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Securities code: 7384

June 4, 2024

(Start date of electronic provision of documents: May 30, 2024)

**To Shareholders with Voting Rights:**

Susumu Narita  
President  
Procrea Holdings, Inc.  
3-1, Katta 1-Chome, Aomori City,  
Aomori, Japan

**NOTICE OF CONVOCATION OF  
THE 2ND ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are hereby informed that the 2nd Ordinary General Meeting of Shareholders of Procrea Holdings, Inc. (the “Company”) will be held as described below.

For the convocation of this General Meeting of Shareholders, the Company provides documents by electronic means and has posted the matters for electronic provision as the “Notice of Convocation of the 2nd Ordinary General Meeting of Shareholders” on the following website.

Company website (Japanese only):

<https://www.procrea-hd.co.jp/shareholder/soukai.html>

In addition to the Company’s website, the matters for electronic provision are also disclosed on the following website.

Tokyo Stock Exchange (TSE) website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Access the above TSE website, enter the issue name “Procrea Holdings” or the securities code “7384” and click on Search. Select “Basic Information” and then “Documents for Public Inspection/PR Information,” and check the “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” in the “Filed information available for public inspection” section.

In lieu of attending the meeting in person, you may exercise your voting rights by mailing the enclosed Voting Rights Exercise Form or via electromagnetic means (via the Internet). Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. on Monday, June 24, 2024, Japan Standard Time.

The meeting will be streamed live via the Internet. Therefore, you will be able to watch it online without visiting the venue.

- 1 Date and Time:** Tuesday, June 25, 2024 at 10:00 a.m. Japan time  
(Reception desk opens at 9:00 a.m.)
- 2. Place:** 8F, Main Conference Room, Head Office of The Aomori Bank, 9-30,  
Hashimoto 1-chome, Aomori City, Aomori, Japan
- 3 Meeting Agenda:**
- Matters to be reported:** The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company's 2nd Fiscal Year (April 1, 2023 - March 31, 2024) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Ten (10) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal 4:** Election of Four (4) Directors who are Audit and Supervisory Committee Members
- 4 Other Decisions Regarding this Convocation**
- (1) If you do not indicate your approval or disapproval of any of the proposals on the voting form, we will assume that you have indicated your approval of the proposal.
- (2) If you exercise your voting rights both via the Internet and in writing, only the vote placed via the Internet will be handled as valid. If you exercise your voting rights more than once via the Internet, the last vote exercised shall be deemed valid.

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- Requests to the shareholders
- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception upon arrival.  
Shareholders are kindly requested to bring this notice of convocation to the meeting venue in order to help conserve resources.
  - In order to save electricity, the air conditioning at the venue will be set moderately. We would appreciate your attendance in light attire.
- Notice
- For this General Meeting of Shareholders, regardless of whether you have requested delivery of written documents, we will send you a document containing the matters for electronic provision. However, this document does not include the items below in accordance with laws and regulations as well as the Company's Articles of Incorporation. The Audit and Supervisory Committee and the Accounting Auditor have audited the documents subject to audit, including the following items:
    - (1) Consolidated Financial Statements section: "Consolidated Statement of Changes in Shareholders' Equity" and "Notes to Consolidated Financial Statements"; and
    - (2) Non-consolidated Financial Statements section: "Statement of Changes in Shareholders' Equity" and "Notes to Non-consolidated Financial Statements"
  - If any revisions are required in the matters for electronic provision, the revisions will be posted on the respective websites where the initial information was posted.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The Company's basic policy is to maintain stable dividends while striving for long-term enhancement of its business foundation. Under this policy, the Company proposes that the surplus for the fiscal year under review be appropriated as follows.

Matters concerning year-end dividends

(1) Type of dividend property

Cash

(2) Matters concerning the allotment of dividend property to shareholders and the total amount

The Company proposes to pay 25 yen per share of common stock.

In this case, the total dividend amount would be 715,261,975 yen.

As a result, the full-year dividends for the fiscal year under review will be 50 yen per share, including an interim dividend of 25 yen that has already been paid.

(3) Effective date of distribution of surplus

June 26, 2024

**Proposal 2: Partial Amendments to the Articles of Incorporation**

1. Reason for Amendment

The purpose of this amendment is to delete provisions related to Class I Preferred Stock, which had been acquired and retired as of September 22, 2023, and to renumber chapters and articles upward in consequence of the said changes.

2. Nature of Amendment

The content of the amendments are as follows.

(Changes are underlined.)

Current Articles of Incorporation	Proposed Amendments
Chapter 1 General Provisions Article 1 to Article 5 [Text omitted]	Chapter 1 General Provisions Article 1 to Article 5 [Unchanged]
Chapter 2 Shares	Chapter 2 Shares
Article 6 <u>Increase of the Total Number of Authorized Shares and Total Number of Authorized Class Shares</u> 1. The total number of shares authorized to be issued by the Company shall be 60 million. <u>2 The total number of authorized class shares issued by the Company shall be as follows.</u> <u>(1) Common stock 60 million shares</u> <u>(2) Class I Preferred Stock 13.8 million shares</u>	Article 6 Total Number of Authorized Shares The total number of shares authorized to be issued by the Company shall be 60 million.
Article 7 [Text omitted]	Article 7 [Unchanged]
Article 8 Share Units <u>For all classes of shares in the Company, the number of shares per share unit of the Company shall be 100.</u>	Article 8 Share Units The number of shares per share unit of the Company shall be 100.
Article 9 to Article 12 [Text omitted]	Article 9 to Article 12 [Unchanged]

Current Articles of Incorporation	Proposed Amendments
<u>Chapter 3 Preferred Stock</u>	[Deleted]
<u>Article 13 Class I Preferred Dividend</u>	[Deleted]
<p><u>1 When distributing surplus dividends as set forth in Article 46.1, the Company will distribute to the holders of Class I Preferred Stock (“Class I Preferred Shareholders”) and the registered pledge holders of Class I Preferred Stock (“Registered Class I Pledge Holders”) noted or recorded on the final shareholder registry of the record date for the surplus dividend an amount of money (fractional units of less than ¥1 are to be rounded up to the fourth decimal place) calculated by dividing ¥5,000 by 0.46 per share of Class I Preferred Stock (however, this will be appropriately adjusted in the event of a stock split, gratis allotment of shares, or reverse stock split, etc. for Class I Preferred Stock) and multiplying that amount by the dividend rate shown below (“Annualized Class I Preferred Dividend Rate”) (“Class I Preferred Dividend”) prior to distributions to common stock holders (“Common Shareholders”) and registered common stock pledge holders (“Registered Common Stock Pledge Holders”). However, any Class I Preferred Interim Dividend set forth in Article 14 that has been paid to Class I Preferred Shareholders or Registered Class I Pledge Holders during the business year in which the record date falls will be deducted from that amount.</u></p>	
<p><u>Annualized Class I Preferred Dividend Rate</u></p>	
<p><u>Annualized Class I Preferred Dividend Rate = Japanese yen TIBOR (12-month)+0.95%</u></p>	
<p><u>The Annualized Class I Preferred Dividend Rate for each business year will be calculated and rounded to the fourth decimal place of the percentage.</u></p>	
<p><u>In the formula above, “Japanese yen TIBOR (12-month)” refers to the number published at 11:00 a.m. on April 1 of each year (the next business day if that day is a bank holiday) (the “Annualized Class I Preferred Dividend Rate Finalization Date”) by the JBA TIBOR Administration (in the event that the entity publishing Japanese yen TIBOR changes from the JBA TIBOR Administration to another entity, that entity) as the 12-month Japanese yen Tokyo Interbank Offered Rate (Japanese yen TIBOR), or other similar number deemed reasonable. “Business day” refers to a day on which banks conduct foreign currency and foreign exchange transactions in Tokyo.</u></p>	
<p><u>However, the Annualized Class I Preferred Dividend Rate shall be 8% if the calculation above results in an amount higher than 8%.</u></p>	
<p><u>2 The shortfall will not accumulate to subsequent business years if the surplus dividend to Class I Preferred Shareholders and Registered Class I Pledge Holders during a business year does not reach the Class I Preferred Dividend amount.</u></p>	
<p><u>3 Surplus dividends will not be paid to Class I Preferred Shareholders and Registered Class I Pledge Holders in excess of the Class I Preferred Dividend amount. However, this shall not apply in the event of a surplus dividend under Article 758, item (viii)(b) or Article 760, item (vii)(b) of the Companies Act while the Company executes absorption-type split procedures, or a surplus dividend under Article 763, paragraph (1), item (xii)(b) or Article 765, paragraph (1), item (viii)(b) of the Companies Act while the Company executes incorporation-type corporate split procedures.</u></p>	

Current Articles of Incorporation	Proposed Amendments
<p><u>Article 14 Class I Preferred Interim Dividend</u>  <u>When distributing interim dividends set forth in Article 47, the Company will pay to Class I Preferred Shareholders and Registered Class I Pledge Holders noted or recorded on the final shareholder registry of the record date for the interim dividend an amount of money up to a maximum of half of the Class I Preferred Dividend per share of Class I Preferred Stock (“Class I Preferred Interim Dividend”) prior to distributions to Common Shareholders and Registered Common Stock Pledge Holders.</u></p>	<p>[Deleted]</p>
<p><u>Article 15 Distribution of Residual Assets to Class I Shareholders</u>  <u>1 When distributing residual assets, the Company will pay to Class I Preferred Shareholders and Registered Class I Pledge Holders an amount of money calculated as the aggregate of the amount found by dividing ¥5,000 by 0.46 per share of Class I Preferred Stock (however, this will be appropriately adjusted in the event of a stock split, gratis allotment of shares, or reverse stock split, etc. for Class I Preferred Stock) and the accrued Class I Preferred Dividend equivalent prior to payments to Common Shareholders and Registered Common Stock Pledge Holders.</u>  <u>Accrued Class I Preferred Dividend equivalent</u>  <u>The accrued Class I Preferred Dividend equivalent per share of Class I Preferred Stock refers to the amount found by multiplying on the date of residual asset distribution (“Distribution Date”) the number of days from the first day of the business year in which the Distribution Date falls (inclusive) up to the Distribution Date (inclusive) by the Class I Preferred Dividend and dividing by 365 (fractional amounts of less than ¥1 will be calculated and rounded up to the fourth decimal place). However, if a Class I Preferred Interim Dividend has been paid to Class I Preferred Shareholders and Registered Class I Pledge Holders during the business year in which the Distribution Date falls, that amount shall be deducted.</u>  <u>2 No distribution of residual assets will be made to Class I Preferred Shareholders and Registered Class I Pledge Holders other than as set forth in the preceding paragraph.</u></p>	<p>[Deleted]</p>
<p><u>Article 16 Class I Preferred Shareholders’ Voting Rights</u>  <u>Class I Preferred Shareholders are unable to exercise voting rights in general meetings of shareholders for any matter. However, until a resolution is passed for payment in full of the Class I Preferred Dividend (deducting the amount of any Class I Preferred Interim Dividend paid), Class I Preferred Shareholders may exercise voting rights for all matters in general meetings of shareholders: (i) from the time of issue if the holders of Class A Preferred Stock issued by The Michinoku Bank, Ltd. (“The Michinoku Bank”) at the time of issue of Class I Preferred Stock are able to exercise voting rights for all matters at general meetings of shareholders of The Michinoku Bank; (ii) from the ordinary general meeting of shareholders if an agenda item is not submitted for receipt of payment in full of the Class I Preferred Dividend at an ordinary general meeting of shareholders (deducting the amount of any Class I Preferred Interim Dividend paid); and (iii) from the conclusion of an ordinary general meeting of shareholders rejecting an agenda item for receipt of payment in full of the Class I Preferred Dividend (deducting the amount of any Class I Preferred Interim Dividend paid).</u></p>	<p>[Deleted]</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>Article 17 Right to demand acquisition with Common Stock as Consideration</u></p> <p><u>1 During the period in which acquisition demands are permitted under the following paragraph, Class I Preferred Shareholders may demand that the Company acquire the Class I Preferred Stock that they hold. Upon receipt of an acquisition demand, the Company will deliver to the Class I Preferred Shareholders the assets set forth in Paragraph 3 in exchange for the Class I Preferred Stock for which the Class I Preferred Shareholders has demanded acquisition. However, acquisition demands under this paragraph cannot be made for shares of the Company that are less than one unit.</u></p> <p><u>2 The purchase demand period shall be from the establishment date of the Company until September 30, 2024 (the “Acquisition Demand Period”).</u></p> <p><u>3 In exchange for the Class I Preferred Stock for which the Class I Preferred Shareholders has demanded acquisition, the Company will deliver common stock in a number found by dividing ¥5,000 by 0.46 per share of Class I Preferred Stock for which acquisition is demanded (however, this will be appropriately adjusted in the event of a stock split, gratis allotment of shares, or reverse stock split, etc. for Class I Preferred Stock), and dividing that amount by the acquisition price set forth in Paragraph 4 to Paragraph 8. Any fractions of less than one share of common stock delivered in exchange for Class I Preferred Stock will be handled as set forth in Article 167, paragraph (3) of the Companies Act.</u></p> <p><u>4 The initial acquisition price shall be the market value on the day on which the Company is established. The initial acquisition price shall be the market value on the day on which the Company is established. The market value on the day of the Company’s establishment shall be the amount (calculated as a yen amount down to the first decimal place and rounded down to the nearest yen) found by dividing an amount equivalent to the average daily closing price of The Michinoku Bank’s common stock for the five consecutive trading days immediately preceding the third Friday of March 2022 (“Initial Acquisition Price Finalization Day”) (including the day on which the initial acquisition price is determined and excluding days on which a closing price (including quotations; “Closing Price” below) for The Michinoku Bank’s common stock on the Tokyo Stock Exchange, Inc. is not calculated) by 0.46. However, the Minimum Acquisition Price shall be used if this calculation results in an acquisition price below the Minimum Acquisition Price set forth in Paragraph 7.</u></p> <p><u>5 During the Acquisition Demand Period, from the day following the third Friday of each month (“Finalization Date”) onwards, the acquisition price will be revised to an amount (calculated as a yen amount down to the first decimal place and rounded down to the nearest yen) equivalent to the average daily Closing Price of the Company’s common stock for the five consecutive trading days immediately preceding the Finalization Date (inclusive) (however, excluding days on which there is no Closing Price; if the Finalization Date is not a trading day, the five consecutive trading days immediately preceding the Finalization Date). However, the Minimum Acquisition Price shall be used as the Revised Acquisition Price if this calculation results in a Revised Acquisition Price that is less than the Minimum Acquisition Price set forth in Paragraph 7. If an acquisition price adjustment event as set forth in Paragraph 8 occurs during the period from the first day of the five consecutive trading days above and the Finalization Date (inclusive), the Revised Acquisition Price shall be an amount adjusted as deemed appropriate by the Board of Directors.</u></p>	<p>[Deleted]</p>

Current Articles of Incorporation	Proposed Amendments
<p>6 There is no maximum acquisition price.</p> <p>7 “Minimum Acquisition Price” refers to the amount found by dividing ¥958 by 0.46 (subject to adjustment as set forth in the following paragraph).</p> <p>8 (a) The acquisition price (including Minimum Acquisition Price) will be adjusted according to the following formula (the “Acquisition Price Adjustment Formula”) upon the occurrence of any of the events set forth in the following subparagraphs after the issuance of Class I Preferred Stock (“Adjusted Acquisition Price”). Calculations of the Acquisition Price Adjustment Formula will be made in yen to the first decimal place and any fractional amounts rounded down to the nearest yen. (Adjusted Acquisition Price)</p> <hr/> <p>(Adjusted Acquisition Price)</p> $\text{Adjusted Acquisition Price} = \text{Unadjusted acquisition price} \times \frac{\text{Number of shares of common stock issued}}{\text{Number of issued shares of common stock} + \text{number of shares of common stock to be delivered}} + \frac{\frac{\text{Number of shares of common stock to be delivered}}{\text{Paid-in amount per share}} \times \text{Market value}}{\text{Number of issued shares of common stock} + \text{number of shares of common stock to be delivered}}$ <p>(i) If common stock is issued or common stock within treasury stock is disposed at a paid-in amount that is below the market value (defined in (c) below; hereinafter the same) used in the Acquisition Price Adjustment Formula (including gratis allotments) (however, excluding stock with put options, warrants (including instruments attached to warrant bonds: the same in Paragraph 8 below) and other securities (“Stock with Put Options, etc.”) for which delivery of the Company’s common stock can be demanded, and the acquisition or exercise of stock with call options, warrants with call options, or other securities (“Stock with Call Options, etc.”) that the Company can acquire in exchange for the delivery the Company’s common stock, and common stock is delivered) The Adjusted Acquisition Price is applied beginning the day following the Pay-In Date (the final day of the pay-in period if a pay-in period is established; hereinafter the same) (the effective date for a gratis allotment), or the day following the day on which rights to receive allotments of solicited shares are granted to shareholders, or the day following that record date of a gratis allotment.</p> <p>(ii) Stock split The increased number of shares of common stock resulting from the split on the record date of the stock split (excluding increases in the number of shares of common stock for common stock within the Company’s treasury stock on the record date) is deemed to have been delivered and applied in the calculation of the Acquisition Price Adjustment Formula, and the Adjusted Acquisition Price is applied beginning the day following the record date.</p> <p>(iii) If Stock with Put Options, etc. is issued and allows demands for delivery of the Company’s common stock at a price (defined in (d) below; and the same in this subparagraph (iii), Subparagraphs (iv) and (v) below, and (c)(iv) below) below the market value used in the Acquisition Price Adjustment Formula (including gratis allotments) In the calculation of the Acquisition Price Adjustment Formula, all Shares with Put Options, etc. are deemed to have been acquired or exercised and common stock delivered at the initial terms and conditions on the Pay-In Date of the Shares with Put Options, etc. (the allotment date for warrants) (the effective date for a gratis allotment) or on the record date, if any, on which rights are granted to shareholders to receive allotment of Shares with</p>	



Put Options, etc. or gratis allotments, and the Adjusted Acquisition Price applies beginning the day following the Pay-In Date (the allotment date for warrants) (the effective date for a gratis allotment) or the day following the record date.

Current Articles of Incorporation	Proposed Amendments
<p><u>Notwithstanding the above, if the price is not finalized on the day on which common stock is deemed to have been delivered as set forth above, the Shares with Put Options, etc. are issued at a price finalized on a predetermined subsequent date (“Price Finalization Date”), and the finalized price is below the market value used in the Acquisition Price Adjustment Formula, in the calculation of the Acquisition Price Adjustment Formula, all of the Stock with Put Options, etc. remaining on the Price Finalization Date are deemed to have been acquired or exercised and common stock delivered at the finalized terms and conditions on the Price Finalization Date, and the Adjusted Acquisition Price applies beginning the day following the Price Finalization Date.</u></p> <p><u>(iv) If Shares with Put Options, etc. issued by the Company include conditions under which the price is revised after the Issue Date (excluding adjustments to prevent dilution similar to Subparagraphs (a) and (b)), and the revised price (“Revised Price”) on the revision date (“Revision Date”) is below the market value used in the Acquisition Price Adjustment Formula. In the calculation of the Acquisition Price Adjustment Formula, all remaining Shares with Put Options, etc. are deemed to have been acquired or exercised at the Revised Price and common stock delivered on the Revision Date, and the Adjusted Acquisition Price applies from the day following the Revision Date.</u></p> <p><u>In the application of the Acquisition Price Adjustment Formula in the circumstances set forth in Items (a) through (c) below, the unadjusted acquisition price is deemed to be the amount found by multiplying the effective acquisition price on the day prior to the date of Adjusted Acquisition Price application by the indicated ratios (the “Adjustment Factor”).</u></p> <p><u>(a) If there have been no adjustments to the Stock with Put Options, etc. under Subparagraph (iii) or this subparagraph (iv) prior to the Revision Date</u>  <u>The Adjustment Factor is 1.</u></p> <p><u>(b) If there has been an adjustment to the Stock with Put Options, etc. under Subparagraph (iii) or this subparagraph (iv) and the acquisition price has been revised pursuant to Paragraph 5 during the period between the adjustment and the Revision Date</u>  <u>The Adjustment Factor is 1.</u></p> <p><u>However, in the calculation of the Minimum Acquisition Price, the Adjustment Factor will be the ratio found by dividing the Minimum Acquisition Price immediately prior to adjustment under Paragraph (iii) or this Subparagraph (iv) by the Adjusted Minimum Acquisition Price.</u></p> <p><u>(c) If there has been an adjustment to the Stock with Put Options, etc. under Subparagraph (iii) or this subparagraph (iv) prior to the Revision Date but no revision of the acquisition price pursuant to Paragraph 5 during the period from the adjustment to the Revision Date</u>  <u>The Adjustment Factor will be the ratio found by dividing the acquisition price immediately prior to adjustment under Subparagraph (iii) or this subparagraph (iv) by the adjusted acquisition price.</u></p>	

Current Articles of Incorporation	Proposed Amendments
<p><u>(v) If common stock is delivered at a price below the market value used in the Acquisition Price Adjustment Formula in exchange for acquisition of Stock with Call Options, etc.</u>  <u>The Adjusted Acquisition Price applies beginning the day following the acquisition date.</u>  <u>However, if the acquisition price of the Stock with Call Options, etc. has already been adjusted under Subparagraph (iii) or Subparagraph (iv) and if, and only if, the fully-diluted number of shares of common stock (defined in (e) below) after delivery of common stock in exchange for acquisition exceeds the number of issued shares of common stock immediately prior to acquisition, the excess number of shares of common stock will be deemed to have been delivered in the calculation of the Acquisition Price Adjustment Formula; if the number of issued shares of common stock immediately prior to acquisition is not exceeded, there will be no adjustment under this subparagraph (v).</u>  <u>(vi) Reverse stock split</u>  <u>Beginning the effective date of the reverse stock split, the reduced number of shares of common stock resulting from the reverse stock split (excluding the reduced number of shares of common stock within the Company’s treasury stock on the effective date) is presented as a negative and deemed to be the number of delivered shares of common stock for calculation of the Acquisition Price Adjustment Formula, and the resulting Adjusted Acquisition Price applied.</u>  <u>(b) In addition to the circumstances set forth in (a)(i) through (vi), the acquisition price (including the Minimum Acquisition Price) will be changed as deemed appropriate by the Board of Directors if adjustments are required to the acquisition price (including the Minimum Acquisition Price) as a result of merger, demerger, share swap or share transfer, etc.</u>  <u>(c) (i) The “market value” used in the Acquisition Price Adjustment Formula will be the average Closing Price of the Company’s common stock on the five consecutive trading days preceding the date of Adjusted Acquisition Price application (excluding the number of days for which there is no Closing Price). Calculations of the average value will be made to the first decimal place and rounded down to the nearest yen. Adjustments will be made to the Adjusted Acquisition Price in accordance with Paragraph 8 if an acquisition price adjustment event occurs during the five consecutive trading days above.</u>  <u>(ii) The “unadjusted acquisition price” used in the Acquisition Price Adjustment Formula is the effective acquisition price on the day prior to date of Adjusted Acquisition Price application.</u>  <u>(iii) The “number of issued shares of common stock” used in the Acquisition Price Adjustment Formula is the aggregate of the common stock deemed to be the “number of delivered shares of common stock” under (a) and (b) above prior to adjustment of the acquisition price for the number of shares of common stock issued by the Company (excluding the number of shares of common stock in treasury stock) on the record date (not including the number of shares of common stock deemed delivered on the record date under (a)(i) through (iii) above) or on a day one month prior to the date of Adjusted Acquisition Price application if there is no record date and the number of undelivered shares of common stock (beginning the day (inclusive) on which adjustments under (a)(iv)(b) or (c) are applied to a Stock with Put Options, etc., and the number of shares of common stock deemed “number of delivered shares of common stock” as a result of the above adjustments under (a)(iii) or (iv) applied prior to the most recent</u></p>	

adjustments under(a)(iv)(b) or (c) to the Stock with Put Options, etc.).	
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Current Articles of Incorporation	Proposed Amendments
<p><u>(iv) The “per share paid-in amount” used in the Acquisition Price Adjustment Formula will, in the circumstances set forth in (a)(i) be the paid-in amount (¥0 for gratis allotment) (appropriate valuation for payments of non-monetary assets); in the circumstances set forth in (a)(ii) and (vi), ¥0; and in the circumstances set forth in (a)(iii) through (v), the price (however, the Revised Price in the case of (iv)).</u></p> <p><u>(d) The “price” in the circumstances set forth in (a)(iii) through (v) and in (c)(iv) above will be the amount found by deducting the price of non-common stock assets delivered to holders of the Stock with Put Options, etc. or Stock with Call Options, etc. upon acquisition or exercise from the amount paid in upon issue of Stock with Put Options, etc. or Stock with Call Options, etc. (for warrants, the amount to which is added the value of assets invested upon exercise), divided by the number of shares of common stock delivered upon acquisition or exercise.</u></p> <p><u>(e) In (a)(v) above, “fully-diluted number of shares of common stock” refers to the number of issued shares of common stock on the date of application of Adjusted Acquisition Price minus the number of undelivered shares of common stock included in the number of issued shares of common stock in (c)(iii) above for Stock with Call Options, etc., to which is added the number of shares of common stock delivered as a result of acquisition of Stock with Call Options, etc.</u></p> <p><u>(f) In (a)(i) through (iii), if a record date is established for the action and the action has as condition precedent a resolution of approval for certain matters in a general meeting of shareholders of the Company convened on or after the record date, the Adjusted Acquisition Price will apply beginning the day following the date of the conclusion of the general meeting of shareholders at which a resolution of approval is adopted, notwithstanding the provisions of (a)(i) through (iii).</u></p> <p><u>(g) The Acquisition Price will not be adjusted if the difference between the Adjusted Acquisition Price calculated based on the Acquisition Price Adjustment Formula and the Acquisition Price before adjustment remains less than one (1) yen. However, when calculating the acquisition price upon the occurrence of an event requiring adjustment of the acquisition price using the Acquisition Price Adjustment Formula, the unadjusted acquisition price after deduction of the difference will be used in place of the unadjusted acquisition price in the Acquisition Price Adjustment Formula.</u></p> <p><u>9 The acquisition price set forth in Paragraph 4 through Paragraph 8 (including the Mandatory Acquisition Price set forth in Article 19.2; the same in this paragraph) is interpreted as preventing dilution and maintaining essential fairness among shareholders of different classes of stock, and the Board of Directors of the Company may appropriately adjust the acquisition price or take other reasonably necessary measures if calculation is difficult or if calculation results are unreasonable.</u></p>	

Current Articles of Incorporation	Proposed Amendments
<p><u>Article 18 Provisions for Acquisition with Cash as Consideration</u></p> <p><u>1 The Company may acquire all or a part of Class I Preferred Stock to the extent possible under applicable laws and regulations upon the arrival of a date to be stipulated separately by the Board of Directors (the “Acquisition Date”). However, the Board of Directors may only stipulate the Acquisition Date if, on all of the 30 consecutive trading days prior to the date of the Board of Directors meeting (including the meeting day) the Closing Price of the Company’s common stock is below the Minimum Acquisition Price and the prior approval of the Financial Services Agency is obtained. In these circumstances, the Company shall deliver the assets set forth in the following paragraph to Class I Preferred Shareholders in exchange for acquisition of Class I Preferred Stock. In the event of partial acquisition of Class I Preferred Stock, acquisition will be made in proportion to holdings. This does not impede exercise of the right to demand purchase set forth in Paragraph 1 of the preceding article after the finalization of an acquisition date.</u></p> <p><u>2 The Company shall deliver a monetary amount found as ¥5,000 divided by 0.46 per share of Class I Preferred Stock (however, this will be appropriately adjusted in the event of a stock split, gratis allotment of shares, or reverse stock split, etc. for Class I Preferred Stock) plus the accrued Class I Preferred Dividend equivalent in exchange for acquisition of Class I Preferred Stock. In the context of this paragraph, “date of residual asset distribution” and “Distribution Date” in the calculation of the accrued Class I Preferred Dividend equivalent set forth in Article 15.1 shall both be read “Acquisition Date” to calculate the accrued Class I Preferred Dividend equivalent.</u></p>	<p>[Deleted]</p>
<p><u>Article 19 Provisions for Acquisition with Common Stock as Consideration</u></p> <p><u>1 The Company will acquire all Class I Preferred Stock not acquired by the Company by the final day of the Acquisition Demand Period on the day following the final day of the Acquisition Demand Period (“Mandatory Acquisition Date”). In these circumstances, the Company will, in exchange for acquisition of Class I Preferred Stock, deliver to Class I Preferred Shareholders the number shares of common stock found by multiplying the number of Class I Preferred Shares by the amount found by dividing ¥5,000 by 0.46 (however, this will be appropriately adjusted in the event of a stock split, gratis allotment of shares, or reverse stock split, etc. for Class I Preferred Stock), divided by the market value of common stock as set forth in the following paragraph (“Mandatory Acquisition Price”). Any fractional amounts of less than one share of common stock to be delivered in exchange for acquisition Class I Preferred Stock shall be treated as set forth in Article 234 of the Companies Act.</u></p> <p><u>2 The Mandatory Acquisition Price will be an amount equivalent to the average daily Closing Price (excluding dates on which no Closing Price is calculated) of the Company’s common stock for 30 consecutive trading days beginning on the 45th consecutive trading day prior to the Mandatory Acquisition Date (calculated as a yen amount down to the first decimal place and rounded down to the nearest yen). If this calculation results in a Mandatory Acquisition Price that is below the Minimum Acquisition Price, the Mandatory Acquisition Price will be the Minimum Acquisition Price.</u></p>	<p>[Deleted]</p>
<p><u>Article 20 Stock Split, Reverse Split, and Gratis Allotment</u></p>	<p>[Deleted]</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>1 When executing a stock split or reverse split, the Company shall execute at the same time and the same ratio for both common stock and Class I Preferred Stock.</u></p> <p><u>2 When performing a gratis allotment of shares, the Company shall perform the gratis allotment of the relevant class of stock at the same time and the same ratio for both common stock and Class I Preferred Stock.</u></p>	

Current Articles of Incorporation	Proposed Amendments
<u>Article 21 Exclusion Period</u> <u>The provisions of Article 48 will apply mutatis mutandis to the payment of Class I Preferred Dividends.</u>	[Deleted]
Chapter 4 General Meeting of Shareholders Article 22 to Article 28 [Text omitted]	Chapter 3 General Meeting of Shareholders Article 13 to Article 19 [Renumbered upward with no changes in text]
<u>Article 29 General Meetings of Class Shareholders</u> <u>1 The provisions of Articles 24, 25, 26.1, 27 and 28 apply mutatis mutandis to general meetings of class shareholders.</u> <u>2 The provisions of Article 23 apply mutatis mutandis to general meetings of class shareholders held on the same day as the annual shareholders' meeting.</u> <u>3 Resolutions of general meetings of class shareholders prescribed in Article 324, paragraph (2) of the Companies Act shall be made by at least two-thirds of the voting rights of the shareholders present at the relevant general meeting of class shareholders where shareholders holding at least one-third of the voting rights that may be exercised are present.</u>	[Deleted]
Chapter 5 Directors and Board of Directors Article 30 to Article 39 [Text omitted]	Chapter 4 Directors and Board of Directors Article 20 to Article 29 [Renumbered upward with no changes in text]
Chapter 6 Audit and Supervisory Committee Article 40 to Article 42 [Text omitted]	Chapter 5 Audit and Supervisory Committee Article 30 to Article 32 [Renumbered upward with no changes in text]
Chapter 7 Financial Auditor Article 43 to Article 44 [Text omitted]	Chapter 6 Financial Auditor Article 33 to Article 34 [Renumbered upward with no changes in text]
Chapter 8 Accounts Article 45 to Article 48 [Text omitted]	Chapter 7 Accounts Article 35 to Article 38 [Renumbered upward with no changes in text]



**Proposal 3: Election of Ten (10) Directors (excluding Directors who are Audit and Supervisory Committee Members)**

The terms of office of all ten (10) Directors (excluding Directors who are Audit and Supervisory Committee members) will expire at the conclusion of this meeting.

Accordingly, the election of ten (10) Directors (excluding Directors who are Audit and Supervisory Committee members) is proposed.

This proposal was settled on after deliberation and a report by the Nomination and Remuneration Committee. It has also been reviewed by the Audit and Supervisory Committee, which has expressed that there are no particular issues to point out.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee members) are as follows:

No.	Name		Current position at the Company	Attendance at meetings of the Board of Directors
1	Susumu Narita (Male)	[Reappointment]	President (Representative Director)	20/20 (100%)
2	Takayuki Fujisawa (Male)	[Reappointment]	Vice President (Representative Director)	20/20 (100%)
3	Keitaro Ishikawa (Male)	[Reappointment]	Vice President (Representative Director)	20/20 (100%)
4	Tsuyoshi Tamura (Male)	[Reappointment]	Director	20/20 (100%)
5	Yo Mori (Male)	[Reappointment]	Director	20/20 (100%)
6	Motomi Shiratori (Male)	[Reappointment]	Director	20/20 (100%)
7	Shinji Suto (Male)	[Reappointment]	Director	20/20 (100%)
8	Hideyuki Okawa (Male)	[Reappointment]	Director	16/16 (100%)
9	Katsunori Mikuniya (Male)	[Reappointment] [Outside] [Independent]	Director	19/20 (95%)
10	Kazunari Higuchi (Male)	[Reappointment] [Outside] [Independent]	Director	20/20 (100%)

Note: Mr. Hideyuki Okawa was newly elected as a Director at last year's Ordinary General Meeting of Shareholders (held on June 28, 2023). Therefore, the status of his attendance at meetings of the Board of Directors is based on the meetings of the Board of Directors held on or after the above date.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Class and number of shares of the Company held
1	<p>Susumu Narita (September 27, 1954)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 100% (20/20)</p>	<p>April 1978</p> <p>June 2007</p> <p>June 2008</p> <p>June 2010</p> <p>April 2011</p> <p>June 2011</p> <p>June 2014</p> <p>April 2015</p> <p>April 2022</p> <p>June 2023</p>	<p>Joined The Aomori Bank, Ltd.</p> <p>General Manager, Corporate Banking Division</p> <p>Executive Officer / General Manager, Credit Supervision Division</p> <p>Executive Officer / General Manager, Hirosaki Branch</p> <p>Executive Officer / Hirosaki Area Supervisor</p> <p>Managing Director</p> <p>Senior Managing Director</p> <p>Director / President</p> <p>President (current position) in charge of Auditing Division, the Company</p> <p>Chairperson (current position), The Aomori Bank, Ltd.</p>	<p>Common stock: 7,220 shares</p>
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Susumu Narita possesses a wealth of practical experience and deep insights gained through involvement in corporate sales planning, credit management services, and other areas at The Aomori Bank. He has provided leadership for many years since appointment as the representative director in June 2014, leading The Aomori Bank to sustainable growth and higher enterprise value.</p> <p>As the chief executive officer of the Company, he has supervised and guided the merger of the subsidiary banks and made steady progress. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>				
2.	<p>Takayuki Fujisawa (August 26, 1966)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 100% (20/20)</p>	<p>April 1990</p> <p>April 2007</p> <p>April 2010</p> <p>April 2012</p> <p>April 2015</p> <p>June 2016</p> <p>April 2017</p> <p>June 2018</p> <p>April 2022</p>	<p>Joined The Michinoku Bank, Ltd.</p> <p>General Manager, Management Planning Division</p> <p>General Manager, Furukawa Branch</p> <p>General Manager, Personnel Division</p> <p>Executive Officer, Director of Business Promotion Headquarters, and General Manager, Sales Strategy Division</p> <p>Managing Executive Officer, Director of Business Promotion Headquarters, and General Manager, Sales Strategy Division</p> <p>Senior Executive Officer and Director of Business Promotion Headquarters</p> <p>President (current position)</p> <p>Vice President (current position) in charge of HR Planning Division, the Company</p>	<p>Common stock: 1,250 shares</p>
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Takayuki Fujisawa possesses a wealth of practical experience and expert knowledge gained through involvement in business planning, human resources, sales promotion, and other areas at The Michinoku Bank. He has provided leadership since appointment as the representative director in June 2018, leading The Michinoku Bank to sustainable growth and higher enterprise value.</p> <p>He has been fulfilling his duties and responsibilities appropriately, including assisting the chief executive officer of the Company. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
3	Keitaro Ishikawa (April 26, 1961)  [Reappointment]  [Attendance at the Board of Directors meetings] 100% (20/20)	April 1984      Joined The Aomori Bank, Ltd. April 2010      General Manager, Personnel Division April 2011      General Manager, General Planning Division June 2013      General Manager, Head Office June 2014      Executive Officer / General Manager, Head Office June 2015      Executive Officer / General Manager, Business Administration Division June 2016      Director / Executive General Manager, Regional Headquarters (Hirosaki Area) June 2018      Managing Executive Officer / Executive General Manager, Regional Headquarters (Hirosaki Area) June 2019      Director / Managing Executive Officer June 2021      Director and Senior Managing Executive Officer April 2022      Director, the Company June 2022      Director / Deputy President, The Aomori Bank, Ltd. June 2023      Vice President (current position) in charge of Business Execution Management and Management Planning Division, the Company June 2023      Director / President (current position) in charge of Auditing Division, The Aomori Bank, Ltd.	Common stock: 2,560 shares
<p>[Reason for nomination as candidate for Director]            Mr. Keitaro Ishikawa possesses a wealth of practical experience and expert knowledge gained through involvement in business planning, retail sales planning, human resources, and other areas at The Aomori Bank. He has provided leadership since appointment as the representative director in June 2022, leading The Aomori Bank to sustainable growth and higher enterprise value.</p> <p>As a business execution supervisor at the Company, he has promoted the merger of subsidiary banks and made steady progress. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
4	<p style="text-align: center;">Tsuyoshi Tamura (September 22, 1962)</p> <p style="text-align: center;">[Reappointment]</p> <p style="text-align: center;">[Attendance at the Board of Directors meetings] 100% (20/20)</p>	<p>April 1985      Joined The Aomori Bank, Ltd.</p> <p>April 2009      General Manager, Shiroshta Branch</p> <p>June 2011      General Manager, Sendai Branch</p> <p>October 2012    General Manager, Corporate Banking Division</p> <p>June 2015      General Manager, Credit Supervision Division</p> <p>June 2016      Executive Officer and General Manager, Credit Supervision Division</p> <p>June 2018      Managing Executive Officer</p> <p>April 2022      Director (current position) in charge of System and Operations Administration Division, the Company</p> <p>June 2022      Director and Senior Managing Executive Officer, The Aomori Bank, Ltd.</p> <p>October 2023    Director and Senior Managing Executive Officer / Executive General Manager, Regional Headquarters (Aomori Area) (current position) in charge of System Development Division and Operations Administration Division, The Aomori Bank, Ltd.</p>	<p>Common stock: 2,400 shares</p>
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Tsuyoshi Tamura has a wealth of practical experience gained through involvement in corporate sales planning, credit management, and other areas at The Aomori Bank. Most recently, he has led the Systems Division and Administrative Division, where he was instrumental in promoting system integration and the implementation of digital transformation (DX).</p> <p>His experiences and insights have been applied at the Company. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Class and number of shares of the Company held
5	<p>Yo Mori (December 6, 1963)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 100% (20/20)</p>	<p>April 1986</p> <p>July 2009</p> <p>April 2011</p> <p>June 2013</p> <p>June 2015</p> <p>June 2017</p> <p>June 2019</p> <p>April 2022</p> <p>June 2022</p> <p>October 2023</p>	<p>Joined The Aomori Bank, Ltd.</p> <p>General Manager, Namidate-Dori Branch</p> <p>General Manager, Misawa Branch</p> <p>General Manager, Personnel Division</p> <p>General Manager, Head Office</p> <p>Executive Officer and General Manager, Head Office</p> <p>Managing Executive Officer / Executive General Manager, Regional Headquarters (Aomori Area)</p> <p>Director (current position) in charge of Regional Co-creation Division, the Company</p> <p>Director, Senior Managing Executive Officer, and Executive General Manager, Regional Headquarters (Aomori Area), The Aomori Bank</p> <p>Director, Senior Managing Executive Officer (current position) in charge of Business Administration Division, Business Promotion Division, and Business Partnering Division, The Aomori Bank</p>	<p>Common stock: 2,600 shares</p>
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Yo Mori has a wealth of practical experience gained through the management of three sales offices and involvement in human resources and other areas at The Aomori Bank. Most recently, he has led the sales divisions, where he has provided leadership in formulating sales strategies and building the sales structure.</p> <p>His experiences and insights have been applied at the Company. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>				
6	<p>Motomi Shiratori (January 1, 1967)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 100% (20/20)</p>	<p>April 1989</p> <p>April 2010</p> <p>October 2012</p> <p>June 2015</p> <p>July 2017</p> <p>June 2019</p> <p>April 2022</p> <p>April 2022</p>	<p>Joined The Aomori Bank, Ltd.</p> <p>General Manager, Ominato Branch</p> <p>General Manager, Sendai Branch</p> <p>General Manager, Corporate Banking Division</p> <p>General Manager, Hirosaki Branch</p> <p>Executive Officer and General Manager, Head Office</p> <p>Director (current position) in charge of Credit Planning Division, the Company</p> <p>Managing Executive Officer (current position) in charge of Risk Administration Division, Credit Supervision Division, and Personnel Division, The Aomori Bank, Ltd.</p>	<p>Common stock: 2,200 shares</p>
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Motomi Shiratori has a wealth of practical experience gained through the management of four sales offices and involvement in corporate sales planning and other areas at The Aomori Bank. Most recently, he has provided leadership by leading the risk management, credit supervision, and personnel divisions.</p> <p>His experiences and insights have been applied at the Company. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Class and number of shares of the Company held
7	Shinji Suto (July 30, 1969)  [Reappointment]  [Attendance at the Board of Directors meetings] 100% (20/20)	April 1992 March 2008 April 2008 April 2012 April 2015 April 2017  April 2018 April 2019 April 2022  June 2022	Joined The Michinoku Bank, Ltd. General Manager, Sales Management Division General Manager, Sales Development Division General Manager, Furukawa Branch General Manager, Management Planning Division Executive Officer and General Manager, Management Planning Division Managing Executive Officer Senior Executive Officer Director (current position) in charge of Integration Promotion Division, the Company Director and Senior Executive Officer (current position) in charge of Management Planning Division, Treasury and Securities Division, and Systems Management Division, The Michinoku Bank, Ltd.	Common stock: 982 shares
<p>[Reason for nomination as candidate for Director]            Mr. Shinji Suto has a wealth of practical experience gained through involvement in business planning, business management, personnel and general affairs, sales promotion, and other areas at The Michinoku Bank. Most recently, he has led the Management Planning Division, where he has provided leadership in all aspects of the business strategy, business improvement, and general management.</p> <p>His experiences and insights have been applied at the Company. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>				
8	Hideyuki Okawa (September 1, 1966)  [Reappointment]  [Attendance at the Board of Directors meetings] 100% (16/16)	April 1989 July 2009 July 2011 April 2015 August 2016 April 2018  April 2019  April 2021  April 2022 October 2022  June 2023  June 2023	Joined The Michinoku Bank, Ltd. General Manager, Aomori-Minami Branch General Manager, Credit Planning Division General Manager, KeyMan Promotion Division General Manager, Sapporo Branch Executive Officer and General Manager, Sapporo Branch Executive Officer and Director of Business Promotion Headquarters Executive Officer and General Manager, Credit Supervision Division Managing Executive Officer General Manager, Credit Planning Division, the Company Director (current position) in charge of Risk Administration Division, the Company Director and Managing Executive Officer (current position) in charge of Personnel and General Affairs Division, Credit Division, and Risk Management Division, The Michinoku Bank, Ltd.	Common stock: 606 shares
<p>[Reason for nomination as candidate for Director]            Mr. Hideyuki Okawa has a wealth of practical experience gained through the management of two sales offices and involvement in credit supervision, sales promotion, and other areas at The Michinoku Bank. Most recently, he has provided leadership by leading the human resources, credit supervision, and risk management divisions.</p> <p>His experiences and insights have been applied at the Company. He is nominated as a director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
9	<p>Katsunori Mikuniya (April 25, 1951)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] 95% (19/20)</p>	<p>April 1974      Joined the Ministry of Finance</p> <p>July 1979      Director, Sanjo Tax Office</p> <p>June 1981      Director, Economics Department, Agriculture and Forestry Division, Aomori Prefectural Government</p> <p>April 1982      Director, Fiscal Policy Department, General Affairs Division, Aomori Prefectural Government</p> <p>July 1997      Director, Corporate Finance Department, Securities Bureau, Ministry of Finance</p> <p>July 2002      Councilor, Planning and Coordination Bureau, Financial Services Agency</p> <p>July 2004      General Councilor, Financial Services Agency</p> <p>August 2005    Director General, Planning and Coordination Bureau, Financial Services Agency</p> <p>July 2008      Director General, Supervisory Bureau, Financial Services Agency</p> <p>July 2009      Commissioner, Financial Services Agency</p> <p>October 2011   Counselor, Nitori Holdings Co., Ltd.</p> <p>April 2012      Professor, University of Tokyo (Policy Vision Research Center)</p> <p>March 2015    Chair, Deposit Insurance Corporation of Japan</p> <p>October 2017   Chair, International Association of Deposit Insurers (IADI)</p> <p>April 2021      Counselor, Open House Co., Ltd.</p> <p>April 2022      Outside Director (current position), the Company</p> <p>June 2023      Trustee (part-time) (current position), Tokyo Keizai University</p>	<p>Common stock: 0 shares</p>
<p>[Reason for nomination as candidate for Outside Director and expected role]</p> <p>Mr. Katsunori Mikuniya has a wealth of experience and broad insights into financial and monetary administration gained through service as Commissioner of the Financial Services Agency, Chair of the Deposit Insurance Corporation of Japan and in numerous other positions, and as a native of Aomori Prefecture, he has a deep understanding of the area.</p> <p>His experiences and insights have been applied at the Company. He is nominated as an outside director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p> <p>His term of office as an outside director of the Company will have been two years and three months at the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
10	<p>Kazunari Higuchi (January 3, 1957)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] 100% (20/20)</p>	<p>April 1980      Joined Fuji Bank, Ltd. (now Mizuho Bank, Ltd.) March 2006      Manager, Kabutocho Corporate Banking and Securities Business Department, Mizuho Corporate Bank, Ltd. (now Mizuho Bank, Ltd.)</p> <p>April 2008      Manager, Payments Sales Division April 2009      Executive Officer and Manager, Operations Auditing Department</p> <p>April 2010      Counselor, Mizuho Research Institute Ltd. (now Mizuho Research &amp; Technologies, Ltd.)</p> <p>May 2010      Managing Executive Officer May 2011      President and Representative Director, UC Card Co., Ltd. May 2011      Director, Qubitous Co., Ltd. (now Credit Saison Co., Ltd.)</p> <p>April 2016      Counselor, UC Card Co., Ltd. June 2016      Full-Time Auditor, Taiyo Nippon Sanso Corp. (now Nippon Sanso Holdings Corp.)</p> <p>June 2020      Outside Director, Kureha Corp. June 2020      Director, The Michinoku Bank, Ltd. April 2022      Outside Director (current position), the Company June 2023      Outside Director (Audit and Supervisory Committee Member) (current position), COLOWIDE Co., Ltd.</p>	<p>Common stock: 0 shares</p>
<p>[Reason for nomination as candidate for Outside Director and expected role] Mr. Kazunari Higuchi has a wealth of experience and broad insights into corporate management and financial practice gained through service as an officer at a large bank and representative director of a major credit card company. He was appointed outside director of The Michinoku Bank in 2020, and continues to appropriately discharge his duties and responsibilities.</p> <p>His experiences and insights have been applied at the Company. He is nominated as an outside director candidate because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of decision-making and supervisory functions of the Board of Directors.</p> <p>His term of office as an outside director of the Company will have been two years and three months at the conclusion of this General Meeting of Shareholders.</p>			

- Notes:
1. There is no special interest between each candidate for Director and the Company.
  2. Mr. Katsunori Mikuniya and Mr. Kazunari Higuchi are candidates for Outside Director.
  3. The Company has registered Mr. Katsunori Mikuniya and Mr. Kazunari Higuchi as Independent Directors with the Tokyo Stock Exchange as set forth in the regulations of the Exchange, and if their reappointment is approved, the Company intends for them to continue as Independent Directors.
  4. Liability limitation agreements with Directors  
The Company has entered into an agreement with Mr. Katsunori Mikuniya and Mr. Kazunari Higuchi to limit their liability pursuant to Article 427, paragraph (1) of the Companies Act, and if their reappointment is approved, the Company intends to continue the agreement with them.  
An overview of the content of the liability limitation agreement is as follows:
    - In the event that a Director is liable for damages to the Company owing to failure to perform his or her duties, his or her liability shall be limited to the total amount provided for in each item of Article 425, paragraph (1) of the Companies Act.
    - The aforementioned limitation of liability shall only be recognized in cases when the performance of duties by the Director that is the cause of the liability is done so in good faith and without serious negligence.



5. Directors and officers liability insurance agreement with Directors

The Company has entered into a directors and officers liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph (1) of the Companies Act. At the time of renewal, the Company intends to renew the agreement under the same terms. Directors, if their reappointment is approved, will continue to be covered by the said insurance agreement. An overview of the contents of the directors and officers liability insurance agreement is as follows:

- The insurance premium is fully borne by the Company.
- The insurance agreement shall cover any damage that may arise as Directors, the insured, assume responsibility in executing their duties or receive claims related to the pursuit of such liability. However, there are certain exemptions, such as no compensation being given for liability attributable to acts in violation of laws or regulations that were carried out with full knowledge of their illegality.

6. Mr. Kazunari Higuchi was an Outside Director of The Michinoku Bank. Ltd., a subsidiary of the Company, from June 2020 until March 2022.

**Proposal 4: Election of Four (4) Directors who are Audit and Supervisory Committee Members**

The terms of office of all four (4) Directors who are Audit and Supervisory Committee members will expire at the conclusion of this meeting.

Accordingly, the election of four (4) Directors who are Audit and Supervisory Committee members is proposed.

The Audit and Supervisory Committee has given its consent to this proposal.

The candidates for Directors who are Audit and Supervisory Committee members are as follows:

No.	Name		Current position at the Company	[Attendance at the Board of Directors meetings]
1	Shunsuke Kasai (Male)	[New appointment]		–
2	Masashi Iwakigawa (Male)	[Reappointment] [Outside] [Independent]	Director Audit and Supervisory Committee Member	20/20 (100%)
3	Tetsutaro Wakatsuki (Male)	[Reappointment] [Outside] [Independent]	Director Audit and Supervisory Committee Member	20/20 (100%)
4	Mie Ishida (Female)	[Reappointment] [Outside] [Independent]	Director Audit and Supervisory Committee Member	20/20 (100%)

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
1	<p>Shunsuke Kasai (July 24, 1964)</p> <p>[New appointment]</p> <p>[Attendance at the Board of Directors meetings] –</p>	<p>April 1987      Joined The Aomori Bank, Ltd.</p> <p>July 2009      General Manager, Matsuzonocho Branch</p> <p>June 2011      General Manager, Shiroshta Branch</p> <p>June 2013      Deputy General Manager, Corporate Sales Department</p> <p>October 2014    General Manager, Hakodate Branch</p> <p>July 2016      General Manager, Auditing Division</p> <p>June 2019      Executive Officer and General Manager, Hirosaki Branch</p> <p>March 2020     Executive Officer and General Manager, Hirosaki Branch, and General Manager, Dotemachi Branch</p> <p>June 2020      Executive Officer and General Manager, Corporate Support Division</p> <p>February 2021   Executive Officer and General Manager, Business Promotion Division</p> <p>April 2022      Executive Officer in charge of Audit and Supervisory Committee Office</p> <p>June 2022      Director, Audit and Supervisory Committee Member (current position)</p>	<p>Common stock: 3,100 shares</p>
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Shunsuke Kasai has a broad range of practical experience through service as a manager of four branch offices and involvement in corporate sales planning, auditing and other areas at The Aomori Bank. He has served as Director and member of the Audit and Supervisory Committee of The Aomori Bank since 2022, and has since been contributing to the activation of the Board of Directors.</p> <p>He is nominated as a candidate for Director who is an Audit and Supervisory Committee Member because it is judged that by applying his experiences and insights, he can be expected to contribute to increasing the effectiveness of the Group's audit function as well as the decision-making and supervisory functions of the Board of Directors.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
2.	<p>Masashi Iwakigawa (May 26, 1959)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] 100% (20/20)</p>	<p>April 1982      Joined Nikko Securities Co., Ltd.</p> <p>December 1998      General Manager, Sales Planning Department</p> <p>March 2001      General Manager, Product Planning Department</p> <p>March 2002      Executive Officer and Manager, Joint Head Office</p> <p>February 2005      Executive Managing Director</p> <p>February 2006      Senior Executive Managing Director</p> <p>February 2007      Senior Executive Managing Director, Nikko Cordial Securities, Inc. (now SMBC Nikko Securities Inc.)</p> <p>April 2015      Representative Director, Executive Deputy President, SMBC Nikko Securities Inc.</p> <p>March 2018      Executive Officer, Executive Deputy President</p> <p>June 2019      Director and Deputy President</p> <p>March 2020      Advisor</p> <p>August 2020      Executive Officer, HUREX k.k.</p> <p>October 2021      Counselor (current position)</p> <p>April 2022      Outside Director, Audit and Supervisory Committee Member (current position), the Company</p>	<p>Common stock: 0 shares</p>
<p>[Reason for nomination as candidate for Outside Director and expected role]</p> <p>Mr. Masashi Iwakigawa has a wealth of experience and broad insights into financial services area gained through his experience as a representative director of a major securities company and other positions, and as a native of Aomori Prefecture, he has a deep understanding of the area.</p> <p>His experiences and insights have been applied at the Company. He is nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of the Group's audit function as well as the decision-making and supervisory functions of the Board of Directors.</p> <p>His term of office as an outside director (Audit and Supervisory Committee Member) of the Company will have been two years and three months at the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
3	<p>Tetsutaro Wakatsuki (October 22, 1974)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] 100% (20/20)</p>	<p>April 2000 Registered as an attorney-at-law (Tokyo Bar Association)</p> <p>April 2000 Joined Mori Sogo (now Mori Hamada &amp; Matsumoto)</p> <p>April 2004 Founding and Representative Partner, Murata &amp; Wakatsuki Law Offices (current position)</p> <p>April 2008 Part-Time Instructor, Graduate School of Law, Hosei University</p> <p>April 2010 Part-Time Professor, Graduate School of Law, Hosei University</p> <p>December 2012 Outside Auditor, Do House Inc.</p> <p>March 2014 Outside Auditor, TPC KK</p> <p>June 2014 Outside Auditor, SBI Life Living Co., Ltd.</p> <p>March 2015 Outside Auditor, Otsuka Corporation</p> <p>June 2015 Outside Auditor, SBI Money Plaza Co., Ltd.</p> <p>June 2019 Director, The Michinoku Bank, Ltd.</p> <p>June 2020 Director (Member of the Audit and Supervisory Committee)</p> <p>April 2022 Outside Director, Audit and Supervisory Committee Member (current position), the Company</p>	<p>Common stock: 0 shares</p>
<p>[Reason for nomination as candidate for Outside Director and expected role]</p> <p>As an attorney-at-law, Mr. Tetsutaro Wakatsuki has a deep insight and expertise in law, as well as a wealth of practical experience in corporate legal affairs and knowledge of IT, etc. He was appointed outside director of The Michinoku Bank in 2019, and has since been contributing to the vitalization of the Board of Directors by making proposals, etc., from a position independent of management.</p> <p>His experiences and insights have been applied at the Company. He is nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member because it is judged that he can continue to contribute to sustainable growth and improvement of enterprise value and that he can be expected to increase the effectiveness of the Group's audit function as well as the decision-making and supervisory functions of the Board of Directors.</p> <p>His term of office as an outside director (Audit and Supervisory Committee Member) of the Company will have been two years and three months at the conclusion of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Class and number of shares of the Company held
4	<p>Mie Ishida (April 25, 1975)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] 100% (20/20)</p>	<p>September 2008 Registered as an attorney-at-law (Daini Tokyo Bar Association)</p> <p>September 2008 Joined Ishida Law Office (current position)</p> <p>June 2018 Director and Member of the Audit and Supervisory Committee, The Aomori Bank, Ltd.</p> <p>April 2022 Outside Director, Audit and Supervisory Committee Member (current position), the Company</p>	<p>Common stock: 0 shares</p>
<p>[Reason for nomination as candidate for Outside Director and expected role]</p> <p>As an attorney-at-law, Ms. Mie Ishida has a deep insight and expertise in law, as well as a wealth of practical experience in corporate legal affairs. She was appointed Outside Director, Audit and Supervisory Committee Member of The Aomori Bank in 2018, and has since been contributing to the vitalization of the Board of Directors by making proposals, etc., from a position independent of management.</p> <p>Her experiences and insights have been applied at the Company. She is nominated as a candidate for Director who is an Audit and Supervisory Committee Member because it is judged that she can continue to contribute to sustainable growth and improvement of enterprise value and that she can be expected to increase the effectiveness of the Group's audit function as well as the decision-making and supervisory functions of the Board of Directors.</p> <p>Her term of office as an outside director (Audit and Supervisory Committee Member) of the Company will have been two years and three months at the conclusion of this General Meeting of Shareholders.</p>			

- Notes:
1. There is no special interest between each candidate and the Company.
  2. Mr. Masashi Iwakigawa, Mr. Tetsutaro Wakatsuki, and Ms. Mie Ishida are candidates for Outside Director.
  3. The Company has registered Mr. Masashi Iwakigawa, Mr. Tetsutaro Wakatsuki, and Ms. Mie Ishida as Independent Directors with the Tokyo Stock Exchange as set forth in the regulations of the Exchange, and if their reappointment is approved, the Company intends for them to continue as Independent Directors.
  4. Liability limitation agreements with Directors
 

The Company has entered into an agreement with Mr. Masashi Iwakigawa, Mr. Tetsutaro Wakatsuki, and Ms. Mie Ishida to limit their liability pursuant to Article 427, paragraph (1) of the Companies Act, and if their reappointment is approved, the Company intends to continue the agreement with them.

An overview of the content of the liability limitation agreement is as follows:

    - In the event that a Director is liable for damages to the Company owing to failure to perform his or her duties, his or her liability shall be limited to the total amount provided for in each item of Article 425, paragraph (1) of the Companies Act.
    - The aforementioned limitation of liability shall only be recognized in cases when the performance of duties by the Director that is the cause of the liability is done so in good faith and without serious negligence.
  5. Directors and officers liability insurance agreement with Directors
 

The Company has entered into a directors and officers liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph (1) of the Companies Act. At the time of renewal, the Company intends to renew the agreement under the same terms. Directors, if their reappointment is approved, will continue to be covered by the said insurance agreement.

An overview of the contents of the directors and officers liability insurance agreement is as follows:

- The insurance premium is fully borne by the Company.
  - The insurance agreement shall cover any damage that may arise as Directors, the insured, assume responsibility in executing their duties or receive claims related to the pursuit of such liability. However, there are certain exemptions, such as no compensation being given for liability attributable to acts in violation of laws or regulations that were carried out with full knowledge of their illegality.
6. Mr. Tetsutaro Wakatsuki was an Outside Director of The Michinoku Bank, Ltd., a subsidiary of the Company, from June 2019 until June 2020, and an Outside Director and a Member of the Audit and Supervisory Committee of the same bank from June 2020 until March 2022.
  7. Ms. Mie Ishida was an Outside Director and a Member of the Audit and Supervisory Committee of the Aomori Bank, Ltd., a subsidiary of the Company, from June 2018 until March 2022.

## (Reference) Skills Matrix

As a whole, the Company's Board of Directors possesses a well-balanced composition of diverse knowledge and expertise.

The following skills in particular are expected to be demonstrated by the directors, both internal and outside, in the Board of Directors:

### Internal Directors

Position	Name	Skills Expected to be Demonstrated in the Board of Directors						
		Corporate Management	Sales/Marketing	Finance/Accounting	Risk Management	Human Resources/Talent Development	DX/ICT	International/Market Investments
President	Susumu Narita	●		●	●			
Vice President	Takayuki Fujisawa	●		●		●		
Vice President	Keitaro Ishikawa	●	●	●				
Director	Tsuyoshi Tamura				●	●	●	
Director	Yo Mori		●			●		
Director	Motomi Shiratori		●	●		●		
Director	Shinji Suto	●		●				●
Director	Hideyuki Okawa		●		●			
Director (Audit and Supervisory Committee Member)	Shunsuke Kasai		●		●			

### Outside Director

Position	Name	Skills Expected to be Demonstrated in the Board of Directors				
		Corporate Management	Public Administration	Law	Finance	Regional Economy
Outside Director	Katsunori Mikuniya		●		●	●
Outside Director	Kazunari Higuchi	●			●	
Outside Director (Audit and Supervisory Committee Member)	Masashi Iwakigawa	●			●	●
Outside Director (Audit and Supervisory Committee Member)	Tetsutaro Wakatsuki			●		
Outside Director (Audit and Supervisory Committee Member)	Mie Ishida			●		



- Notes:
1. This is the planned structure of the Board of Directors after the election of the director candidates in Proposal 3 and Proposal 4 for this General Meeting of Shareholders.
  2. This is a list of skills that are particularly expected to be demonstrated and does not encompass all the knowledge possessed by each individual.

(Reference)

## Independence Standards for Outside Officers

The Company designates all Outside Officers who qualify as Independent Directors as Independent Directors.

(Independence Standards for Outside Directors)

The Company has formulated its Independence Standards as follows:

- (1) The person shall not be a party for whom the Procrea Holdings Group is a major business partner nor an executive thereof.
- (2) The person shall not be a party which is a major business partner of the Procrea Holdings Group nor an executive thereof.
- (3) The person shall not be a consultant, accounting specialist, or legal specialist who receives significant money or other financial benefits from the Procrea Holdings Group apart from the Director's remuneration.
- (4) The person shall not be a major shareholder of the Procrea Holdings Group nor an executive thereof.
- (5) The person shall not be a person who receives significant donations from the Procrea Holdings Group nor an executive thereof.
- (6) The person shall not have fallen under any of the criteria in (1) to (5) above within the past three (3) years.
- (7) The person shall not be a close relative of anyone falling under any of the criteria (1) to (6) above (except those who are not in a principal position).

\*1 "A party for whom the Procrea Holdings Group is a major business partner": Refers to a business partner for which transactions with the Procrea Holdings Group make up 2% or more of the business partner's consolidated net sales in the most recent fiscal year.

\*2 "A party which is a major business partner of the Procrea Holdings Group": Refers to a business partner for which income from transactions with the business partner makes up 2% or more of the Procrea Holdings Group's consolidated gross profit in the most recent fiscal year.

\*3 "Significant": An amount exceeding the greater of 10 million yen per year or 30% of the party's annual expenses, averaged over the past three (3) years

\*4 "A major shareholder": A shareholder that holds 10% or more in direct or indirect voting rights of the Procrea Holdings Group

\*5 "Those who are not in a principal position": A person who is not an officer or general manager of the company

\*6 "A close relative": A relative within the second degree of kinship