FOR IMMEDIATE RELEASE: 2025/3/28

Listed Name: M3, Inc.
(TSE Prime Market, Ticker Code: 2413)
(https://corporate.m3.com/en)
Headquarters: 1-11-44 Akasaka, Minato-ku, Tokyo
Representative: Itaru Tanimura, Representative Director
Contact: Hirofumi Oba, Corporate Officer

Notice Concerning Grant of Stock Options (Share Acquisition Rights)

M3, Inc. (“Company”) hereby announces that it has resolved, at a meeting of its Board of Directors held today, to issue share acquisition rights for the purpose of further enhancing motivation and morale to contribute to improving the Company’s medium- to long-term performance as well as to further promote shareholder-oriented management, in accordance with Article 238, Paragraphs (1) and (2), and Article 240, Paragraph (1), of the Companies Act. Details are as follows.

Market value stock options

(1)	Recipients of allotment of share acquisition rights and the number of recipients	Employees of subsidiaries of the Company: 4 in total



(2)	Class and number of shares underlying the share acquisition rights	(I) The class of shares underlying the share acquisition rights shall be common shares of the Company and the number of shares underlying each share acquisition right (“Number of Granted Shares”) shall be 100. However, when the Company conducts a share split (including allotment of common shares of the Company without contribution, and hereinafter the same applies to the share split) or a share consolidation for its common shares after the date of allotment of share acquisition rights (“Date of Allotment”), the Number of Granted Shares shall be adjusted according to the formula set forth below. Such adjustment shall be made to the Number of Granted Shares for each share acquisition right that has not been exercised as of the relevant time, and any fraction of less than one share resulting from the adjustment shall be rounded down. Number of Granted Shares after adjustment = Number of Granted Shares before adjustment x Ratio of share split or share consolidation (II) The date of application of the Number of Granted Shares after adjustment shall be as set forth below for each share split or share consolidation. (a) Share split On or after the day following the record date for the share split. (b) Share consolidation On or after the date on which the share consolidation takes effect. (III) In addition to the above, the Number of Granted Shares shall be adjusted to a reasonable extent if unavoidable circumstances necessitating the adjustment of the Number of Granted Shares arise after the Date of Allotment. When adjusting the Number of Granted Shares, the Company shall give public notice or notify the share acquisition right holders of necessary matters by the day before the date of application of the Number of Granted Shares after adjustment. However, if public notice or notification cannot be given by the day before the date of application of the Number of Granted Shares after the adjustment, public notice or notification shall be given promptly on or after the date of application of the Number of Granted Shares after the adjustment.
(3)	Total number of share acquisition rights	1,169 units (The number of shares underlying each share acquisition right is 100 of the common shares of the Company) If the total number of applications for subscriptions to share acquisition rights does not reach the above number of share acquisition rights, the total number of applications shall be the number of share acquisition rights.
(4)	Requirement of cash payment for share acquisition rights	No cash payment is required for share acquisition rights. The share acquisition rights are granted as incentive compensation, and the fact that no cash payment is required does not constitute a favorable issuance.

(5)	Value of assets to be contributed upon the exercise of share acquisition rights	The value of assets to be contributed when exercising each share acquisition right is the amount obtained by multiplying the pay-in amount (“Exercise Price”) per share that may be received by exercising the share acquisition right by the Number of Granted Shares. The Exercise Price shall be the average of the closing price of common shares of the Company during regular trading on the Tokyo Stock Exchange (“Closing Price”) on each day (excluding days when no transactions are concluded) of the month preceding the month in which the Date of Allotment falls, and any fractions less than one yen shall be rounded up to the nearest whole yen. However, if such amount is less than the Closing Price (if there is no Closing Price on that day, the Closing Price of the most recent trading day preceding that day) on the Date of Allotment, such Closing Price shall be the Exercise Price. The Exercise Price shall be adjusted as follows. (I) If the Company conducts a share split or share consolidation of common shares of the Company after the Date of Allotment, the Exercise Price shall be adjusted using the following formula, and any fraction less than one yen resulting from the adjustment shall be rounded up to the nearest whole yen. $\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Ratio of share split or share consolidation}}$ (II) The date of application of the Exercise Price after adjustment shall be as set forth below. (a) Share split On or after the day following the record date for the share split. However, if the share split is conducted on condition that a resolution of a General Meeting of Shareholders of the Company to reduce the amount of surplus and increase share capital or reserves has been approved and the record date of such share split is set to the date that is or precedes the date of conclusion of relevant General Meeting of Shareholders, the Exercise Price after adjustment shall apply after the day immediately following the date of conclusion of relevant General Meeting of Shareholders. In this case, the Company shall make adjustments, using the following formula, to the number of common shares of the Company delivered to share acquisition right holders who have exercised share acquisition rights from the day immediately following the record date for the share split until the date of conclusion of the relevant General Meeting of Shareholders (the number of shares that may be delivered by exercising such share acquisition rights shall be referred to as the “Number of Shares Exercised Before the Split”), and fractions of less than one share arising from such adjustment shall be rounded down to the nearest one whole share. $\text{Number of shares delivered} = \frac{(\text{Exercise Price before adjustment} - \text{Exercise Price after adjustment}) \times \text{Number of Shares Exercised Before the Split}}{\text{Exercise Price after adjustment}}$ (b) Share consolidation On or after the date on which the share consolidation takes effect.



		(III) In addition to the above, if unavoidable circumstances which necessitate an adjustment to the Exercise Price arise after the Date of Allotment, such as allotment without contribution of other class shares to common shareholders or the payment of dividends to common shareholders of other companies, the Exercise Price shall be adjusted to a reasonable extent, taking into consideration the conditions of such allotment or dividends, etc. (IV) When adjusting the Exercise Price, the Company shall give public notice or notify the share acquisition right holders of necessary matters by the day before the date of application of the Exercise Price after adjustment. However, if public notice or notification cannot be given by the day before the date of application of the Exercise Price after the adjustment, public notice or notification shall be given promptly on or after the date of application of the Exercise Price after the adjustment.
(6)	Period during which share acquisition rights may be exercised	From January 1, 2026 to December 31, 2054
(7)	Conditions for exercise of share acquisition rights	Each share acquisition right may not be exercised in part. Other conditions for exercise shall be as set forth in the Share Acquisition Rights Allotment Agreement to be executed between the Company and share acquisition right holders in accordance with a resolution of the Board of Directors.
(8)	Matters concerning increase in share capital and legal capital surplus by issuing of shares upon the exercise of share acquisition rights	(a) The amount of share capital to be increased when shares are issued upon the exercise of the share acquisition rights shall be half the upper limit amount of increase in share capital, etc. calculated in accordance with Article 17, Paragraph (1) of the Regulation on Corporate Accounting, and any fractions less than one yen resulting from such calculation shall be rounded up to the nearest whole yen. (b) The amount of legal capital surplus to be increased when shares are issued upon the exercise of share acquisition rights shall be the upper limit amount of increase in share capital described in (a) above minus the amount of increase in share capital set forth in (a) above.



(9)	Acquisition provisions for share acquisition rights	(a) If a General Meeting of Shareholders of the Company has approved (i) a proposal to approve an amendment to the Articles of Incorporation to establish a provision requiring the Company's approval for the acquisition of all shares issued by the Company by means of transfer; (ii) a proposal to approve an amendment to the Articles of Incorporation to establish that the acquisition of such shares by transfer shall require the approval of the Company or that the Company shall acquire all of such class of shares by a resolution of a General Meeting of Shareholders, as the details for shares to be issued upon the exercise of share acquisition rights; (iii) a proposal to approve a merger agreement under which the Company shall be a disappearing company; (iv) a proposal to approve a company split agreement or a company split plan under which the Company shall be the splitting company; or (v) a proposal to approve a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, (or if a resolution of the Company's Board of Directors has been made or a decision by the Representative Director has been made if a resolution of a General Meeting of Shareholders of the Company is not required), the Company may acquire share acquisition rights without consideration on a date separately determined by the Board of Directors. (b) If before exercising his or her rights, a share acquisition right holder is unable to exercise his or her share acquisition rights pursuant to the provisions of (7) above or is unable to exercise rights for any other reason whatsoever, the Company may acquire such share acquisition rights without consideration on a date separately determined by the Board of Directors.
(10)	Restrictions on acquisition of share acquisition rights by transfer	The acquisition of share acquisition rights by transfer shall require approval by a resolution of the Board of Directors of the Company.



(11)	Handling of share acquisition rights when organizational restructuring	If the Company merges (limited to cases where the Company becomes a disappearing company), conducts an absorption-type company split or an incorporation-type company split, or a share exchange or a share transfer (collectively "Organizational Restructuring"), share acquisition rights of a corporation described in Article 236, Paragraph (1), items (viii) (a) through (e) of the Companies Act ("Restructured Company") will be delivered under the following conditions to share acquisition right holders of share acquisition rights remaining ("Remaining Share Acquisition Rights") at the time when Organizational Restructuring takes effect. In this case, the Remaining Share Acquisition Rights shall lapse and the Restructured Company shall issue new share acquisition rights. However, this shall apply only when the delivery of share acquisition rights of the Restructured Company according to the following conditions is stipulated in the absorption-type merger agreement, the incorporation-type merger agreement, the absorption-type company split agreement, the incorporation-type company split plan, the share exchange agreement, or the share transfer plan. (a) Share acquisition rights of the Restructured Company to be delivered The Restructured Company shall deliver the number of share acquisition rights equal to the number held by the share acquisition right holder of Remaining Share Acquisition Rights. (b) Class of shares of the Restructured Company underlying the share acquisition rights Common shares of the Restructured Company (c) Number of the shares of the Restructured Company underlying the share acquisition rights To be determined in accordance with (2) above, after taking into consideration the terms and conditions of the Organizational Restructuring. (d) Value of assets to be contributed upon the exercise of share acquisition rights The value of assets to be contributed when exercising each share acquisition right to be delivered is the amount obtained by multiplying the pay-in amount after the restructuring, which is calculated by adjusting the Exercise Price set forth in (5) above in consideration of the terms and conditions of the Organizational Restructuring, by the number of shares of the Restructured Company underlying the share acquisition rights determined in accordance with (c) above. (e) Period during which share acquisition rights may be exercised The period commencing on the later of either the start date of the period during which the share acquisition rights may be exercised as set forth in (6) above or the date on which the Organizational Restructuring becomes effective, and ending on the expiration date of the period during which share acquisition rights may be exercised as set forth in (6) above. (f) Matters concerning increase in share capital and legal capital surplus by issuing of shares upon the exercise of share acquisition rights To be determined in accordance with (8) above. (g) Restrictions on acquisition of share acquisition rights by transfer The acquisition of share acquisition rights by transfer shall require approval by a resolution of the Board of Directors of the Restructured Company. (h) Acquisition provisions for share acquisition rights To be determined in accordance with (9) above.

(12)	Date of Allotment of share acquisition rights	April 14, 2025

Disclaimer: This document is a translation of the original Japanese version. The original Japanese version was prepared and disclosed by M3 in accordance with Japanese disclosure format. This document does not contain or constitute any guarantee and M3 will not compensate for any losses or damages arising from interpretations or actions taken based on this document. In the case of any discrepancies between the Japanese original and this document, the Japanese original is assumed to be correct.