

[Provisional Translation Only]

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Issuance of Stock Options to Directors and Employees

Ichigo decided today to issue stock options to its directors, statutory executive officers, and employees, and directors and corporate auditors of its subsidiaries via its twenty-first stock acquisition rights plan, pursuant to Articles 236, 238, and 240 of the Companies Act and effective May 8, 2023.

1. Reason for Stock Option Issuance

Ichigo is issuing these stock options in order to further strengthen the commitment of its directors and employees to maximizing shareholder value and driving sustainable growth.

The stock option exercise price will be set at 115% of the closing price of Ichigo's shares on the day before the issue date of the stock options (if there is no closing price on such day, 115% of the closing price on the immediately preceding day).

2. Details of the Stock Options

A. Share Count and Type

2,500,000 common shares

If Ichigo conducts stock splits or reverse stock splits after issuance of the stock options, adjustments will be made in accordance with the following formula:

$$\begin{array}{l} \text{Number of shares} \\ \text{after adjustment} \end{array} = \begin{array}{l} \text{Number of shares} \\ \text{before adjustment} \end{array} \times \begin{array}{l} \text{Split or} \\ \text{reverse split ratio} \end{array}$$

Such adjustments will be made only with respect to stock options not yet exercised at the time of such adjustment, and any number of shares less than one share resulting from such adjustment will be disregarded. If any other events happen which require the adjustment of the number of shares to be issued, the number of shares to be issued upon exercise will be reasonably adjusted in consideration of the conditions specific to the event.

B. Number of Stock Options

2,500,000

One stock option will entitle the holder to acquire 1 share, provided that when the adjustment set out in A. above is made, the number will also be adjusted accordingly.

C. Issue Price of the Stock Options

Zero

The stock options are granted as incentive compensation and do not constitute an “advantageous issuance” (*yuuri hakkou*) of shares to Ichigo’s directors and employees under Japanese securities law.

D. Exercise Price of Stock Options

The exercise price will be 115% of the closing price of Ichigo’s shares one business day before the issue date of the stock options (if there is no closing price on such day, 115% of the closing price on the immediately preceding day).

The amount to be paid upon exercise of each stock option will be the exercise price multiplied by the number of shares as provided in B. above.

If Ichigo conducts stock splits or reverse stock splits after issuance of the stock options, the exercise price will be adjusted in accordance with the following formula and rounded up to the nearest one yen.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{1}{\text{Split/reverse split ratio}}$$

Further, in the event of any issuance by Ichigo of new shares at a price less than the market price (excluding market price issuance via public offering and conversion or exercise of convertible bonds or stock options), the exercise price will be adjusted in accordance with the following formula and rounded up to the nearest one yen.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Shares outstanding} + \frac{\text{Increase in number of shares} \times \text{Issue price}}{\text{Price per share before new issue}}}{\text{Shares outstanding} + \text{Increase in number of shares}}$$

E. Exercise Period for the Stock Options

April 20, 2026 – April 19, 2031

F. Conditions for Exercise of Stock Options

- (1) In order to exercise stock options, the holder must be a director, statutory executive officer, or employee of Ichigo or a director, statutory executive officer, corporate auditor, or employee of an Ichigo subsidiary at the time of exercise, except when Ichigo acknowledges that the exercise by a holder is reasonable.
- (2) Each stock option may not be transferred nor pledged.
- (3) In the event of the death of the stock option holder, the heir(s) may exercise inherited stock options.
- (4) Other terms and conditions will be provided in an agreement between Ichigo and each holder.

G. Treatment of Paid-In Capital and Capital Surplus

The increase in paid-in capital in the event of issuance of shares upon the exercise of the stock options will be 1/2 of the maximum amount of capital increase and calculated in accordance with Article 17, Paragraph 1 of the Regulations for Corporate Accounting. Fractions less than one yen resulting from the calculation will be rounded up. The increase in the capital surplus will be the amount obtainable by subtracting the paid-in capital increase from the maximum amount of the capital increase.

H. Restrictions on Transfer and Acquisition

Transfer and acquisition of the stock options will be subject to approval by Ichigo's board.

I. Ichigo's Right of Acquisition of the Stock Options

(1) If a holder is no longer a director, statutory executive officer, or employee of Ichigo or is no longer a director, statutory executive officer, corporate auditor, or employee of an Ichigo subsidiary, or in any other case is no longer able to exercise his/her rights, Ichigo can acquire the stock options free of charge.

(2) In the event that a merger agreement that would result in Ichigo ceasing to exist, a split agreement in which Ichigo becomes the split company, or a share transfer agreement in which Ichigo would become a wholly-owned subsidiary is approved at a shareholder's meeting, Ichigo can acquire the stock options free of charge.

J. Stock Options Newly Issued upon Corporate Restructuring

If Ichigo engages in any merger, corporate split in which a division is merged into an existing company, corporate split in which a division is spun off to establish a new company, or an exchange or transfer of shares (after which Ichigo ceases to exist, collectively the "Restructuring Actions"), each person holding the remaining stock options at the time of the Restructuring Actions (the "remaining stock options") will be granted stock options of the relevant reorganized company. The terms of the stock options in such case will be as follows.

(1) Type of Shares

Common shares of the Reorganized Company

(2) Share Count

The number of shares will be determined after taking into consideration the conditions concerning the Restructuring Actions. The number of shares will be rounded off to the nearest one share.

(3) Exercise Price

The number of shares will be determined after taking into consideration the conditions concerning the Restructuring Actions. The number of shares will be rounded up to the nearest one yen.

(4) Exercise Period, Conditions, and Right of Acquisition of the Stock Options by the Reorganized Company

The exercise period, conditions, and acquisition rights will be determined at the time the Restructuring Actions take effect.

(5) Restrictions on Transfer and Acquisition

Transfer and acquisition of the stock options will be subject to approval by the Reorganized Company's board.

K. Issuance of Stock Option Certificates

Stock option certificates will be issued if requested by the holder.

L. Issue Date of the Stock Options

May 8, 2023

M. Number of Individuals to whom the Stock Options are Offered

Nine directors, eight statutory executive officers, and 203 employees of Ichigo and two directors and one corporate auditor of an Ichigo subsidiary.

Note: Director Scott Callon receives no compensation from Ichigo and thus does not receive any stock options.

N. Other Conditions

Other terms and conditions of the stock options will be provided in a separate agreement.

Note: In addition to Ichigo's board, Ichigo's Compensation Committee also approved the issuance of these stock options today.