March 27, 2025

To All

Company Name Frontier Management Inc.
Representative Akinori Nishida, Representative Director, President & Executive Officer (COO)
(Stock code: 7038 The Prime Market of the Tokyo Stock Exchange)
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Notice of Issuance of New Shares as Restricted Stock Awards

We are pleased to announce that the Board of Directors today has resolved to issue new shares as restricted stock awards (the "New Stock Issuance") as follows:

1.Outline of the issue

(1)	Allotment date of shares for subscription	April 18, 2025
(2)	Type and number of shares to be issued	Our common stock 44,998 shares
(3)	Issue price	713 yen per share
(4)	Total issuance	32,083,574 Yen
(5)	Persons to whom shares will be allotted and the number of such persons and shares to be allotted	3 of our directors (excluding directors who are Audit & Supervisory Committee Members and outside directors) 44,998 shares

2.Purpose and reason of issuance

As mentioned in the February 14, 2024 "Notice Concerning the Revision of the Director Compensation System in Accordance with the Transition to a Company with an Audit and Supervisory Committee," in order to increase the linkage between the remuneration of directors who are members of the Audit and Supervisory Committee and directors (hereinafter referred to as "eligible directors") and business performance, and to make the remuneration system more conducive to the achievement of short-term performance targets and the achievement of sustainable corporate value, the single-year performance-linked remuneration (cash bonuses and stock remuneration A) linked to the achievement of single-year performance targets, and the medium-to long-term performance-linked remuneration (stock remuneration B) linked to the achievement of company targets and the degree to which corporate value is enhanced, etc.The Company decided to pay stock-based compensation A and stock-based compensation B in the form of restricted stock with the aim of further promoting the sharing of value with shareholders and strengthening incentives for achieving the management goals of the medium-term management plan and increasing corporate value (hereinafter referred to as the "Plan").

In addition, at the 17th Ordinary General Meeting of Shareholders held on March 27, 2024, we have approved that the total amount of our common stock issued or disposed of under this system for the applicable directors under this system shall be 130 million yen per year, the total amount shall be 90,000 stocks per year, the total amount shall be 65 million yen per year, and the total amount shall be 45,000 stocks per year, and that we shall issue or dispose of our common stocks without payments for money or the benefit of the Investment Property.

This time, based on the deliberations and reports of the Voluntary Nomination and Compensation Advisory Committee, at the Board of Directors meeting held today, the Board of Directors resolved to grant 44,998 shares of common stock in the

aggregate amount of 32,083,574 yen to the 3 eligible directors as stock-based compensation B (linked to the performance of the Medium-Term Management Plan) based on the compensation base amount according to their position, based on this plan.

In addition, in issuing shares of our common stock under the Plan, we will enter into a restricted stock allocation agreement between us and the target director. The main points of the policy are as follows.

<Overview of Allocation Contracts>

(1) Restriction Period on Transfer

From April 18, 2025 (payment date) to April 17, 2028, the Directors shall not transfer, mortgage, or otherwise dispose of the Allotted Shares during the transfer restriction period (hereinafter referred to as the "Transfer restriction period") set forth above.

(2) Termination Conditions of Restriction on Transfer

In principle, after the end of the period covered by the Medium-Term Management Plan, the Company will determine the number of shares for which the transfer restrictions will be lifted, depending on the degree of achievement of the management targets and the degree of improvement in corporate value in the Medium-Term Management Plan, with respect to the shares granted during the applicable period. The transfer restrictions will be lifted upon the expiration of the transfer restrictions.

Provided, however, that in the event the applicable director resigns prior to the expiration of the transfer restriction period due to expiration of the term of office, death, or any other justifiable reason, (i) in the event such resignation occurs during the period from the time when such shares are granted to the time when the number of shares for which transfer restriction is cancelled is determined, the number of shares for which transfer restriction is cancelled in accordance with the achievement level of the management goals of the medium-term management plan and the degree of improvement in corporate value at that time, and (ii) in the event such resignation occurs during the period from the time when the number of shares for which transfer restriction is cancelled to the time when the transfer restriction expires, the time when the transfer restriction is cancelled shall be reasonably adjusted as required by a resolution of the Board of Directors based on the deliberations and reports of the Voluntary Nomination and Compensation Advisory Committee.

(3) Treatment in organizational restructuring, etc.

Notwithstanding the provisions of (1) above, in the case where the Reorganization Agreement, etc. is approved at our General Meeting of Shareholders (or our Board of Directors in the case where such Reorganization Agreement, etc. does not require approval by our General Meeting of Shareholders) during the period of the Restriction on Transfer, (i) where such approval is made during the period from the time when the shares are granted until the time when the number of shares subject to rescission of the Restriction on Transfer is decided, the degree of achievement of the management goals of the Medium-Term Management Plan at that time and the degree of improvement in corporate value, etc.If the number of shares subject to rescission of the restriction on transfer and the time of rescission of the restriction on transfer are granted (ii) during the period from the time when the number of shares subject to rescission of the restriction on transfer is decided to the time when the restriction on transfer expires, the time of rescission of the restriction on transfer shall be reasonably adjusted by resolution of the Board of Directors based on the deliberations and reports of the voluntary Nomination and Remuneration Advisory Committee.

(4) Gratuitous Acquisition Reason

We will naturally acquire, without charge, the shares for which the restriction on transfer has not been terminated at the time when the number of shares for which the restriction on transfer is cancelled as set forth in (2) above is determined.

(5) Free return of shares

In the event of serious fiscal improprieties or large losses, the Company will establish a clarity-back clause to the effect that all or part of the paid share compensation will be reimbursed free of charge according to the responsibilities of each director.

(6) Management of shares

The Subject Directors shall open a dedicated account with Mizuho Securities Co., Ltd. to state or record the Allotment Shares in a manner designated by us, and shall keep and maintain all the Allotment Shares in such a dedicated account until the transfer restrictions are lifted.

3.Basis for calculating the amount to be paid and the specific contents thereof

The Issue of New Shares shall issue shares relating to such offering as remuneration, etc. for Directors pursuant to the Plan, and no payment of money or delivery of the Properties Contributed in Kind shall be required in exchange for the Shares for Subscription. The issue price of the new shares is set at 713 yen, the closing price of our common stock on the Tokyo Stock Exchange on the business day immediately prior to the Board of Directors meeting (March 26, 2025), in order to eliminate arbitrary considerations.