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Announcement regarding Disposal of Treasury Shares for the Restricted Stock Compensation to Board Members

User Local, Inc. (hereinafter “the Company”) announces that, at its Board of Directors’ meeting held on October 8, 2025, the Company resolved to dispose treasury shares as the restricted stock compensation plan (hereinafter “the Disposal”) as follows.

1. Outline of the Disposal

(1) Pay-in date	November 7, 2025
(2) Type and number of shares to be disposed	50,000 common shares of the Company
(3) Disposal price of shares	2,025 yen per share
(4) Total disposal value	101,250,000 yen
(5) Allottees	50,000 shares to be allocated to 8 Directors * *Include Audit & Supervisory Committee members
(6) Others	For the disposal of treasury shares, a securities notice has been submitted in accordance with the Financial Instruments and Exchange Law Enforcement Order.

2. Purpose and reasons of the disposal of treasury shares

The Company decided to implement a restricted stock compensation plan (hereinafter “Plan”) for Directors (excluding Audit & Supervisory Committee members) and Audit & Supervisory Committee members (hereinafter, together with Directors, “Eligible Board Members”) with the aim of encouraging Directors to share values with our shareholders and sustainably enhance our corporate value and with the aim of encouraging Audit & Supervisory Committee members to work to prevent impairment of our corporate value and maintain confidence of the Company pursuant to a resolution of the 19th Ordinary General Shareholders’ Meeting held on September 20, 2024 (This resolution amends the system introduced at the 16th Ordinary General Meeting of Shareholders held on September 22, 2021, following the transition to a company with an Audit and Supervisory Committee).

Furthermore, the 19th Ordinary General Shareholders’ Meeting held on September 20, 2024 approved that the total number of the common shares to be issued or disposed under the Plan will be up to 80,000 shares per year for Directors (excluding Audit & Supervisory Committee members) and 20,000 shares per year for Audit & Supervisory Committee members (the number of shares to be issued or disposed may be adjusted for any compelling reason such as a share split or share consolidation of our common shares.), that the total amount of monetary receivables

to be paid to Directors (excluding Audit & Supervisory Committee members) will be up to 100 million yen per year and Audit & Supervisory Committee members will be up to 25 million yen per year within the existing compensation payable, and that the restricted period will be defined by the Board of Directors within a range from three to six years.

On this basis, the Company hereby resolves to grant a total 101,250,000 yen in monetary compensation claims to five Directors (excluding Audit & Supervisory Committee members) based on the resolution of the Board of Directors meeting held today and to three Audit & Supervisory Committee members, based on the resolution of the directors who are members of the Audit and Supervisory Committee held today. The Board of Directors has also decided to allocate 50,000 common shares to be disposed (hereinafter “Allocated Shares”) for the purpose of the monetary receivables to be paid as property contributed in kind (the amount of the monetary receivables paid per share: JPY 2,025). The Company has set the restricted period for the Allocated shares in order to realize the sharing of shareholder value over the medium and long term, which period is set as described in (1) below.

The Eligible Board Members will pay-in all of the monetary receivables paid by the Company under the Plan as property contributed in kind and receive the common shares to be disposed by the Company in exchange for the in-kind contribution. Upon the disposal of the treasury shares, the Company and the Eligible Board Members will enter into a restricted share allotment agreement as below.

〈Overview of the Restricted Share Allotment Agreement〉

(1) Transfer Restricted Period

The Eligible Board Members may not transfer, pledge as collateral, or use any arrangement to dispose of Allocated Shares the transfer restriction period set forth in (i) through (ii)below.

i	The half of the shares to be allotted	From November 7, 2025 to November 7, 2028
ii	The half of the shares to be allotted	From November 7, 2025 to November 7, 2029

(2) Conditions subsequent

The transfer restriction of Allocated Shares will be lifted as of expiration of each transfer restriction period upon condition that the Eligible Board Member continues to serve in the status of an officer or an employee at the Company or the Company’s subsidiaries. However, if the Eligible Board Member will lose their status of an officer or an employee or be absent from work in the event of death or injury and illness, the Company shall lift the transfer restriction on the number of Allocated shares calculated based on predetermined calculations.

(3) Uncompensated acquisition by the Company.

Upon expiration of the transfer restriction period, the Company will automatically acquire all Allocated Shares for which the transfer restriction has not been lifted without providing compensation.

(4) Management of Shares

Allocated Shares shall be managed in a dedicated account for restricted shares established by the Eligible Board Member at Daiwa Securities Co. Ltd. in order to prevent the Allocated Shares from being transferred, pledged as collateral, or disposed of by any arrangement during the transfer restriction period.

(5) Reorganizations

Until November 7, 2029, in the event of a merger agreement in which the Company become 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 at a general meeting of shareholders of the Company (or the Board of Directors where the reorganization does not require the approval of the general meeting of shareholders) , the Company shall, by a resolution of the Board of Directors of the Company, lift the transfer restriction on the reasonably determined number of Allocated shares calculated based on predetermined

calculations on the business day immediately preceding the date of such organizational restructuring.

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

The Disposal of treasury shares will be funded by monetary receivables paid to the allottee 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 User Local, Inc. on Tokyo Stock Exchange on October 7, 2025 (the business day before the resolution at the Board of Directors), which is 2,025 yen 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 we believe it appropriately and reasonably reflects the Company's corporate value and is not a price particularly favorable to the allottee unless there is any special circumstance suggesting that dependence on the latest stock price is inappropriate.