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January 14, 2021

For Immediate Release

Company name: PLAID, Inc.
Representative: Representative Director and CEO Kenta Kurahashi
(Code No.: 4165, Tokyo Stock Exchange Mothers)
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Notice of Issuance of Share Acquisition Rights (Stock Option)

PLAID, Inc. (the "Company") announces that its Board of Directors resolved at a meeting held on January 14, 2021 to issue share acquisition rights (the seventh series of share acquisition rights) with the details below to the Company's employees as a stock option.

I. Reason for issuing share acquisition rights

The Company will grant share acquisition rights to its employees for the purpose of increasing their motivation and morale to improve their performance.
The number of shares to be delivered if all the share acquisition rights are exercised will be 5,000. As stipulated in the guidelines below, the holders of share acquisition rights are required to have the rank of director, corporate auditor, any other officer, employee or outside partner of the Company or its subsidiary also at the time of exercising the share acquisition rights, in principle.
Therefore, given that the dilution effect by the exercise of the share acquisition rights will be minor and that the share acquisition rights will contribute to the incentive of the employees in the medium to long term, and will also lead to the enhancement of the corporate value, the Company believes that the issuance of the share acquisition rights is within a reasonable scope.

II. Name of share acquisition rights

Seventh series of share acquisition rights of PLAID, Inc.

III. Issuing guidelines of share acquisition rights

1. Persons eligible for share acquisition rights
   The Company's employees

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2. Details and number of share acquisition rights

(1) The class and number of shares to be acquired upon exercise of share acquisition rights

5,000 shares of common stock of the Company

If the Company conducts a share split or the consolidation of shares, the number of shares to be acquired upon exercise of share acquisition rights shall be adjusted based on the calculation formula below. However, such adjustment shall be made only for the number of shares to be acquired upon exercise of share acquisition rights that are not yet exercised at the relevant time among the share acquisition rights, and if any fraction of less than one share arises as a result of the adjustment, it shall be rounded down.

Number of shares after adjustment = Number of shares before adjustment x Ratio of split or consolidation

The number of shares after adjustment shall apply on or after the following date of the record date for the share split in the case of share splits and on or after the effective date in the case of the consolidation of shares.

If the Company merges with another company or conducts the company split or if the Company recognizes that an adjustment is necessary for the number of shares to be acquired upon exercise of share acquisition rights in a manner equivalent to these cases, the Company may adjust the number of shares to be acquired upon exercise of share acquisition rights to a reasonable extent.

(2) Total number of new acquisition rights to be issued

Five (the number of common shares to be acquired upon exercise of share acquisition rights per share acquisition right shall be 1,000). However, if the number of shares is adjusted as stipulated in Paragraph 1, the same adjustment shall be made.

(3) Value of assets to be contributed upon exercise of each share acquisition right

The value of assets to be contributed upon the exercise of the share acquisition rights shall be an amount obtained by multiplying the amount to be paid in per share (the “Exercise Price”) that is determined as follows by the number of shares to be acquired upon exercise of the share acquisition rights per share acquisition right as stipulated in Paragraph 2.

The Exercise Price shall be the average closing price in ordinary trading of common stock of the Company on the Tokyo Stock Exchange on each day (excluding days on which no transaction was made) in the month prior to the month in which the issue date of the share acquisition rights (the "Allotment Date") falls, with any fraction of less than one yen rounded up. However, if this price is less than the closing price on the Allotment Date (if no transaction is made on that day, then the closing price of the latest date prior to the Allotment Date), the Exercise Price shall be the closing price on the Allotment Date. However, if any of the reasons shown below arises after the Allotment Date, the Exercise Price shall be adjusted accordingly. Any fraction of less than one yen that has arisen as a result of adjustment shall be rounded up.

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(a) In cases where the Company issues new shares or disposes of treasury shares at a price less than the market value

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares outstanding} + \dfrac{\text{Number of shares newly issued} \times \text{Amount to be paid in per share}}{\text{Share price per share before issuance of new shares}}}{\text{Number of shares outstanding} + \text{Number of shares newly issued}}$$

The "Share price per share before issuance of new shares" in the formula above shall be the average closing price (including quotations. The same shall apply below) for 30 trading days (excluding those days when no closing price is quoted) that begin on the 45th trading day prior to the day on which the Exercise Price after adjustment applies. The "average closing price" shall be calculated to the first decimal place by rounding off fractions of a yen from the second decimal place. The “Number of shares outstanding” means the number of outstanding shares of the Company minus the total number of treasury shares held by the Company, and if the Company disposes of treasury shares, the “Number of shares newly issued” shall be read as the “Number of treasury shares disposed,” and the "Share price per share before issuance of new shares" shall be read as the "Share price before disposition."

The Exercise Price after adjustment shall apply on or after the day following the payment date for the issuance or the disposition (if the payment period is set, then the last day of the payment period) (if there is a record date, on or after the day following the record date.

(b) In cases where the Company conducts a split or consolidation of its common shares

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Ratio of split or consolidation}}$$

The Exercise Price after adjustment shall apply on or after the day following the record date for the share split in the case of share splits and on or after the effective date in the case of the consolidation of shares.

(c) If any unavoidable circumstance that requires adjustment of the Exercise Price arises, such as cases in which the Company decreases capital, merges or conducts the company split, the Company shall, to a reasonable extent, adjust the Exercise Price, taking into consideration the terms and conditions for the capital decrease, the merger or the company split, etc.

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(4) Exercise period of share acquisition rights

The exercise period of share acquisition rights shall be from February 1, 2023 to January 31, 2031. However, when the last day of the exercise period is a non-business day of the Company, the business day before that shall be the last day.

(5) Matters concerning share capital and legal capital surplus to increase due to the issuance of shares upon the exercise of share acquisition rights

(a) The amount of increase in share capital due to the issuance of shares upon the exercise of the share acquisition rights shall be half of the maximum amount of increase in share capital that is calculated pursuant to Article 17, Paragraph 1 of the Regulation on Corporate Accounting, and if any fraction of less than one yen arises as a result of the calculation, it shall be rounded up.

(b) The amount of legal capital surplus to increase due to the issuance of shares upon the exercise of the share acquisition rights shall be an amount obtained by deducting the amount of increase in share capital described above from the maximum amount of increase in share capital prescribed above.

(6) Restriction on transfer of share acquisition rights

When the share acquisition rights are transferred, the approval of the Board of Directors of the Company shall be required.

(7) Conditions for exercise of share acquisition rights

(a) The holders of the share acquisition rights are required to have the rank of director, corporate auditor, any other officer, employee or outside parter of the Company or its subsidiary at the time of exercising the share acquisition rights. However, this shall not apply when approval is given by the Board of Directors of the Company.

(b) If a holder of the share acquisition rights has died, the inheritance of the share acquisition rights shall not be accepted. However, this shall not apply when approval is given by the Board of Directors of the Company.

(c) A partial exercise of a single unit of a stock acquisition right shall not be acceptable.

(d) Other conditions for exercising the share acquisition rights shall be in accordance with a share acquisition right allotment agreement to be separately concluded between the Company and the holders of the share acquisition rights.

(8) Grounds and conditions for acquisition of share acquisition rights

The Company may acquire the share acquisition rights without compensation on the day separately set by its Board of Directors in the following cases.

(a) In cases where the person who received the allotment of the share acquisition rights no longer falls under the conditions for exercising the rights set forth in Paragraph 7. However, this acquisition may be processed in a lump after the exercise period for the rights has expired or on a day on which the Board of Directors of the Company passed a resolution.

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(b) In cases where a merger agreement by which the Company will become a disappearing company, an absorption-type company split agreement or an incorporation-type company split plan by which the Company will become a split company, or a share exchange agreement or a share transfer plan by which the Company will become a wholly owned subsidiary is approved at a shareholders meeting of the Company (if a resolution of the shareholders meeting is unnecessary, in cases where a resolution of the Board of Directors of the Company has been passed)

(9) Handling at the time of organizational restructuring acts

Only if the Company carries out a merger (limited to a merger in which the Company will become the disappearing company), an absorption-type company split, an incorporation-type company split, a share exchange or a share transfer (hereinafter collectively referred to as "Organizational Restructuring Acts") and if it is prescribed in an agreement or a plan for the Organizational Restructuring Acts that share acquisition rights of the stock company provided for in (a) to (e) of Article 236, Paragraph 1, Item 8 of the Companies Act (hereinafter referred to as the "Company Subject to Restructuring") shall be delivered based on the conditions below, the share acquisition rights of the Company Subject Restructuring shall be delivered to the holders of share acquisition rights that remain immediately prior to the effective date of the Organizational Restructuring Acts (the application date for the registration of incorporation in the case of an incorporation-type restructuring. The same shall apply below) (hereinafter referred to as "Remaining Share Acquisition Rights") in exchange for the extinction of the Remaining Share Acquisition Rights.

(a) Number of share acquisition rights to be delivered

The same number as the number of the Remaining Share Acquisition Rights held by the holder of share acquisition rights shall be delivered in each case.

(b) Class of shares to be acquired upon exercise of share acquisition rights

Common shares of the Company Subject to Restructuring

(c) Number of shares to be acquired upon exercise of share acquisition rights or the calculation method thereof

They shall be determined in a manner equivalent to Paragraph 1 after taking into consideration, among other matters, the conditions for the Organizational Restructuring Acts.

(d) Amount to be contributed upon exercise of each share acquisition right or the calculation method thereof

They shall be determined in a manner equivalent to Paragraph 3 after taking into consideration the conditions for the Organizational Restructuring Acts.

(e) Exercise period of share acquisition rights

The exercise period of share acquisition rights shall be from the later of either the first date of the period during which the share acquisition rights may be exercised as provided for in Paragraph 4 or the effective date of the Organizational Restructuring Acts, to the expiration date of the period during which the share acquisition rights may be exercised as provided for in Paragraph 4.

(f) Grounds for acquisition of share acquisition rights by the Company Subject to Restructuring

They shall be determined in a manner equivalent to Paragraph 8.

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(g) Restriction on acquisition of share acquisition rights by transfer

The approval of the Company Subject to Restructuring shall be required for the acquisition of share acquisition rights by transfer.

(h) Conditions for exercise of share acquisition rights

They shall be determined in a manner equivalent to Paragraph 7.

(10) Treatment of fractions less than one share in the number of shares to be delivered upon exercise of share acquisition rights

If there is a fraction less than one share in the number of shares to be delivered upon exercise of share acquisition rights, it shall be rounded down.

(11) Share acquisition right certificate

Share acquisition right certificates shall not be issued for the share acquisition rights.

(12) Person who will receive the allotment of share acquisition rights and the number of share acquisition rights

One employee of the Company, five rights

3. Necessity of payment of money in exchange for share acquisition rights

The payment of money in exchange for the share acquisition rights shall not be required. Because the share acquisition rights will be granted as an incentive compensation, not requiring the payment of money does not fall under the issuance on favorable terms.

4. Other matters

(1) Total number of the share acquisition rights

Five

(2) Allotment date of the share acquisition rights

February 1, 2021

(3) Other

Other detailed matters shall be provided for in a share acquisition right allotment agreement that will be separately concluded.

End