

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 3817

June 8, 2020

To our shareholders:

Toru Kashima
Representative Director and President
SRA Holdings, Inc.
2-32-8 Minami-Ikebukuro, Toshima-ku,
Tokyo

Notice of the 30th Annual General Meeting of Shareholders

The 30th Annual General Meeting of Shareholders of SRA Holdings, Inc. (the “Company”) will be held for the purposes as described below.

In order to prevent the spread of novel coronavirus disease (COVID-19), citizens are still being urged to refrain from going out. In the light of this situation, and as a result of careful consideration, we have taken the decision to hold the General Meeting of Shareholders after implementing appropriate measures to prevent the spread of infections.

Taking into account the fact that citizens are being urged to refrain from going out, from the perspective of preventing the spread of infections, we ask shareholders to exercise their voting rights in regard to the General Meeting of Shareholders beforehand, either in writing or via the Internet, and request that they refrain from attending the meeting in person, irrespective of their state of health.

Please review the attached Reference Documents for General Meeting of Shareholders and, following the instructions in “Exercise of Voting Rights, etc.” on pages 3, cast your vote, either by sending back the enclosed voting form indicating your approval or disapproval of the proposals, or entering your approval or disapproval of the proposals on the voting website designated by the Company (<https://evote.tr.mufg.jp/>) no later than 5:30 p.m. on Tuesday, June 23, 2020 (JST) to exercise your voting rights.

- 1. Date and Time:** Wednesday, June 24, 2020, at 10:00 a.m. (JST)
(Reception will open at 9:00 a.m.)
- 2. Venue:** Sakura-no-ma, 4th Floor, HOTEL METROPOLITAN
1-6-1 Nishi-Ikebukuro, Toshima-ku, Tokyo

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 30th fiscal year (from April 1, 2019 to March 31, 2020), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 30th fiscal year (from April 1, 2019 to March 31, 2020)

Matters to be resolved:

- Proposal No. 1** Election of Five Directors
- Proposal No. 2** Election of One Audit & Supervisory Board Member
- Proposal No. 3** Election of One Substitute Audit & Supervisory Board Member
- Proposal No. 4** Authorization for the Board of Directors of the Company to Determine Offering Terms for Share Acquisition Rights Issued as Medium-Term Management Plan-Linked Stock Options
- Proposal No. 5** Determination of Details and Calculation Methods for Share Acquisition Rights Allotted to Directors as Consideration for Performance of Their Duties

(Request to shareholders)

- Depending on the situation regarding the spread of infections, the content of announcements from the government, etc., the above arrangements may be updated before the day of the General Meeting of Shareholders. We therefore also ask shareholders to check the information made available on the Company's website (<https://www.sra-hd.co.jp/>).

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- In the event of revisions to the Reference Documents for General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements or the Non-consolidated Financial Statements, the revised documents will be made available on the Company's website (<https://www.sra-hd.co.jp/>).
 - The following items are posted on the Company's website (<https://www.sra-hd.co.jp/>) in accordance with laws and regulations and the provisions of Article 14 of the Articles of Incorporation of the Company. Accordingly, the attached documents to this notice make up only a part of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Financial Auditor in the course of the preparation of its accounting audit report. Furthermore, these documents also make up only a part of the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members in the course of the preparation of the audit report.
 - (i) "Status of Share Acquisition Rights," "System to Ensure the Appropriateness of Business," and "Overview of Status of System to Ensure the Appropriateness of Business" in the Business Report
 - (ii) "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" in the Consolidated Financial Statements
 - (iii) "Non-consolidated Balance Sheet," "Non-consolidated Statement of Income," "Non-consolidated Statement of Changes in Equity," and "Notes to the Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

Exercise of Voting Rights, etc.

Voting rights are principal rights of shareholders. Please exercise your voting rights after reviewing the Reference Documents for General Meeting of Shareholders on pages 4 to 14 of this notice.

There are three ways to exercise your voting rights as described below:

By exercising voting rights via the Internet
Please access the voting website through your PC, smartphone or mobile phone and enter your approval or disapproval of the proposals. Exercise due date: No later than 5:30 p.m. on Tuesday, June 23, 2020 (JST)

By submitting voting form by mail
Please indicate your approval or disapproval of the proposals on the enclosed voting form and return it to the Company. (No postage is needed.) Exercise due date: To be received no later than 5:30 p.m. on Tuesday, June 23, 2020 (JST)

By attending the general meeting of shareholders
Please submit the enclosed voting form to reception at the meeting venue. Date and Time: Wednesday, June 24, 2020, at 10:00 a.m. (JST) (Reception will open at 9:00 a.m.)

[Please cooperate with us in exercising voting rights via the Internet]

- (1) Please access the voting website (<https://evote.tr.mufg.jp/>), enter your login ID and temporary password printed on the right-hand side of the voting form, and follow instructions on screen to indicate your approval or disapproval of each proposal. (Not available from 2:00 a.m. to 5:00 a.m.)
- (2) Please be aware that, in order to prevent unauthorized access by persons other than shareholders and falsification of votes, shareholders voting via the Internet will be asked to change their temporary password on the voting website for the first time. The login ID and temporary password shall be effective only for this General Meeting of Shareholders.
- (3) By scanning the “QR code for login” given on the voting form using smartphones, you can automatically access the voting website and exercise your voting rights. (There is no need to enter the login ID and temporary password.)
 - * For security reasons, the exercising voting rights through QR code is available only once. For the second time and afterwards, you will need to enter the login ID and temporary password even when scanning QR code.
 - * QR code is a registered trademark of DENSO WAVE INCORPORATED.
- (4) Any costs including Internet connection fees and communication charges that might be incurred to access the voting website shall be borne by the shareholder.
- (5) Depending on Internet connection, subscription services, or equipment models, you may be unable to access the voting website and login using the QR code from your PC, smartphone, or other mobile phone. Please contact the help desk below for details.

For inquiries about the system environment, etc. Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency (Help Desk) Telephone: 0120-173-027 (Toll free within Japan) Hours: from 9:00 a.m. to 9:00 p.m.

[Handling of redundant voting]

In the case where the voting form is submitted by mail and voting rights are exercised via the Internet, votes exercised via the Internet will be considered effective.

If voting rights are exercised multiple times via the Internet, the final vote cast will be considered effective.

[Platform to exercise voting rights]

Shareholders who have participated in the Electronic Platform to Exercise Voting Rights for Institutional Investors operated by ICJ, Inc. can exercise their rights via the said platform.

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Election of Five Directors

At the conclusion of this meeting, the terms of office of all five Directors will expire. Therefore, the Company proposes the election of five Directors.

Moreover, the selection of candidates for Director has been voluntarily deliberated by the Nomination and Remuneration Committee, whose chairperson and a majority of committee members are independent outside Directors.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Toru Kashima (July 28, 1952)	Apr. 1984 Joined Software Research Associates, Inc. July 1990 Representative Director and President of SRA AMERICA, INC. June 1996 Director of Software Research Associates, Inc. Apr. 2003 Representative Director and President Apr. 2006 Executive Officer and President June 2006 Representative Director and President of the Company (current position) June 2016 Representative Director and Chairman of Software Research Associates, Inc. (current position)	84,900 shares
2	Makoto Ishisone (February 3, 1963)	Apr. 1985 Joined Software Research Associates, Inc. Oct. 2006 Division Director of New Business Creation Division Apr. 2007 Executive Officer (current position) Chief Technical Officer (current position) Apr. 2009 Representative Director and President of SRA Key Technology Laboratory Inc. (currently Key Technology Laboratory, DX Engineering Division of Software Research Associates, Inc.) June 2010 Director of Software Research Associates, Inc. Apr. 2014 Chief Information Officer (current position) June 2016 Director of the Company (current position) Representative Director and President of Software Research Associates, Inc. (current position) June 2019 Managing Executive Officer of the Company (current position)	21,000 shares

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Katsumi Ohkuma (April 11, 1963)	<p>Apr. 1987 Joined IBM Japan, Ltd.</p> <p>Feb. 2001 General Manager of Sales Department of Advanced Integration Technology, Inc.</p> <p>Apr. 2006 Director and Senior Managing Executive Officer</p> <p>Apr. 2007 General Manager of BTO Business Sales Department of IBM Japan, Ltd.</p> <p>Apr. 2008 Director and Vice President of Advanced Integration Technology, Inc.</p> <p>Apr. 2009 Representative Director and President (current position)</p> <p>June 2014 Director of the Company (current position)</p> <p>June 2016 Director of Software Research Associates, Inc. (current position)</p> <p>June 2019 Managing Executive Officer of the Company (current position)</p>	5,300 shares
4	[Candidate for outside Director] Masafumi Narikawa (September 6, 1952)	<p>Apr. 1976 Joined Tokyo Electric Power Company, Inc. (currently Tokyo Electric Power Company Holdings, Inc.)</p> <p>Apr. 2002 General Manager of Construction Engineering Center, Construction Department</p> <p>July 2008 Deputy General Manager of Sales Division of Tokyo Electric Power Environmental Engineering Co., Inc. (currently Tokyo Power Technology Ltd.)</p> <p>June 2009 Director and General Manager of Sales Division</p> <p>Sept. 2011 Managing Director</p> <p>June 2015 Outside Director of the Company (current position)</p>	1,400 shares

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	[Candidate for outside Director] Hirotaka Ohashi (January 24, 1952)	<p>Apr. 1974 Joined Mitsui Shipbuilding & Engineering Co., Ltd. (currently Mitsui E&S Holdings Co., Ltd.)</p> <p>Mar. 1998 General Manager of Planning Project Department</p> <p>July 2004 General Manager of Advanced Machinery Systems Department</p> <p>Apr. 2005 General Manager of Clean Mechatronics Business Office</p> <p>Apr. 2008 Assistant to General Manager of Machinery & Systems Business Division</p> <p>Apr. 2009 General Manager of Business Planning Department, Business Development Division</p> <p>Oct. 2010 Visiting Professor of Nagaoka University of Technology</p> <p>June 2011 Administrative Officer of Mitsui Shipbuilding & Engineering Co., Ltd. (currently Mitsui E&S Holdings Co., Ltd.) Deputy General Manager of Business Development Division</p> <p>Nov. 2013 Administrative Officer and General Manager of Marine Business Promotion Department</p> <p>June 2018 Senior Advisor of Mitsui E&S Systems Research Inc. (current position)</p> <p>June 2019 Outside Director of the Company (current position)</p>	—

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. The number of the Company's shares owned by each candidate is the number of shares owned as of the end of the fiscal year under review (March 31, 2020).
 3. Reasons for the election of each candidate nominated for Director, excluding outside Directors are as follows:
 - (1) Toru Kashima has adequately fulfilled his role in management decision making, business execution and management supervision as Representative Director and President. Accordingly, the Company has nominated him as a candidate for Director as it decided that continuing in his position as Director would be ideal to realize increased corporate value of the Company and shareholder value, and for sustainable growth of the Company.
 - (2) Makoto Ishisone has utilized his achievements as Representative Director and President of the Company's subsidiary in addition to having specialized knowledge related to IT and abundant experience and insight in the Research & Development Department of the Group. Accordingly, the Company has nominated him again as a candidate for Director as it decided that he will contribute to sustainable growth of the Company as Director.
 - (3) Katsumi Ohkuma has utilized his achievements as Representative Director and President of the Company's subsidiary in addition to having abundant management experience and insight in the information and telecommunications industry. Accordingly, the Company has nominated him again as a candidate for Director as it decided that he will contribute to sustainable growth of the Company as Director.
 4. Reasons for the election of each candidate nominated for outside Director are as follows:
 - (1) Masafumi Narikawa has extensive knowledge in the development of new businesses and abundant management experience, and has been performing proper supervision of the Company's management from an objective standpoint. Accordingly, the Company has nominated him again as a candidate for outside Director.
 - (2) Hirotaka Ohashi has been involved in the execution of business for many years in company-wide corporate planning and new business development departments. He also served as a visiting professor, leveraging the skills he has developed in the area of mechatronics. He has abundant experience and specialized knowledge, and has been performing proper supervision of the Company's management from an objective standpoint. Accordingly, the Company has nominated him again as a candidate for outside Director.
 5. Masafumi Narikawa and Hirotaka Ohashi are currently outside Directors of the Company, and at the conclusion of this meeting, their tenures as outside Director will have been five years and one year, respectively.
 6. Masafumi Narikawa and Hirotaka Ohashi are not persons executing business for specified affiliated business operators or officers of the Company, and have not been persons executing business for specified affiliated business operators or officers of the Company within the past five years.

7. Masafumi Narikawa and Hirotaka Ohashi will neither receive a large amount of money or other properties from the Company or an entity that has a specified relationship with the Company, nor have they done so during the last two years.
8. Masafumi Narikawa and Hirotaka Ohashi are neither the spouse of, nor are they relatives within three degrees related to, a business operator or an officer of the Company or an entity that has a specified relationship with the Company, nor are they in a position corresponding thereto.
9. Based on the following criteria, the Company proposes the election of these candidates for Director after taking knowledge, experience, ability, etc. into consideration.
Criteria for Nominating Director Candidates
 - (1) Both inside and outside Directors
 - (i) A person with superior abilities in management decision making, business execution and management supervision
 - (ii) A person with respect for legal compliance
 - (2) Specific to outside Directors
 - (i) A person who does not violate the criteria related to the independence of outside officers stipulated by the Company
 - (ii) A person with abundant experience and insight in their respective background
10. The Company has prescribed in the Articles of Incorporation that the Company may enter into an agreement with Directors (excluding those who are operating directors, etc.) to limit their liability for damages pursuant to Article 423, paragraph (1) of the Companies Act. Currently, the Company has entered into a limited liability agreement with candidates for outside Director Masafumi Narikawa and Hirotaka Ohashi, and if their re-election is approved, this agreement shall remain in effect. Pursuant to this agreement, the defined maximum amount of liability for damages, if he has acted in good faith and without gross negligence in performing his duties, is the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.
11. The Company has submitted notification to Tokyo Stock Exchange, Inc. that candidates for outside Director Masafumi Narikawa and Hirotaka Ohashi have been appointed as independent officers as prescribed by the aforementioned exchange. If they are reelected, the Company plans for them to continue in their role as independent officers. The Company has set forth election criteria for the election of independent outside Directors based on the election criteria for outside officers released by the Japan Association of Corporate Directors. Regarding “a person who is not a Director, Audit & Supervisory Board Member, Executive Officer or employee of a major business partner of the SRA Group,” which is an important criteria in particular within the election criteria, a “major business partner” is defined as a company whose payments to the SRA Group or payments received from the SRA Group are 2% or more of consolidated net sales in the most recent fiscal year and the three years prior (i.e. the past four fiscal years including the most recent).
12. The election criteria for outside Directors and independent outside Directors of the Company are published in the report related to corporate governance.
13. The Company has established a Nomination and Remuneration Committee as an advisory body to the Board of Directors. This Committee consists of two independent outside Directors and the Representative Director, for a total of three members, with candidate for outside Director Masafumi Narikawa serving as chairperson.

Proposal No. 2 Election of One Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Masanori Niinobe will expire at the conclusion of this meeting. Therefore, the Company proposes the election of one Audit & Supervisory Board Member. As provided for in the Company's Articles of Incorporation, the term of office of the Audit & Supervisory Board Member to be elected will be until the expiration date of his predecessor's term of office.

Moreover, the selection of the candidate for Audit & Supervisory Board Member has been voluntarily deliberated by the Nomination and Remuneration Committee, whose chairperson and a majority of committee members are independent outside Directors.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for Audit & Supervisory Board Member are as follows:

Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
[Candidate for outside Audit & Supervisory Board Member] Sadafumi Yamagiwa (March 5, 1959)	<p>Oct. 1982 Joined Japanese National Railways (currently East Japan Railway Company)</p> <p>Oct. 2000 General Manager in charge of Administration Department of Tokyo Branch Office</p> <p>Apr. 2001 General Manager of Marketing Department of Omiya Branch Office</p> <p>June 2012 General Manager of Health & Welfare Department</p> <p>June 2014 Representative Director and President of Kinshicho Station Building Co., Ltd.</p> <p>June 2018 Representative Director and President of JR East Food Business Co., Ltd. (currently JR East Foods Co., Ltd.)</p> <p>Apr. 2020 Representative Director and Vice President of JR East Foods Co., Ltd. (current position)</p>	-

- (Notes)
1. The candidate is a new candidate for outside Audit & Supervisory Board Member.
 2. There is no special interest between the candidate and the Company.
 3. The Company has nominated Sadafumi Yamagiwa as a candidate for outside Audit & Supervisory Board Member as it decided that his wide-ranging experience and knowledge, which is based on direct involvement in corporate management, will be used to support and strengthen the audit system of the Company.
 4. Sadafumi Yamagiwa is not a person executing business or an officer of the specified affiliated business operators of the Company, and has not been a person executing business or an officer of the specified affiliated business operators of the Company within the past five years.
 5. Sadafumi Yamagiwa will receive neither a large amount of money nor other property from the Company, nor from any specified affiliated business operator of the Company, nor has he done so during the last two years.
 6. Sadafumi Yamagiwa is neither the spouse of, nor is he a relative within three degrees related to, a person executing business or an officer of the Company or specified affiliated business operators of the Company, nor is he in a position corresponding thereto.
 7. If Sadafumi Yamagiwa is elected as Audit & Supervisory Board Member, the Company plans to enter into an agreement with him to limit his liability under Article 423, paragraph (1) of the Companies Act.
Pursuant to this agreement, the defined maximum amount of liability for damages, if the outside Audit & Supervisory Board Member has acted in good faith and without gross negligence in performing his duties, is the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.
 8. Based on the following criteria, the Company proposes the election of the candidate for Audit & Supervisory Board Member after taking his knowledge, experience, ability, etc. into consideration.
Criteria for Nominating Audit & Supervisory Board Member Candidates
 - (1) Both inside and outside Audit & Supervisory Board Members
 - (i) A person with superior ability in management supervision
 - (ii) A person with respect for legal compliance
 - (2) Specific to outside Audit & Supervisory Board Members
 - (i) A person who does not violate the criteria related to the independence of outside officers stipulated by the Company
 - (ii) A person with abundant experience and insight in their respective background

9. If this proposal is approved without modification, the Company plans to submit notification to Tokyo Stock Exchange, Inc. concerning the designation of Sadafumi Yamagiwa as an independent officer as prescribed by the aforementioned exchange. Furthermore, the Company has prescribed criteria for the selection of independent outside Audit & Supervisory Board Members that are equivalent to those applied in the case of independent outside Directors.
10. The election criteria for outside Audit & Supervisory Board Members and independent outside Audit & Supervisory Board Members of the Company are published in the report related to corporate governance.

Proposal No. 3 Election of One Substitute Audit & Supervisory Board Member

The Company proposes the election of one substitute Audit & Supervisory Board Member to be ready to fill a vacant position should the number of Audit & Supervisory Board Members fall below the number required by laws and regulations.

Moreover, the selection of the candidate for substitute Audit & Supervisory Board Member has been voluntarily deliberated by the Nomination and Remuneration Committee, whose chairperson and a majority of committee members are independent outside Directors.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned	
Shigeru Yoshimura (July 5, 1954)	Apr. 1977	500 shares	
			Joined Mitsubishi Trust and Banking Corporation (currently Mitsubishi UFJ Trust and Banking Corporation)
	Feb. 2006		General Manager of Nagoya Branch
	Oct. 2007		Executive Officer and General Manager of SS Konan Business Division of DM Information System Co., Ltd. (currently IBM Japan BizInTech Co., Ltd.)
	Nov. 2008		General Manager of Finance Department, Administration Division of the Company General Manager of Finance Department, Corporate Administration Division of Software Research Associates, Inc.
Apr. 2010	General Manager of Audit Office of the Company (current position)		

- (Notes)
1. There is no special interest between the candidate and the Company.
 2. The number of the Company's shares owned by the candidate is the number of shares owned as of the end of the fiscal year under review (March 31, 2020).
 3. Prior to assuming office as Audit & Supervisory Board Member, the candidate will retire from the Company and Software Research Associates, Inc. in advance.
 4. If Shigeru Yoshimura assumes office as Audit & Supervisory Board Member, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the same Act.
Pursuant to this agreement, the defined maximum amount of liability for damages, if he has acted in good faith and without gross negligence in performing his duties, is the minimum liability amount provided for under Article 425, paragraph (1) of the Companies Act.

Proposal No. 4 Authorization for the Board of Directors of the Company to Determine Offering Terms for Share Acquisition Rights Issued as Medium-Term Management Plan-Linked Stock Options

Pursuant to the provisions of Article 236, Article 238 and Article 239 of the Companies Act, the Company requests approval for the authorization of the Board of Directors of the Company to determine the offering terms for share acquisition rights.

In order to raise motivation and morale in relation to achieving the targets of the medium-term management plan, running from the 30th fiscal year (ended March 31, 2020) to the 32nd fiscal year (ending March 31, 2022), and to assist in the further enhancement of corporate value over the medium to long term, the Group proposes to issue share acquisition rights as stock options to directors (excluding outside directors) and employees of the Company, as well as to directors, executive officers, and employees of subsidiaries of the Company. The condition for exercising these share acquisition rights shall be to achieve the medium-term management plan targets of consolidated ordinary profit of at least ¥5.7 billion or profit attributable to owners of parent of at least ¥3.4 billion for the 32nd fiscal year (ending March 31, 2022), which is the final year of said plan.

Moreover, the resolution for this proposal shall come into effect on the approval by this General Meeting of Shareholders of Proposal No. 5, “Determination of Details and Calculation Methods for Share Acquisition Rights Allotted to Directors as Consideration for Performance of Their Duties,” described below.

1. Details, maximum number, consideration and name of share acquisition rights for which the Board of Directors may determine offering terms, based on the authorizing resolution of this meeting

- (1) Details of share acquisition rights

- (i) Class and number of shares underlying the share acquisition rights

The class of the shares underlying the share acquisition rights shall be common shares, and the number of underlying shares for one share acquisition right (hereinafter, “number of shares granted”) shall be 200.

Also, in the event that the Company conducts a share split of common shares (including an allotment of shares without contribution), or a consolidation of shares, the number of shares granted shall be adjusted in accordance with the following computation. However, this adjustment shall be performed only in relation to the number of shares granted for those share acquisition rights that have not been exercised at that point in time, and resulting fractions of less than one share shall be discarded.

$$\begin{aligned} & \text{Number of shares granted after adjustment} \\ & = \text{Number of shares granted before adjustment} \times \text{Split/consolidation ratio} \end{aligned}$$

In addition, in cases where the Company carries out a merger with another company in which the Company is the surviving corporation, or in cases where the Company performs a share exchange with another company resulting in the Company becoming a wholly owning parent company, or in other cases corresponding to these in which an adjustment to the number of shares granted should be performed, the Company may adjust the number of shares granted, as necessary and to the extent reasonable.

- (ii) Amount to be paid in upon exercise of share acquisition rights

The amount that must be paid in upon exercise of one share acquisition right shall be the exercise price per share as determined below (hereinafter, “exercise price”), multiplied by the number of shares granted per share acquisition right.

The exercise price shall be derived by multiplying the average closing price for common shares of the Company on the Tokyo Stock Exchange for each day (excluding days on which no transactions were completed) of the month before the month containing the date on which share acquisition rights were allotted, by 1.1 (fractions of less than ¥1 shall be rounded up). However, in the event that the amount is less than the closing price on the date on which share acquisition rights are allotted (in cases where no transactions were completed, the most recent date for which there is a closing price), said closing price shall be used as the exercise price.

Also, in cases where the Company conducts a share split or a share consolidation, the exercise price shall be adjusted in accordance with the following computation, and resulting fractions of less than ¥1 shall be rounded up.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{1}{\text{Split/consolidation ratio}}$$

In addition, in cases where new shares are issued at below market price, or when treasury shares are disposed of (excluding cases in which new shares are issued as a result of the exercise of share acquisition rights), the exercise price shall be adjusted in accordance with the following computation, and resulting fractions of less than ¥1 shall be rounded up.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of new shares issued} \times \text{Amount to be paid in per share}}{\text{Share price before new shares issued}}}{\text{Number of shares already issued} + \text{Increase in number of shares resulting from new shares issued}}$$

In the above computation, “Number of shares already issued” shall mean the total number of shares already issued by the Company after subtracting the number of treasury shares held by the Company. In cases where treasury shares are disposed of, “new shares issued” shall be read as “treasury shares disposed of,” and “Amount to be paid in per share” shall be read as “Disposal price per share.”

Furthermore, in cases where the Company carries out a merger with another company in which the Company is the surviving corporation, or in cases where the Company performs a share exchange with another company resulting in the Company becoming a wholly owning parent company, or in other cases corresponding to these in which an adjustment to the exercise price should be performed, the Company may adjust the exercise price as appropriate, as necessary and to the extent reasonable.

- (iii) Exercise period for share acquisition rights
From July 1, 2022 to June 30, 2024.
- (iv) Matters relating to the amount by which share capital and legal capital surplus increase in cases where shares are issued as a result of the exercise of share acquisition rights
 - [1] The amount by which share capital increases in cases where shares are issued as a result of the exercise of share acquisition rights shall be 1/2 of the maximum amount of increase in share capital, etc., calculated in accordance with Article 17, paragraph (1) of the Regulation on Corporate Accounting, with resulting fractions of less than ¥1 being rounded up.
 - [2] The amount by which legal capital surplus increases in cases where shares are issued as a result of the exercise of these share acquisition rights shall be the maximum amount of increase in share capital described in [1] above, after subtracting the increase in the amount of share capital calculated in accordance with [1] above.
- (v) Matters relating to the transfer of share acquisition rights
The acquisition of share acquisition rights by transfer shall require the approval by resolution of the Board of Directors of the Company.
- (vi) Conditions for the acquisition of share acquisition rights
In cases where acts prescribed in Article 236, paragraph (1), item (viii), sub-items (a) through (e) of the Companies Act are carried out, the Company may acquire all of the share acquisition rights without contribution.
- (vii) Matters relating to the delivery of share acquisition rights during a reorganization
In cases where the Company carries out acts prescribed in Article 236, paragraph (1), item (viii), sub-items (a) through (e) of the Companies Act, it shall deliver to holders of share acquisition rights in the Company share acquisition rights in the party prescribed in sub-items (a) through (e) (hereinafter, “the surviving company, etc.”). However, for mergers, absorption-type company splits and share exchanges, this shall be conditional upon the approval of the respective counterparties in the merger agreement, absorption-type company split agreement and the share exchange agreement.
In addition, the number of shares granted for share acquisition rights delivered in the surviving company, etc., and the exercise price, shall be proportional to the allotment ratio, with the other details of the share acquisition rights to be equivalent to the share acquisition rights in the Company, although the Company may modify these as appropriate, at its own discretion.

(viii) Conditions for the exercise of share acquisition rights

- [1] Share acquisition rights may be exercised only in the event that ordinary profit is at least ¥5.7 billion, or profit attributable to owners of parent is at least ¥3.4 billion, in the finalized consolidated statement of income for the 32nd fiscal year (ending March 31, 2022), or in a previous fiscal year (hereinafter, “exercise benchmark target value”). However, in cases where dramatic changes have occurred in the business environment, etc., the exercise benchmark target value may be changed within a range of $\pm 30\%$ by resolution of the Board of Directors.
- [2] When exercising share acquisition rights, the share acquisition rights may not be exercised by any persons other than directors or employees of the Company, or directors, executive officers, or employees of subsidiaries of the Company. However, this shall not apply in cases where a director resigns at the expiration of their terms of office, or retires at mandatory retirement age, or when there are other legitimate grounds.
- [3] Inheritance of share acquisition rights shall not be recognized.
- [4] The Board of Directors may attach other conditions as necessary. However, conditions attached by the Board of Directors shall come into effect only in cases where they are set out in a “Share Acquisition Rights Allotment Agreement” concluded between the Company and a person being allotted share acquisition rights.

(2) Upper limit to the number of share acquisition rights

The upper limit for the number of share acquisition rights shall be 1,000.

The total number of shares that may be delivered as a result of the exercise of share acquisition rights shall be limited to 200,000 shares of the common shares of the Company, and in cases where the number of shares associated with the share acquisition rights is adjusted in accordance with (1) above, it shall be the adjusted number of shares associated with the share acquisition rights multiplied by the maximum number of share acquisition rights above.

(3) Consideration for share acquisition rights

No money need be paid in.

(4) Name of share acquisition rights

SRA Holdings, Inc. 18th Share Acquisition Rights

2. Reason for Need to Solicit Persons to Receive Share Acquisition Rights with Particularly Favorable Conditions

In order to raise motivation and morale, it is necessary to not require consideration for share acquisition rights.

Proposal No. 5 Determination of Details and Calculation Methods for Share Acquisition Rights Allotted to Directors as Consideration for Performance of Their Duties

In the event that Proposal No. 1, “Election of Five Directors” is approved in its original form, the number of directors of the Company shall be five, of whom two will be outside directors. The Company requests approval for the details and calculation methods in the event that share acquisition rights are allotted to directors (excluding outside directors) as consideration for performance of their duties.

With regard to the details of the share acquisition rights, assuming that the above-mentioned Proposal No. 4 “Authorization for the Board of Directors of the Company to Determine Offering Terms for Share Acquisition Rights Issued as Medium-Term Management Plan-Linked Stock Options” is approved, the calculation method shall be one prescribed in ASBJ Statement No. 8 “Accounting Standard for Share-based Payment,” published by the Accounting Standards Board of Japan on December 27, 2005, or a method prescribed in other accounting rules relating to the evaluation of share acquisition rights.