

February 10, 2022

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Securities code: 8889 (JASDAQ)  
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## Notice of Issuance of Share Acquisition Rights (Stock Options with Charge)

The Board of Directors of Apaman Co., Ltd. approved a resolution on February 10, 2022 to issue share acquisition rights to employees of Apaman, the directors and employees of its subsidiaries and external partner company (the “Share Acquisition Rights”) as described below pursuant to the provisions of Articles 236, 238 and 240 of the Companies Act. The Share Acquisition Rights will be issued without approval of a General Meeting of Shareholders because the share acquisition rights will be sold to the recipients at a price equivalent to fair value and not allocated at particularly favorable terms. In addition, the share acquisition rights will be purchased at the discretion of individuals eligible to receive them and are not distributed as remuneration for these individuals.

### I. Purpose and reason for offering the share acquisition rights

The Share Acquisition Rights are issued and sold to employees of Apaman, the directors and employees of its subsidiaries and external partner company for the purpose of increasing their motivation and morale and reinforcing Apaman’s solidarity with the goals of the medium to long-term growth of sales and earnings and growth of corporate value. The Share Acquisition Rights are subject to conditions that obligate Apaman to exercise the Share Acquisition Rights in the event that Apaman’s stock price falls below a certain level.

This will enable the persons to whom the Share Acquisition Rights are granted to share the risk of stock price fluctuations with existing shareholders, thereby curbing corporate activities that lead to a decline in the stock price and providing an incentive for the Apaman’s stock price to rise, which is the original effect of the share acquisition rights. The reason for setting the level for activating the stock price condition at 30% of the exercise price is that, in consideration of its past stock price trends, Apaman has determined that the appropriate level for achieving the expansion of its business and the increase in corporate value, while being conscious of the pressure on the stock price level, is approximately 30% of the current stock price.

If all of the Share Acquisition Rights are exercised, the total number of shares of common stock issued will be equal to 0.67% of all Apaman stock currently issued. As it is expected to produce benefits for current shareholders, Apaman believes that the impact of share dilution due to the issuance of the Share Acquisition Rights is reasonable.

### II. Terms and conditions for issuance of the share acquisition rights

#### Terms and conditions for issuance of the 7th share acquisition rights

#### 1. Number of share acquisition rights

1,215

#### 2. Payment for share acquisition rights

The issue price for one Share Acquisition Right is 100 yen. The issue price was determined by Plutus Consulting Co., Ltd., a third-party valuation firm, based on the results of a Monte Carlo simulation, which is a general model for calculating option prices, taking into account the Company’s stock price information and other factors.

### 3. Details of share acquisition rights

#### (1) Type and number of shares to be issued upon exercise of share acquisition rights

The total number of shares of Apaman common stock to be granted upon the exercise of the Share Acquisition Rights is 121,500. If the number of shares to be issued upon the exercise of one Share Acquisition Right (the “number of shares granted”) is adjusted, the total number of shares granted will instead be the adjusted number of shares to be granted multiplied by the number of the Share Acquisition Rights.

The number of shares granted is 100 shares of Apaman common stock.

If Apaman conducts a stock split (including the allotment of shares of Apaman common stock without charge; the same applies hereafter) or a consolidation of shares after the allotment date of the Share Acquisition Rights, the number of shares granted will be adjusted in accordance with the following formula. However, this adjustment will be performed only for shares to be issued upon exercise of Share Acquisition Rights that have not been exercised at the time of the stock split or consolidation of shares. Any fraction less than one share resulting from the adjustment is discarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of split (or consolidation)

In addition, after the allotment date of the Share Acquisition Rights, if there is a merger, company split or capital reduction involving Apaman or if there are any other similar events that require an adjustment of the number of shares granted, Apaman will perform this adjustment in an appropriate manner to a reasonable extent.

#### (2) Value of assets to be contributed upon exercise of share acquisition rights and calculation method

The value of assets to be contributed upon exercise of the Share Acquisition Rights is the amount calculated by multiplying the amount to be paid per share (the “exercise price”) by the number of shares granted.

The exercise price is 487 yen.

If Apaman conducts a stock split or a consolidation of shares after the allotment date of the Share Acquisition Rights, the exercise price will be adjusted in accordance with the following formula and any fraction less than one yen resulting from the adjustment will be rounded up.

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

If Apaman issues new shares of common stock or disposes of its treasury shares at a price below market value (excluding the cases of the issuance of new shares through the exercise of share acquisition rights, disposal of treasury shares, as well as the transfer of treasury shares through a share exchange) after the allotment date of the Share Acquisition Rights, the exercise price will be adjusted in accordance with the following formula and any fraction less than one yen resulting from the adjustment will be rounded up.

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

In the formula above, the “number of issued shares” denotes the total number of issued shares of Apaman common stock less the number of treasury shares. If Apaman disposes of its treasury shares, the “number of newly issued shares” will be replaced with the “number of treasury shares to be disposed of.”

In addition to the above, after the allotment date of the Share Acquisition Rights, if there is a merger with another company or company split or if there are any other similar events that require an adjustment of the exercise price, Apaman may appropriately adjust the exercise price to a reasonable extent.

(3) Period during which share acquisition rights may be exercised

The exercise period of the Share Acquisition Rights starts on March 18, 2022 and ends on March 17, 2032.

(4) Matters regarding the amount of capital and capital reserve to be increased

- 1) The amount of capital to be increased as a result of the issuance of shares upon the exercise of the Share Acquisition Rights is the maximum amount of increase in capital to be calculated in accordance with Article 17, Paragraph 1 of the Corporate Accounting Rules multiplied by 0.5. Any fraction less than one yen resulting from the calculation is rounded up.
- 2) The amount of capital reserve to be increased as a result of the issuance of shares upon the exercise of the Share Acquisition Rights is the maximum amount of increase in capital described in item 1) above minus the amount of capital increase described in item 1) above.

(5) Restrictions on the acquisition of share acquisition rights through transfer

The acquisition of the Share Acquisition Rights through transfer requires an approval by a resolution of the Board of Directors of Apaman.

(6) Conditions for exercising share acquisition rights

- 1) If the average closing price of the Apaman common stock in regular trading on the Tokyo Stock Exchange for a period of three months (63 trading days including this day) falls below the price obtained by multiplying the exercise price by 30% even once during the period from the allotment date of the Share Acquisition Rights to the last day of the exercise period, the rights holders shall exercise all remaining Share Acquisition Rights by the last day of the exercise period. However, this shall not apply in the following cases
  - (a) When significant false or fraudulent information has been included in information disclosed by Apaman
  - (b) When it is determined that Apaman has failed to properly announce a significant fact that should have been disclosed in accordance with laws and regulations or the rules of a financial instruments exchange where the Apaman stock is listed
  - (c) When the Company's stock is delisted, Apaman becomes insolvent or there is some other major change involving an item used as a premise when the Share Acquisition Rights are issued
  - (d) When there is any other event that can be viewed objectively as a detrimental act by Apaman regarding the trust of the rights holder
- 2) If the rights holder dies, the individual who inherits the rights may not exercise the Share Acquisition Rights.
- 3) If the total number of issued shares would exceed the total number of authorized shares by the exercise of the Share Acquisition Rights at the time of exercise thereof, the Share Acquisition Rights may not be exercised.
- 4) A Share Acquisition Right of less than one unit may not be exercised.

4. Allotment date of share acquisition rights

March 18, 2022

5. Matters regarding acquisition of share acquisition rights

If a General Meeting of Shareholders of Apaman approves (or the Board of Directors resolves, if the approval of a General Meeting of Shareholders is not required) a proposal for a merger agreement under which Apaman will become a defunct company, or a company split agreement or a company split plan under which Apaman will become a splitting company, or a proposal for a share exchange agreement or share transfer plan under which Apaman will become a wholly owned subsidiary, Apaman may acquire all Share Acquisition Rights without charge on a date separately specified by the Board of Directors of Apaman.

## 6. Treatment of share acquisition rights in conjunction with a corporate reorganization

For mergers (limited to cases where Apaman no longer exists as a result of the merger), absorption-type company splits, incorporation-type company splits, share exchanges or share transfers of Apaman (the “corporate reorganization”), the share acquisition rights of stock companies specified in Article 236, Paragraph 1, Item 8, (1) to (5) of the Companies Act (the “reorganized corporations”) will be granted, respectively, to the holders of the rights on the effective date of the corporate reorganization in accordance with the following conditions. However, this provision is limited to cases in which absorption-type merger agreements, incorporation-type merger agreements, absorption-type company split agreements, incorporation-type company split plans, share exchange agreements or share transfer plans stipulate that the share acquisition rights of reorganized corporations will be granted under the following conditions:

### (1) Number of the share acquisition rights of reorganized corporations to be granted

The same number as the share acquisition rights held by holders of the rights will be granted.

### (2) Type of shares of reorganized corporations to be issued under the share acquisition rights

Common stock of the reorganized corporations will be issued.

### (3) Number of shares of reorganized corporations to be issued under the share acquisition rights

To be determined in accordance with item 3. (1) above, while taking into account the conditions of the corporate reorganization.

### (4) Value of assets to be contributed upon the exercise of the share acquisition rights

The value of assets to be contributed upon the exercise of each share acquisition right to be granted is the amount obtained by multiplying the amount to be paid in after the corporate reorganization through adjustment of the exercise price as prescribed in item 3. (2) above by the number of shares of reorganized corporations to be issued upon the share acquisition rights in accordance with item 6. (3) above, considering the conditions of the corporate reorganization.

### (5) Period during which the share acquisition rights can be exercised

The period starts on the later of either the first day of the exercise period as prescribed in item 3. (3) above or the effective date of the corporate reorganization and ends on the last day of the exercise period as prescribed in item 3. (3) above.

### (6) Matters regarding the amount of capital and capital reserve to be increased as a result of the issuance of shares upon the exercise of share acquisition rights

To be determined in accordance with item 3. (4) above.

### (7) Restrictions on the acquisition of share acquisition rights through transfer

The acquisition of share acquisition rights through transfer requires an approval by a resolution of the Board of Directors of the reorganized corporation.

### (8) Other conditions for exercising share acquisition rights

To be determined in accordance with item 3. (6) above.

### (9) Reasons and conditions to acquire share acquisition rights

To be determined in accordance with item 5. above.

### (10) Other conditions will be determined in the same manner as those for the reorganized corporation.

7. Matters regarding certificates for the share acquisition rights

Apaman will not issue certificates for the Share Acquisition Rights.

8. Payment date for the share acquisition rights

March 18, 2022

9. Date of application

March 11, 2022

10. Allottees of the share acquisition rights and the number of the share acquisition rights to be allotted

Employees of Apaman:	3 (150 share acquisition rights)
Directors of Apaman subsidiaries:	14 (625 share acquisition rights)
Employees of Apaman subsidiaries:	2 (40 share acquisition rights)
External partner company:	1 (400 share acquisition rights)

III. Reason for selecting the allottees

1. Status of the allottees

(1) Employees of Apaman

a. Outline of the allottees

Allottees	3 employees of Apaman
Address	N/A (note)
Description of occupation	Employees of Apaman

b. Relationships between Apaman and allottees

Investment relationships	Two of the three employees of Apaman hold a total of 1,380 shares of the Apaman common stock.
Personnel relationships	Allottees are employees of Apaman.
Capital relationships	Not applicable.
Technical or business relationships	Not applicable.

(2) Directors and employees of Apaman subsidiaries

a. Outline of the allottees

Allottees	14 directors of Apaman subsidiaries 2 employees of Apaman subsidiaries
Address	N/A (note)
Description of occupation	Director and employees of Apaman subsidiaries

b. Relationships between Apaman and allottees

Investment relationships	Four of the 14 directors of Apaman subsidiaries hold a total of 470 shares of the Apaman common stock.
Personnel relationships	Allottees are directors or employees of Apaman subsidiaries.
Capital relationships	Not applicable.
Technical or business relationships	Not applicable.

(3) External partner company

a. Outline of the allottee

Allottees	World Seven Seas Co., Ltd.
Head office location	1-212, Onaricho, Omiya-ku, Saitama
Date of filing of the most recent securities report	Not applicable.

b. Relationships between Apaman and allottee

Investment relationships	Mr. Seiichi Takahashi, representative director of World Seven Seas, hold 71,490 shares of the Apaman common stock.
Personnel relationships	Not applicable.
Capital relationships	Not applicable.
Technical or business relationships	Mr. Seiichi Takahashi is an advisor of Apaman shop FC headquarters.

Note: Since the Share Acquisition Rights are issued with charge for the purpose of increasing the motivation and morale of the directors and employees of Apaman and the directors and employees of its subsidiaries, and reinforcing Apaman's solidarity, with the goals of the growth of sales and earnings and growth of corporate value, the individual names and other details have been omitted.

Upon the granting of the Share Acquisition Rights, Apaman has interviewed its external partner company to determine whether or not it has any transactions or other relationships with antisocial forces, and has confirmed that it does not have any relationships with antisocial forces. In addition, Apaman has submitted a written confirmation to the Tokyo Stock Exchange, Inc. that the allottees have no relationship with antisocial forces.

2. Reason for selecting the allottee

The Share Acquisition Rights are issued with charge and to be granted to employees of Apaman, the directors and employees of its subsidiaries and external partner company for the purpose of increasing their motivation and morale, and reinforcing Apaman's solidarity, with the goals of the growth of sales and earnings and growth of corporate value.

Mr. Seiichi Takahashi, representative director of the external partner company, has been serving as an advisor of Apaman shop FC headquarters since the establishment of Apaman. Mr. Takahashi has also served as the representative director of Sanko Soflan Holdings Co., Ltd and the chairman of the Property Business Network, and has been awarded the Order of the Rising Sun, Gold and Silver Rays. He is elected as an allottee with the aim of receiving his accurate advice and recommendations based on a wealth of industry experience to promote the digitization of the more than 130,000 real estate companies. The external partner company is his asset management company.

3. Holding policy of the allottee

There is no arrangement between Apaman and the allottees to continue to hold the shares.

4. Details of confirmation of the existence of assets required for payment by the allottees

Apaman has confirmed verbally and otherwise with each of the allottees that there will be no problem to the exercise of the Share Acquisition Rights with respect to the allottees' payment for the issuance of the Share Acquisition Rights and the holding of funds for the exercise of the Share Acquisition Rights.