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Listed Prime Market  
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## Announcement regarding Disposal of Treasury Shares as Restricted Stock Compensation to Employee

User Local, Inc. (hereinafter “the Company”) hereby announces that at its Board of Directors’ meeting held on May 8, 2024, the Company resolved to dispose treasury shares as the restricted stock compensation plan for our employee (hereinafter “the Disposal”) as follows.

### 1. Outline of the Disposal

(1) Disposal date	7 June, 2024
(2) Class and number of shares to be disposed	99,600 shares of Common stock of the Company
(3) Disposal price	2,141 yen per share
(4) Total value of shares to be disposed	213,243,600 yen
(5) Allottees and number thereof, number of shares to be disposed	68 Employees: 99,600 shares
(6) Others	For the disposal of treasury stock, a securities notice has been submitted as required under the Financial Instruments and Exchange Act.

### 2. Purpose and Reasons of the Disposal

User Local, Inc. has introduced the restricted stock compensation plan for the employees for the purpose of providing incentives to achieve sustainable growth in the corporate value and to facilitate their sense of sharing value with shareholders.

Today, the board of directors has decided that 68 eligible employees (hereinafter “Eligible employees”) will be allotted as share-restricted stock compensation, a total of 213,243,600 yen in monetary receivables, and will be allocated 99,600 common stocks of the Company through the Disposal for the purpose of the total monetary receivables of JPY 213,243,600 to be paid as property contributed in kind (the amount of the monetary receivables paid per share: JPY 2,141).

In order to encourage employees to deliver the contribution over the medium and long term, which is one of the objectives of the introduction of this system, the Company has decided to place restrictions on the transfer of these allocated shares, and has set the period for such restrictions as described in (1) below.

The Eligible Employee 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.

〈Overview of the allocation contract〉

(1) Transfer restriction period

Eligible employees cannot transfer, set pledges, set collateral rights, give gifts, bequests or any other disposition to third parties during the transfer restriction period set forth in ( i ) through ( iv ) below.

i	One quarter of the shares to be allotted	From June 7, 2024 to June 9, 2025
ii	One quarter of the shares to be allotted	From June 7, 2024 to June 9, 2026
iii	One quarter of the shares to be allotted	From June 7, 2024 to June 9, 2027
iv	One quarter of the shares to be allotted	From June 7, 2024 to June 9, 2028

(2) Remove of the transfer restriction

The Company shall remove the transfer restrictions of all the each allotted shares at the time of expiration of the each transfer restriction period, provided that eligible employees have continuously held the position of directors or employees (incl. its subsidiaries).

However, if any eligible employees resign, retires, or take a long-term leave absence from any position as a director or employee (incl. its subsidiaries) prior to the expiration of the transfer restriction period for any reason that the board of directors deems justifiable, the transfer restrictions shall be released as of the time of resignation, retirement, or extended leave of absence with respect to the number of the allotted shares calculated according to the prescribed calculation method.

(3) Uncompensated Acquisition by the Company

Upon expiration of the Transfer Restriction Period, the Company may 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 Employees at Daiwa Securities Co. Ltd. in order to prevent the Allocated Shares from being transferred, pledged as collateral, or otherwise disposed of during the Transfer Restriction Period.

(5) Reorganizations

Until June 9, 2028, in the event a merger agreement in which the Company becomes 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 by the General Meeting of Shareholders (or the Board of Directors where approval of the General Meeting of Shareholders is not required in a relevant reorganization case), the Board of Directors of the Company shall lift the transfer restriction on the number of Allocated Shares reasonably calculated as of the moment immediately prior to the business day prior to the effective date of such reorganization.

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

The Disposal will be funded by monetary receivables paid to the allottees 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 the Company on Tokyo Stock Exchange on May 7, 2024 (the business day before the resolution at the Board of Directors), which is JPY 2,141 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 the Company believes it appropriately and reasonably reflects the Company's corporate value and is not a price particularly favorable to the Eligible

Employees unless there is any special circumstance suggesting that dependence on the latest stock price is inappropriate.