

November 9, 2022

Listed Company: LIFULL Co., Ltd.
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 (Stock Code: 2120 TSE Prime)
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Notice of Issuance of Share Acquisition Rights (Stock Options Offered for Value)

LIFULL Co., Ltd. (the “Company”) announces that its Board of Directors resolved to issue share acquisition rights to its executive officers and employees in accordance with the provisions of Articles 236, 238, and 240 of the Companies Act at the meeting held on November 9, 2022, as specified below. The share acquisition rights will be issued for value at a fair price to those who subscribe to these rights, rather than under particularly favorable conditions. In addition, these share acquisition rights will not be provided as remuneration for eligible parties, but rather provided to those who subscribe to such rights according to their own individual investment decisions.

The English version of this release has been simplified and only includes the most relevant information for investors. Please refer to the Japanese version for more details on the requirements for stock acquisition rights.

Notes

1. Objectives of and Reasons for Offering Share Subscription Rights

In order to further increase revenue and profit as well as corporate value of LIFULL and the entire LIFULL Group over the mid- to long-term, we will issue share acquisition rights to our directors and employees for a fee in order to further increase motivation to achieve the performance targets set forth in our Mid-Term Management Plan.

The total number of common shares of the Company that will increase once all share acquisition rights have been exercised shall be equivalent to 2% of the total issued shares. However, conditions for exercising share acquisition rights shall be the newly set performance targets. Specifically, these targets are the consolidated operating profit for the LIFULL Group and the non-consolidated operating profit for LIFULL Co., Ltd. for the fiscal year ending September 30, 2025, as set in the LIFULL Group’s Mid-Term Management Plan. The consolidated operating profit target shall be approximately three times the result of the previous fiscal year ended September 30, 2022, and the non-consolidated operating profit target for LIFULL Co., Ltd. shall exceed pre-COVID levels. Therefore, we believe that achieving these targets will serve to increase our corporate and shareholder value. For this purpose, we believe that these share acquisition rights will benefit our existing shareholders and that the impact from share dilution will be reasonable.

The eligible parties and performance targets for these share subscription rights are as follows:
 Operating Profit for the Fiscal Year ending September 30, 2025

Eligible Party	Requirements
Directors, Managing Directors and other CxO Positions	Consolidated Operating Profit: Over 500 bil. yen and Operating Profit for LIFULL Co., Ltd.: Over 300 bil. yen
Other Employees of LIFULL Co., Ltd. other than those listed above	Operating Profit for LIFULL Co., Ltd.: over 300 bil. yen

2. Requirements for the Issuance of Share Acquisition Rights

The English version of this document has been abridged. Please refer to the Japanese document for details on the requirements for the issuance of share acquisition rights. (<https://ir.lifull.com/news/>)