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Paper-based documents

Securities code: 3922

May 12, 2025

(Start of electronic provisioning: May 2, 2025)

To Shareholders

11-44, Akasaka 1-chome, Minato-ku, Tokyo

PR TIMES Corporation

Takumi Yamaguchi, President and CEO

Notice of the 20th Annual General Meeting of Shareholders

The 20th Annual General Meeting of Shareholders of PR TIMES Corporation (the “Company”) will be convened as described below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as “Notice of the 20th Annual General Meeting of Shareholders” on the Company’s website and each of the following websites. Please access the Company’s website, etc. to review the information.

The Company’s website:

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

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

Listed Company Search (Tokyo Stock Exchange):

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

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

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

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

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

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

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

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

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet or in writing (postal mail). Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 7:00 p.m. on Monday, May 26, 2025 (JST).

- 1. Date and Time** Tuesday, May 27, 2025, at 10:00 a.m. (reception opens at 9:30 a.m.) (JST)
- 2. Venue** 11-44, Akasaka 1-chome, Minato-ku, Tokyo
8F, Akasaka Intercity, PR Times Head Office
(Please refer to the map of the venue at the end of this document.)
- 3. Type of Meeting** Hybrid Virtual General Meeting of Shareholders
(In addition to attending the General Meeting of Shareholders at the venue, you may “attend” the General Meeting of Shareholders under the Companies Act by using the Internet or other means without having to come to the venue on the day of the Meeting [hereafter, “virtual attendance”].)
- 4. Agenda of the Meeting**
Matters to be reported
 1. Business report, consolidated financial statements, and the audit reports of the consolidated financial statements by the financial auditor and Audit & Supervisory Board for the 20th fiscal year (March 1, 2024 to February 28, 2025)
 2. The non-consolidated financial statements for the 20th fiscal year (March 1, 2024 to February 28, 2025)
- 5. Matters to be resolved**

Proposal No. 1	Dividends of Surplus
Proposal No. 2	Partial Amendments to Articles of Incorporation
Proposal No. 3	Election of Six Directors
Proposal No. 4	Election of One Audit & Supervisory Board Member
- 6. Other information regarding the Meeting**
 - (1) Please refer to the “Guide to the Exercise of Voting Rights” of this notice for information about the exercise of voting rights.
 - (2) For matters not stated in the document to be delivered to shareholders who have made a written request for delivery of paper-based documents, please refer to “Matters Not to be Stated in the Document to be Delivered” of this notice.
 - (3) Shareholders who wish to attend the Meeting by proxy are requested to delegate their attendance to one shareholder who will attend the Meeting in accordance with laws and regulations and the Articles of Incorporation.
 - (4) If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company’s aforementioned website and other websites above.

Matters Not to be Stated in the Document to be Delivered

Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15, paragraph 2 of the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. Accordingly, the documents that are delivered to shareholders who have made a request for delivery of paper-based documents are part of the documents included in the scope of audits by the Audit & Supervisory Board Members and the financial auditor when they create their respective audit reports.

The following items from the consolidated financial statements:

- Notes to consolidated financial statements

The following items from the non-consolidated financial statements:

- Notes to non-consolidated financial statements



Information on Exercise of Voting Rights

The right to vote at shareholders' meetings is an important right for all shareholders.

Please review the Reference Documents for the General Meeting of Shareholders before exercising your voting rights.

There are three ways to exercise your voting rights:



Exercise of voting rights by attending the General Meeting of Shareholders

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

Date and time

Tuesday, May 27, 2025, at 10:00 a.m.
(reception opens at 9:30 a.m.) (JST)



Exercise of voting rights via the Internet

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

Deadline for exercise of voting rights via the Internet

All data entry to be completed no later than 7:00 p.m., Monday, May 26, 2025 (JST).



Exercising voting rights in writing (postal mail)

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

Deadline for exercise of voting rights by post

The Company must receive the completed Voting Form by Monday, May 26, 2025, at 7:00 p.m. (JST).

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

How to fill out the Voting Form

* Example of the Voting Form (in Japanese only)

Please indicate whether you approve or disapprove of each proposal.

Proposals 1, 2 and 4

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

Proposal 3

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

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

Information About Exercising Your Voting Rights via the Internet

Deadline for exercise of voting rights via the Internet
Monday, May 26, 2025, at 7:00 p.m. (JST)

Exercise Voting Rights via Smartphone, etc.

- (i) Please scan the QR Code[®] printed on the Voting Form.
- (ii) Tap the “Exercise Voting Rights” button on the top screen of the General Meeting of Shareholders Portal[®].
- (iii) The Smart Vote[®] top screen is displayed. Indicate your approval or disapproval following the instructions on the screen.



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

Exercise Voting Rights via PC, etc.

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

URL for General Meeting of Shareholders Portal ▶ <https://www.soukai-portal.net> (in Japanese)

You may also exercise your voting rights from the website for exercising voting rights.

▶ <https://www.web54.net> (in Japanese)

Guidance for Questions in Advance

Deadline for accepting preliminary questions

From Monday, May 12, midnight to Thursday, May 22, 2025, at 5:00 p.m. (JST)

For this General Meeting of Shareholders, questions from shareholders concerning proposals may be arranged in advance through the General Meeting of Shareholders Portal. Questions from those received thought to be of most interest to shareholders shall be taken up at this General Meeting of Shareholders. As with the above method for exercising voting rights, access the General Meeting of Shareholders Portal and tap/click the “Questions in Advance” button on the top screen. The “Questions in Advance” screen will be displayed, so indicate your questions following the instructions on the screen.

* Please be advised that the scope of questions in advance is limited to matters related to the purpose of the Meeting and we may not be able to respond to all questions submitted as the time for Q&A is limited.

In addition, each shareholder is limited to two questions in advance (maximum 300 characters per question).

Notes

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

Contact Information

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

0120-652-031

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

Please also refer to the Q&A.

Guide for Shareholders Attending the Meeting Virtually

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

1. How to Attend the Meeting Virtually

- (1) Shareholders who wish to attend this General Meeting of Shareholders virtually must log in to the shareholders' website shown below with the ID and Password printed on the "Notice on How to Attend the General Meeting of Shareholders Virtually" enclosed with this notice.
 - Shareholders' website: <https://3922.ksoukai.jp>
 - * Shareholders who will attend the Meeting virtually are requested to access the site in advance to confirm that they can see the test page for viewing confirmation without any issues.
 - Viewing confirmation period: Friday, May 2, 2025, midnight to Tuesday, May 27, 2025, 9:00 a.m.
- (2) Please click the "Register Attendance" button on the shareholders' website.
- (3) Please select "Attend Virtually" on the Attendance Registration Form and press "Apply."
- (4) The "Attend" button will become active when it becomes time to open the doors. Please click the "Attend" button and attend virtually.

2. How Questions Are Asked and Handled

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

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

- (1) Click on the "Questions" tab on the live streaming screen.
- (2) Enter your question in text format and click the "Next" button.
- (3) After confirming the text, click the "Submit" button.

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

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

3. How Motions Are Handled

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

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

4. How Voting Rights Are Exercised

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

The procedure for exercising voting rights is as follows:

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

- (1) Click on the “Voting” tab on the live streaming screen.
- (2) Select “For” or “Against” the resolution. After clicking the “For” or “Against” button for all resolutions, click the “Vote” button at the bottom.

5. Other Notes of Importance

- (1) Please note that the virtual attendance platform is available only in Japanese.
- (2) Although the Company will take reasonable measures against network disturbances, etc., in holding the Virtual General Meeting of Shareholders, there may be cases where shareholders cannot attend the Meeting virtually or exercise their voting rights, etc., due to network disturbances, etc. Please note that the Company shall not be liable for any disadvantages incurred by shareholders in virtual attendance due to such disturbances.
- (3) Sharing the URL or ID and Password for virtual attendance with third parties, recording, videotaping, or public disclosure of the Meeting is prohibited.
- (4) The Company reserves the right to change or cancel any part of the Virtual General Meeting of Shareholders if the Company deems it necessary.
- (5) If there are any changes in the operation of the Virtual General Meeting of Shareholders, such as in response to system failures or other emergencies or changes in circumstances, please check the Company’s website (<https://prtimes.co.jp/ir/meeting.html>) for announcements as needed.
- (6) The video quality of the live stream is automatically adjusted according to the network conditions of the viewer. Please note that video quality may deteriorate during viewing due to deterioration of network conditions.

6. Contact Us for Inquiries

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

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

If you do not know your ID or Password for virtual attendance, a form containing them can be sent to your registered address. Requests for this form can be accepted up to 5 business days prior to the date of the Meeting (Tuesday, May 20, 2025, at 5:00 p.m.). Please understand that we will not be able to communicate your ID or Password over the telephone.

[Inquiries about the Virtual General Meeting of Shareholders]

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

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

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

V-cube, Inc.

03-6833-6239 (Hours: Tuesday, May 27, 2025, 9:00 a.m. until the end of the Meeting)

Business Report

(From March 1, 2024 to February 28, 2025)

1. Current state of the corporate group

(1) Business conditions in the fiscal year under review

1) Progress and results of operations

In the fiscal year ended February 28, 2025, the PR TIMES Corporation Group (the “Group”) continued to aim to increase recognition and acquire new customer segments by focusing on activities to strengthen the core structure for the press release distribution service “PR TIMES,” which is a key business, as well as to grow business of the tools “Jooto” and “Tayori” for SaaS-based businesses in order to realize our mission of “Towards an age where information inspires hearts and minds.”

The number of companies using “PR TIMES” has reached 108,605 companies (up 15.2% year on year), and 61.5% of listed companies in Japan were using “PR TIMES.” The number of press releases reached a monthly record high of 39,816 in October 2024. In addition, there were 10,892 distribution recipients, 27,521 media users and 261 partner media, and the number of monthly site views for press releases in August 2023 was the highest recorded at 89.84 million page views.

We worked to expand usage and improve service with the key indicators of number of paying users and average sale per customer for “Jooto,” our task and project management tool, and “Tayori,” our customer support tool. As a result, the number of paying users for “Jooto” rose 40.2% year on year to 2,562 companies and the average sale per company rose 26.9% to ¥9,945. For “Tayori,” the number of paying users rose 24.1% year on year to 1,399 accounts and the average sale per account rose 7.1% to ¥7,490. The number of paying users for “Jooto” increased due to the change of some fee plans during the six months ended August 31, 2024.

As a result, for the fiscal year under review, the Company posted net sales of ¥8,003,435 thousand (up 17.1% year on year), EBITDA of ¥2,174,339 thousand (up 12.9% year on year), operating profit of ¥1,877,328 thousand (up 7.5% year on year), ordinary profit of ¥1,873,309 thousand (up 9.1% year on year) and profit attributable to owners of parent of ¥1,118,896 thousand (down 3.7% year on year). The Company started disclosing EBITDA (operating profit + depreciation + goodwill amortization + share-based payment expenses) from the fiscal year under review.

The ratio of our “Press Release Distribution Business” as part of the Group’s reportable segments is extremely high, and as the information for this business is nearly the same as that for our entire business listed above, we have omitted segment-specific listings.

2) Status of capital investment

The total amount of capital investments made by the Group in the fiscal year under review was ¥274,692 thousand. This is mainly an enhancement of existing services. As a result, at the end of the fiscal year under review non-current assets stood at ¥1,645,911 thousand.

3) Status of financing

Not applicable.

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

Not applicable.

5) Status of acquisition of business from other companies

Not applicable.

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

Not applicable.

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

Not applicable.

(2) Status of assets and profit/loss

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

Item	17th Term From March 1, 2021 to February 28, 2022	18th Term From March 1, 2022 to February 28, 2023	19th Term From March 1, 2023 to February 29, 2024	20th Term (Fiscal year under review) From March 1, 2024 to February 28, 2025
Net sales (Thousands of yen)	4,854,526	5,706,238	6,836,966	8,003,435
Ordinary profit (Thousands of yen)	1,833,592	1,188,704	1,717,188	1,873,309
Profit attributable to owners of parent (Thousands of yen)	1,281,285	777,782	1,161,386	1,118,896
Earnings per share (Yen)	96.96	57.96	86.60	83.17
Total assets(Thousands of yen)	4,831,057	5,265,368	7,071,492	8,241,684
Net assets (Thousands of yen)	3,740,240	4,466,515	5,662,903	6,904,499
Net assets per share (Yen)	278.52	333.01	421.20	506.74

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

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

Item	17th Term From March 1, 2021 to February 28, 2022	18th Term From March 1, 2022 to February 28, 2023	19th Term From March 1, 2023 to February 29, 2024	20th Term (Fiscal year under review) From March 1, 2024 to February 28, 2025
Net sales (Thousands of yen)	4,842,403	5,670,472	6,531,352	7,282,865
Ordinary profit (Thousands of yen)	1,851,831	1,189,135	1,743,299	1,772,506
Profit (Thousands of yen)	1,286,638	778,362	1,183,173	1,133,526
Earnings per share (Yen)	97.37	58.00	88.23	84.25
Total assets(Thousands of yen)	4,830,398	5,265,703	7,007,246	8,166,519
Net assets (Thousands of yen)	3,745,014	4,471,899	5,690,014	6,946,248
Net assets per share (Yen)	278.91	333.45	423.26	509.88

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

(3) Status of significant parent company and subsidiaries

1) Status of parent company

Company name	Share capital	Percentage of voting rights of the Company	Relationship with the Company
VECTOR INC.	¥3,038,771 thousand	55.4%	Provision of press release distribution services

Note: The percentage of voting rights is calculated after subtracting treasury shares (23,908 shares) from the total number of issued shares.

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

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

3) Status of significant subsidiaries

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

(4) Issues to address

The Group aims to realize its mission of “Towards an age where information inspires hearts and minds.” We recognize the following major issues to be addressed.

The cumulative number of press releases for “PR TIMES” exceeded 2 million in June 2024, and the cumulative number of companies using it exceeded 100,000 in July. Press releases, containing media-oriented material, consist of official information based on facts, and are undergoing significant changes. In recent years, press releases have been bringing the reader closer to the lives of people and telling their stories. While there are still many businesses across Japan that could positively impact their business and organization by sometimes using press releases that inspire hearts and minds and resonate with society, we believe that only a small proportion of them are using “PR TIMES.” With the aim of creating a society in which people can feel that society is moving forward through the actions of each and every individual, we will expand our business by encouraging businesses beyond the boundaries of regions and corporate size to use “PR TIMES.”

Since 2021, we have been expanding our portfolio by allocating management resources from “PR TIMES,” our main source of revenue, to our SaaS businesses, which are based on forward-looking investments. In the process, there has been increased personnel interaction, such as that stemming from department transfers and reassignments across business segments, which has contributed to improving the vitality of our organization as a whole. Without using the phrases, such as “new challenges” and “trial and error,” as an escape route, we will always verify whether our initiatives are meaningful and maintain a profitable structure while eliminating unnecessary processes. Furthermore, with the rise of AI, AI Agents that can autonomously execute tasks have become a major business opportunity for our SaaS businesses, “Jooto” and “Tayori.” We will strive to take advantage of this opportunity to grow our business.

The Group is approaching the final year of its medium-term management target, Milestone 2025, announced on April 13, 2021. We aim for a 19th consecutive year of sales growth and a second consecutive year of record-high operating profit, positioning this as a crucial year to further enhance our profitability. Although our financial target of ¥3.5 billion in operating profit is an ambitious target that we are still a distance away from reaching at the current moment, we view it as merely a milestone and will continue to work together as a group to achieve it. This will enable us to set new ambitious targets for fiscal 2030. The Group has historically leveraged its profitability to make investments that may not be immediately profitable on an annual basis, thereby building a medium- to long-term competitive advantage, enhancing profitability, and establishing a cycle that leads to reinvestment. In the coming period, we see this as an excellent opportunity to further improve the speed and quality of this investment cycle, thereby strengthening our management capabilities.

The Company has revised its policy of not paying dividends, which has been maintained since its founding, and now plans to pay dividends for the first time. However, this first dividend is not the finish line, but merely a new starting line. The commencement of dividends does not mean that we have become a mature company. We will continue to make proactive and disciplined investments to achieve both sustainable growth and increased profits. We also hope our shareholders to experience the fruits of our efforts every fiscal year through progressive dividends.

(5) Main business lines (as of February 28, 2025)

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

(6) Main business location (as of February 28, 2025)

1) The Company

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

2) Subsidiary(ies)

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

(7) Status of employees (as of February 28, 2025)

1) Status of employees of the corporate group

Business classification	Number of employees	Change compared to the previous fiscal year
Press release distribution business	114 (86)	Up 10 (down 3)
Other	88 (1)	Up 13 (1)
Corporate (common)	16 (18)	Down 1 (up 3)
Total	218 (105)	Up 22 (1)

Notes: 1. The number of employees represents permanent employees employed as of the end of the fiscal year. The number of temporary employees (including contract employees, part-time workers, and temporary employees dispatched from recruitment agencies) is presented in parentheses as the average for the year (calculated on the basis of eight hours per day).
2. "Corporate (common)" denotes the number of employees in the Company's administrative division.
3. The increase in the number of employees compared to the end of the previous fiscal year is due to hiring in connection with business expansion.

2) Status of employees of the Company

Number of employees	Change compared to the previous fiscal year	Average age	Average years of service
129 (104)	Up 10 (-)	30.8 years old	3.3 years

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

(8) Status of main lenders (as of February 28, 2025)

Not applicable.

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

Not applicable.

2. Current state of the Company

(1) Status of stock (as of February 28, 2025)

- 1) Authorized shares 40,000,000
- 2) Total number of issued shares 13,502,238 (including 23,908 treasury shares)
- 3) Shareholders 9,669
- 4) Major shareholders

Shareholder name	Number of shares owned (shares)	Ownership percentage (%)
VECTOR INC.	7,465,400	55.39%
Custody Bank of Japan, Ltd. (Trust Account)	1,016,300	7.54
Takumi Yamaguchi	819,358	6.08
The Master Trust Bank of Japan, Ltd. (Trust Account)	681,700	5.06
RE FUND 107-CLIENT AC	300,000	2.23
Nomura Securities Co., Ltd.	184,010	1.37
JPMorgan Securities Japan Co., Ltd.	152,798	1.13
JPLLC CLIENT ASSETS-SK J	131,700	0.98
Akihiro Mishima	119,766	0.89
The Dai-ichi Life Insurance Company, Limited	117,800	0.87

Note: The ownership percentage is calculated after subtracting treasury shares (23,908 shares) from the total number of issued shares.

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

	Number of shares delivered (shares)	Number of recipients
Directors (excluding outside Directors)	13,981	2
Outside Directors	—	—
Audit & Supervisory Board Members	—	—

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

- 6) Other significant matters concerning the Company's shares

Not applicable.

(2) Status of share acquisition rights, etc.

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

Not applicable.

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

Not applicable.

- 3) Status of other share acquisition rights, etc.

Fifth series of share acquisition rights

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

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

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

Seventh series of share acquisition rights

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

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

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

Ninth series of share acquisition rights

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

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

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

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

- a) If the amount exceeds ¥2,800 million: 50% of the share acquisition rights allotted
- b) If the amount exceeds ¥3,150 million: 75% of the share acquisition rights allotted
- c) If the amount exceeds ¥3,500 million: 100% of the share acquisition rights allotted
- 2) Share acquisition right holders must hold the position of Director, Audit & Supervisory Board Member, or employee of the Company or an affiliated company of the Company at the time of exercising the share acquisition rights and must have at least five years of tenure/service at the Company or an affiliated company of the Company at the time of exercising the share acquisition rights (if the share acquisition rights holder became an officer or employee of a subsidiary of the Company through the corporate acquisition, the share acquisition rights holder must have at least five years of tenure/service from the date on which the acquisition went into effect or the closing date of the acquisition). Provided, however, that this shall not be the case if the Board of Directors finds that there is a justifiable reason, such as retirement due to the expiration of the term of office or reaching the mandatory retirement age. In addition, a vesting clause shall be defined in the allotment agreement.
- 3) If the share acquisition rights holder dies, his/her heir(s) may not exercise the share acquisition rights.
- 4) If the exercise of the share acquisition rights causes the total number of issued shares of the Company to exceed the authorized shares at that time, said share acquisition rights may not be exercised.
- 5) The share acquisition rights cannot be exercised in sums of less than one unit.

Tenth series of share acquisition rights

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

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

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

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

(3) Status of company officers

1) Status of Directors and Audit & Supervisory Board Members (as of February 28, 2025)

Position at the Company	Name	Responsibilities and important concurrent positions
President and CEO	Takumi Yamaguchi	Director, glucose inc. Director, NAVICUS Co., Ltd.
Director	Akihiro Mishima	Head of PR and HR Unit Director, THE BRIDGE, Inc.
Director	Keita Suzuki	Representative Director, AuB, Inc.
Director	Hiroko Ozawa	Outside Director, Kyushu Railway Company Outside Director, SUNCALL CORPORATION
Full-time Audit & Supervisory Board Member	Hirohisa Takata	Head, Takata Accounting Firm Outside Director and Audit Committee Member of Nihon Suido Consultants Co., Ltd.
Audit & Supervisory Board Member	Noriyuki Tanaka	Director, Law Office SAIL Councilor, The Japanese Association of Pharmaceutical Medicine Outside Audit & Supervisory Board Member, TRIAD co., Ltd Audit and Supervisory Committee Member, AXEL MARK INC.
Audit & Supervisory Board Member	Toshiyuki Fujita	Executive Officer and CFO, PowerX, Inc.

- Notes: 1. Directors Keita Suzuki and Hiroko Ozawa are outside Director.
2. Full-time Audit & Supervisory Board Member Hirohisa Takata, Audit & Supervisory Board Members Noriyuki Tanaka and Toshiyuki Fujita are outside Audit & Supervisory Board Members.
3. Full-time Audit & Supervisory Board Member Hirohisa Takata and Audit & Supervisory Board Member Toshiyuki Fujita possess the qualification of Certified Public Accountant, and they maintain considerable knowledge concerning finance and accounting.
4. Audit & Supervisory Board Member Noriyuki Tanaka possesses the qualification of attorney-at-law, and maintains considerable knowledge concerning corporate law.
5. Director Keita Suzuki, Director Hiroko Ozawa, Full-time Audit & Supervisory Board Member Hirohisa Takata, Audit & Supervisory Board Member Noriyuki Tanaka, and Audit & Supervisory Board Member Toshiyuki Fujita have been designated as independent officers based on the rules of the Tokyo Stock Exchange and reported to said stock exchange.
6. The Company has the executive officer system. Executive officers as of February 28, 2025 excluding those serving concurrently as Director are as follows.

Position	Name	Responsibility
Executive Officer	Shinsuke Yamada	Senior Executive Manager, Jooto
Executive Officer	Kazuhiro Takeuchi	Senior Executive Manager, Tayori

2) Summary of the limited liability agreement

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

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

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

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

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

Item	Total amount of remuneration, etc. (Thousands of yen)	Basic remuneration (Thousands of yen)	Restricted share-based remuneration (Thousands of yen)	Recipient(s) (Number)
Directors	101,816	80,262	21,554	5
(Of which outside Directors)	(13,650)	(13,650)	(-)	(3)
Audit & Supervisory Board Members	13,800	13,800	-	3
(Of which outside Audit & Supervisory Board Members)	(13,800)	(13,800)	(-)	(3)
Total	115,616	94,062	21,554	8
(Of which outside Officers)	(27,450)	(27,450)	(-)	(6)

Notes: 1. The amount paid to Directors does not include employee wages paid to Directors serving concurrently as employees.

2. At the 16th Annual General Meeting of Shareholders held on May 26, 2021, the basic remuneration for Directors was resolved to be no more than ¥200 million per year (up to ¥40 million per year for outside Directors). At the conclusion of this General Meeting of Shareholders, the number of Directors was five (including two outside Directors). In addition, at the 19th Annual General Meeting of Shareholders held on May 29, 2024, the restricted share-based remuneration for Directors was resolved to be no more than ¥120 million per year (up to ¥24 million per year for outside Directors). At the conclusion of this General Meeting of Shareholders, the number of Directors was four (including two outside Directors). Restricted Share-Based Remuneration indicates the amount of expenses recorded for the fiscal year under review.

3. The maximum remuneration amount of Audit & Supervisory Board Members was resolved to be ¥20 million per year or less at the Extraordinary General Meeting of Shareholders held on July 16, 2014. At the conclusion of this General Meeting of Shareholders, the number of Audit & Supervisory Board Members was three (including two outside Audit & Supervisory Board Members).

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

1. Policy determination method

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

2. Summary of the policy

Remuneration of Directors comprises basic remuneration and restricted share-based remuneration. At the 16th Annual General Meeting of Shareholders held on May 26, 2021, the basic remuneration for Directors was resolved to be no more than ¥200 million per year (up to ¥40 million per year for outside Directors), and at the 19th Annual General Meeting of Shareholders held on May 29, 2024, the restricted share-based remuneration to be no more than ¥120 million per year (up to ¥24 million per year for outside

Directors). The Company has established a policy of setting a suitable level of remuneration for Directors in consideration of social conditions, market levels, comparisons with other companies, etc., and as consideration for fully demonstrating management decision-making and supervisory functions at the Company.

The remuneration of each Director consists of basic remuneration as fixed remuneration and restricted share-based remuneration, and is set within the maximum remuneration amount approved at the General Meeting of Shareholders. After consulting with the Nomination and Remuneration Committee, the Board of Directors decides on the amount based on reports of the Committee. Remuneration for outside Directors consists solely of basic remuneration.

6) Matters concerning outside officers

1. Status of important concurrent positions at other companies and relationship between the Company and these companies
 - 1) Director Keita Suzuki is Representative Director of AuB, Inc. The Company has no special relationships with the companies in which Keita Suzuki holds concurrent positions.
 - 2) Director Hiroko Ozawa is an outside Director of Kyushu Railway Company and SUNCALL CORPORATION. The Company has no special relationships with companies in which Hiroko Ozawa holds concurrent positions.
 - 3) Audit & Supervisory Board Member Hirohisa Takata is the Head of Takata Accounting Firm. He is also an outside Director and Audit Committee Member of Nihon Suido Consultants Co., Ltd. The Company has no special relationships with companies in which Hirohisa Takata holds concurrent positions.
 - 4) Audit & Supervisory Board Member Noriyuki Tanaka is a Director of Law Office SAIL. In addition, he is a Councilor of The Japanese Association of Pharmaceutical Medicine, an outside Audit & Supervisory Board Member of TRIAD co., ltd, and an Audit and Supervisory Committee Member of AXEL MARK INC. The Company has no special relationships with companies in which Noriyuki Tanaka holds concurrent positions.
 - 5) Audit & Supervisory Board Member Toshiyuki Fujita is an Executive Officer and CFO of PowerX, Inc. The Company has no special relationships with companies in which Toshiyuki Fujita holds concurrent positions.

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

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

Note: In addition to the number of Board of Director meetings stated above, there were two written resolutions that were deemed to be made by the Board of Directors in accordance with Article 370 of the Companies Act and Article 26, paragraph 3 of the Company's Articles of Incorporation.

(4) Status of the financial auditor

- 1) Name Crowe Toyo & Co.
- 2) Amount of remuneration, etc.

	Amount of remuneration, etc.
Amount of remuneration, etc., paid to the financial auditor related to the fiscal year under review	¥28,000 thousand
The total amount of money and other property benefits to be paid by the Company and its subsidiaries to the financial auditor	¥28,000 thousand

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

3) Details of non-auditing work

Not applicable.

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

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

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

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

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

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

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

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

- 1) System for ensuring the execution of duties by Directors and employees conforms to laws and regulations and the Articles of Incorporation
 - a) The Company has established a Compliance Policy to ensure that the officers and employees of the Company and its subsidiaries (hereinafter, the "Group") complies with laws and regulations and the Articles of Incorporation, and while Directors themselves observe this, the Representative Director repeatedly communicates this spirit to employees.
 - b) The Company has established a compliance system based on various systems such as the Compliance and Risk Committee, the approval system, the legal review system for contracts, internal audits and advice by legal advisors, ensuring that the execution of duties by Directors and employees conforms to laws and regulations and the Articles of Incorporation.
 - c) In the unlikely event that misconduct occurs in the Group, the Compliance and Risk Committee will investigate the cause, formulate measures to prevent recurrence, and deliberate on information disclosure, and based on the results, the Committee members will promote activities such as the development of measures to prevent recurrence.
 - d) As an internal reporting system for violations of laws and regulations and other compliance items, the Company has established an internal compliance whistleblowing contact point, and will operate this appropriately in accordance with the Compliance Whistleblowing Regulations.
- 2) System concerning the retention and management of information related to the execution of duties by Directors
 - a) With regard to information security, based on the Information Security Basic Regulations, the Company will clarify the system of responsibility for information security and establish an information security management system that continuously implements measures to maintain and improve information security. Specific measures related to information security are deliberated by the Information Security Committee and promoted across the Group.
 - b) Regarding the storage and management of information related to the execution of duties by Directors, the information shall be recorded in documents or electromagnetic media in accordance with internal regulations such as Document Management Regulations, Personal Information Management Basic Regulations, and Insider Trading Prevention Regulations, and will be appropriately stored and managed.
- 3) Regulations and other systems concerning the management of risk of loss
 - a) While the Compliance Policy is the superordinate concept, the Company has established the Compliance and Risk Committee and the Accident and Scandal Response Regulations, and is promoting the establishment of a system for early detection of potential risks and prompt and appropriate measures for accidents and scandals, etc.
 - b) In order to promote the establishment of the various conditions related to disaster prevention, such as the formulation of disaster prevention plans and the development of a disaster prevention structure for the Group, the Company has formulated a business continuity plan and established a response organization for the event of a disaster, to prevent and reduce human or physical damage caused by disasters.

- 4) System for ensuring the efficient execution of duties by Directors
 - a) In principle, the Board of Directors meets once a month, and meets on an ad hoc basis as necessary to make flexible decisions.
 - b) By resolution of the Board of Directors, the Company has clarified the duties of Directors, establishes Organizational Regulations and Administrative Authority Regulations, clarified the roles of Directors and employees, division of duties, and relationships of command and order, and works to ensure Directors execute duties efficiently.
- 5) The following systems and other systems for ensuring the appropriateness of business operations of the corporate group comprising the Company, its parent company, and its subsidiaries
 - a) System for reporting matters related to the execution of duties by Directors, etc., of subsidiaries to the Company
 In order to promote the comprehensive and sound development of the Group and ensure the appropriateness of business operations, the Company has established the Affiliated Company Management Regulations and Administrative Authority Regulations, and requires the approval of the Company for important matters related to the business operation of subsidiaries.
 - b) Regulations and other systems concerning the management of risk of loss of subsidiaries
 In accordance with the Affiliated Company Management Regulations, the Group manages the business operations of subsidiaries to ensure the appropriateness of business operations. In addition, based on the Compliance and Risk Management Regulations, the Company centrally manages the various risks faced by the Group and has established a Compliance and Risk Committee to strengthen the risk management system.
 - c) System for ensuring the efficient execution of duties by Directors, etc. of subsidiaries
 The Company has a system in which Directors of the Company are dispatched to subsidiaries in order to share a common understanding of the Group's management issues and conduct management aimed at maximizing the Group's corporate value.
 - d) System for ensuring the execution of duties by Directors, etc., and employees of subsidiaries conforms to laws and regulations and the Articles of Incorporation
 Through the Compliance Policy, the Company provides guidance and support for the establishment of a system for ensuring the appropriateness of subsidiaries' legal compliance systems and other operations.
 - e) Other systems for ensuring the appropriateness of business operations of the corporate group comprising the Company, its parent company and its subsidiaries
 In order to prevent inappropriate transactions and accounting in parent-subsidiary transactions, the Audit & Supervisory Board and the internal audit division cooperated to establish an audit system to ensure the appropriateness of business operations in the corporate group.
- 6) Matters concerning employees assisting in the work of Audit & Supervisory Board Members

When an Audit & Supervisory Board Member requests that an employee be appointed to assist in their work, an appropriate employee shall be appointed to the Audit & Supervisory Board Member as soon as possible.
- 7) Matters concerning the independence from Directors of employees assisting in the work of Audit & Supervisory Board Members

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

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

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

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

- a) System for Directors and employees to report to the Audit & Supervisory Board Members
 - (i) In addition to the Board of Directors meetings, the Company requests the attendance of Audit & Supervisory Board Members at other important meetings, and periodically has the department in charge report the status of the Company's operations, including business performance, to the Audit & Supervisory Board Members.
 - (ii) In principle, the Audit & Supervisory Board meets once a month and holds meetings on an ad hoc basis as necessary, where it exchanges information and discusses the status of audit implementation, etc., and periodically receives reports on financial audits from the financial auditor and exchanges opinions.
 - (iii) The Company has established an internal compliance whistleblowing contact point in accordance with the Compliance and Whistleblowing Regulations.
- b) System for Directors, Audit & Supervisory Board Members, and employees of subsidiaries or other persons who receive reports from these individuals to report to Audit & Supervisory Board Members
 - (i) Audit & Supervisory Board Members may view the approval documents and financial statements of subsidiaries and request explanations from Directors or employees, etc. of subsidiaries as necessary.
 - (ii) Directors or employees, etc. of subsidiaries shall immediately report to the Audit & Supervisory Board Members when they discover facts that may have a material impact on the Company.

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

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

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

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

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

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

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

- 13) System for ensuring the reliability of financial reporting

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

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

14) Management system for excluding antisocial forces

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

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

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

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

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

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

1) Execution of duties by Directors

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

2) Supervision by the Audit & Supervisory Board

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

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

3) Operation of compliance system

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

4. Basic policy on the control of the Company

Not applicable.

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

Since our shares were listed in 2016, we have maintained a no-dividend policy and have focused on business growth and improving profits through aggressive investment while accumulating retained earnings. While we will continue to pursue our policy of achieving both sustainable growth in net sales and increased operating profit through aggressive and disciplined investment, we will also show our shareholders a strong return based on our future growth potential and established ability to generate cash flows, in addition to our solid track record of 18 consecutive fiscal years of revenue growth and profitability. By doing so, we hope to strengthen the long-term and sustainable relationship of trust with our shareholders. To this end, the Company plans to implement a dividend policy based on a dividend on equity (DOE) ratio target of 2% or more.

With the introduction of DOE as the standard, the Company will put in place a system that links the amount of dividends to business performance and financial soundness, backed by the Company's ability to achieve growth in equity. Rather than a one-time dividend, we will aim for a "progressive dividend" in which the amount of dividends is raised according to the actual amount of profits accumulated to date, taking into account return on capital and financial soundness.

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

Consolidated balance sheet

(As of February 28, 2025)

(Thousands of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	6,595,773	Current liabilities	1,335,681
Cash and deposits	5,605,260	Notes and accounts payable - trade	87,398
Notes and accounts receivable - trade, and contract assets	832,349	Lease obligations	617
Other	196,141	Income taxes payable	327,198
Allowance for doubtful accounts	(37,979)	Contract liabilities	264,210
Non-current assets	1,645,911	Provision for bonuses	66,285
Property, plant and equipment	282,585	Provision for shareholder benefit program	40,320
Buildings and structures	262,405	Other	549,650
Tools, furniture and fixtures	204,272	Non-current liabilities	1,504
Leased assets	10,456	Lease obligations	1,385
Accumulated depreciation	(194,548)	Other	119
Intangible assets	454,179	Total liabilities	1,337,185
Goodwill	95,486	Net assets	
Software	351,772	Shareholders' equity	6,826,422
Software in progress	6,490	Share capital	446,317
Other	430	Capital surplus	421,317
Investments and other assets	909,146	Retained earnings	6,010,403
Investment securities	70,799	Treasury shares	(51,616)
Investments in capital	115,557	Accumulated other comprehensive income	3,528
Leasehold and guarantee deposits	105,191	Valuation difference on available-for-sale securities	3,528
Deferred tax assets	204,185	Share acquisition rights	73,946
Other	413,412	Non-controlling interests	601
		Total net assets	6,904,499
Total assets	8,241,684	Total liabilities and net assets	8,241,684

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

Consolidated statement of income

(From March 1, 2024 to February 28, 2025)

(Thousands of yen)

Item	Amount	
Net sales		8,003,435
Cost of sales		1,281,494
Gross profit		6,721,941
Selling, general and administrative expenses		4,844,612
Operating profit		1,877,328
Non-operating income		
Interest income	85	
Recoveries of written off receivables	1,217	
Other	1,008	2,311
Non-operating expenses		
Interest expenses	619	
Loss on investments in capital	3,078	
Other	2,632	6,330
Ordinary profit		1,873,309
Extraordinary losses		
Impairment losses	99,118	
Loss on valuation of investment securities	110,066	209,185
Profit before income taxes		1,664,123
Income taxes - current	605,060	
Income taxes - deferred	(59,823)	545,236
Profit		1,118,887
Loss attributable to non-controlling interests		8
Profit attributable to owners of parent		1,118,896

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

Consolidated statement of changes in equity

(From March 1, 2024 to February 28, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	422,717	397,717	4,891,507	(51,302)	5,660,638
Changes during period					
Issuance of new shares	23,600	23,600			47,200
Profit attributable to owners of parent			1,118,896		1,118,896
Purchase of treasury shares				(313)	(313)
Net changes in items other than shareholders' equity					
Total changes during period	23,600	23,600	1,118,896	(313)	1,165,783
Balance at end of period	446,317	421,317	6,010,403	(51,616)	6,826,422

	Accumulated other comprehensive income		Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income			
Balance at beginning of period	—	—	1,654	610	5,662,903
Changes during period					
Issuance of new shares					47,200
Profit attributable to owners of parent					1,118,896
Purchase of treasury shares					(313)
Net changes in items other than shareholders' equity	3,528	3,528	72,292	(8)	75,812
Total changes during period	3,528	3,528	72,292	(8)	1,241,595
Balance at end of period	3,528	3,528	73,946	601	6,904,499

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

Balance sheet

(As of February 28, 2025)

(Thousands of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	6,342,610	Current liabilities	1,218,885
Cash and deposits	5,374,883	Accounts payable - trade	78,973
Notes receivable - trade	304	Lease obligations	617
Accounts receivable - trade	730,092	Accounts payable - other	331,011
Prepaid expenses	163,394	Accrued expenses	51,335
Other	120,311	Income taxes payable	299,653
Allowance for doubtful accounts	(46,376)	Deposits received	10,549
Non-current assets	1,823,909	Contract liabilities	264,186
Property, plant and equipment	268,767	Provision for bonuses	55,000
Buildings and structures	204,253	Provision for shareholder benefit program	40,320
Tools, furniture and fixtures	62,786	Other	87,238
Leased assets	1,727	Non-current liabilities	1,385
Intangible assets	358,693	Lease obligations	1,385
Software	351,772	Total liabilities	1,220,270
Software in progress	6,490	Net assets	
Other	430	Shareholders' equity	6,868,773
Investments and other assets	1,196,448	Share capital	446,317
Investment securities	70,799	Capital surplus	421,317
Shares of subsidiaries and associates	263,033	Legal capital surplus	421,317
Investments in capital	115,557	Retained earnings	6,052,754
Long-term loans receivable from subsidiaries and associates	90,000	Other retained earnings	6,052,754
Leasehold and guarantee deposits	100,814	Retained earnings brought forward	6,052,754
Deferred tax assets	261,260	Treasury shares	(51,616)
Other	384,983	Valuation and translation adjustments	3,528
Allowance for doubtful accounts	(90,000)	Valuation difference on available-for-sale securities	3,528
		Share acquisition rights	73,946
		Total net assets	6,946,248
Total assets	8,166,519	Total liabilities and net assets	8,166,519

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

Statement of income

(From March 1, 2024 to February 28, 2025)

(Thousands of yen)

Item	Amount	
Net sales		7,282,865
Cost of sales		944,993
Gross profit		6,337,872
Selling, general and administrative expenses		4,463,182
Operating profit		1,874,689
Non-operating income		
Interest income	689	
Recoveries of written off receivables	1,217	
Other	547	2,453
Non-operating expenses		
Interest expenses	616	
Loss on investments in capital	3,078	
Provision of allowance for doubtful accounts for subsidiaries and associates	99,210	
Other	1,730	104,636
Ordinary profit		1,772,506
Extraordinary losses		
Loss on valuation of investment securities	110,066	
Loss on valuation of shares of subsidiaries and associates	69,999	180,066
Profit before income taxes		1,592,439
Income taxes - current	575,738	
Income taxes - deferred	(116,825)	458,913
Profit		1,133,526

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

Statement of changes in equity

(From March 1, 2024 to February 28, 2025)

(Thousands of yen)

	Shareholders' equity					
	Share capital	Capital surplus		Retained earnings		Treasury shares
		Legal capital surplus	Total capital surplus	Other retained earnings	Total retained earnings	
				Retained earnings brought forward		
Balance at beginning of period	422,717	397,717	397,717	4,919,228	4,919,228	(51,302)
Changes during period						
Issuance of new shares	23,600	23,600	23,600			
Profit				1,133,526	1,133,526	
Purchase of treasury shares						(313)
Net changes in items other than shareholders' equity						
Total changes during period	23,600	23,600	23,600	1,133,526	1,133,526	(313)
Balance at end of period	446,317	421,317	421,317	6,052,754	6,052,754	(51,616)

	Shareholders' equity	Valuation and translation adjustments		Share acquisition rights	Total net assets
	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	5,688,360	—	—	1,654	5,690,014
Changes during period					
Issuance of new shares	47,200				47,200
Profit	1,133,526				1,133,526
Purchase of treasury shares	(313)				(313)
Net changes in items other than shareholders' equity		3,528	3,528	72,292	75,821
Total changes during period	1,180,413	3,528	3,528	72,292	1,256,234
Balance at end of period	6,868,773	3,528	3,528	73,946	6,946,248

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

Independent Auditor's Report

April 17, 2025

To the Board of Directors of PR TIMES Corporation

Crowe Toyo & Co.
Tokyo Office

Designated and Engagement Partner
Certified Public Accountant: Ken Inanobe

Designated and Engagement Partner
Certified Public Accountant: Yuki Ishikawa

Audit Opinion

Pursuant to Article 444, paragraph (4) of the Companies Act, we have audited the consolidated financial statements of PR TIMES Corporation (the "Company") and its consolidated subsidiaries (collectively, the "Group"), which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the notes to the consolidated financial statements applicable to the fiscal year from March 1, 2024 through February 28, 2025.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Group applicable to the fiscal year ended February 28, 2025 in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

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

Other Information

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

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

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

There are no matters to report regarding the other information.

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

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

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

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

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

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

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

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

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

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

Conflicts of Interest

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

Independent Auditor's Report

April 17, 2025

To the Board of Directors of PR TIMES Corporation

Crowe Toyo & Co.

Tokyo Office

Designated and Engagement Partner

Certified Public Accountant: Ken Inanobe

Designated and Engagement Partner

Certified Public Accountant: Yuki Ishikawa

Audit Opinion

Pursuant to Article 436, paragraph (2), item (i) of the Companies Act, we have audited the non-consolidated financial statements of PR TIMES Corporation (the "Company"), which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, the notes to the non-consolidated financial statements and the accompanying supplemental schedules (collectively, "non-consolidated financial statements, etc.") applicable to the 20th fiscal year from March 1, 2024 through February 28, 2025.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations of the Company applicable to the fiscal year ended February 28, 2025 in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

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

Other Information

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

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

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

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

There are no matters to report regarding the other information.

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

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

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

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

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

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

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

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

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

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

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

Conflicts of Interest

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

Audit Report

Regarding the execution of duties by the Directors for the 20th fiscal year from March 1, 2024 through February 28, 2025, the Audit & Supervisory Board hereby submits its audit report, which has been prepared through discussions based on the audit reports prepared by each Audit & Supervisory Board Member.

1. Auditing methods and content of audits by Audit & Supervisory Board Members and the Audit & Supervisory Board
 - (1) The Audit & Supervisory Board established the auditing policies, allocation of duties and other relevant matters, and received reports from each Audit & Supervisory Board Member regarding the status of his or her audit and the results thereof, as well as reports from the Directors, etc. and the financial auditor regarding execution of their duties, and sought explanations as necessary.
 - (2) In accordance with the auditing standards for Audit & Supervisory Board Members determined by the Audit & Supervisory Board, the auditing policies, allocation of duties and other relevant matters, each Audit & Supervisory Board Member endeavored to establish an environment for collecting information and conducting audits and to communicate with Directors, the Internal Audit Department and other employees utilizing telephones, the Internet and other means, and audits were implemented as follows:
 - 1) Each Audit & Supervisory Board Member attended meetings of the Board of Directors and other important meetings, including meetings held online depending on the circumstances, to receive reports regarding execution of duties from Directors and other employees, and sought explanations as necessary. Each Audit & Supervisory Board Member also inspected the significant approved documents and examined the status of operations and conditions of assets at the head office. With regard to subsidiaries, we communicated and exchanged information with Directors of the subsidiaries, and received business reports relating to the subsidiaries as necessary.
 - 2) With regard to contents of resolutions of the Board of Directors regarding the development of the system for ensuring that the execution of duties by Directors conforms to laws and regulations and the Articles of Incorporation and other systems that are stipulated in Article 100, paragraphs (1) and (3) of the Regulations for Enforcement of the Companies Act as being necessary to ensure appropriateness of operations of a joint stock company and business group comprising its subsidiaries, and also the systems (internal control systems) developed based on such resolutions, which are described in the business report, we periodically received reports from the Directors and other employees, sought explanations as necessary and made opinions, on the establishment and management of such systems.
 - 3) With regard to the particulars to be given due consideration in Article 118, item (v) (a) of the Regulations for Enforcement of the Companies Act and the judgment and reason set forth in item (v) (b) of the same article, which are described in the business report, the contents were examined based on deliberations of the Board of Directors and other parties.
 - 4) We monitored and verified whether the financial auditor maintained its independence and implemented appropriate audits, and received reports from the financial auditor regarding the execution of its duties and sought explanations as necessary. In addition, we received notice from the financial auditor that the system for ensuring that duties are performed properly (matters set forth in each item of Article 131 of the Regulations on Corporate Accounting) is organized in accordance with the product quality management standards regarding audits (Business Accounting Council) and other relevant standards, and sought explanations as necessary.

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

2. Results of audit

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

- 1) In our opinion, the business report and the accompanying supplemental schedules are in accordance with the related laws and regulations and the Articles of Incorporation, and fairly represent the Company's condition.
- 2) With regard to the execution of duties by the Directors, we have found no evidence of wrongful action or material violation of related laws and regulations, nor of any violation with regard to the Articles of Incorporation.
- 3) In our opinion, resolutions of the Board of Directors for internal control systems are fair and reasonable. And there is no problem with the contents of the business report and the execution of duties by the Directors with regard to internal control systems.
- 4) With regard to business transactions with the Company's parent company, etc., which are described in the business report, there are no particulars to be given due consideration so as not to harm the interests of the Company in carrying out the transactions and there are no matters to be pointed out regarding the judgment of the Board of Directors and the reason therefor related to whether the transactions harm the interests of the Company.

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

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

(3) Results of audit of consolidated financial statements

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

April 18, 2025

Audit & Supervisory Board, PR TIMES Corporation

Full-time Audit & Supervisory Board Member

(Outside Audit & Supervisory Board Member) Hirohisa Takata [Seal]

Audit & Supervisory Board Member

(Outside Audit & Supervisory Board Member) Noriyuki Tanaka [Seal]

Audit & Supervisory Board Member

(Outside Audit & Supervisory Board Member) Toshiyuki Fujita [Seal]

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Dividends of Surplus

The Company proposes to appropriate surplus as follows.

1. Matters concerning fiscal year-end dividends

The Company aims to achieve sustainable business growth and profit expansion through the reinvestment of retained earnings, thereby creating a virtuous cycle of shareholder returns. To this end, the Company plans to provide progressive dividends based on a dividend on equity (DOE) ratio* target of 2% or more.

* Dividend on equity (DOE) ratio: Total amount of annual dividends / Shareholders' equity x 100

In accordance with the above policy, the Company proposes the following fiscal year-end dividends.

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and total amount thereof

¥10.30 per share of common stock of the Company (total amount: ¥138,826,799)

(3) Effective date of dividends of surplus

May 28, 2025

Proposal No. 2 Partial Amendments to Articles of Incorporation

1. Reasons for the proposal

The Company proposes to extend the period of exclusion of dividends from three years to five years in consideration of the convenience of shareholders who have the right to receive dividends.

2. Details of amendments

The details of the amendments are as follows:

(Underlined text indicates amendments)	
Current Articles of Incorporation	Proposed amendments
Article 47 (Period of Exclusion of Dividends) The Company shall be exempt from the delivery obligation when dividend property has not been accepted after <u>three</u> years have elapsed from the date of commencing delivery.	Article 47 (Period of Exclusion of Dividends) The Company shall be exempt from the delivery obligation when dividend property has not been accepted after <u>five</u> years have elapsed from the date of commencing delivery.

Proposal No. 3 Election of Six Directors

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

If this proposal is approved as originally proposed, outside Directors will make up the majority.

1. Candidates for Director

The candidates for Director are as follows:

Candidate no.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)		Number of the Company's shares owned
1 Re-appointed	Takumi Yamaguchi (January 12, 1974) Attendance at the Board of Directors 13 out of 13	Apr. 1996 Apr. 1997 Oct. 1999 Mar. 2006 June 2006 Jan. 2007 May 2009 June 2011 Oct. 2016 Jan. 2020 Mar. 2023 Dec. 2023	Joined Yamaichi Securities Company, Limited Joined Gulfnet Communication Co., Ltd. Joined Deloitte Tohmatsu Consulting Co., Ltd. (current ABeam Consulting Ltd.) Joined VECTOR INC. Director Director of the Company President and CEO (current position) Representative Director of Second News, Inc. Representative Director of Straight Press Network Co., Ltd. (currently merged with PR TIMES Corporation) Director of PR RESEARCH INC. (currently merged with PR TIMES Corporation) Outside Director of Goodpatch Inc. Director of glucose inc. (current position) Director of NAVICUS Co., Ltd. (current position)	819,358 shares
[Reasons for nomination as candidate for Director and summary of expected roles] Since the Company's founding, Takumi Yamaguchi has participated in management as a Director, and since assuming the position of President and CEO in 2009, he has made significant contributions to the Company's growth as a corporate manager. Based on these achievements, the Company has determined that he is qualified for supporting the further growth and development of the Company in the future; thus, the Company has again nominated him as a candidate for Director.				
2 Re-appointed	Akihiro Mishima (March 26, 1980) Attendance at the Board of Directors 13 out of 13	Mar. 2005 Aug. 2007 Mar. 2015 May 2017 Oct. 2019 Dec. 2022 Sept. 2023 Apr. 2025	Joined VECTOR INC. Joined the Company Executive Officer, Head of Service Unit Director, Head of Corporate Planning Unit Director, Head of Corporate Administration Unit Director of THE BRIDGE, Inc. (current position) Director, Head of PR and HR Unit of the Company Director, Head of PR Unit (current position)	119,766 shares
[Reasons for nomination as candidate for Director and summary of expected roles] Akihiro Mishima has been involved in the service business since the Company's founding period, and has served as Head of Corporate Planning Unit and Head of Corporate Administration Unit after assuming the position of Director, and has experience in conducting a wide range of business operations at the Company and engaging in medium- to long-term management decision-making. Based on these achievements, the Company has determined that he is qualified as a Director for supporting the further growth and development of the Company in the future; thus, the Company has again nominated him as a candidate for Director.				

Candidate no.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)		Number of the Company's shares owned
3 Re- appointed Outside Independent	Keita Suzuki (July 8, 1981) Attendance at the Board of Directors 13 out of 13	Feb. 2000 Oct. 2015 Jan. 2016 Sept. 2016 May 2020	Joined URAWA RED DIAMONDS Representative Director of AuB, Inc. (current position) Left URAWA RED DIAMONDS and retired as professional soccer player Outside Director of RUNSYSTEM CO., LTD. Outside Director of the Company (current position)	—
<p>[Reasons for nomination as candidate for outside Director and summary of expected roles]</p> <p>Keita Suzuki, a former professional soccer player, was promoted to Japan's national team (Representative A) and after his retirement as player, he founded biotech venture AuB, Inc. and currently manages the company as Representative Director. Since assuming the position of outside Director of the Company, he has been providing appropriate advice and supervision based on a wide range of experience and knowledge from an independent standpoint.</p> <p>Based on these achievements, as an independent outside Director, the Company decided that he can be expected to provide advice, etc. from an independent third-party point of view for decision-making by the Board of Directors, etc.; thus, the Company again has nominated him as a candidate for outside Director.</p>				
4 Re- appointed Outside Independent	Hiroko Ozawa (December 15, 1961) Attendance at the Board of Directors 13 out of 13	Apr. 1985 Aug. 1991 Dec. 1997 Aug. 1999 July 2001 Sept. 2007 Oct. 2008 June 2015 Oct. 2015 Nov. 2018 June 2021 May 2022 May 2022 Mar. 2023 June 2023 June 2024	Joined Sony Corporation (currently Sony Group Corporation) Personal Audio Product Manager of Sony (Deutschland) GmbH International Marketing Division of Sony Corporation (currently Sony Group Corporation) Event and Entertainment Promotion Department Transferred to Sony Pictures Entertainment (Japan) Inc. Transferred to AXN Co., Ltd. Director, Executive Vice President and General Manager Transferred to Mystery Channel, Inc. Director, Executive Vice President and General Manager (concurrent position) Outside Director of Animax Broadcast Japan Inc. (concurrent position) Transferred to STAR CHANNEL, INC. Representative Director and Executive Vice President Vice President of Sony Pictures Entertainment (Japan) Inc. Outside Director of Nojima Corporation Outside Director of the Company (current position) External Director of Cecile Co., Ltd. External Director of OUTSOURCING Inc. Outside Director of SUNCALL CORPORATION (current position) Outside Director of Kyushu Railway Company (current position)	2,900
<p>[Reasons for nomination as candidate for outside Director and summary of expected roles]</p> <p>Hiroko Ozawa has management experience at entertainment companies of the Sony Group, experience in international business, a track record in diversity promotion activities at business organizations, and broad insight concerning marketing gained from her involvement in the operation of various businesses. Since assuming the position of outside Director of the Company, she has been providing appropriate advice and supervision based on a wide range of experience and knowledge from an independent standpoint.</p> <p>Based on these achievements, as an independent outside Director, the Company decided that she can be expected to provide advice, etc. from an independent third-party point of view for decision-making by the Board of Directors, etc.; thus, the Company again has nominated her as a candidate for outside Director.</p>				

Candidate no.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)	Number of the Company's shares owned
5 Newly appointed Outside Independent	Tetsuya Sugimoto (August 19, 1967)	<p>Apr. 1992 Joined Recruit Co., Ltd.</p> <p>Jan. 2000 Established Macromill, Inc. Representative Director</p> <p>Jan. 2004 Macromill, Inc. listed on the Mothers market of the Tokyo Stock Exchange</p> <p>Apr. 2005 Macromill, Inc. changed its market listing to the First Section of the Tokyo Stock Exchange Representative Director and Chairman</p> <p>Apr. 2007 Part-time lecturer of Faculty of Lifelong Learning and Career Studies, Hosei University Guest lecturer of Waseda Business School</p> <p>May 2008 Chairperson of Japan Association of Corporate Executives Vice Chairman of Consumer Affairs Committee Distinguished Donor at Waseda University</p> <p>Apr. 2009 Visiting Professor of Hosei Business School of Innovation Management</p> <p>July 2009 Representative Director, Chairman and President of Macromill, Inc.</p> <p>Apr. 2011 Established MACROMILL China, INC.</p> <p>Feb. 2012 Established GLIDER associates, INC. Representative Director and President (current position)</p> <p>Aug. 2012 Business integration with South Korean research company Embrain (currently Macromill Embrain Co., Ltd.)</p> <p>Dec. 2013 Supported Bain Capital's takeover bid proposal Macromill, Inc. went private</p> <p>July 2014 Appointed as Chairman of the Board of Directors of Macromill, Inc. following its transition to a company with Nomination Committee, etc.</p> <p>Apr. 2018 Specially Appointed Professor of The Graduate School of Project Design</p> <p>Nov. 2024 Established MAGELLAN MEDICAL, INC. Representative Director and President (current position)</p>	—
<p>[Reasons for nomination as candidate for outside Director and summary of expected roles]</p> <p>Tetsuya Sugimoto took Macromill, Inc., the largest online research company, public only four years after its founding, and led its globalization efforts and business integration with competitors. The Company has determined that, based on these skills in managing a listed company, as well as his keen sense and insight into social issues and sound judgment based on his broad business experience, he can be expected to invigorate discussions at Board of Directors meetings and bring medium- to long-term value to the Company; thus, the Company has nominated him as a candidate for outside Director.</p>			

Candidate no.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)	Number of the Company's shares owned
6 Newly appointed Outside Independent	Naohisa Fukutani (April 17, 1961)	<p>Sept. 1986 Worked at the International Year of Peace Secretariat, United Nations (New York Headquarters)</p> <p>Apr. 1987 Joined The Mitsui Bank, Ltd.</p> <p>July 1999 Representative of the Americas of Investment Banking DC Planning (New York), The Sakura Bank, Limited</p> <p>Apr. 2001 Representative of the Americas of Investment Banking Dept. (New York), Sumitomo Mitsui Banking Corporation</p> <p>July 2001 Corporate Finance Head of Daiwa Securities SMBC Singapore Limited and in charge of Asia Pacific M&As</p> <p>Mar. 2005 Joined GCA Corporation (currently Houlihan Lokey Inc.) Partner/Managing Director</p> <p>June 2006 Outside Director of JST Co., Ltd. (Second Section of the Tokyo Stock Exchange)</p> <p>Sept. 2012 Outside Director of DIVA CORPORATION (currently AVANT GROUP CORPORATION: Prime Market of the Tokyo Stock Exchange)</p> <p>July 2015 Joined PricewaterhouseCoopers Co., Ltd. Partner</p> <p>July 2019 Partner and COO of PwC Advisory LLC</p> <p>Jan. 2020 Outside Director of Shared Research Inc.</p> <p>May 2021 Senior Advisor of PwC Advisory LLC (current position)</p> <p>May 2021 Representative Director and CEO of Kien Global Inc. (current position)</p>	—
<p>[Reasons for nomination as candidate for outside Director and summary of expected roles] Naohisa Fukutani has engaged in financial advisory services at banks, securities firms, investment banks, and other organizations for over 30 years, and has experience in leading a wide variety of M&A deals ranging from large deals for overseas companies to those for domestic mid-tier enterprises and SMEs. He has also served as an outside director of listed companies such as AVANT GROUP CORPORATION for 15 years. Based on this experience, the Company has determined that he can be expected to contribute to the formulation of the Company's management strategies and strengthening of its governance; thus, the Company has nominated him as a candidate for outside Director.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Keita Suzuki, Hiroko Ozawa, Tetsuya Sugimoto and Naohisa Fukutani are candidates for outside Director.
 3. Keita Suzuki and Hiroko Ozawa are currently outside Directors of the Company, and their tenures as outside Directors will have been five years and three years, respectively, at the conclusion of this Meeting.
 4. In accordance with Article 427, paragraph (1) of the Companies Act, the Company and candidates for outside Director Keita Suzuki and Hiroko Ozawa have each concluded an agreement to limit liability for damages under Article 423, paragraph (1) of the Companies Act, and if the re-election of each candidate is approved, the Company intends to renew said agreements. The limit on liability for damages based on said agreements is the minimum amount stipulated in Article 425, paragraph (1) of the Companies Act. In addition, if Tetsuya Sugimoto and Naohisa Fukutani are elected, the Company intends to conclude the same agreement with them.
 5. The Company has reported that Keita Suzuki and Hiroko Ozawa are independent officers pursuant to the rules of the Tokyo Stock Exchange. If each candidate is re-elected, the Company intends to continue to designate them as independent officers. In addition, if Tetsuya Sugimoto and Naohisa Fukutani are elected, the Company also intends to designate them as independent officers.
 6. The Company shall conclude a directors and officers liability insurance agreement as prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company to compensate for damages such as damages and dispute costs incurred by the insured. If this proposal is approved as originally proposed and each candidate assumes office, each candidate will be included in the insured of the insurance agreement and the agreement will be renewed with the same details in the middle of their term of office. The outline of the contents of the agreement is given in "Matters concerning limited liability agreements for directors and officers, etc." in the business report.

Proposal No. 4 Election of One Audit & Supervisory Board Member

Audit & Supervisory Board Member Noriyuki Tanaka will resign at the conclusion of the Meeting, although he is in the middle of his term of office. The Company therefore proposes to elect one Audit & Supervisory Board Member. Furthermore, this proposal has been approved in advance by the Audit & Supervisory Board.

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

Name (Date of birth)	Career summary and position in the Company (significant concurrent positions outside the Company)	Number of the Company's shares owned
Chika Minami (January 7, 1990) Newly appointed Outside Independent	Dec. 2015 Registered as an attorney Jan. 2016 Joined Nishimura & Asahi Apr. 2018 Joined ZeLo July 2021 Studied at University of Pennsylvania Carey Law School in the U.S. Nov. 2022 Coordinator for General Planning, Startup Creation Promotion Division, Minister's Secretariat, Ministry of Economy, Trade and Industry Jan. 2025 Returned to ZeLo	—
[Reasons for nomination as candidate for outside Audit & Supervisory Board Member] Having worked at a major law firm and a startup company, and having been in charge of startup policies at the Ministry of Economy, Trade and Industry, Chika Minami not only possesses the experience and knowledge of a legal professional, but also understands the different positions of business operators and the government. In light of this, the Company has determined that she can be expected to perform audit functions from an objective standpoint, moving between the perspectives of both the executive and auditing sides; thus, the Company has nominated her as a candidate for outside Audit & Supervisory Board Member.		

- Notes:
1. There is no special interest between Chika Minami and the Company.
 2. Chika Minami is a candidate for outside Audit & Supervisory Board Member.
 3. In accordance with Article 427, paragraph (1) of the Companies Act, if the election of Chika Minami is approved, the Company intends to conclude an agreement to limit liability for damages under Article 423, paragraph (1) of the Companies Act. The limit on liability for damages based on said agreements is the minimum amount stipulated in Article 425, paragraph (1) of the Companies Act.
 4. If the election of Chika Minami is approved, the Company intends to submit notification to the Tokyo Stock Exchange concerning her designation as an independent officer as provided for by the aforementioned exchange.
 5. The Company shall conclude a directors and officers liability insurance agreement as prescribed in Article 430-3, paragraph (1) of the Companies Act with an insurance company to compensate for damages such as damages and dispute costs incurred by the insured. If this proposal is approved as originally proposed and Chika Minami assumes office as Audit & Supervisory Board Member, the agreement will be renewed in the middle of her term of office. The outline of the contents of the agreement is given in "Matters concerning limited liability agreements for directors and officers, etc." in the business report.

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

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

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

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

Access to the Venue for the General Meeting of Shareholders

- 1. Date and Time** Tuesday, May 27, 2025, at 10:00 a.m. (reception opens at 9:30 a.m.) (JST)
- 2. Venue** 11-44, Akasaka 1-chome, Minato-ku, Tokyo
8F, Akasaka Intercity, PR Times Head Office
- 3. TEL** 03-5770-7888
- 4. Nearest station** One minute walk from Tameike-sanno Station (Exit 14)
on the Tokyo Metro Ginza Line or Namboku Line: