contributed upon the exercise of the stock acquisition rights

The value of assets to be contributed upon the exercise of each stock acquisition right shall be the amount obtained by multiplying the post-restructuring strike price after adjusting the strike price determined in 3. (2) above by the number of shares of the Reorganized Company subject to the stock acquisition right as decided in accordance with 6. (3) above, considering the conditions of the Reorganization.

- (5) Period for exercising stock acquisition rights

The period shall be from the later date of either the first day of the exercise period of stock acquisition rights determined in 3. (3) above or the effective date of the Reorganization to the last day of the exercise period defined in 3. (3) above.

- (6) Matters relating to capital stock and legal capital surplus to be increased by the

issuance of shares through exercising stock acquisition rights

They shall be determined in accordance with 3. (4) above.

(7) Restriction on acquisition of a stock acquisition right through transfer

Restriction on acquisition of a stock acquisition right through transfer shall require approval by resolution of the Board of Directors of the Reorganized Company.

(8) Other exercise conditions of stock acquisition rights

They shall be determined in accordance with 3. (6) above.

(9) Reasons and conditions for the Company's acquisition of the stock acquisition rights

They shall be determined in accordance with 5 above.

(10) Other conditions shall be determined in accordance with terms and conditions of the Reorganized Company.

7. Matters relating to subscription warrants related to stock acquisition rights

The Company shall not issue subscription warrants related to stock acquisition rights.

8. Application date

January 19, 2021

The Company shall not issue subscription warrants related to stock acquisition rights.

9. Date of payment of money in exchange for stock acquisition rights

January 19, 2021

10. Subject person to receive allotment of stock acquisition rights and the number of such persons

Directors of the Company: 4 persons 1,700 units