

May 10, 2024

Company name:	ispace, inc.
Name of representative:	Takeshi Hakamada, Representative Director and CEO
Securities code:	9348; Growth Market
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### **Notice regarding Introduction of a Restricted Stock Compensation Plan**

ispace inc. (“ispace”) hereby announces that at the Board of Directors meeting held today, it reviewed the executive compensation plan and resolved to introduce a restricted stock compensation plan (“the Plan”), and to submit a proposal regarding the introduction of the Plan to the 14th General Meeting of Shareholders scheduled for June 28, 2024 (“the General Meeting of Shareholders”) as follows.

#### 1. Purpose for the introduction of the Plan and other matters

##### (1) Purpose for the introduction of the Plan

The purpose of the plan is to realize a fair and easy-to-understand system across all countries and regions where ispace’s entities are located, while maintaining the features of stock-based compensation, such as securing and retaining talented personnel and promoting mid- to long-term corporate value improvement. ispace plans to abolish the trust-type stock option plan currently adopted for ispace’s directors and employees, and introduce the Plan in place of the trust-type stock option plan.

##### (2) Conditions for the introduction of the Plan

The Plan provides ispace’s directors and employees with monetary compensation credits as remuneration for the grant of restricted stock. The introduction of the Plan for ispace’s directors and the issuance of such remuneration at the General Meeting of Shareholders are subject to the approval of the shareholders.

Based on the above purpose, ispace has comprehensively taken into account the duties of the executive directors, the current number of directors, and the possibility of future increases in the number of directors, as well as their contribution to ispace, with reference to the compensation systems of benchmark companies similar to ispace in size, business area, and growth stage.

At the 13th General Meeting of Shareholders held on June 28, 2023, ispace’s directors’ remuneration was approved as an annual amount not exceeding 150,000,000 yen (including an annual amount not exceeding 50,000,000 yen for outside directors). At the General Meeting of Shareholders scheduled for June 28, 2024, it will be proposed to shareholders to approve the

introduction of the Plan, the total number of shares of ispace’s common stock allocated per stock unit to be granted under the Plan, which is separate from the current monetary compensation limit for directors, being set at no more than 100,000,000 yen equivalent shares per year, as well as the specific details of the Plan.

## 2. Overview of the Plan

ispace shall determine the number of share units to be granted to ispace’s directors (“the target persons”) in proportion to the rate of achievement of performance targets, etc. for each fiscal year. ispace shall pay an amount equivalent to the market value of the same number of its shares as the above-mentioned number of share units to the target persons in the form of monetary compensation claims, and each target person shall contribute all of the monetary compensation claims to ispace in kind to receive an allotment of shares of its common stock.

## 3. Impact on financial results

Along with the introduction of the Plan, ispace currently expects to record approximately 700 million yen\* as stock compensation costs for the current fiscal year. Such costs are included in the assumptions for consolidated financial results forecast for the fiscal year ending March 31, 2025, which was announced today. However, the detailed terms and conditions of the Plan will be determined through resolutions at the upcoming General Meetings of Shareholders and Board of Directors meeting as stated below, and the amount of such costs to be recorded will be determined by the stock price at the time of granting stock-based compensation, and may change from the current assumptions in the future.

\*The cost is calculated based on the closing price of ispace’s common stock as of April 30, 2024, which was 761 yen.

Schedule for the introduction of this program:

Scheduled Meeting	Date	Overview of the items related to the Plan to be resolved
(1) Board of Directors meeting	May 10, 2024	To introduce the Plan for ispace’s directors and employees
(2) the 14th General Meeting of Shareholders	June 28, 2024 (scheduled)	To determine remuneration for ispace’s directors under the Plan
(3) Board of Directors meeting	July 12, 2024 (scheduled)	To determine the detailed terms and conditions of the Plan and to switch from the trust-type stock option plan to the Plan based on the terms and conditions of the Plan

\*The above schedule and the overview of the item related to the Plan to be resolved are as of May 10, 2024 and are subject to change.

(Reference)

Subject to the approval of the introduction of the Plan at the General Meeting of Shareholders, ispace plans to grant restricted stock to its employees and to the directors and employees of its subsidiaries, generally in the same manner as under the Plan.