

August 30, 2023

Ryosuke Mori, President

LIFENET INSURANCE COMPANY

(Securities Code: 7157, TSE Growth)

Notice of Issuance of New Shares by way of Public Offering and Third-Party Allotment and Secondary Offering of Shares

TOKYO, August 30, 2023 – LIFENET INSURANCE COMPANY (TSE Growth 7157, President Ryosuke Mori; URL: <https://ir.lifenet-seimei.co.jp/en/>; hereafter, the “Company”) announces that the Board of Directors resolved on August 30, 2023 to issue new shares by way of public offering and third-party allotment and secondary offering of shares of the Company, for the purpose of realising the growth aimed for by the Company in the future.

1. Issuance of New Shares by way of Public Offering (public offering)

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| (1) | Class and Number of Shares to be Offered | 3,902,900 shares of common stock of the Company |
| (2) | Method of Determination of the Amount to be Paid | The amount to be paid will be determined on a date falling in the period from September 6, 2023 (Wednesday) to September 11, 2023 (Monday) (the “Pricing Date”) in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting, etc. of Securities provided by the Japan Securities Dealers Association (“JSDA”). |
| (3) | Method of Offering | The offering will be a public offering. All of the new shares shall be purchased for sale by the underwriting syndicate led by an underwriter designated as lead manager (the “Underwriters”).

The issue price of the public offering (offer price) will be determined based on the provisional range calculated by multiplying the closing price of regular trading of the common stock of the Company on the Tokyo Stock Exchange on the Pricing Date (or, if no closing price is quoted on that date, the closing price of the immediately preceding date) by 0.90 – 1.00 (with any fraction less than one yen being rounded down), in accordance with Article 25 of the Regulations Concerning Underwriting, etc. of Securities provided by JSDA, taking into account market demand and other conditions. |

A portion of the publicly offered new shares may be sold to

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- overseas investors in overseas markets, mainly in Europe and Asia (excluding the United States and Canada).
- (4) Payment Date The payment date is expected to be a day between September 14, 2023 (Thursday) and September 15, 2023 (Friday), provided, however, the payment date shall be September 14, 2023 (Thursday) if the Pricing Date is in the period from September 6, 2023 (Wednesday) to September 8, 2023 (Friday), and the payment date shall be September 15, 2023 (Friday) if the Pricing Date is September 11, 2023 (Monday).
 - (5) Subscription Unit 100 shares
 - (6) The amount to be paid, the amount of increase in capital stock and capital reserve, the issue price (offer price) and any other matters necessary for the issuance of new shares by way of public offering shall be determined at the discretion of Ryosuke Mori, President and Representative Director.
 - (7) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan.

2. Issuance of New Shares by way of Third-Party Allotment that Sets au Financial Holdings Corporation and Sumitomo Mitsui Card Company, Limited as Allottees

- (1) Class and Number of Shares to be Offered 5,940,100 shares of common stock of the Company
- (2) Method of Determination of the Amount to be Paid The amount to be paid will be determined on the Pricing Date. Such amount to be paid shall be the same as the issue price (offer price) with respect to the public offering.
- (3) Allottees au Financial Holdings Corporation 1,926,100 shares
Sumitomo Mitsui Card Company, Limited 4,014,000 shares
- (4) Payment Date The payment date shall be the same as the public offering.
- (5) The amount to be paid, the amount of increase in capital stock and capital reserve and any other matters necessary for the issuance of new shares by way of third-party allotment that sets au Financial Holdings Corporation and Sumitomo Mitsui Card Company, Limited as allottees shall be determined at the discretion of Ryosuke Mori, President and Representative Director.
- (6) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan.

3. Secondary Offering of Shares by way of Purchase and Underwriting by the Underwriters

- (1) Class and Number of Shares to be Sold 477,500 shares of common stock of the Company
- (2) Seller Nomura Securities Co., Ltd.

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- (3) **Selling Price** The selling price shall be determined based on the provisional range calculated by multiplying the closing price in regular trading of share of common stock of the Company on the Tokyo Stock Exchange on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding that date) by 0.90 – 1.00 (with any fraction less than one yen to be rounded down), in accordance with Article 25 of the Rules Concerning Underwriting etc. of Securities provided by JSDA, taking into account market demand and other conditions. Such selling price shall be the same as the issue price in the public offering (offer price).
- (4) **Method of Secondary Offering** The offering will be a secondary offering. All the selling shares shall be purchased for sale by the underwriters. The aggregate amount of the difference between the selling price and the amount to be paid to the seller by the underwriters (which shall be the same as the payment amount in the public offering) shall be retained by the underwriters.
- (5) **Delivery Date** The delivery date is the business day immediately following the payment date in the public offering.
- (6) **Subscription Unit** 100 shares
- (7) In the secondary offering, Nomura Securities Co., Ltd. will sell 477,500 shares of common stock of the Company that are acquired from a shareholder Dentsu Group Inc.
- (8) The selling price and any other matters necessary for the secondary offering shall be determined at the discretion of Ryosuke Mori, President and Representative Director.
- (9) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan.

4. Secondary Offering of Shares by way of Overallotment (see “<Reference>” below)

- (1) **Class and Number of Shares to be Sold** 657,000 shares of common stock of the Company
The number of shares above is the maximum number of shares to be sold, and may decrease, or the Secondary offering by way of overallotment itself may be cancelled, depending on market demand and other conditions. The number of shares to be sold shall be determined on the Pricing date after consideration of the market demand.
- (2) **Seller** The lead manager
- (3) **Selling Price** Undetermined (the selling price shall be determined on the Pricing date; provided, however, such selling price shall be

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- the same as the issue price (offer price) in the secondary offering of shares by way of purchase and underwriting by the underwriters)
- (4) Method of Secondary Offering After consideration of the market demand for the public offering and the secondary offering by way of purchase and underwriting by the underwriters, the lead manager will offer the shares of common stock of the Company, which are borrowed from shareholders of the Company (the maximum number being 657,000 shares).
 - (5) Delivery Date The delivery date shall be the same as that of the secondary offering of shares by way of purchase and underwriting by the underwriters
 - (6) Subscription Unit 100 shares
 - (7) The selling price and any other matters necessary for the secondary offering shall be determined at the discretion of Ryosuke Mori, President and Representative Director.
 - (8) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan.

5. Issuance of New Shares by way of Third-Party Allotment that Sets the Lead Manager as an Allottee (see “<Reference>” below)

- (1) Class and Number of Shares to be Offered 657,000 shares of common stock of the Company
- (2) Method of Determination of the Amount to be Paid The amount to be paid will be determined on the Pricing Date. The amount to be paid shall be the same as the amount to be paid for the public offering.
- (3) Allottee The lead manager
- (4) Payment Date September 27, 2023 (Wednesday)
- (5) Shares not subscribed within the subscription period shall not be issued.
- (6) The amount to be paid, the amount of increase in capital stock and capital reserve and any other matters necessary for the issuance of new shares by way of third-party allotment that sets the lead manager as an allottee shall be determined at the discretion of Ryosuke Mori, President and Representative Director.
- (7) Each item above shall be subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan.

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<Reference>

Secondary offering by way of overallotment

The secondary offering by way of overallotment described in “4. Secondary Offering of Shares by way of Overallotment” is a secondary offering to be conducted after considering market demand upon making the issuance of new shares described in “1. Issuance of New Shares by way of Public Offering (public offering)” and secondary offering by way of purchase and underwriting by the underwriters described in “3. Secondary Offering of Shares by way of Purchase and Underwriting by the Underwriters” with a maximum of 657,000 shares of common stock of the Company that the lead manager of the public offering and the Secondary offering, will borrow from shareholders of the Company. The number of shares to be sold in the Secondary offering by way of overallotment is expected to be 657,000 shares, which is the maximum number of shares that can be sold; however, depending on market demand, such number may be decreased or the Secondary offering by way of overallotment itself may be cancelled.

In relation to the Secondary offering by way of overallotment, in order to have the lead manager acquire the shares to return to shareholders borrowed from shareholders (the “Borrowed shares”), the Company has decided to conduct a third-party allotment of 657,000 shares of common stock in the Company to the lead manager through third-party allotment that sets the lead manager as an allottee with payment date on September 27, 2023 (Wednesday), by decision of the Board of Directors meetings held on August 30, 2023.

Furthermore, the lead manager may also purchase shares of common stock of the Company on the Tokyo Stock Exchange in a quantity of up to the number of shares to be sold in the Secondary offering by way of overallotment for the purpose of returning the Borrowed shares (such transactions, the “Syndicate cover transactions”), during the period beginning on the day immediately following the last day of the subscription period for the public offering, the secondary offering by way of purchase and underwriting by the underwriters and the Secondary offering by way of overallotment and ending on September 22, 2023 (Friday) (the “Syndicate cover transaction period”). All shares of common stock of the Company purchased by the lead manager through syndicate cover transaction will be used to return the Borrowed shares. It should be noted that, during the syndicate cover transaction period, the lead manager may decide not to conduct any syndicate cover transactions or may terminate any syndicate cover transactions before the number of shares purchased reaches the number of shares to be sold in the Secondary offering by way of overallotment.

Also, the lead manager may conduct market stabilization transactions associated with both the public offering and, the Secondary offering by way of purchase and underwriting by the underwriters and the Secondary offering by way of overallotment, and may use all or part of the

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shares of common stock of the Company purchased through the stabilization transactions to return the Borrowed shares.

The lead manager plans to acquire the number of shares from the Company after subtracting the number of shares to be used to return the Borrowed shares acquired from stabilization and syndication cover transactions from the number of shares in the secondary offering by way of overallotment, in response to the allotment through the third-party allotment. Therefore, subscription may not be made for all or part of the number of shares to be issued in the third-party allotment, and as a result the number of shares to be issued may be decreased to the limit, or the shares may not be issued at all.

If the lead manager accepts the allotment through the third-party allotment, the lead manager will make payment for the number of shares to acquire, using the funds from the secondary offering by way of overallotment.

Contact:
Investor Relations, Corporate Planning Department
Tel: +81-3-5216-7900
e-mail: ir@lifenet-seimei.co.jp

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