



June 20, 2024

To All Concerned Parties

Company : Loadstar Capital K.K.
Representative : Tatsushi Iwano, President
(Code: 3482 Tokyo Stock Exchange Prime Market)
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Notice of Issuance of Share Acquisition Rights (Paid-in Stock Options)

Loadstar Capital K.K. (the “Company”) hereby announces that at the Board of Directors meeting held today, its Board of Directors resolved to issue the following share acquisition rights as stock options to directors and an Audit & Supervisory Board Member of the Company, pursuant to Articles 236, 238 and 240 of the Companies Act of Japan. The share acquisition rights will be issued in exchange for cash at a fair price to those who subscribe to the shares. This issuance will be carried out without obtaining approval at an Annual General Meeting of Shareholders because the conditions are not particularly favorable to the subscribers. The share acquisition rights are not intended as compensation to the grantees but are to be subscribed based on each individual's decision for investment.

I. Purpose and Reason for Share Acquisition Rights

Aiming to expand the Company's business performance and maximize the corporate value, these share acquisition rights will be issued to directors and an Audit & Supervisory Board Member of the Company in exchange for cash in order to further increase their motivation and morale, and to enhance the solidarity of the Company.

All of the share acquisition rights are to be exercised if the share price of the Company's common stock falls below a certain level as set forth in "II. Summary of Issuance of Share Acquisition Rights." This scheme is designed to share the risk of share price fluctuations with our shareholders by having our directors and an Audit & Supervisory Board Member, the grantees, assume a certain level of responsibility for such a decline in our company's share price.

II. Summary of Issuance of Share Acquisition Rights

Name	Share acquisition rights No.9
Date of resolution	June 20, 2024
Date of allotment	July 5, 2024
Persons to be allotted share acquisition rights	5 Directors and Audit & Supervisory Board Member
Number of share acquisition rights	85 pcs
Class and number of shares to be issued	Common stock 85,000 shares (1,000 shares per share acquisition right)
Issue price per share acquisition right	5,840 yen per share acquisition right (NOTE1)
Assets to be contributed at the time of exercise of the rights	(NOTE2)
Exercise period	From June 21, 2027 To June 20, 2034

(NOTE1) The Company requested Akasaka International Accounting Co, Ltd (hereinafter "Akasaka") to calculate the value of the share acquisition rights. Akasaka used the binomial model, a common option pricing model. The share acquisition rights will be issued to subscribers in exchange for cash at the fair price calculated as above, and it will not be favorable to the subscribers.

(NOTE2) Conditions for exercise of share acquisition rights.

- a. If the average closing price of the ordinary transactions of our common stock on the Tokyo Stock Exchange on each trading day during a calendar month from the first day to the last day of the exercise period falls below the amount that is obtained by multiplying the closing price of 2,780 yen by 30% on the trading day preceding the date of the Board of Directors resolution even once, the holders of the share acquisition rights are obliged to exercise all the remaining share acquisition rights by the end of the exercise period. However, this shall not apply to the following cases.

- (i) If our disclosed information proves to be materially false.
- (ii) In the event that the Company is found to have failed to properly disclose material facts that should have been disclosed in accordance with laws and regulations and the rules of the Tokyo Stock Exchange.
- (iii) If we are delisted, go bankrupt, or otherwise undergo a major change in circumstances that were assumed on the date of the allotment.
- (iv) In other cases that the Company engages in any conduct that is objectively deemed detrimental to the trust of the holders of share acquisition rights.

- b. Assets to be contributed at the time of exercise of the rights.

Per share acquisition right 2,975,000 yen (2,975 yen per share)

However, if the dividend of retained earnings is paid after the issuance of the share acquisition rights,

each time the exercise price will be adjusted using the formula specified below.

Adjusted exercise price = pre-adjustment exercise price x (market price – dividend amount)/ market price

- c. The holder of the share acquisition rights is required to be a director, Audit & Supervisory Board Member (including those who hold similar positions when such positions are created due to legal revisions) or employee of the Company or its affiliates even at the time of the exercise of the share acquisition rights.
- d. The heirs of the holders may not exercise the share acquisition rights.
- e. If the total number of issued shares of the Company exceeds the number of authorized shares at the time of exercise of the share acquisition rights, such share acquisition rights may not be exercised.
- f. Each share acquisition right may not be exercised less than one unit.
- g. Other terms and conditions shall be set forth in the "Share Acquisition Rights Allotment Agreement" concluded between the Company and the person to whom share acquisition rights are allotted in accordance with a resolution of the Board of Directors.