



Translation

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May 30, 2025

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(Securities code: 9658; TSE Prime Market)

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Notice Regarding the Continuation and Partial Revision of the Stock Compensation System for Officers

BUSINESS BRAIN SHOWA-OTA INC. (the "Company") hereby announces that at the Board of Directors meeting held on May 30, 2025, it resolved to discuss the following agenda item concerning the continuation and partial revision of the stock compensation system (hereinafter "the System") that was introduced from FY2015 and which covers the Company's directors (excludes outside directors and managing directors who are Audit and Supervisory Committee members; same applies below) at the Company's Ordinary General Meeting of Shareholders (hereinafter "the General Meeting of Shareholders") scheduled be held on June 23, 2025.

1. Regarding the continuation of the System

The trust period for the System will end on the last day of August 2025, but the Company will extend that trust period by a period of six years by implementing changes to the trust agreement. Furthermore, following the System's continuation, it will cover the six operating years from the operating year ending on the last day of March 2026 to the operating year ending on the last day of March 2031.

2. Details of the System after the revision etc.

(1) Overview of the current System

The System is a stock compensation system in which the Company's shares are acquired through a trust using as the source of funding compensation amounts contributed by the Company to managing directors, and then Company shares or cash equivalents to the amount of the conversion price of Company shares (hereinafter referred to as "Company shares etc.") are granted or paid (hereinafter referred to as "granted etc.") to managing directors in accordance with their position, performance achievements and other factors over five consecutive operating years.

Furthermore, the Company shares etc. are granted etc. to managing directors upon their retirement.

(2) Details of the revision to the System

The Company intends to continue the System following the partial revision of details contained in the System's below items.

< Revision details >

① The System's coverage period and trust period

The period covered by the System (hereinafter "coverage period") had been five consecutive operating years, but given that the Company's long-term vision covers the period up to FY2030, the following revision will be made to the System's coverage period. Furthermore, the following extension will be made to the trust period on that basis.

(Coverage Period)

Before revision	After revision
<u>5</u> consecutive operating years	<u>6</u> consecutive operating years

(Trust Period)

Before revision	After revision
September 11, 2015 - <u>last day of August 2025</u>	September 11, 2015 - <u>last day of August 2031</u>

② Upper limit of the funds contributed to the trust

Based on a review of the compensation levels and compensation composition of the Company's officer compensation system, the upper limit of the trust's funds in the System will be revised as follows.

Before revision	After revision
<u>325 million yen across 5 operating years</u>	<u>918 million yen across 6 operating years</u>

There are no other changes to the details of the System.

(For information on the details of the previous System, please refer to "Notice Regarding the Introduction of a Stock Compensation System for Officers (Detailed Decision)," dated May 26, 2015, and "Notice Regarding the Continuation and Partial Revision of the Stock Compensation System for Officers," dated June 3, 2020).

In addition, with respect to the continuation and revision of the System, new contributions of funds and additional acquisitions of Company shares by the trust are scheduled to take place within the range of the

upper limit of the trust's funds outlined in (2) ② above. The details of the acquisition method will once again be decided and disclosed by the Company following the resolution at the General Meeting of Shareholders. Furthermore, the Company shares and cash that remain within the trust when the trust period is extended will be carried over to the trust following the extension.

(Reference) Details of the trust agreement

① Date of agreement of trust period extension	August 2025 (scheduled)
② Trust period	September 11, 2015 - last day of August 2025 (scheduled to be extended to the last day of August 2031 as a result of changes to the trust agreement in August 2025)
③ System commencement date	October 1, 2015
④ Exercising of voting rights	Voting rights are not to be exercised
⑤ Class of acquired shares	The Company's ordinary shares
⑥ Upper limit amount of trust's funds	918 million yen (scheduled) (includes trust fees and trust expenses)
⑦ Method of acquiring shares	Shares will be acquired on the stock market or from the Company (disposal of treasury stock)
⑧ Residual beneficiary	The Company
⑨ Residual assets	Residual assets that the Company, which is the residual beneficiary, can receive shall not exceed the trust expense reserve, which is the trust's funds after deducting the funds allocated for acquiring shares.

(Note) The above-mentioned scheduled dates may be changed to appropriate dates in light of applicable laws and regulations.

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