

June 23, 2025

Company Name: ENECHANGE Ltd.

Representative: Tomoya Maruoka, Representative Director and CEO

(TSE Growth Code No. 4169)

Inquiries: Yuichiro Shinohara, Executive Officer / CFO  
TEL: +81-3-6635-1021

**Notice Concerning Issuance of Paid Stock Options**  
**"ENECHANGE 2.0 Medium-Term Management Plan-Linked Incentive"**

ENECHANGE (hereinafter referred to as "the Company") announces that at our Board of Directors meeting held on June 23, 2025, we resolved to issue stock acquisition rights to our representative director, executive officers, and employees as outlined below, based on the provisions of Articles 236, 238, and 240 of the Companies Act. This issuance will be conducted for a fair value to those who subscribe, and as it is not under particularly favorable conditions, it will be executed without obtaining the approval of the General Shareholders Meeting. Additionally, these stock acquisition rights will not be granted as compensation to the recipients but will be subscribed based on the individual investment judgment of each party.

**1. Purpose of issuance**

Beginning in July 2025, the new organizational structure will support our management team and employees, who are central to achieving our medium-term management plan's targets, by promoting their commitment to enhancing corporate value over the medium to long term. With the introduction of a self-investment type paid stock option (referred to as "Paid SO") as part of the "ENECHANGE 2.0 Medium-Term Management Plan-Linked Incentives," we aim to align shareholder value growth with the interests of the beneficiaries and ensure fair value distribution through continuous profit generation.

Participants are scheduled to receive an allocation equivalent to 2,130,000 shares of Paid SO as an incentive for our company's growth. If all of these Paid SOs are exercised, the total number of our common shares will increase by an amount equivalent to 4.997% of the shares outstanding\*. This is below the total amount of 840,000 shares that no longer meet the exercise conditions of the previously issued stock options (including those issued to the former President and CEO under the 6th Stock Option Program) and 1,300,000 shares that have been withdrawn (including 1,220,000 shares issued to the former President and CEO under the 8th Stock Option Program and 80,000 shares issued to retired employees under the 7th Stock Option Program). This is intended to minimize additional dilution to shareholders as much as possible.

The performance targets tied to the mid-term management plan are conditions for exercising Paid SO, and rights can be exercised in stages upon meeting certain sales and profit criteria. We recognize that the shareholder value generated from achieving these targets will significantly outweigh the effects of dilution. Moreover, all allocations will be exercisable only if the mid-term management plan targets are surpassed, and the design intends to align with shareholders' long-term interests by allowing for multiple assessments to ensure sustainable growth rather than relying on one-time annual performance. Hence, the issuance of these new stock acquisition rights is perceived to benefit our current shareholders, with a reasonable impact on stock dilution. Participants are slated to enter an allocation agreement with the company separately, which will include the aforementioned terms.

(Note) Based on our share outstanding of 42,628,620 shares as of the end of May 2025, it is calculated under the assumption that all paid stock options are exercised.

## Overview of ENECHANGE 2.0 incentive tied to mid-term management plan

<b>Objective</b>	In line with the medium-term management plan, a self-investment type paid stock option (paid SO) system will be introduced for key personnel of the new framework starting in Jul 2025 to clarify commitment towards long-term corporate value enhancement. Through this system, we aim to link shareholder value growth with stakeholders' interests appropriately and achieve healthy corporate value enhancement through sustainable profit generation.
<b>Scheme</b>	<b>overview</b> Performance-based paid stock options (SO) with an exercise price of 355 JPY at the closing price on June 20, 2025. (Issuance price of 5 JPY per SO share) <sup>*1</sup>
	<b>Volume</b> 2,130,000 shares (dilution rate 4.997% <sup>*2</sup> )
	<b>Exercisable conditions</b> We have set performance conditions linked to the medium-term management plan (details to follow).
<b>Impact</b>	The stock compensation expenses corresponding to the vested portion are expected to be recorded step-by-step until the fiscal year following the year when all paid SOs become exercisable upon achieving the performance and stock price targets (up to JPY 580 million).
<b>Participants</b>	13 next-generation leaders who will play a central role in management execution in the new organization. • Representative Director 2 <sup>*3</sup> • Employees, including Executive Officers 4 • Employees 7 (Above General Manager/Head of Office)

<sup>\*1</sup> Calculated based on the closing price of the day before the resolution date by Plutus Consulting. <sup>\*2</sup> Based on the number of 42,628,620 shares outstanding as of the end of May 2025, calculated under the assumption that all paid stock options are exercised. <sup>\*3</sup> Refers to the representative directors as of June 23, 2025 (Tomoya Maruoka, Tatsuya Sogano). As stated in the timely disclosure dated May 22, 2025, "Notice Concerning the Change of Representative Director," Tatsuya Sogano is scheduled to resign as a representative director at the shareholders' meeting on June 24, 2025.

Copyright © ENECHANGE Ltd., All rights reserved.

ENECHANGE 31

## Concept to shares outstanding

- We will limit the number of new issuances to the range of previously canceled quantities to minimize further dilution. The creation of shareholder value through the medium-term management plan is expected to greatly exceed the impact of dilution.

Series number	Type	Purpose	Status	
1st to 5th	Free stock options (tax-qualified)	Incentives for officers and employees before listing	Almost all rights have been exercised	
6th	Paid SO	Incentive for long-term commitment to the former CEO	The remaining 840,000 shares cannot be exercised due to the resignation of the former CEO, as the conditions for exercising rights are not met.	Withdrawn etc. <b>Total 2.14 million shares</b>
7th	Paid SO (Trust type)	Incentives for Officers and Employees After Listing	The equivalent of 80,000 shares held by retirees has been withdrawn.	
8th and 9th	Paid SO	Capital & Career Committed Mega-Venture Incentive	The equivalent of 1.22 million shares held by the former CEO has been withdrawn.	New issuance <b>2.13 million shares</b>
10th	Paid SO	ENECHANGE 2.0 incentive tied to mid-term management plan	New issuance within the scope of withdrawals from past Share outstanding.	

Copyright © ENECHANGE Ltd., All rights reserved.

ENECHANGE 32

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## Concept to Exercise Conditions (Performance Targets)

- All rights are exercisable only if the mid-term management plan targets are exceeded.
- This structure aligns with shareholder interests by focusing on profit growth and sustainable margin expansion, aiming for continuous growth through multiple evaluations.

	Forecast for This Fiscal Year (FY25)	Mid-term Management Plan Targets (FY27)	Exercise conditions: Achieving both sales and adjusted EBITDA as described below.*2 Judgment timing: FY27 and FY28				
Sales	6.0 billion	8.3 billion	8.3 billion	8.3 billion	8.3 billion	8.3 billion	8.3 billion
Adjusted EBITDA*1	0.1 billion	1.2 billion	1.0 billion	1.2 billion	1.5 billion	1.7 billion	2.0 billion
Adjusted EBITDA margin	2%	15%	12%	15%	18%	21%	24%
Vesting ratio	–	–	20%	40%	60%	80%	100%

\*1 Adjusted EBITDA = Operating Income + Depreciation and Amortization + Amortization of Goodwill + Share-based Compensation Expenses

\*2 The exercise of rights is possible based on the performance achievement level at two determination periods.

Copyright © ENECHANGE Ltd., All rights reserved.

ENECHANGE 33

## 2. Outline of the Issuance

### I. Number of Stock Acquisition Rights

21,300 rights

The total number of shares to be issued upon exercise of the Stock Acquisition Rights shall be 2,130,000 shares of common stock of the Company. In the event that the number of shares to be issued upon exercise of the Stock Acquisition Rights is adjusted pursuant to III(1) below, the number shall be obtained by multiplying the number of shares granted after adjustment by the number of Stock Acquisition Rights.

### II. Amount to be paid in exchange for Stock Acquisition Rights

The issue price per Stock Acquisition Right is set at 500 yen. This amount was determined to be the same as the result calculated by PLUTUS CONSULTING Co., Ltd, a third-party valuation institution, which took into consideration the Company's stock price and other factors using a general option pricing model, the Monte Carlo simulation.

### III. Details of Stock Acquisition Rights

#### (1) Class and number of shares to be issued upon exercise of the Stock Acquisition Rights

The number of shares to be issued upon exercise of each Stock Acquisition Right (hereinafter referred to as the “Number of Shares Granted”) shall be one hundred (100) shares of common stock of the Company. The Number of Shares Granted shall be adjusted according to the following formula in the event that the Company conducts a stock split (including the gratis allotment of common stock of the Company; the same shall apply hereinafter) or a stock consolidation after the allotment date of the Stock Acquisition Rights.

However, such adjustments shall be made only with respect to the number of shares underlying the Stock Acquisition Rights that have not been exercised at the time of such an adjustment, and any fraction less than one share arising from the adjustment shall be rounded down.

Number of Shares Granted after adjustment =

Number of Shares Granted before adjustment × Ratio of stock split (or stock consolidation)

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

In addition, the Number of Shares Granted shall be adjusted appropriately to a reasonable extent if, after the allotment date of the Stock Acquisition Rights, the Company conducts a merger, company split, share exchange, or share issuance that requires adjustment of the Number of Shares Granted.

(2) Value or calculation method of assets to be contributed upon exercise of Stock Acquisition Rights

The value of the assets to be contributed upon exercise of the Stock Acquisition Rights shall be the amount obtained by multiplying the amount to be paid per share (hereinafter referred to as the "Exercise Price") by the Number of Shares Granted.

The Exercise Price shall be 355 yen.

In the event that the Company conducts a stock split or a stock consolidation after the allotment date of the Stock Acquisition Rights, the Exercise Price shall be adjusted according to the following formula, and any fraction less than one yen arising from the adjustment shall be rounded up.

$$\text{Adjusted exercise price} = \text{Original exercise price} \times \frac{1}{\text{Ratio of stock split (or stock consolidation)}}$$

Furthermore, if after the allotment date of these stock acquisition rights, the Company issues new shares or disposes of its own shares at a price below the market value of its common stock (excluding cases involving the issuance of new shares and disposal of treasury shares based on the exercise of stock acquisition rights, as well as mergers, company splits, share exchanges, and share deliveries), the exercise price shall be adjusted according to the following formula, with any fractional amounts less than one yen being rounded up.

$$\text{Adjusted exercise price} = \frac{\text{Original exercise price} \times \left( \frac{\text{Shares outstanding} + \frac{\text{New shares issued} \times \text{Payment amount per share}}{\text{Market price per share before new issuance}}}{\text{Shares outstanding} + \text{New shares issued}} \right)}{1}$$

In the above formula, "Shares outstanding" refers to the total number of ordinary shares issued by the Company, less the number of treasury shares. When the Company disposes of treasury shares, "New shares issued" should be replaced with "treasury shares to be disposed of."

(3) Period during which the Stock Acquisition Rights are exercisable

The period during which the Stock Acquisition Rights are exercisable (hereinafter referred to as the "Exercise Period") is from July 1, 2028 to July 7, 2035(However, if the last day is not a banking business day, the previous banking business day will be used).

(4) Matters concerning the capital and capital reserve to be increased

(i) The amount of capital to be increased due to the issuance of shares upon exercise of the Stock Acquisition Rights shall be one-half of the maximum amount of increase in the capital, etc. to be calculated pursuant to Article 17, paragraph 1 of the Ordinance on Accounting of Companies, with any amount less than one yen arising from the calculation to be rounded up.

(ii) The amount of capital reserve to be increased in the event of issuance of shares upon exercise of Stock Acquisition Rights shall be the amount obtained by subtracting the amount of increase in capital as specified in (i) above from the maximum amount of increase in capital, etc. as stated in (i) above.

(5) Restriction on acquisition of Stock Acquisition Rights through transfer

Any acquisition of the Stock Acquisition Rights through transfer shall require approval by resolution of the Board of Directors of the Company.

## (6) Conditions for exercising the Stock Acquisition Rights

(i) A person who has been allotted Stock Acquisition Rights (hereinafter referred to as the "Stock Acquisition Rights Holder") may exercise the Stock Acquisition Rights up to the specified exercisable ratio if the sales and Adjusted EBITDA, as recorded in the audited consolidated profit and loss statement (or profit and loss statement if a consolidated one is not prepared) of the Company's securities report, meet any of the levels specified from (a) to (e) for either the fiscal year ending March 2028 or March 2029.

- (a) In the case that sales are over 8.3 billion JPY and adjusted EBITDA is over 1 billion JPY:  
Exercise rate is 20%
- (b) In the case that sales are over 8.3 billion JPY and adjusted EBITDA is over 1.25 billion JPY:  
Exercise rate is 40%
- (c) In the case that sales are over 8.3 billion JPY and adjusted EBITDA is over 1.5 billion JPY:  
Exercise rate is 60%
- (d) In the case that sales are over 8.3 billion JPY and adjusted EBITDA is over 1.75 billion JPY:  
Exercise rate is 80%
- (e) In the case that sales are over 8.3 billion JPY and adjusted EBITDA is over 2 billion JPY:  
Exercise rate is 100%

The Adjusted EBITDA amount is calculated by adding depreciation, amortization and stock-based compensation expenses to the operating income recorded in our audited consolidated statement of income, as stated in our securities report, or the statement of income if a consolidated statement is not prepared.

In determining the Sales and adjusted EBITDA above, if the Board of Directors judges that it is not appropriate to determine based on the actual figures stated in our Consolidated Statement of Income (or Statement of Income if a Consolidated Statement of Income is not prepared) due to any occurrence of events such as changes in applicable accounting standards or corporate acquisitions that significantly affect our performance, the company may adjust the actual figures used for the determination by eliminating the impact of such corporate acquisitions within a reasonable range. Furthermore, if there is a significant change in the concept of reference items due to the application of International Financial Reporting Standards or a change in the Fiscal year-end, the Board of Directors shall separately establish indicators to be referred to.

Moreover, in the calculation of the exercisable ratio, if a fraction less than one occurs in the number of subscription rights to shares that can be exercised by each holder, it shall be rounded down.

(ii) Stock Acquisition Rights Holders must be directors, executive officers, auditors, contractors, or employees of the Company or its affiliates (as defined in Article 8, Paragraph 8 of the Regulations on the Terminology, Forms, and Preparation Methods of Financial Statements, hereinafter the same) at the time of exercising their Stock Acquisition Rights. However, this requirement shall not apply if the Board of Directors recognizes a justifiable reason, such as retirement due to the expiration of the term of office, mandatory retirement, or other valid reasons.

(iii) In the event of the death of a stock acquisition rights holder, notwithstanding the above, the legal heir of the stock acquisition rights holder, specifically one member from either the spouse or a first-degree relative (hereinafter referred to as "successor"), may exercise the stock acquisition rights only within six months from the date of the stock acquisition rights holder's death. However, if the successor dies, the successor's heirs cannot inherit the stock acquisition rights.

(iv) If the matters listed in each of the following sections (hereinafter referred to as "Reorganization Reasons") are authorized at our Shareholders' Meeting (except where approval by our Shareholders' Meeting is not required in item (b), and for item (f), it shall be by our Board of Directors), all subscription rights to shares that satisfy conditions (i) to (iii) above on the day of such authorization may be exercised for 30 days from the date of such authorization.

- (a) Merger agreement where our company becomes the absorbed company

- (b) Spin-off agreement or spin-off plan where our company becomes a split company (only if the company division consideration received due to the company division is distributed in whole or in part to our shareholders on the effective date of the company division.)
  - (c) Share exchange agreement, share transfer plan, or share delivery plan where our company becomes a wholly owned subsidiary
  - (d) Consolidation of shares (only if consolidation results in fractional shares of our company's shares, which are the subject of our outstanding share options, being less than one share at that time.)
  - (e) Acquisition of all our common shares with acquisition clauses under Article 108, Paragraph 1, Item 7 of the Companies Act
  - (f) Demand for the sale of shares, etc., targeting our common shares and, if our share options are still effective at that time, share options (meaning the demand for the sale of shares, etc., stipulated in Article 179-3, Paragraph 1 of the Companies Act.)
- (v) If the exercise of the Stock Acquisition Rights causes the total number of issued shares of the Company to exceed its total number of authorized shares, such Stock Acquisition Rights may not be exercised.
- (vi) Each Stock Acquisition Right may not be exercised for less than one Stock Acquisition Right.

#### IV. Allotment date of Stock Acquisition Rights

July 8, 2025

#### V. Acquisition of Stock Acquisition Rights

(1) If authorization is granted by the General Meeting of Shareholders regarding the reason for the organizational restructuring (or, if not required, by a resolution by the board of directors), our company will be able to acquire all of the subscription rights to shares for free on a date separately specified by our board of directors.

(2) In the event that the exercise of the Stock Acquisition Rights becomes impossible pursuant to the provisions of III. (6) above prior to the exercise by the Stock Acquisition Rights holder, the Company may acquire the Stock Acquisition Rights without any charge upon the arrival of a date separately specified by its Board of Directors.

#### VI. Handling of Stock Acquisition Rights upon the Act of Structural Reorganization

In case the Company conducts a merger (limited to the case where the Company is dissolved as a result of the merger), an absorption-type company split, an incorporation-type company split, a share exchange or a share transfer (hereinafter collectively referred to as "Act of Structural Reorganization"), the Stock Acquisition Rights of the Stock Company listed in Article 236(1)(viii)(a) to (e) of the Companies Act (hereinafter referred to as the "Reorganized Company") shall be delivered to the Stock Acquisition Rights holder on the effective date of the Act of Structural Reorganization in each case according to the following conditions.

However, this shall be limited to the cases where it is stipulated in the absorption-type merger agreement, consolidation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement, or share transfer plan that Stock Acquisition Rights of the Reorganized Company shall be delivered in accordance with the following conditions.

(1) Number of Stock Acquisition Rights of the Reorganized Company to be delivered

The same as the number of Stock Acquisition Rights held by the Stock Acquisition Rights holder shall be delivered respectively.

(2) Class of shares of the Reorganized Company to be issued upon exercise of Stock Acquisition Rights

Shares of common stock of the Reorganized Company shall be issued.

(3) Number of shares of the Reorganized Company to be issued upon exercise of Stock Acquisition Rights

Shall be determined in accordance with III.(1) above based on the consideration of conditions of the Act of

## Structural Reorganization.

### (4) Amount of assets to be contributed upon exercise of Stock Acquisition Rights

Shall be determined, based on the consideration of conditions of the Acts of Structural Reorganization, by multiplying the amount obtained after the reorganization by adjusting the Exercise Price in accordance with III.(2) above by the number of shares of the Reorganized Company to be issued upon exercise of the Stock Acquisition Rights as determined in accordance with VI.(3) above.

### (5) Period during which Stock Acquisition Rights are exercisable

The period shall be from the commencement date of the Exercise Period stipulated in III.(3) above, or the effective date of the Acts of Structural Reorganization, whichever is later, until the expiry date of the Exercise Period stipulated in III.(3) above.

### (6) Matters concerning the capital and capital reserve to be increased when shares are issued upon the exercise of Stock Acquisition Rights

To be determined in accordance with III.(4) above.

### (7) Restriction on acquisition of Stock Acquisition Rights through transfer

Any acquisition of the Stock Acquisition Rights through transfer shall require approval by resolution of the Board of Directors of the Reorganized Company.

### (8) Other conditions upon exercise of Stock Acquisition Rights

To be determined in accordance with III.(6) above.

### (9) Conditions and provisions for acquisition of Stock Acquisition Rights

To be determined in accordance with V above.

### (10) Other conditions shall be determined in accordance with the conditions of the Reorganized Company.

## VII. Matters concerning certificates of Stock Acquisition Rights

The Company shall not issue certificates of the Stock Acquisition Rights.

## VIII. The due date for the payment in exchange for the Stock Acquisition Rights

July 8, 2025

## IX. The due date for the application

June 27 ,2025

## X. The persons to whom and the number of the Stock Acquisition Rights to be allotted

Representative Directors: 2 (11,458 rights)

Executive Officers: 4 (5,916 rights)

Employees: 7 (3,926 rights)