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Securities Code: 3984

September 5, 2024

(Start date of measures for electronic provision: August 29, 2024)

To our shareholders

Masao Ito
President CEO
User Local, Inc.
2-11-1 Osaki, Shinagawa-ku,
Tokyo, Japan

Notice of the 19th Ordinary General Meeting of Shareholders

We would like to express our appreciation for your continued support.

We hereby notify you of the 19th Ordinary General Meeting of the Shareholders of User Local, Inc. (“the Company”) will be held as indicated below.

When convening this General Meeting of the Shareholders, the Company has taken measures for providing information in electronic format (the “electronic provision measures”) and has posted matters subject to the electronic provision measures on the following website.

- The Company website: <https://ir.userlocal.jp/en/>



The information is also available on the following website.

- The Tokyo Stock Exchange website: <https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>



To view the information, please access the website above, input the name or securities code “3984” of the Company, and click “Search”, and then click on “Basic information” and select “Documents for public inspection/PR information”.

In addition, if you will not attend the meeting on the meeting date, you may exercise your voting rights in advance via the Internet or in writing in preparation. We kindly request that you review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights no later than **18:30(JST) on Thursday, September 19, 2024.**

- 1. Date and Time** **September 20, 2024 (Friday) 10:00 a.m. (JST)**
- 2. Place** **The SHINAGAWA Season Terrace Conference
Annex building, 3rd floor Hall
1-2-70, Konan, Minato-Ku, Tokyo**

- 3. Purpose of the Meeting**
Matters to be reported:

The Business Report and the Financial Statements for the 19th fiscal year (from July 1, 2023 to June 30, 2024), and the results of audits of the Financial Statements by Accounting Auditor and Audit & Supervisory Board

Matters to be resolved:

- (1) Appropriation of the Surplus
- (2) Partially Amendments to the Article of Incorporation
- (3) Election of 5 Directors (excluding Directors who are Audit & Supervisory Committee Members)
- (4) Election of 3 Directors who are Audit & Supervisory Committee Members
- (5) Determination of the Amount of Remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members)
- (6) Determination of the Amount of Remuneration for Directors who are Audit & Supervisory Committee Members
- (7) Determination of the Compensation to Grant Restricted Shares for Directors (excluding Directors who are Audit & Supervisory Committee Member)
- (8) Determination of the Compensation to Grant Restricted Shares for Directors who are Audit & Supervisory Committee Member

4. Decision Matters Upon Convening

- (1) If the Shareholders exercise their voting rights by postal mail and do not indicate their approval or disapproval of the proposals on the voting form, we will treat it as if they indicated their approval.
- (2) If the Shareholders exercise their voting rights more than once via the Internet, the last vote will be treated as the valid vote.
- (3) If the Shareholders exercise their voting rights via the Internet and by postal mail, the vote placed via the Internet shall be treated as valid.
- (4) If the Shareholders wish to exercise their voting rights by proxy, one other shareholder with voting rights may attend the meeting as their proxy. However, please note that a written document certifying the proxy's authority of representation must be submitted.

Notes:

- In the event that any revision is made to the Reference Documents for the General Meeting of Shareholders, the Business Report, or the Financial Statements, the revised matters of these documents will be posted on the Company's website mentioned below.
- Upon conclusion of this General Meeting of the Shareholders, results of resolutions thereof shall be posted to our website (*), in lieu of sending written notice of resolutions.
*The Company's website: <https://www.userlocal.jp/ir/>
- Prior to the Ordinary General Meeting of Shareholders, we will be accepting questions regarding the purpose of the meeting (matters to be reported and matters to be resolved) via the inquiry form on our website.
*The Company's inquiry form: <https://inquiry.userlocal.jp/form/?type=ir>
Please include your shareholder number in the text of your inquiry and submit it no later than 6:30 p.m. on Friday, September 13, 2024. Please note that we cannot promise to answer all questions.
- In accordance with relevant laws and regulations, as well as the Company's Article of Incorporation, the items listed below are not attached to this Notice of the Ordinary General Meeting of Shareholders. The documents which are in the scope of audit, including the items listed below, are audited by the Audit & Supervisory Board Members and the Accounting Auditor.
 - (Business Report) Stock Acquisition Rights, Matters concerning Independent Auditors, Internal Control System, Policy Concerning Company Control
 - (Non-consolidated financial statements) Statement of Changes in Equity, Notes

Information on Exercising Voting Right in Advance

Please refer to **Reference Documents for the General Meeting of Shareholders** and exercise your voting right using one of the following methods.

1. Internet

Please access the website (<https://soukai.mizuho-tb.co.jp/>) for exercising voting rights from your personal computer, smartphone, or mobile phone, using the Voting Code and the Password provided on the enclosed voting form. Then, enter your approval or disapproval of each proposal following the online instructions, upon having examined the attached Reference Documents for General Meeting of Shareholders for exercising voting rights no later than **18:30 on Thursday, September 19, 2024**.

2. Mail

Please review the attached Reference Documents for General Meeting of Shareholders and indicate your approval or disapproval of each proposal on the enclosed voting form, and return it to us so that it arrives by no later than **18:30 on Thursday, September 19, 2024**.

〈Institutional Investors〉

Please exercise your voting right using the voting platform operated by ICJ if you have applied to use it in advance.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of the Surplus

The Company regards the continuous return of profits to its the Shareholders as a highly important management issue, and our basic policy is to stably implement dividends in consideration of maintaining a balance with internal reserves.

With regard to the appropriation of the surplus, having taken into account the performance for the fiscal year under review and future business expansion, the Company proposes the following:

Year-end dividends

- (1) Type of dividends: Cash
- (2) Dividend allocation and their aggregate amount thereof
Dividend per common share of the Company: ¥8
Total dividends: ¥129,309,840
- (3) Effective date of dividends of surplus: September 24, 2024

Proposal No. 2: Partially Amendments to the Article of Incorporation

1. Reason for the amendments

(1) The Company will further enhance and strengthen corporate governance by conferring voting rights on the Board of Directors to officers responsible for auditing (including outside officers) and strengthening the supervisory function of the Board of Directors. In addition, the Company seeks to speed up decision-making and business execution by delegating authority for some business execution to directors, thereby enhancing sustainable corporate value.

To transition to a company with an Audit & Supervisory Committee, the company will newly establish the provisions regarding the Audit & Supervisory Committee, as well as Directors who are Audit & Supervisory Committee Members, and delete the provisions regarding the Audit & Supervisory Board and Audit & Supervisory Board Members, etc. In addition, to facilitate flexible decision-making and business execution, the Company will newly establish the provisions which pertains to the delegation of authority to Directors, and make amendments to other provisions as necessary.

(2) The Company will relocate its head office from Shinagawa-Ku, Tokyo to Minato-Ku, Tokyo in March 2025 in order to accommodate an increase in personnel for future business expansion, improve management efficiency, strengthen recruitment and enhance the workplace environment.

Accordingly, the location of the head office is to be amended in the Articles 3 from “Shinagawa-Ku, Tokyo” to “Minato-Ku, Tokyo” for the change in location of the head office.

(3) To facilitate flexible capital and dividend policies, the Company will newly establish Article 35 (Organization that determines dividends of surplus) and 36 (Record date for distribution of surplus), which enables decisions to be made by resolution of the Board of Directors on dividends based on surplus, etc., and delete the provisions of Articles 9 (Acquisition of treasury shares), 40 (Year-end Dividend) and 41 (Interim Dividend) of the current Articles of Incorporation.

(4) The number of articles will be revised in accordance with the establishment of new articles and deletion of existing articles.

2. Amendment details

The details of the amendments to the Articles of Incorporation are as shown below (indicated in the underlined sections). The amendments to the Articles of Incorporation in this Proposal shall take effect at the conclusion of this Ordinary General Meeting of Shareholders.

(The underlined parts show the change.)

Present Articles of Incorporation	Proposed Amendments
CHAPTER I General Provisions	CHAPTER I General Provisions
(Location of Head Office) Article 3 The head office of the Company shall be situated at <u>Shinagawa-ku</u> , Tokyo, Japan.	(Location of Head Office) Article 3 The head office of the Company shall be situated at <u>Minato-ku</u> , Tokyo, Japan.
(Organizational Bodies) Article 4 The Company shall have the following organizational bodies in addition to the General Meeting of Shareholders and Directors. (1) Board of Directors (2) <u>Audit & Supervisory Board Members</u> (3) <u>Audit & Supervisory Board</u> (4) Independent Auditors	(Organizational Bodies) Article 4 The Company shall have the following organizational bodies in addition to the General Meeting of Shareholders and Directors. (1) Board of Directors (2) <u>Audit & Supervisory Committee</u> (Deleted) (3) Independent Auditors

CHAPTER II Shares	CHAPTER II Shares
(Acquisition of Treasury Shares)	
<p>Article 9 The Company may purchase (referring to <u>“purchasing provided for in Article 16.5., Paragraph 2. of the Companies Act”</u>) <u>treasury shares based on a resolution of its Board of Directors.</u></p>	(Deleted)
(Transfer Agent)	(Transfer Agent)
<p>Article 10 (Text omitted)</p> <p>2. The transfer agent and its office at which the Company shares are handled shall be determined <u>by the Board of Directors.</u></p> <p>3. (Text omitted)</p>	<p>Article 9 (Text is the same as in the present Article)</p> <p>2. The transfer agent and its office at which the Company shares are handled shall be determined <u>by the Board of Directors or the director delegated by resolution of the Board of Directors.</u></p> <p>3. (Text is the same as in the present Article)</p>
(Handling of Shares)	(Handling of Shares)
<p>Article 11 The procedures and the fees in connection with the handling of shares shall be decided in accordance with the Share Handling Regulations established <u>by the Board of Directors</u> in addition to the provisions of laws and regulations or the Articles of Incorporation.</p>	<p>Article 10 The procedures and the fees in connection with the handling of shares shall be decided in accordance with the Share Handling Regulations established <u>by the Board of Directors or the director delegated by resolution of the Board of Directors</u> in addition to the provisions of laws and regulations or the Articles of Incorporation.</p>
Article 12~17 (Text omitted)	Article 11~16 (Text is the same as in the present Article)
CHAPTER IV Directors and Board of Directors	CHAPTER IV Directors and Board of Directors
(Number of Directors)	(Number of Directors)
<p>Article 18 The Directors of the Company shall be <u>more than three (3) in number.</u></p> <p>(Newly established)</p> <p><u>2. The Outside Directors shall be more than one (1) in number.</u></p>	<p>Article 17 The Directors of the Company (<u>excluding Directors who are Audit & Supervisory Committee Members</u>) shall <u>not be more than ten (10) in number.</u></p> <p><u>2. The Directors who are Audit & Supervisory Committee Members shall not be more than five (5) in number.</u></p> <p>(Deleted)</p>

(Election of Directors)

Article 19 Directors shall be elected by a resolution of the general meeting of shareholders.

2. (Text omitted)
 3. (Text omitted)
- (Newly established)

(Newly established)

(Election of substitute Directors)

Article 20 The Company may elect a substitute Director at the general meeting of shareholders in preparation for vacancy in the number of Directors provided for in laws and regulations.

2. The election of substitute Director shall be pursuant to Article 19, Paragraphs 2 and 3.
3. A resolution for the election of a substitute Director shall remain in effect until the beginning of the ordinary general meeting of shareholders held for the last business year that ends within two (2) years from the date of such resolution.

(Election of Directors)

Article 18 Directors shall be elected by a resolution of the general meeting of shareholders, which should be implemented by distinguishing between Directors who are Audit & Supervisory Committee Members and other Directors.

2. (Text is the same as in the present Article)
3. (Text is the same as in the present Article)
4. The Company may elect a substitute Audit & Supervisory Committee Member at the general meeting of shareholders in preparation for vacancy in the number of Directors as an Audit & Supervisory Committee Member provided for in laws and regulations.
5. A resolution for the election of a substitute Audit & Supervisory Committee Member shall remain in effect until the beginning of the ordinary general meeting of shareholders held for the last business year that ends within two (2) years from the date of such resolution.

(Deleted)

(Term of Directors)

Article 21 Their term of Directors shall expire at the close of the ordinary general meeting of shareholders held for the last business year that ends within two years of being elected.

(Newly established)

2. The term of a director elected to increase or fill a vacancy shall be the same as the remaining term of the other directors.

(Newly established)

(Representative Director and Executive Directors)

Article 22 By a resolution of the Board of Directors, Representative Director shall be elected.

2. By a resolution of the Board of Directors, one Chairman of the Board, one Representative Director, and a few Executive Vice Presidents, Senior Managing Directors, and Managing Directors shall be elected.

Article 23 (Text omitted)

(Term of Directors)

Article 19 Their term of Directors (excluding Audit & Supervisory Committee Members) shall expire at the close of the ordinary general meeting of shareholders held for the last business year that ends within one years of being elected.

2. Their term of Directors who are Audit & Supervisory Committee Members shall expire at the close of the ordinary general meeting of shareholders held for the last business year that ends within two years of being elected.

(Deleted)

3. The term of a director who is a Audit & Supervisory Committee Member elected to fill a vacancy left by a director who retires before the expiration of his/her term of office shall expire when the term of the retiring director as a member of the Audit & Supervisory Committee Member expires.

(Representative Directors and Executive Directors)

Article 20 By a resolution of the Board of Directors, Representative Directors shall be elected from among the Directors (excluding Audit & Supervisory Committee Members).

2. By a resolution of the Board of Directors, one Chairman of the Board, one Representative Director, and a few Executive Vice Presidents, Senior Managing Directors, and Managing Directors shall be elected from among the Directors (excluding Audit & Supervisory Committee Members).

Article 21 (Text is the same as in the present Article)

(Convening Meetings of the Board of Directors)

Article 24 Each of the Directors and Audit & Supervisory Board Members shall be notified of a meeting of the Board of Directors at least three (3) days before the date set such meeting. In case of urgent necessity, however, this period shall be shortened.

2. A meeting of the Board of Directors may be held without the convocation procedures upon the unanimous consent of all directors and Audit & Supervisory Board Members.

(Method of resolution)

Article 25 (Text omitted)

2. The Company shall deem that a resolution of the Board of Directors has been passed with respect to the matters to be resolved by the Board of Directors when the requirements specified in Article 370 of the Companies Act are satisfied. This provision shall not apply if the Audit & Supervisory Board Members objects.

(Newly established)

Article 26 (Text omitted)

(Remuneration)

Article 27 Remuneration, bonuses, and other financial benefits of Directors given by the Company in consideration of the performance of duties to Directors shall be determined by resolution of a General Meeting of Shareholders.

(Convening Meetings of the Board of Directors)

Article 22 Each of the Directors shall be notified of a meeting of the Board of Directors at least three (3) days before the date set such meeting. In case of urgent necessity, however, this period shall be shortened

2. A meeting of the Board of Directors may be held without the convocation procedures upon the unanimous consent of all directors.

(Method of resolution)

Article 23 (Text is the same as in the present Article)

2. The Company shall deem that a resolution of the Board of Directors has been passed with respect to the matters to be resolved by the Board of Directors when the requirements specified in Article 370 of the Companies Act are satisfied.

(Minutes of Board of Directors meetings)

Article 24 Minutes of the proceedings of the Board of Directors shall be prepared as required by law.

Article 25 (Text is the same as in the present Article)

(Remuneration)

Article 26 Remuneration, bonuses, and other financial benefits of Directors given by the Company in consideration of the performance of duties to Directors shall be determined by resolution of a General Meeting of Shareholder, by distinguishing Directors who concurrently serve as Audit & Supervisory Committee members from other Directors.

<p>(Newly established)</p>	<p><u>(Delegation of Decisions on Execution of Important Operations)</u> <u>Article 27 Pursuant to the provisions of Article 399-13, Paragraph 6 of the Companies Act, the Company may delegate all or part of the decisions regarding execution of important operations (excluding matters set forth in items of Article 399-13, Paragraph 5 of the Companies Act) to Directors by a resolution of the Board of Directors.</u></p>
<p>CHAPTER V <u>Audit & Supervisory Board Member and Audit & Supervisory Board</u></p>	<p>(Deleted)</p>
<p><u>(Number of Auditor)</u> <u>Article 29 The number of the Audit & Supervisory Board Members of the Company shall be at least three (3).</u></p>	<p>(Deleted)</p>
<p><u>(Election)</u> <u>Article 30 Audit & Supervisory Board Members shall be elected at a General Meeting of Shareholders.</u> <u>2. A resolution to select Audit & Supervisory Board Members shall require a majority of votes cast by shareholders present at the meeting who hold one third (1/3) or more of the voting rights of shareholders entitled to exercise their voting rights.</u></p>	<p>(Deleted)</p>
<p><u>(Election of substitute Audit & Supervisory Board Member)</u> <u>Article 31 The Company may elect a substitute Audit & Supervisory Board Member at the general meeting of shareholders in preparation for vacancy in the number of Audit & Supervisory Board Members provided for in laws and regulations.</u> <u>2. The election of a substitute Audit & Supervisory Board Member shall be pursuant to Article 30, Paragraphs 2</u> <u>3. A resolution for the election of a substitute Audit & Supervisory Board Member shall be effective until the beginning of the ordinary general meeting of shareholders with respect to the last business year ending within 4. years after their election.</u></p>	<p>(Deleted)</p>

<p><u>(Term of office)</u> <u>Article 32 The term of office of Audit & Supervisory Board Members shall expire at the time of conclusion of the Ordinary General Meeting of Shareholders with respect to the last business year ending within 4. years after their election.</u> <u>2. The term of office of a Audit & Supervisory Board Member who is elected as a substitute for a Audit & Supervisory Board Member who has resigned before the expiration of his/her term of office shall continue by the time when the term of office of the resigned Audit & Supervisory Board Member expires.</u></p>	(Deleted)
<p><u>(Full-time Audit & Supervisory Board Member)</u> <u>Article 33 The Audit & Supervisory Board shall appoint Full-Time Audit & Supervisory Board Member by its resolution.</u></p>	(Deleted)
<p><u>(Convocation notice)</u> <u>Article 34 Notice of an Audit & Supervisory Board shall be sent to each Audit & Supervisory Board Member not later than three 3 days prior to the scheduled date of the meeting. However, this period may be reduced if necessary in an emergency.</u></p>	(Deleted)
<p><u>(Method of resolutions)</u> <u>Article 35 A resolution of the Audit & Supervisory Board shall be adopted by a majority vote of Audit & Supervisory Board Members, unless otherwise provided for in laws and regulations.</u></p>	(Deleted)
<p><u>(Audit & Supervisory Board Regulations)</u> <u>Article 36 Matters concerning the Audit & Supervisory Board shall be governed by laws and regulations, the Articles of Incorporation, and the regulations of the Audit & Supervisory Board established by the Audit & Supervisory Board.</u></p>	(Deleted)
<p><u>(Remuneration)</u> <u>Article 37 Remuneration for Audit & Supervisory Board Members shall be determined by resolution of a General Meeting of Shareholders.</u></p>	(Deleted)

<p><u>(Reduction in Liabilities of Audit & Supervisory Board Members)</u></p>	
<p><u>Article 38 Pursuant to the provisions of Article 426.,</u></p>	<p>(Deleted)</p>
<p><u>Paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from their liability for damages to the extent permitted by laws and regulations.</u></p>	
<p><u>2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with Audit & Supervisory Board Members limiting their liabilities, however, that the amount of limitation of liability in accordance with the agreement shall be the amount specified in relevant laws and regulation.</u></p>	
<p>(Newly established)</p>	<p><u>CHAPTER V Audit & Supervisory Committee</u></p>
<p>(Newly established)</p>	<p><u>(Full-time Audit & Supervisory Committee Member)</u></p>
	<p><u>Article 29 The Audit & Supervisory Committee may</u></p>
	<p><u>appoint Full-Time Audit & Supervisory Committee member by its resolution.</u></p>
<p>(Newly established)</p>	<p><u>(Convocation notice)</u></p>
	<p><u>Article 30 Notice of an Audit & Supervisory</u></p>
	<p><u>Committee shall be sent to each Audit & Supervisory Committee member not</u></p>
	<p><u>later than three 3 days prior to the</u></p>
	<p><u>scheduled date of the meeting. However,</u></p>
	<p><u>this period may be reduced, if necessary,</u></p>
	<p><u>in an emergency.</u></p>
	<p><u>2. A meeting of the Audit & Supervisory</u></p>
	<p><u>Committee may be held without the</u></p>
	<p><u>convocation procedure upon the</u></p>
	<p><u>unanimous consent of the Audit &</u></p>
	<p><u>Supervisory Committee members.</u></p>
<p>(Newly established)</p>	<p><u>(Method of resolution)</u></p>
	<p><u>Article 31 A resolution of the Audit & Supervisory</u></p>
	<p><u>Committee shall be adopted by a</u></p>
	<p><u>majority vote of the Audit & Supervisory</u></p>
	<p><u>Committee members present who are</u></p>
	<p><u>entitled to exercise their votes.</u></p>

<p>(Newly established)</p>	<p><u>(Audit & Supervisory Committee Regulations)</u> <u>Article 32 Matters concerning the Audit & Supervisory Committee shall be determined pursuant to the provisions of laws and regulations, these Articles of Incorporation, and the Audit & Supervisory Committee Regulations established by the Audit & Supervisory Committee.</u></p>
<p>(Newly established)</p>	<p><u>(Minutes of Board of Directors meetings)</u> <u>Article 33 Minutes of the proceedings of the Audit & Supervisory Committee shall be prepared as required by law.</u></p>
<p>CHAPTER VI Accounting</p>	<p>CHAPTER VI Accounting</p>
<p>Article <u>39</u> (Text omitted)</p>	<p>Article <u>34</u> (Text is the same as in the present Article)</p>
<p><u>(Year-end Dividend)</u> <u>Article 40 The Company may, by resolution of the general meeting of shareholders, distribute dividends to those shareholders or pledgees who are entered or recorded in the register of shareholders as of the close of business on June 30 of each year.</u></p>	<p>(Deleted)</p>
<p><u>(Interim Dividend)</u> <u>Article 41 The Company may, by resolution of the Board of Directors, pay interim dividends to those shareholders or pledgees who are entered or recorded in the register of shareholders as of the close of business on December 3.1 of each year, as provided in Article 4.5.4., Paragraph 5. of the Companies Act.</u></p>	<p>(Deleted)</p>
<p>(Newly established)</p>	<p><u>(Organization that determines dividends of surplus)</u> <u>Article 35 The Company may determine the distribution of dividends from surplus and other matters specified in the items of Article 459., Paragraph 1 of the Companies Act by a resolution of the Board of Directors unless otherwise provided for by laws and regulations.</u></p>
<p>(Newly established)</p>	<p><u>(Record date for distribution of surplus)</u> <u>Article 36 The record date for the Company's year-end dividend payments shall be June 30 every year.</u> <u>2. The record date for the Company's interim dividend payments shall be December 31 every year.</u></p>

<p>Article <u>42</u> (Text omitted)</p>	<p>Article <u>37</u> (Text is the same as in the present Article)</p>
<p>CHAPTER <u>VI</u> Miscellaneous rules</p>	<p>CHAPTER <u>VII</u> Miscellaneous rules</p>
<p>Article <u>43</u> (Text omitted)</p>	<p>Article <u>38</u> (Text is the same as in the present Article)</p>
<p>(Newly established)</p>	<p><u>Supplementary Provisions</u></p>
	<p><u>(Transitional Measures Concerning Exemption of Audit & Supervisory Board Members from Liability)</u></p>
	<p><u>Article 1 Pursuant to provisions of Article 426, Paragraph 1 of the Companies Act, the Company may exempt, by a resolution of the Board of Directors, Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages caused by their acts conducted before the conclusion of the 19th Ordinary General Meeting of Shareholders to the extent permitted by the applicable laws and regulations.</u></p>
	<p><u>2. With respect to a contract with an Audit & Supervisory Board Member (including a former Audit & Supervisory Board Members) to limit his or her liabilities for damages arising as a result of negligence of his or her duties before the closing of the 19th Ordinary General Meeting of Shareholders under Article 427, Paragraph 1 of the Companies Act, the Articles of Incorporation before the changes to be made by a resolution of the said Ordinary General Meeting of Shareholders shall apply.</u></p>
	<p><u>(Location of Head office)</u></p>
<p>(Newly established)</p>	<p><u>Article 2 The amendment to Article 3 (Location of Head Office) of the Articles of Incorporation shall become effective on the date of head office relocation to be determined at a meeting of the Board of Directors to be held by April 30, 2025 and this Article 2 of the Supplementary Provisions shall be deleted after the effective date of the Head Office relocation.</u></p>

Proposal No. 3: Election of 5 Directors (excluding Directors who are Audit & Supervisory Committee Members)

Subject to the approval of Proposal No. 2 as originally proposed, the Company will transition to a Company with Audit & Supervisory Committee. In addition, the term of all 5 Directors will expire at the close of this Ordinary General Meeting. Accordingly, the Company proposes the following 5 candidates for election as Directors (excluding Directors who are Audit & Supervisory Committee Members/the same applies below in Proposal) as detailed on the following.

This Proposal shall take effect upon the approval of Proposal No. 2 as originally proposed.

In order to enhance objectivity and transparency of the selection process, the selection of candidates for the Board of Directors is deliberated by the Nomination and Compensation Committee, the majority of whose members are independent directors.

The candidates for Directors are as follows:

Candidate No.	Name (Date of Birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
1	Masao Ito (December 18, 1973) (Reappointment)	Apr. 1997 Joined Nikkei Business Publications, Inc. Apr. 2000 Joined Rakuten Group, Inc. Apr. 2002 Chairman of Minnano Syusyoku, Inc. Sep. 2005 Established User Local, Inc. Aug. 2007 President and Representative Director, User Local, Inc. (to present)	6,075,600 shares
2	Kazuyuki Watanabe (July 1, 1982) (Reappointment)	Apr. 2006 Joined Rakuten Group, Inc. Dec. 2008 Joined User Local, Inc. Oct. 2010 General Manager, Corporate Sales, User Local, Inc. Sep. 2014 Director of User Local, Inc. (to present)	730,000 shares
3	Daisuke Iwamoto (August 4, 1982) (Reappointment)	Apr. 2006 Joined Rakuten Group, Inc. Apr. 2014 Joined METAWATER Co., Ltd. Oct. 2015 Joined User Local, Inc. as General Manager, Administration Dep Jan. 2016 Director, User Local, Inc. (to present)	100,500 shares
4	Ryota Matsuzaki (November 14, 1968) (Reappointment)	Apr. 1991 Joined Industrial Bank of Japan (currently Mizuho Financial Group) Apr. 2000 Joined Rakuten Group, Inc. Apr. 2011 Established and President and Representative Director, Thirdgear, Inc. (to present) Nov. 2011 Director, Crowdworks, Inc. Feb. 2013 Established and President and Representative Director, Kibidango, Inc. (to present) Jan. 2016 Outside Director, Synchro Food, Inc. (to present) Sep. 2019 Outside Director, User Local, Inc. (to present)	3,000 shares
5	Taku Ito (October 24, 1974) (Reappointment)	Apr. 2000 Registered as an attorney at law and Joined Midosuji Law Office (to present) Apr. 2016 Outside Director, People Co., Ltd. (to present) June 2016 Outside Director, CDG Co., Ltd. Sep. 2020 Outside Director, User Local, Inc. (to present)	3,000 shares

1. There is no special interest between any of the candidates and the Company.
2. Masao Ito is a parent company, etc. as defined in Article 2-4-2 of the Companies Act.
3. Ryota Matsuzaki and Taku Ito are as candidates for Outside Director.
4. (1) The Company has nominated Ryota Matsuzaki as a candidate for Outside Director because it expects that he will supervise its management and provide advice on general management from perspectives outside based on his rich global experience and deep insights in IT industry and financial industry.
(2) The Company has nominated Taku Ito as a candidate for Outside Director because it expects that he is expected to provide advice based on legal knowledge of corporate management in general due to having expert knowledge and experience as a lawyer. Though he has never previously engaged in company management in any way other than serving as an outside officer, the Company is certain that he will carry out his duty as an Outside Director properly for these reasons stated above.
5. Ryota Matsuzaki and Taku Ito are currently Outside Directors. At the end of this General Meeting of the Shareholders, Ryota Matsuzaki will have a five-year tenure as an outside director and Taku Ito will have a four-year tenure as an outside director.
6. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Ryota Matsuzaki and Taku Ito to limit the liability for damages under Article 423, paragraph (1). The maximum amount of liability for damages under these agreements is the minimum liability for damages under Article 425, paragraph (1) of the Companies Act. If the reelection of Ryota Matsuzaki and Taku Ito is approved, the Company plans to continue these agreement
7. Pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract that includes them as the insured with an insurance company. The insurance contract covers legal damages and litigation expenses to be borne by the insured. In addition, if the five candidates are re-elected or elected and assume the positions of Director, each Director will be included in the insurance contract as an insured. The Company intends to renew the contract under the same conditions at the next renewal.
8. The Company has submitted notification to the Tokyo Stock Exchange that Ryota Matsuzaki and Taku Ito have been designated as independent officers. If both are reappointed, the Company will continue to appoint them as independent officers.

Proposal No. 4: Election of 3 Directors who are Audit & Supervisory Committee Members

Subject to the approval of Proposal No. 2 as originally proposed, the Company will transition to a Company with Audit & Supervisory Committee. Accordingly, the Company proposes the following 3 candidates for election as Directors who are Audit & Supervisory Committee Members as detailed on the following.

This Proposal shall take effect upon the approval of Proposal No. 2 as originally proposed.

The Audit & Supervisory Board has already given approval to this Proposal.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

Candidate No.	Name (Date of Birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
1	Tomomi Watanabe (June 24, 1977) (New appointment)	Apr. 2001 Joined Tokyo-Mitsubishi Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.) Nov. 2004 Joined Nihon Pall Ltd July 2006 Joined Ernst & Young Financial Service Co., Ltd. July 2008 Transfer to ShinNihon LLC. (currently Ernst & Young ShinNihon LLC.) Sep. 2015 Full-time Audit & Supervisory Board Member, User Local, Inc. (to present)	25,600 shares
2	Yoshikazu Nakamura (March 11, 1973) (New appointment)	Oct. 1995 Joined Deloitte Touche Tohmatsu LLC. July 2000 Joined Hirata CPA Firm June 2004 Director of EnBio Holdings, Inc. Dec. 2014 Outside Director of Neo Career Co., Ltd. Sep. 2015 Outside Director of Ideal Co., Ltd. Jan. 2016 Outside Audit & Supervisory Board Member, User Local, Inc. (to present) Oct. 2021 Outside Director of Karadanote Inc. (Audit & Supervisory Committee Member) (to present) June 2023 President and Representative Director, EnBio Holdings, Inc. (to present)	192,000 shares
3	Hiroyuki Tanaka (October 22, 1970) (New appointment)	Oct. 1992 Joined Deloitte Touche Tohmatsu LLC. Apr. 1999 Registered as an attorney at law Apr. 2001 Registered as a CPA Nov. 2004 Established Tanaka legal and Accounting and Tax office (to present) Jan. 2016 Outside Audit & Supervisory Board Member, User Local, Inc. (to present) Mar. 2017 Outside Audit & Supervisory Board Member, BPLATS, Inc. (to present) June 2020 Outside Audit & Supervisory Board Member, Will Smart Co., Ltd. (to present)	20,700 shares

1. There is no special interest between any of the candidates and the Company.
2. Tomomi Watanabe, Yoshikazu Nakamura and Hiroyuki Tanaka are as candidates for Outside Director.
3. (1) The Company has nominated Tomomi Watanabe as a candidate for Outside Director because she has an experience as USCPA in Audit firm and her experience will help us strengthen our governance structure and audit the directors' performance of their duties. Though she has never previously engaged in company management in any way other than serving as an outside officer, the Company is certain that she will carry out her duty as an Outside Director properly for these reasons stated above.

- (2) The Company has nominated Yoshikazu Nakamura as a candidate for Outside Director because it expects that he will strengthen our governance structure and audit the directors' performance of their duties due to having expert knowledge and experience as a CPA and extensive experience as a board member.
- (3) The Company has nominated Hiroyuki Tanaka as a candidate for Outside Director because it expects that he will strengthen our governance structure and audit the directors' performance of their duties due to having expert knowledge and experience as a lawyer and CPA. Though he has never previously engaged in company management in any way other than serving as an outside officer, the Company is certain that he will carry out his duty as an Outside Director properly for these reasons stated above.
4. The Company has submitted notification to the Tokyo Stock Exchange that Tomomi Watanabe, Yoshikazu Nakamura and Hiroyuki Tanaka have been designated as independent officers. If both are reappointed, the Company will continue to appoint them as independent officers.
 5. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Tomomi Watanabe, Yoshikazu Nakamura and Hiroyuki Tanaka to limit the liability for damages under Article 423, paragraph (1). The maximum amount of liability for damages under these agreements is the minimum liability for damages under Article 425, paragraph (1) of the Companies Act. If the reelection of Ryota Matsuzaki and Taku Ito is approved, the Company plans to continue these agreement
 6. Pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract that includes them as the insured with an insurance company. The insurance contract covers legal damages and litigation expenses to be borne by the insured. In addition, if the five candidates are re-elected or elected and assume the positions of Director, each Director will be included in the insurance contract as an insured. The Company intends to renew the contract under the same conditions at the next renewal.

Reference

The skill matrix of the candidates for Directors are provided below.

No.	Name		Corporate Management	R&D	Marketing Branding	Finance & Accounting	HR	Legal Governance	ESG Sustainability
1	Masao Ito		○	○	○		○	○	○
2	Kazuyuki Watanabe		○		○		○		○
3	Daisuke Iwamoto		○			○	○	○	○
4	Ryota Matsuzaki	Outside Director	○	○	○	○	○		
5	Taku Ito	Outside Director						○	
6	Tomomi Watanabe	Outside Director				○		○	
7	Yoshikazu Nakamura	Outside Director	○			○		○	
8	Hiroyuki Tanaka	Outside Director				○		○	

Proposal No. 5: Determination of the Amount of Remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Member)

Subject to the approval of Proposal No. 2 as originally proposed, the Company will transition to a Company with Audit & Supervisory Committee. The compensation payable to Board Members was approved at a maximum amount of 200 million yen per year (of which, employee salaries are not included.) at the Extraordinary General Shareholders' Meeting to be held on October 10, 2014. Accordingly, the Company will abolish the current remuneration for Directors and hereby proposes to set remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Member) as a maximum amount of 200 million yen per year, which will be equivalent to the current remuneration limits for Directors.

If this Proposal No. 5 is approved, the Company shall change the scope of the Directors to the Directors (excluding Directors who are Audit & Supervisory Committee Member) on the policy for determining the details of individual director remuneration for the 19th fiscal year.

The Company believes that the contents of this proposal are appropriate, as it requests approval of the same limits of remuneration for Directors as those in effect prior to the transition to a company with an Audit & Supervisory Committee.

If Proposal No. 2 and No. 3 are approved as originally proposed, the number of Directors (excluding Directors who are Audit & Supervisory Committee Member) subject to this Proposal is 5 (including 2 Outside Directors).

This Proposal shall take effect upon the approval of Proposal No. 2 as originally proposed.

Proposal No. 6: Determination of the Amount of Remuneration for Directors who are Audit & Supervisory Committee Member

Subject to the approval of Proposal No. 2 as originally proposed, the Company will transition to a Company with Audit & Supervisory Committee. In consideration of the duties and responsibilities of Directors who are members of the Audit Committee and various circumstances, including economic conditions, the Company proposes to set remuneration for Directors who are Audit & Supervisory Committee Member as a maximum amount of 50 million yen per year.

The Company believes that this remuneration limit for Directors who are Audit & Supervisory Committee Members is within a reasonable range and the contents of this proposal are appropriate and necessary, taking into consideration their responsibilities.

If Proposal No. 2 and No. 3 are approved as originally proposed, the number of Directors who are Audit & Supervisory Committee Member subject to this Proposal is 3.

This Proposal shall take effect upon the approval of Proposal No. 2 as originally proposed.

Proposal No. 7: Determination of the Compensation to Grant Restricted Shares for Directors (excluding Directors who are Audit & Supervisory Committee Member)

The Compensation to Grant Restricted Shares for Directors was approved at a maximum amount of 100 million yen per year (up to 80,000 shares per year) at the 16th Ordinary General Shareholders' Meeting to be held on September 22, 2021, which are within the existing remuneration limit (a maximum amount of 200 million yen per year. However, employee salaries are not included.).

Subject to the approval of Proposal No. 2 as originally proposed, the Company will transition to a Company with Audit & Supervisory Committee. Accordingly, the Company hereby proposes to set the amount of Compensation to Grant Restricted Shares for Directors (excluding Directors who are Audit & Supervisory Committee Member) as a maximum amount of 100 million yen per year (up to 80,000 shares per year), which will be equivalent to the current limits for Directors, which are within the amount of remuneration proposed in Proposal No. 5.

The Company believes that the contents of this proposal are appropriate, as it requests approval of the same limits of remuneration for Directors as those in effect prior to the transition to a company with an Audit & Supervisory Committee and a restricted stock compensation plan (hereinafter "the Plan") is to be implemented with the aim of encouraging Directors of User Local, Inc to share values with our shareholders and sustainably enhance our corporate value.

If Proposal No. 2 and No. 3 are approved as originally proposed, the number of Directors (excluding Directors who are Audit & Supervisory Committee Member) subject to this Proposal is 5 (including 2 Outside Directors).

This Proposal shall take effect upon the approval of Proposal No. 2 as originally proposed.

The details of the restricted shares to be granted to Directors are as follows.

The Directors will pay-in all of the monetary receivables paid by the Company under the Plan as property contributed in kind and receive the common shares to be issued or disposed by the Company in exchange for the in-kind contribution. The paid-in amount per common share to be issued or disposed under the Plan will be determined by the Board of Directors within a range that is not particularly advantageous to the Directors, based on the closing price of User Local, Inc's common shares on the Tokyo Stock Exchange on the business day prior to the resolution of the Board of Directors concerning the issuance or disposition thereof (or at the closing price on the immediately preceding trading day, if no trading is made on that day). After this Proposal is approved, the number of shares to be issued or disposed may be adjusted for any compelling reason such as a share split or share consolidation of our common shares.

Upon these issue or disposals of the treasury stock, the Company and the Directors will enter into a restricted share allotment agreement (hereinafter the "Allotment Agreement") as below.

- (1) The restricted period will be defined by the Board of Directors within a range from three to six years. The Directors shall not transfer, pledge as collateral, or otherwise dispose of the common shares allocated under the Allotment Agreement for a predetermined period.
- (2) The common shares shall be acquired by the Company without any compensation when Director loses his/her position as Board of Directors or any other position determined by the Board of Directors before the expiration of the service period determined by Board of Directors.
- (3) The Company will release the restriction on transfer of all of the allocated shares upon the expiration of the restricted transfer period on the condition that the Directors has continuously held the position specified in (2) above during the service period. However, if the Directors lose his/her position specified in (2) above before the expiration of the service period for reasons that Board of Directors deems justifiable, the number of shares to be released and the timing shall be reasonably adjusted as necessary.
- (4) Upon expiration of the transfer restriction period, the Company will automatically acquire all allocated shares for which the transfer restriction has not been lifted without providing compensation in accordance with the provision of (3) above.
- (5) In the event of a merger agreement in which the Company become a dissolved company, or a share exchange agreement, share transfer plan or any other matters of reorganization with which the Company becomes a wholly owned subsidiary is approved at a general meeting of shareholders of the Company (or the Board of Directors where the reorganization does not require the approval of the general meeting of shareholders), the Company shall, by a resolution of the Board of Directors of the Company, lift the transfer restriction on the reasonably determined number of allocated shares based on the period from the start of the restriction transfer period to the date of approval of such organizational restructuring.

- (6) At the time immediately after the restrictions on transfer are lifted in accordance with the provisions of (5) above, the Company will automatically acquire all allocated Shares for which the transfer restriction has not been lifted without providing compensation.
- (7) The way of notification in this Allotment Agreement, the way of revision of this Allotment Agreement, and other matters to be determined by the Board of Directors shall be the contents of this Allotment Agreement.

Proposal No. 8: Determination of the Compensation to Grant Restricted Shares for Directors who are Audit & Supervisory Committee Member

Subject to the approval of Proposal No. 2 as originally proposed, the Company will transition to a Company with Audit & Supervisory Committee. Accordingly, the Company hereby proposes to set the amount of Compensation to Grant Restricted Shares for Directors who are Audit & Supervisory Committee Member as a maximum amount of 25 million yen per year (up to 20,000 shares per year), which is within the amount of remuneration proposed in Proposal No. 6.

The Company believes that the contents of this proposal are appropriate, as it requests approval of the same limits of remuneration for Directors as those in effect prior to the transition to a company with an Audit & Supervisory Committee and a restricted stock compensation plan (hereinafter "the Plan") is to be implemented with the aim of encouraging Directors who are Audit & Supervisory Committee Member of User Local, Inc. to work to prevent impairment of our corporate value and maintain confidence of User Local, Inc.

If Proposal No. 2 and No. 3 are approved as originally proposed, the number of Directors who are Audit & Supervisory Committee Member subject to this Proposal is 3.

This Proposal shall take effect upon the approval of Proposal No. 2 as originally proposed.

The details of the restricted shares to be granted to Directors are the same as those described in Proposal No. 7 P. 21-P. 22 "Determination of the Compensation to Grant Restricted Shares for Directors (excluding Directors who are Audit & Supervisory Committee Member)".