

August 9, 2019

Company name: DIGITAL HEARTS HOLDINGS Co., Ltd.
Name of representative: President and CEO Genichi Tamatsuka
(Code number: 3676, First Section of the
Tokyo Stock Exchange)
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(Revision) Partial Revision of “Notice Concerning Disposal of Treasury Shares as Restricted Stock Remuneration”

DIGITAL HEARTS HOLDINGS Co., Ltd. (hereinafter referred to as the “Company”) revises the “Notice Concerning Disposal of Treasury Shares as Restricted Stock Remuneration” announced on July 26, 2019 because there were some errors in its content. The details are as follows.

The revised parts are underlined.

[Before revision]

3. Overview of the Allotment Agreement

(2) Conditions for removing the restrictions and the Company’s share acquisition without compensation

b. Resignation or retirement from the position due to expiration of the term of office or other justifiable reason(s)

If the Directors, etc., before expiration of the restriction period, resign or retire from the position as director, executive officer, corporate auditor, employee, or an equivalent position of the Company or any of its group companies, due to expiration of the term of office, death, mandatory retirement or other justifiable reason(s), the Company shall remove the restrictions immediately thereafter. However, if the eligible directors resign or retire from their positions due to death, the restrictions shall be removed immediately after the Company recognizes the death. In addition, the allotted shares for which the transfer restrictions have not been removed immediately after this removal under the above provisions shall be acquired by the Company without compensation, as a matter of course.

(Omission)

(5) Treatment in case of organizational restructuring

During the restriction period, if a matter relating to a merger agreement under which the Company will become a dissolving company, a share exchange agreement or a share transfer plan under which the Company will become a wholly-owned subsidiary, or any other matter in association with organizational restructuring is approved at the General Meeting of Shareholders of the Company, or at the Company’s Board of Directors’ Meeting if approval by the General Meeting of Shareholders is not required, the Company shall remove the restrictions on the allotted shares held by the eligible directors as of the date of the approval, upon the resolution by the Board of Directors. However, if the number of months is less than 12 from the month including the date of resolution for disposal of the allotted shares to the month of the date of that approval, the Company shall remove the restrictions regarding the number of shares determined by multiplying the number of the allotted shares by the number calculated by dividing that number of months above by 12 (shares less than one unit shall be rounded down.), immediately prior to the previous business day of the effective date of organizational restructuring. In addition, all the allotted shares for which the transfer restrictions have not been removed as of the previous business day of the effective date of organizational restructuring shall be acquired by the Company without compensation on that previous business day above, as a matter of course.

[After revision]

3. Overview of the Allotment Agreement

(2) Conditions for removing the restrictions and the Company's share acquisition without compensation

b. Resignation or retirement from the position due to expiration of the term of office or other justifiable reason(s)

If the Directors, etc., before expiration of the restriction period, resign or retire from the position as director, executive officer, corporate auditor, employee, or an equivalent position of the Company or any of its group companies, due to expiration of the term of office, death, mandatory retirement or other justifiable reason(s), the Company shall remove the restrictions immediately thereafter. However, if the eligible directors resign or retire from their positions due to death, the restrictions shall be removed immediately after the Company recognizes the death. However, if the eligible directors resign or retire from their positions on or before July 1, 2020, the restrictions shall be removed on July 2, 2020. In addition, if the restrictions are removed, the allotted shares for which the transfer restrictions have not been removed immediately after the removal of the transfer restrictions under the above provisions shall be acquired by the Company without compensation, as a matter of course.

(Omission)

(5) Treatment in case of organizational restructuring

During the restriction period, if a matter relating to a merger agreement under which the Company will become a dissolving company, a share exchange agreement or a share transfer plan under which the Company will become a wholly owned subsidiary, or any other matter in association with organizational restructuring is approved at the General Meeting of Shareholders of the Company, or at the Company's Board of Directors' Meeting if approval by the General Meeting of Shareholders is not required, the Company shall remove the restrictions on the allotted shares held by the eligible directors as of the date of the approval immediately before the business day preceding the effective date of the organizational restructuring, upon resolution by the Board of Directors. However, if the said time is on or before July 1, 2020, the transfer restrictions shall not be removed. In addition, all the allotted shares for which the transfer restrictions have not been removed as of the business day preceding the effective date of organizational restructuring shall be acquired by the Company without compensation on that preceding business day above, as a matter of course.