

Note: This document is an English translation of the original Japanese language document and has been prepared solely for reference purposes. No warranties or assurances are given regarding the accuracy or completeness of this English translation. In the event of any discrepancy between this English translation and the original Japanese language document, the original Japanese language document shall prevail in all respects.



March 15, 2023

Company Name	freee K.K.
Representative	Daisuke Sasaki, CEO and Representative Director
Code No.	4478, Tokyo Stock Exchange Growth
Contact	Masahiro Hara, VP of Finance (TEL. +81 3-6630-3231)

Announcement Regarding Issuance of New Restricted Shares

freee K.K. (the “Company”) announces that, at the Board of Directors’ meeting held today, the Board of Directors made the decision to issue new restricted shares (the “New Share Issuance”) as follows.

1. Overview of the Share Issuance

(1) Pay-in date	April 20, 2023
(2) Type and number of shares to be issued	64,992 common shares of the Company
(3) Issue price of shares	JPY 3,600 per share
(4) Total issue price	JPY 233,971,200
(5) Allottees	60,351 shares to be allocated to 222 employees of the Company 4,641 shares to be allocated to 13 employees of two subsidiaries of the Company
(6) Other	The New Share Issuance is subject to the effectiveness of a securities registration statement under the Financial Instruments and Exchange Act.

2. Purposes and reasons of the New Share Issuance

In order to achieve the sustainable growth of the corporate value of the Company Group, with aims such as motivating our employees and promoting a greater sense of shared value with the shareholders, the Company has paid monetary receivables of JPY 217,263,600 in total to (1) 222 employees of the Company who satisfy certain requirements, and two subsidiaries of the Company likewise have paid monetary receivables of JPY 16,707,600 in total to (2) a total of 13 employees of the respective subsidiaries ((1) and (2), hereinafter collectively the “Eligible Allottees”). Then, the Board of Directors has resolved to allocate 64,992 common shares in the Company (the “Allocated Shares”) through the New Share Issuance corresponding to the contribution in kind in the form of monetary receivables amounting to JPY 233,971,200 (the amount of the monetary receivables paid per share: JPY 3,600). In order to encourage medium-/long-term continuous service of the Eligible Allottees, the

Note: This document is an English translation of the original Japanese language document and has been prepared solely for reference purposes. No warranties or assurances are given regarding the accuracy or completeness of this English translation. In the event of any discrepancy between this English translation and the original Japanese language document, the original Japanese language document shall prevail in all respects.

Allocated Shares are subject to a transfer restriction for a period defined by the Board of Directors (the “Transfer Restriction Period”).

The Eligible Allottees will pay-in all of the monetary receivables paid as property contributed in kind and take up common shares allocated by the Company through the New Share Issuance. The New Share Issuance is subject to a restricted share allocation agreement signed between the Company and the Eligible Allottees. Overview of the restricted share allocation agreement (the “Restricted Share Allocation Agreement”) is as provided below.

The Allocated Shares will be allocated only to the Eligible Allottees who wish to take up the shares.

Overview of the Restricted Share Allocation Agreement

(1) Transfer Restriction Period

The Eligible Allottees shall not transfer, pledge as collateral, or otherwise dispose of the Allocated Shares during the Transfer Restriction Period.

(2) Conditions subsequent

The transfer restriction of all Allocated Shares will be lifted as of expiration of the Transfer Restriction Period upon condition that the Eligible Allottees continue to serve in the status of officers or employees at the Company (the subsidiary of the Company).

(3) Uncompensated acquisition by the Company

Upon expiration of the Transfer Restriction Period, the Company may automatically acquire all Allocated Shares for which the transfer restriction has not been lifted without providing compensation.

(4) Management of Shares

The Allocated Shares shall be managed in a dedicated account for restricted shares established by the Eligible Allottees at Daiwa Securities Co. Ltd. in order to prevent the Allocated Shares from being transferred, pledged as collateral, or otherwise disposed of during the Transfer Restriction Period.

(5) Reorganizations

In the event a merger agreement in which the Company becomes a dissolved company, or a share exchange agreement, share transfer plan, or any other matters of reorganization with which the Company becomes a wholly owned subsidiary is approved by the General Meeting of Shareholders (or the Board of Directors where approval of the General Meeting of Shareholders is not required in a relevant reorganization case), the Board of Directors of the Company shall lift the transfer restriction on the number of the Allocated Shares reasonably calculated as of the moment immediately prior to the business day prior to the effective date of such reorganization.

3. Basis and Details of Calculation of the Pay-in Amount

The New Share Issuance will be funded by monetary receivables paid to the Eligible Allottees as property contributed in kind. In order to exclude arbitrariness with regard to the pay-in amount, the closing price of the common shares of the Company on Tokyo Stock Exchange on March 14, 2023 (the business day before the resolution at the Board of Directors), which is JPY 3,600, is taken as the pay-in amount. The amount is the market price immediately prior to the date of the Board of Directors meeting resolution and the Company believes it appropriately and reasonably reflects the Company’s corporate value and is not a price particularly favorable to the Eligible Allottees unless there is any special circumstance suggesting that dependence on the latest stock price is inappropriate.