April 14, 2022

To whom it may concern,

Company Name: Uzabase, Inc.
Names of Representatives: Yusuke Inagaki,
Representative Director and Co-CEO
Taira Sakuma,
Representative Director and Co-CEO
(Code: TSE Growth 3966)
Contact: Daisuke Chiba, Chief Financial Officer
Tel (IR Direct): +81-3-4533-1999

【Delayd】Notice regarding Issuance of New Shares as Stock-linked Compensation, Registration of Issuance of New Shares and Issuance of Stock Options

Uzabase, Inc. (hereinafter referred to as "the Company") hereby notifies that in the Board of Directors Meeting held today, it has resolved to issue new shares as stock-based compensation, to register the issuance of new shares, and to issue stock acquisition rights as stock options, as described below.

Details of the resolution are as follows.

I. Issuance of New Shares as Stock-based Remuneration

1. Outline of the Issuance

	1st RSU	2nd RSU	3rd RSU	4th RSU
(1) Payment Date	July 8, 2022	October 11, 2022	January 11, 2023	April 10, 2023
(2) Class and number of shares to be offered	Common stock of the Company	Common stock of the Company	Common stock of the Company	Common stock of the Company

	Number of shares	21,103	21,088	21,080	21,071
(3)	Issue price	1,071 yen per share			
(4)	Total amount of issue	22,601,313 yen	22,585,248 yen	22,576,680 yen	22,567,041 yen
(5)	Number of recipients and number of shares to be allotted	Directors of the Company: 3 persons and 2,061 shares Employees of the Company: 19 persons and 10,136 shares Director and officers of a subsidiary of the Company: 1 person and 502 shares Employees of the Company's subsidiary: 17 persons and 8,404 shares	Directors of the Company: 3 persons and 2,060 shares Employees of the Company: 19 persons and 10,127 shares Director and officers of a subsidiary of the Company: 1 person and 502 shares Employees of the Company's subsidiary: 17 persons and 8,399 shares	Directors of the Company: 3 persons and 2,058 shares Employees of the Company: 19 persons and 10,123 shares Director and officers of a subsidiary of the Company: 1 person and 502 shares Employees of the Company's subsidiary: 17 persons and 8,397 shares	Directors of the Company: 3 persons and 2,058 shares Employees of the Company: 19 persons and 10,118 shares Director and officers of a subsidiary of the Company: 1 person and 502 shares Employees of the Company's subsidiary: 17 persons and 8,393 shares
(6)	Others	Each of the above items is subject to the conditions of the Registration Statement and the filing of the Supplemental Registration Statement in accordance with the Financial Instruments and Exchange Act.			

2. Purpose and Reason for Issuance

(a) Purpose of this RSU Plan

The Company has decided to introduce a Restricted Stock Unit (hereinafter referred to as "RSU") plan (hereinafter referred to as "the RSU Plan") as a stock compensation plan for persons who are eligible for the RSU Plan (hereinafter referred to as "the eligible persons").

Under this RSU Plan, in principle, after the elapse of the vesting period predetermined by the Company (June 30, 2022, September 30, 2022, December 31, 2022 and March 31, 2023 for the first through the fourth series, respectively), by granting monetary compensation rights to the eligible persons and having the Company invest the rights in kind at the time of issuance of new shares, the Company allocates a number of the Company's common shares according to the number of units determined in advance for each eligible persons.

This RSU Plan, together with the stock option system described below, is designed to increase the number of executives and employees who have an entrepreneurial, managerial, and shareholder perspective, and to secure top class talent by designing a system and compensation level that is accepted both in Japan and overseas, as we aim to expand our business performance, globalization, and corporate value over the medium to long term. The purpose of the program is to also has the advantage of boosting financial soundness by replacing some of the compensation previously paid in cash with equity compensation.

(b) Basis for determining that this RSU Plan is reasonable in light of the reason and purpose of the issuance

The total number of the Company's shares that may be delivered to the eligible persons upon the vesting of the RSUs and the total number of the Company's shares that may be delivered to the eligible persons upon exercise of the stock acquisition rights as stock options as described below will be known on the allotment date, and the dilution of shares as a result is expected to be is within a reasonable scope. In addition, the Company believes that the terms and conditions, etc. of the RSU Plan are reasonable because they are necessary and reasonable to grant individual compensation, etc., to the eligible persons in light of the responsibilities of his or her position.

(c) Outline of RSUs

Under the RSU Plan, a specific number of shares corresponding to the scale of the eligible person's responsibilities, etc. will be allocated to the recipient in advance, and he or she will confirm in stages the number of shares to receive, provided in principle that he or she continuously serves as a director, executive officer, corporate auditor or employee of the Company or its affiliated company (hereinafter referred to as "continuous service") for a period of one year.

(d) Structure of RSUs

・Period of coverage

The period of eligibility shall be one year.

・ Determination of the number of RSUs to be granted to the eligible persons

The number of RSU units will be calculated based on the base salary and position of the recipients. 1 RSU unit corresponds to 1 share of the Company's common stock, in principle. In the event of a stock split (including gratis allotment of shares of common stock of the Company) or reverse stock split, or in any other cases where adjustment of the total number of shares of common stock of the Company to be allotted is required pursuant to such cases, the number of shares of common stock of the Company to be delivered may be reasonably adjusted.

・Prohibition of transfer of RSUs

The recipients may not transfer the RSU units granted to him or her.

・Vesting of RSUs

As a general rule, the RSU units granted to the eligible persons will vest in one-quarter increments of three months.

・Delivery of common stock

The number of shares of the Company's common stock to be delivered to the eligible persons will be determined in accordance with the number of RSU units granted to him or her under the conditions set forth in (e) and (f) below.

(e) Vesting requirements for RSUs

In principle, the RSUs granted to the recipients will vest in one-quarter increments over a period of one year, subject to the condition of continuous service, and the recipients will receive shares of the Company's common stock. If, for any reason whatsoever, the recipient ceases to be a director, executive officer, corporate auditor, or employee of the Company or any of its affiliates, the RSUs shall not be vested after such point in time.

(f) Grounds for forfeiture of RSU rights

All or part of the unvested units shall be forfeited and the shares pertaining to such units may not be delivered in the event that (i) the rights holder is sentenced to imprisonment or more, (ii) the rights holder violates the employment regulations or other internal rules, or commits a breach of trust or a violation of public order and morals, and thus the rights holder is dismissed for disciplinary reasons, resigns or resigns due to such violation, or (iii) the rights holder is deemed to be a director or executive officer of the Company or its affiliated companies, or in the event that the RSUs cause or threaten to cause damage to the Company, or in the event that the Board of Directors of the Company otherwise deems it inappropriate to allow the delivery of shares in

light of the purpose for which the RSUs were granted.

(g) Treatment at the time of reorganization

If, prior to the delivery of the Company's common stock, a merger agreement under which the Company will be dissolved, a share exchange agreement under which the Company will become a wholly owned subsidiary, a share transfer plan, or any other proposal for organizational restructuring, etc. is approved at a general meeting of shareholders of the Company (however, if approval by a general meeting of shareholders is not required for such organizational restructuring, etc., the Board of Directors of the Company may approve such proposal), under such circumstances, the number of shares of common stock of the Company to be delivered and the timing thereof may be adjusted in accordance with a resolution of the Board of Directors of the Company.

3. Basis of Calculation and Specific Details of the Amount to be Paid

The amount of monetary compensation rights to be paid to each eligible person shall be calculated by multiplying the number of shares to be delivered pursuant to the RSUs by the closing price of the Company's common stock on the Tokyo Stock Exchange as of the business day preceding the date of resolution of the Company's Board of Directors regarding the issuance or closing price of the Company's common stock (April 13, 2022). Such price is the market price immediately prior to the date of the Board of Directors' resolution and is considered to be reasonable and not particularly favorable to the Company.

4. Matters Concerning Procedures under the Code of Business Conduct

Since (i) the dilution ratio is less than 25% and (ii) the issuance of our common stock under this RSU Plan does not involve a change in controlling shareholder, we are not required to obtain an opinion from an independent third party or to confirm the intent of shareholders as stipulated in Rule 432 of the Listing Regulations by the Tokyo Stock Exchange.

II. Registration of the Issuance of New Shares

1. Purpose of issuance registration

Since this RSU Plan envisages the issuance of shares four times a year and the last payment date is scheduled for one year from now, it is the intention of the Company to avoid the operation

of submitting an amendment statement each time, including those based on the submission of reference documents, during that period, in order to ensure simplicity and stability.

2. Type of securities to be offered

Common stock (refers to shares with full voting rights, which are the standard shares of the Company with no restrictions on their rights. The number of shares constituting one unit is 100.)

3. Scheduled period of issuance

Until the day on which two years have elapsed from the scheduled effective date of the Issuance Registration Statement.
(April 22, 2022 - April 21, 2024)

4. Estimated amount to be issued
Up to 275 million yen.

5. Use of Proceeds

Under this RSU Plan, after the vesting period has elapsed, the Company will allocate a number of the Company's common shares according to the number of units specified in advance for each eligible person. By granting monetary compensation rights to the eligible persons and having the Company invest the rights in kind at the time of issuance of the new stock, so the Company will not raise funds by issuing shares based on this RSU Plan.

III. Issuance of Stock Acquisition Rights as Stock Option

1. Reason for issuing stock acquisition rights (28th series of stock acquisition rights of Uzabase, Inc.) as stock options

(a) Purpose of issuing stock acquisition rights as stock options

In conjunction with the aforementioned RSU Plan, we aim to expand our business performance, globalization, and corporate value over the medium to long term, we aim to increase the number of executives and employees with an entrepreneurial, management, and shareholder perspective, and to secure talented personnel by designing a system and compensation level that is applicable both domestically and internationally. In addition, by replacing some of the compensation previously paid in cash with equity compensation, the program has the added

benefit of supporting the company's financial health as well.

The reason for issuing stock options in conjunction with this RSU Plan is to design a system based on the philosophy of designing one's own commitment and work style, and to make the system in line with our values that our creativity can only perform at its best in a free environment. The Company sets the ratio of non-monetary compensation, etc. (RSUs and stock acquisition rights as stock options or either of them) to total compensation, etc. and the ratio of the calculated amount of RSUs and the calculated amount of stock acquisition rights as stock options to non-monetary compensation, etc., within the predetermined range according to job classification, at the discretion of each eligible person.

(b) Basis for determining that the issuance of stock acquisition rights as stock options is reasonable in light of the reason and purpose of the issuance

The total number of the Company's shares that may be delivered to the eligible persons upon the vesting of the RSUs and the total number of the Company's shares that may be delivered to the eligible persons upon exercise of the stock acquisition rights as stock options as described below will be known on the allotment date, and the dilution of shares as a result is expected to be is within a reasonable scope. In addition, the Company believes that the terms and conditions, etc. of the Stock Option Plan are reasonable because they are necessary and reasonable to grant individual compensation, etc., to the eligible persons in light of the responsibilities of his or her position. The reason why the total number of the number of the Company's shares that can be issued to the eligible persons is found on the allotment date is determined only after the fair value of the allotment date is determined based on the exercise conditions described in (g) (1) below are.

2. Outline of issuance of stock acquisition rights

(a) Persons to whom stock acquisition rights are to be allotted, the number of such persons, and the number of stock acquisition rights to be allotted

Directors of the Company	7 persons	232,240units
Employees of the Company	20persons	194,141units
Directors of the Company's subsidiaries	3persons	81,179units
Employees of the Company's subsidiaries	9persons	58,730units

Note: Stock acquisition rights as stock options can be exercised within the amount of partial remunerations requested to be paid in stock acquisition rights as stock options by the grantee.

The number of units that are outside the range of the calculated amount will not be exercised on the allotment date. The number that can be exercised that is recognized as within the range of the calculated amount is determined by calculating the fair value of the stock acquisition rights calculated by the Black Scholes Model, etc. on the allotment date.

In the midst of difficulties in predicting stock prices on the allotment date, we have decided to issue a sufficient number of stock acquisition rights so that the calculation amount of stock acquisition rights for each grantee can be satisfied even if stock prices fluctuate significantly. If the closing price of the Company's common stock on the Tokyo Stock Exchange on the previous business day of the date of the resolution of the Board of Directors of the Company (April 13, 2022) is used for fair value calculation of the stock option, considerable number of stock options may not be exercised due to failure of satisfying exercise conditions.

(b) Class and number of shares to be issued upon exercise of stock acquisition rights

The type of shares to be issued upon exercise of stock acquisition rights shall be common stock of the Company, and the number of shares to be issued upon exercise of each unit of stock acquisition right shall be one share.

However, if, after the allotment date of stock acquisition rights, the Company splits its common stock into shares (including gratis allotment of shares of common stock of the Company. The same shall apply hereinafter with respect to stock splits), or in the event of a reverse stock split, the number of shares to be issued shall be adjusted in accordance with the following formula, and any fraction of less than one share resulting from the adjustment shall be rounded down to the nearest one share.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of stock split or reverse stock split

In addition to the above, if it becomes necessary to adjust the number of shares granted after the allotment date of stock acquisition rights, the Company may appropriately adjust the number of shares granted to a reasonable extent.

(c) Total number of stock acquisition rights

566,290 units

(d) Amount to be paid for stock acquisition rights or its calculation method

No cash payment is required for the stock acquisition rights, and the fact that no payment is

required does not constitute a favorable issuance.

(e) Amount of assets to be contributed upon exercise of stock acquisition rights and the amount per share (exercise price)

The value of assets to be contributed upon exercise of stock acquisition rights shall be the amount to be paid per share (hereinafter referred to as the "Exercise Price").

The amount to be paid upon exercise of the stock acquisition rights shall be the average closing price of the Company's common stock on the Tokyo Stock Exchange on each day of the month preceding the month (March, 2022) in which the allotment date (April 30, 2022) falls (excluding days on which no trading takes place) multiplied by 1.05 or the closing price of the Company's common stock on the Tokyo Stock Exchange on the allotment date (April 30, 2022) (or the closing price of the immediately preceding trading day if no closing price is available on that day), whichever is higher.

After the allotment date of stock acquisition rights, the Company may adjust the exercise price to a reasonable extent in cases where adjustment of the exercise price is necessary, such as when the Company conducts a stock split or reverse stock split of its common stock, issues new shares or disposes of treasury stock at a price below the market price (excluding (a) sale of treasury stock pursuant to the provisions of Article 194 of the Companies Act (request for sale of shares constituting less than one unit by shareholders holding shares constituting less than one unit) and (b) conversion of securities convertible into shares of common stock of the Company or stock acquisition rights (including those attached to bonds with stock acquisition rights) which that can be converted to shares of common stock of the Company), or makes a gratis allotment of other class shares to common shareholders or distributes shares of other companies to common shareholders.

(f) Exercise period of stock acquisition rights

The period during which stock acquisition rights may be exercised shall be from April 30, 2022 to April 29, 2027.

(g) Conditions for exercise of stock acquisition rights

① The holder of the stock acquisition rights may not exercise the stock acquisition rights beyond the number calculated by the following formula.

(i) The amount specified by the Company as remuneration, etc. for stock options to the stock

acquisition right holder divided by (ii) the fair value of the stock acquisition rights calculated by the Black Shoals model, etc. on the allotment date of the stock acquisition rights.

② Stock acquisition rights are subject to the recipient being engaged as a director, executive officer, audit & supervisory board member or employee of the Company or its affiliated companies from the allotment date, stock acquisition rights shall vest each time when a period of three months has elapsed from the date of allotment, with respect to the number of stock acquisition rights corresponding to one-fourth of the total number of stock acquisition rights allotted to the recipient (hereinafter, the vesting of rights in accordance with ② is referred to as "vesting.") The holders of stock acquisition rights may exercise only those stock acquisition rights that have been the subject to such "vesting." However, if a stock acquisition rights holder loses his or her position as a director, executive officer, corporate auditor or employee of the Company or its affiliates, and therefore no longer has such rights, the vesting after such point in time shall be suspended.

③ If the exercise of the stock acquisition rights would cause the total number of outstanding shares of the Company to exceed the total number of outstanding shares of the Company at the relevant time, such stock acquisition rights may not be exercised.

④ No less than one unit of each stock acquisition right may be exercised.

⑤ If a stock acquisition rights holder falls under any of the following items and the Board of Directors of the Company deems it inappropriate to allow him or her to exercise his or her rights in light of the purpose for which the stock acquisition rights were granted, the stock acquisition rights holder and his or her successor in title shall immediately lose his or her right to exercise the stock acquisition rights (including those vested).

a. If the holder of stock acquisition rights receives a petition for seizure, provisional seizure, provisional disposition, auction, commencement of bankruptcy proceedings, or commencement of civil rehabilitation proceedings from a third party.

b. If the holder of stock acquisition rights files a petition for commencement of bankruptcy proceedings or civil rehabilitation proceedings on his or her own.

c. If the holder of stock acquisition rights is sentenced to imprisonment or greater punishment.

d. If the stock acquisition right holder violates the employment regulations or other internal rules, etc. of the Company or its subsidiaries or affiliates, or commits a breach of trust or violates public order and morals against the Company or its subsidiaries or affiliates, while he or she is a director, executive officer, corporate auditor, or employee of the Company or its subsidiaries or affiliates, and the Company or its subsidiaries or affiliates are notified of such violation. If the stock

acquisition rights holder is subject to disciplinary dismissal, resigns or is dismissed with an order of warning, or resigns due to these reasons.
e. If the stock acquisition right holder causes or threatens to cause damage to the Company or any of its subsidiaries or affiliates.
f. Other cases similar to each of the preceding items.

(h) Amount of capital and capital reserve to be increased when shares are issued upon exercise of stock acquisition rights
① The amount of capital to be increased in the event of the issuance of shares upon the exercise of stock acquisition rights shall be one half of the maximum amount of increase in capital, etc., as calculated in accordance with Article 17, Paragraph 1 of the Corporate Accounting Rules. Any fraction of less than one yen resulting from the calculation shall be rounded up to the nearest one yen.
② The amount of capital reserve to be increased in the event of the issuance of shares upon the exercise of stock acquisition rights shall be the amount obtained by subtracting the amount of capital to be increased as set forth in ① above from the maximum amount of increase in capital, etc. as set forth in ① above.

(i) Matters concerning acquisition of stock acquisition rights
① In the event that a general meeting of shareholders approves (or, if approval by a general meeting of shareholders is not required, the Board of Directors resolves) a merger agreement under which the Company is dissolved, a company split agreement or plan under which the Company is split, or a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, the Company's Board of Directors may, at its own discretion, approve such merger agreement or plan. The Company may acquire all of the stock acquisition rights without compensation on a date separately determined by the Board of Directors.
② If a stock acquisition rights holder becomes unable to exercise his or her stock acquisition rights in accordance with the provisions set forth in (g) above before exercising his or her rights, the Company may acquire the stock acquisition rights held by such stock acquisition right holder without compensation on a date separately determined by the Board of Directors of the Company.
③ If a stock acquisition rights holder ceases to be a director or an employee of the Company or its affiliates, the Company may acquire the unvested stock acquisition rights held by such stock acquisition right holder without compensation on a date separately determined by the Board of

Directors of the Company.

(j) Restrictions on transfer of stock acquisition rights

Acquisition of stock acquisition rights by transfer shall require approval by a resolution of the Board of Directors of the Company.

(k) Handling of stock acquisition rights at the time of reorganization

In the case the Company is merged (limited to cases where the Company is extinguished due to the merger), conducts an absorption-type split or new establishment split (limited to cases where the Company becomes a splitting company), or share exchange or share transfer (limited to cases where the Company becomes a wholly owned subsidiary) (The above are hereinafter collectively referred to as "reorganization"), the Company shall deliver stock acquisition rights (hereinafter referred to as "succeeded stock acquisition rights") of the reorganized company as stipulated in Article 236, Paragraph 1, Item 8 (a) to (e) of the Companies Act to the Qualified Persons of the remaining Stock Acquisition Rights immediately before such reorganization takes effect. However, this is limited to cases where it is stipulated in the absorption-type merger agreement, new merger agreement, absorption-type split agreement, new establishment split plan, share exchange agreement or share transfer plan that the stock acquisition rights of the company subject to reorganization that meet the following conditions will be delivered.

① Number of Succeeded Stock Acquisition Rights

One succeeded stock acquisition right is to be delivered in place of one original stock acquisition right.

② Class and Number of Shares as the Object of Succeeded Stock Acquisition Rights

The class of shares to be acquired by the succeeded stock acquisition rights shall be common stock of the reorganized company.

The number of shares for the succeeded stock acquisition rights shall be determined by taking into consideration the condition of the reorganization and making an appropriate adjustment to the number of shares (adjusted number of shares if such adjustment had taken place) obtained in (b) above. Fractions of less than one arising from the adjustment shall be rounded down.

③ Amount of Assets to be Contributed when Exercising Succeeded Stock Acquisition Rights

The amount of assets to be contributed to exercise the succeeded stock acquisition rights shall be the amount obtained by multiplying the post-reorganization exercise price obtained by adjusting the exercise price in (e) in consideration of the conditions of the reorganization by the number of

granted shares of the reorganized company determined by ② above.

④ Exercisable Period of the Succeeded Stock Acquisition Rights

The Succeeded Stock Acquisition Rights can be exercised from the starting date specified in (f) above or the effective date of the reorganization, whichever comes later, until the expiration date of the period stipulated in (f) above.

⑤ Matters concerning the Increase of Capital and Additional Paid-in Capital by the Issuance of Shares upon Exercise of the Succeeded Stock Acquisition Rights

To be determined in accordance with (h) above.

⑥ Limitation on Acquisition of the Succeeded Stock Acquisition Rights by Transfer

Acquisition of the succeeded stock acquisition rights by transfer shall require the approval by resolution of the Board of Directors of the reorganized company.

⑦ Conditions and Reasons for Acquisitions of Succeeded Stock Acquisition Rights

Conditions and reasons for acquisitions of succeeded stock acquisition rights shall be determined in accordance with clauses (g) and (i) above.

(l) Allotment date of stock acquisition rights

April 30, 2022

(m) Treatment of stock acquisition right certificates when issued

The Company does not plan to issue stock acquisition right certificates.

End of notice