

June 5, 2020

To Our Shareholders

V Technology Co., Ltd.
(Security Code: 7717)

<Representative>
Shigeto Sugimoto: President & CEO

<For inquiry>
Shogo Yoshimura: IR Group Leader
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Supplement Information regarding Our Proposal in the General Shareholder's Meeting 2020

Regarding one of the V Technology Co., Ltd.'s proposals to be submitted to the General Shareholder's Meeting 2020, scheduled on June 25, we have received inquiries from some of our shareholders about the "Proposal No.4 Amount of the Stock Incentive and Details of the Stock Incentive Plan for the Board of Directors". This document intends to answer those inquiries to support our shareholder's decision to vote. Please read through about the details of the proposal and we hope you would have a deeper understanding about our proposal.

Supplement Information regarding "Proposal No.4: Amount of the Stock Incentive and Details of the Stock Incentive Plan for the Board of Directors"

The remuneration of the Directors consisted of only the "basic remuneration", however this proposal requests the approval of the implementation of a new stock incentive plan ("Scheme") for directors of the Company (excluding outside directors). If our shareholders approve this matter, we plan to set up the trust after September 2, 2020. On the other hand, stock acquisition rights have been issued to officers of the Company on the last day of the previous business year as compensation for the performance of their duties as it is described on pages 13 to 14 of the Convocation Notice of the General Shareholder's Meeting 2020.* However, the period for exercising the 10th stock acquisition rights is up until September 1, 2020.

As a result, the dilution of shares due to the Share Compensation Plan and the 10th Stock Acquisition Rights will not occur at the same time, and the dilution ratio of potential shares at the time of trust establishment will be 5.0% or less.

All stock acquisition rights already issued require counter value when exercising them, and the Company does not regard them as executive compensation.

* Regarding "pages 13 to 14 of the Convocation Notice of the General Shareholder's Meeting 2020":

Please note that the English translation of the convocation notice only describes the details of the General Shareholder's Meeting 2020 and the details of each proposal, please refer to the pages 13 to 14 of Japanese version for the details of the Stock Acquisition Rights.