



PRESS RELEASE

May 23, 2022

AXELL CORPORATION

14-1, Sotokanda 4-chome, Chiyoda-ku, Tokyo, Japan

Kazunori Matsuura

President & Representative Director

(Securities Code: 6730, Standard Market of Tokyo Stock Exchange)

Inquiries:

Yoshimasa Ueno

Executive Officer, General Manager of Management Department

TEL: +81-3-5298-1670

Notice on Partial Amendments to the Articles of Incorporation

Please be informed that AXELL CORPORATION (the “Company”) decided at a Board of Directors meeting held on May 23, 2022 on details of the “Partial Amendments to the Articles of Incorporation” to be proposed at the 27th Ordinary General Meeting of Shareholders to be held on June 23, 2022.

1. Reasons for amendments

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, we propose that the Articles of Incorporation of the Company be amended as follows.

- (1) Article 15 (Measures for Electric Provision, Etc.), Paragraph 1 as in the proposed amendments shall be newly established as we are required to establish a provision in the Articles of Incorporation prescribing that information contained in the reference documents for the general meeting of shareholders, etc. shall be provided electronically.
- (2) Article 15 (Measures for Electric Provision, Etc.), Paragraph 2 as in the proposed amendments shall be newly established prescribing that, for the matters on information contained in the reference documents for the general meeting of shareholders, etc. to be provided electronically, the Company may limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) Once the system for electronic provision of materials for general meetings of shareholders is introduced, the provision of the current Article 15 (Disclosure via Internet of Reference Documents for General Meeting of Shareholders, etc. and Deemed Provision of Information) will become unnecessary and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date shall be established. The supplementary provisions shall be deleted after the lapse of the period set forth below.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Disclosure via Internet of Reference Documents for General Meeting of Shareholders, etc. and Deemed Provision of Information)</u></p> <p><u>Article 15</u> The Company shall be deemed to have provided the shareholders with the necessary information with respect to the matters to be stated or indicated in the reference documents for the general meeting of shareholders, the business reports, the financial statements, and the consolidated financial statements, by disclosing such information via the Internet in accordance with the Ordinance of the Ministry of Justice.</p> <p>(Newly established)</p> <p>(Supplementary Provisions)</p> <p>(Interim Measures Regarding Liability Exemption of Audit & Supervisory Board Members)</p> <p>Based on the stipulations of Article 426, Paragraph 1 of the Companies Act, the Company may, via resolution of the Board of Directors, exempt liability for damages of Audit & Supervisory Board Members (including persons who were Audit & Supervisory Board Members) as a result of their failing to perform their duties before the partial amendments to the Articles of Incorporation resolved at the 21st Ordinary General Meeting of Shareholders take effect.</p>	<p>(Deleted)</p> <p>(Measures for Electronic Provision, Etc.)</p> <p><u>Article 15</u> The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</p> <p>2. Among the matters to be provided electronically, the Company may not include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</p> <p><u>Article 1</u> (Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p data-bbox="810 232 1417 297"><u>(Interim Measures Regarding Electronic Provision of Materials for General Meetings of Shareholders)</u></p> <p data-bbox="810 300 1417 589"><u>Article 2 The deletion of Article 15 (Disclosure via Internet of Reference Documents for General Meeting of Shareholders, etc. and Deemed Provision of Information) of the current Articles of Incorporation and the new establishment of the proposed Article 15 (Measures for Electronic Provision, Etc.) shall come into effect on September 1, 2022.</u></p> <p data-bbox="898 591 1417 925">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 15 (Disclosure via Internet of Reference Documents for General Meeting of Shareholders, etc. and Deemed Provision of Information) of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from September 1, 2022.</u></p> <p data-bbox="898 927 1417 1126">3. <u>These supplementary provisions shall be deleted after the lapse of six months from September 1, 2022 or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

(Note) The provisions that are not presented above will remain unchanged.

3. Schedule

1. Date of the General Meeting of Shareholders at which the proposal for partial amendments to the Articles of Incorporation is to be proposed: Thursday, June 23, 2022
2. Date when the partial amendments to the Articles of Incorporation shall take effect: Thursday, June 23, 2022