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February 17, 2025

Company name: Nareru Group Inc.
Name of Representative: Ryo Kobayashi, Representative Director
(Securities Code: 9163; Tokyo Stock Exchange)
Inquiries: Yohei Goto, Director
(Telephone: +81-3-6268-9036)

Notice Regarding Issuance of New Shares as Restricted Stock Remuneration

Nareru Group Inc. (the "Company") hereby announces that it resolved in the meeting of the Board of Directors held today to issue new shares (hereinafter referred to as "Issuance of New Shares") as restricted stock remuneration.

1. Overview of Issuance

(1) Payment date	March 17, 2025
(2) Class and number of shares issued	4,184 shares of common stock
(3) Issuance price	2,389 yen per share
(4) Total issuance amount	9,995,576 yen
(5) Eligible persons allotted shares, the number of said persons, and the number of shares to be allotted	Directors of the Company* 2 (4,184 shares) *Excludes outside directors and directors who are audit and supervisory committee members

2. Purpose and Reasons for Issuance

In the meeting of the Board of Directors held on December 27, 2023, the Company resolved to introduce a restricted stock remuneration plan (hereinafter referred to as the "Plan") for the Company's directors (excluding outside directors and directors who are audit and supervisory committee members; hereinafter referred to as the "Eligible Directors") as a new remuneration plan aimed at providing incentives for the sustainable improvement of the Company's corporate value and further promoting value sharing with shareholders.

In addition, at the 5th Ordinary General Meeting of Shareholders held on January 30, 2024, approval was obtained to the effect that, under the Plan, monetary remuneration claims of up to 10 million yen per year will be paid to the Eligible Directors as in-kind contributions for the granting of restricted stock, separate from the existing monetary remuneration framework; that the total number of the Company's common stocks to be issued or disposed of under the Plan will be up to 5,000 shares per year; and that the transfer restriction period for the restricted stock will be from the date of issuance of the restricted stock to the date on which the Eligible Director loses his/her position as director of the Company or other position as determined by the Board of Directors of the Company.

The outline of this system is as follows:

<Overview of this system>

Eligible Directors will pay all of the monetary remuneration claims provided by the Company under the Plan as in-kind contributions and will be issued or disposed of common shares of the Company.

In addition, the payment amount per share of the Company's common stock to be issued or disposed of under the Plan was determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors' resolution (if no transaction was made on that day, the closing price on the most recent trading day preceding that date), within a range that is not particularly advantageous to the Eligible Directors.

In addition, when issuing or disposing of the Company's common stock under the System, a restricted stock allocation agreement (hereinafter referred to as the "Allocation Agreement") will be concluded between the Company and the Eligible Directors, and the contents of the Agreement will include the following items:

1. The Eligible Directors are prohibited from transferring, pledged or otherwise disposing of the Company's common shares allocated to them under the Allocation Agreement for a predetermined period.
2. If certain events occur, the Company will acquire the common shares free of charge.

Taking into consideration the purpose of the Scheme, the Company's performance, the scope of responsibilities of each Eligible Director, and other circumstances, the Company has resolved at the Board of Directors meeting held today to grant two Directors a total of 9,995,576 yen in monetary remuneration claims to the Company as a contribution in kind (the amount of monetary remuneration claims to be contributed per offered share is 2,389 yen), in total 4,184 shares of the Company's common stock (hereinafter referred to as the "Allocated Shares").

<Outline of the restricted stock allocation agreement>

The Company and the Eligible Directors will enter into individual Allocation Agreements, the outline of which is as follows:

(1) Transfer restriction period

The Eligible Directors may not transfer, create security interests in, or otherwise dispose of the Allocated Shares during the period from March 17, 2025 (the payment due date) until the date on which they cease to be directors of the Company.

(2) Conditions for lifting transfer restrictions

Provided that the Eligible Directors continue to hold the position of director of the Company (hereinafter referred to as the "Position") from March 17, 2025 (payment due date) through the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending October 2025 (hereinafter referred to as the "Service Period"), the transfer restrictions will be lifted for all of the Allocated Shares at the expiration of the Transfer Restriction Period. However, if an Eligible Director loses his/her position during the Service Period due to death or any other reason that the Company's Board of Directors deems legitimate, at the expiration of the Transfer Restriction Period, the transfer restrictions will be lifted for the number of Allocated Shares calculated by dividing the number of months from March 2025 to the month including the date of such loss by 11 (if the number exceeds 1, it will be deemed to be 1) and multiplying that number by the number of Allocated Shares (if the calculation results in a fraction less than 1 share, such fraction will be rounded down).

(3) Acquisition by the Company without Charge

Upon expiration of the transfer restriction period or at any other specified time specified in the agreement, the Company will automatically acquire free of charge any Allocated Shares for which the transfer restrictions have not been lifted.

(4) Management of shares

To prevent the Allotted Shares from being transferred, pledged as security interests, or otherwise disposed of during the transfer restriction period, the Allotted Shares will be managed in a dedicated account for restricted stock opened by the Eligible Directors at Daiwa Securities Co., Ltd.

(5) Treatment in the event of organizational restructuring, etc.

During the transfer restriction period, if a merger agreement in which the Company will be the disappearing company, a share exchange agreement or share transfer plan in which the Company will be a wholly owned subsidiary, or other matters related to organizational restructuring, etc. are approved at the Company's General Meeting of Shareholders (or, in cases where approval at the Company's General Meeting of Shareholders is not required for the organizational restructuring, etc., then a meeting of the Company's Board of Directors), the transfer restrictions will be lifted immediately before the business day preceding the effective date of the organizational restructuring, etc. for the number of Allocated Shares calculated by dividing the number of months from March 2025 to the month including the effective date of the organizational restructuring, etc. by 11 (however, if the number exceeds 1, it will be deemed to be 1) and multiplying it by the number of Allocated Shares (however, if the calculation results in a fraction less than 1 share, such fraction will be rounded down).

3. Basis for calculation of payment amount and its specific details

The issuance of new shares will be made using the monetary compensation claims paid to the intended allottee under the System as contribution assets, and the payment price will be set at 2,389 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on February 14, 2025 (the business day immediately preceding the date of the Board of Directors' resolution), in order to eliminate arbitrariness. This is the market price immediately prior to the date of the Board of Directors' resolution, and, in the absence of any special circumstances indicating that the most recent stock price cannot be relied upon, we believe that it is a reasonable price that appropriately reflects our corporate value and is not a price that is particularly favorable to the Target Directors.

The End