

September 18, 2020

To all,

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| Company Name | AVANT Corporation |
| Name of Representative | Tetsuji Morikawa, President (Code: 3836, TSE First Section) |
| For inquiries | Naoyoshi Kasuga, Director (Tel. 03-6388-6739) |

Notice of Issuance of Restricted Shares to Corporate Officers and Directors of Subsidiaries

At the Board of Directors meeting held on September 18, 2019, we have resolved to issue new shares as restricted shares for transfer as follows.

1. Outline of the issue

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| (1) Payment date | October 16, 2020 |
| (2) The class and number of shares to be issued | 16,221 Shares of common stock |
| (3) Issue price | 1,023 yen per share |
| (4) Total issue price | 16,594,083 yen |
| (5) Planned allottee | 11 corporate officers and directors of our subsidiaries 16,221 Shares |
| (6) Others | The Company has filed Notices of Securities under the Financial Instruments and Exchange Act for the issuance of new shares. |

2. Purpose and reason for issuance

We have resolved to grant 16,221 shares of our common stock (the "allotted shares") to a corporate officer of the Company and 10 directors of our subsidiaries (the "eligible officers") in order to provide incentives for the improvement of corporate value to share with our shareholders. In addition, from the perspective of encouraging mid-to long-term and sustainable contribution to the value of the Company, the Company has decided to set a restriction on the transfer of shares to be allocated for a period of approximately three years.

The eligible officers will subscribe to the common shares to be allotted through the issuance of the new shares, in exchange for all the monetary compensation receivables as monetary asset. In conjunction with the issuance of the new shares, we have entered into a restricted share allocation agreement with the eligible officers, which includes the following conditions.

<Summary of restricted share allocation agreements>

(1) Restricted Period

The eligible officers shall not transfer, pledge as collateral, or otherwise dispose of the allotted shares from October 16, 2020 (the payment date) to September 30, 2023.

(2) Termination of Restriction on Transfer

Restriction on transfer shall be lifted on all of the allotted shares held by the eligible officer on the date of expiration of restricted period provided that person has served continuously as corporate officer or employees of the Company, or as director, auditor, corporate officer or employee of any of the subsidiaries during the period. Provided, however, that in the event that the eligible officer loses any of its position as corporate officer or employees of the Company, or as director, auditor, corporate officer or employee of the subsidiaries, due to the expiration of term of office or employment (or the expiration of the term of reemployment after mandatory retirement in the case of reemployment after mandatory retirement), death or for any other reasons which our Board of Directors deems justifiable, the restriction on transfer of allotted shares shall be lifted only for the part corresponding to the ratio obtained by dividing the number of months from the month including the payment date to the month including the date of such loss by 36 and then multiplying the number of allotted shares held at such time (any fraction less than one share shall be rounded off).

(3) Forfeiture by the Company

The Company naturally has the right to subscribe to the allotted shares without monetary obligation during or immediately after the restricted period if the eligible officers lost any of its title as corporate officer and/or employee of the Company or any of its title as director, auditor, corporate officer and employee of our subsidiaries.

(4) Management of shares

The allotted shares shall be managed in the designated accounts for restricted shares the eligible officers shall open at Daiwa Securities in order to prevent transfer, pledge as collateral, or other disposition during the Restricted Period.

(5) Treatment of shares in case of corporate action

Even during the period of restriction on transfer, the restriction on transfer shall be lifted with respect to the allocated shares held at that time (however, in the event that the merger agreement in which we become a wholly-owned subsidiary, the share exchange agreement or the share transfer plan in which we become a wholly-owned subsidiary, or any other matters concerning reorganization, etc. are approved at our shareholders' meeting (or, if the approval of our shareholders' meeting is not required for the relevant reorganization, at our shareholders' meeting, at our board meeting), by a resolution of the board of directors, the number of months from the month in which the payment date is included to the day in which the reorganization is approved divided by 36 and the number of allocated shares held at that time is multiplied by the number of allocated shares (in the event that any fraction less than one share occurs as a result of the calculation, such fraction shall be rounded off) as of the day immediately before the effective date of the reorganization, etc.

3. Basis for calculation of amount to be paid and specific details thereof

The new shares shall be issued in exchange for the monetary claims paid to the allottee. The paid-in amount is 1,023 yen, which is the closing price of our common stock on the Tokyo Stock Exchange as of September 17, 2020 (the business day before the Board of Directors' resolution), in order to eliminate any arbitrariness. This is the market price immediately before the resolution date of the Board of Directors, and in the absence of any special circumstances indicating that the Company cannot rely on the latest stock price, it is reasonable to reflect our corporate value appropriately, and is not considered to be a particularly favorable price for the Company's directors.

Ends