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For Immediate Release

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Announcement regarding Issuance of New Shares as Restricted Stock to Executives and Employees

The Company hereby announces that its Board of Directors has resolved today to issue new shares as restricted stock (the "New Share Issuance") as described below.

1 . Overview of the Issuance

(1) Payment date	December 19, 2022
(2) Class and number of shares issued	Common stock – 448,674 shares
(3) Issue price	705 yen per share (*1)
(4) Total paid-in amount	316,315,170 yen (*2)
(5) Allottees	Executives – 315,692 shares to 8 individuals Employees – 132,982 shares to 38 individuals

*1 The issue price is the paid-in amount under the Companies Act for this issuance of new shares. It is an estimated amount calculated based on the closing price of our common stock on the Tokyo Stock Exchange on November 7, 2022, 705 yen. The actual issue price will be determined on November 16, 2022 as the higher amount of either (a) the closing price of 705 yen on November 7, 2022 (the business day prior to the date of the resolution by the Board of Directors) or (b) the average of the closing prices for each trading day from November 9, 2022 to November 16, 2022 (excluding days with no closing price and rounding up fractions less than one yen).

*2 The total paid-in amount is the total amount of the paid-in amount under the Companies Act for this issuance of new shares. It is an estimated amount calculated based on the closing price of the Company's common stock on the Tokyo Stock Exchange on November 7, 2022, 705 yen. The actual total paid-in amount will be determined on November 16, 2022 in the manner described above in (Footnote 1).

2. Purpose and Reason for the Issuance

The Company resolved to grant 448,674 shares of common stock of the Company ("Allocated Shares") to 8 executives and 38 employees of the Company ("eligible employees") who meet the prescribed requirements in exchange for contributions in kind of monetary claims as the issuance of new shares. The purpose of this issuance of new shares is to provide incentives to continuously improve the corporate value of the Group and to further promote value sharing with shareholders. This grants shares in the range of 1,276 to 212,834 shares of the Company's stock to each eligible employee depending on their position. From the viewpoint of encouraging medium-to-long-term and continuous service, we have set restrictions on the transfer of the allotted shares. As described in the "Restricted Share Allotment Agreement" below, the allotted shares have been divided into roughly five parts with restriction periods set to approximately 1 year, approximately 1 year and 6 months, approximately 2 years, approximately 2 years and 6 months, and approximately 3 years, respectively.

Eligible employees shall subscribe for the shares of common stock to be allotted through the issuance of new shares by the Company by paying all of the monetary claims provided as assets contributed in kind. In conjunction

with this issuance of new shares, the Company will enter into a Restricted Share Allotment Agreement with the eligible employees, which will include the following details summarized below.

Note that the allotted shares will be allocated only to those eligible employees who wish to subscribe for the shares.

<Summary of the Restricted Share Allotment Agreement>

(1) Restricted transfer periods

Eligible employees shall not transfer, create a security interest in, or otherwise dispose of the allotted shares during the following periods:

- (a) In the case of the share allotment equivalent to one third of the allotted shares (rounded down to the nearest unit; "Allotment A"), the period of December 19, 2022 (payment date) to December 31, 2023 ("Restricted Transfer Period A")
- (b) In the case of the share allotment equivalent to one fourth of the allotted shares excluding Allotment A (rounded down to the nearest unit; "Allotment B"), the period of December 19, 2022 (payment date) to June 30, 2024 ("Restricted Transfer Period B")
- (c) In the case of the share allotment equivalent to one third of the allotted shares excluding Allotments A and B (rounded down to the nearest unit; "Allotment C"), the period of December 19, 2022 (payment date) to December 31, 2024 ("Transfer Restriction Period C")
- (d) In the case of the share allotment equivalent to one half of the allotted shares excluding Allotments A through C (rounded down to the nearest unit; "Allotment D"), the period from December 19, 2022 (payment date) to June 30, 2025 ("Transfer Restriction Period D")
- (e) In the case of the remaining allotted shares ("Allotted Shares E"), the period from December 19, 2022 (payment date) to December 19, 2025 ("Restricted Transfer Period E"; Restricted Transfer Periods A through E are hereinafter collectively or individually referred to as "Restricted Transfer Period(s)").

(2) Conditions for cancellation of restrictions on transfer

- (a) Subject to the condition that the eligible employees have continuously held the position of executive or employee of the Company during Restricted Transfer Period A, the restriction on the transfer of all of Allotment A shall be lifted at the expiration of the Restricted Transfer Period A.
- (b) Subject to the condition that the eligible employees have continuously held the position of executive or employee of the Company during Restricted Transfer Period B, the restriction on the transfer of all shares of Allotment B shall be lifted at the expiration of the Restricted Transfer Period B. However, should the eligible employee lose their position as an executive and employee of the Company during the Restricted Transfer Period B due to the expiration of their employment period (or the expiration of the reemployment period in the case of reemployment after retirement), death, or any other reason deemed justifiable by the Board of Directors of the Company, the restriction on transfer shall be lifted on the following number of shares of Allotment B (However, any fraction of a share resulting from this calculation shall be rounded down):
The product of multiplying the number of shares in Allotment B by the quotient of the number of months from the month containing the expiration date of Restricted Transfer Period A to the month containing the date of said loss of position (if the position in question was lost during Transfer Restriction Period A, said number of months shall be zero) divided by 6
- (c) Subject to the condition that the eligible employees have continuously held the position of executive or employee of the Company during Restricted Transfer Period C, the restriction on the transfer of all shares of Allotment C shall be lifted at the expiration of the Restricted Transfer Period C. However, should the eligible employee lose their position as an executive and employee of the Company during the Restricted Transfer Period C due to the expiration of their employment period (or the expiration of the reemployment period in the case of reemployment after retirement), death, or any other reason deemed justifiable by the Board of Directors of the Company, the restriction on transfer shall be lifted on the following number of shares of Allotment C (However, any fraction of a share resulting from this calculation shall be rounded down):
The product of multiplying the number of shares in Allotment C by the quotient of the number of months from the month containing the expiration date of Restricted Transfer Period B to the month containing the date of said loss of position (if the position in question was lost during Transfer Restriction Period B, said number of months shall be zero) divided by 6
- (d) Subject to the condition that the eligible employees have continuously held the position of executive or employee of the Company during Restricted Transfer Period D, the restriction on the transfer of all shares of Allotment D shall be lifted at the expiration of the Restricted Transfer Period D. However, should the eligible employee lose their position as an executive and employee of the Company during the Restricted Transfer Period D due to the expiration of their employment period (or the expiration of the reemployment period in the case of reemployment after retirement), death, or any other reason deemed justifiable by the Board of Directors of the Company, the restriction on transfer shall be lifted on the following number of shares of Allotment D (However, any fraction of a share resulting from this

calculation shall be rounded down):

The product of multiplying the number of shares in Allotment D by the quotient of the number of months from the month containing the expiration date of Restricted Transfer Period C to the month containing the date of said loss of position (if the position in question was lost during Transfer Restriction Period C, said number of months shall be zero) divided by 6

- e) Subject to the condition that the eligible employees have continuously held the position of executive or employee of the Company during Restricted Transfer Period E, the restriction on the transfer of all shares of Allotment E shall be lifted at the expiration of the Restricted Transfer Period E. However, should the eligible employee lose their position as an executive and employee of the Company during the Restricted Transfer Period E due to the expiration of their employment period (or the expiration of the reemployment period in the case of reemployment after retirement), death, or any other reason deemed justifiable by the Board of Directors of the Company, the restriction on transfer shall be lifted on the following number of shares of Allotment E (However, any fraction of a share resulting from this calculation shall be rounded down):

The product of multiplying the number of shares in Allotment E by the quotient of the number of months from the month containing the expiration date of Restricted Transfer Period D to the month containing the date of said loss of position (if the position in question was lost during Transfer Restriction Period D, said number of months shall be zero) divided by 6

(3) Acquisition without consideration by the Company

The Company may, at the time of expiration of the Restricted Transfer Period E or immediately after an eligible employee loses their positions as executive and employees of the Company during a Restricted Transfer Period, acquire without consideration the allotted shares for which the restriction on transfer has not been lifted (excluding allotted shares for which the restriction on transfer has been lifted in the event the eligible employee loses their position as executive and employees of the Company for reasons that the Board of Directors of the Company deems justifiable).

(4) Management of shares

In order to prevent the transfer, creation of security interests, or other disposal of the allotted shares during Restricted Transfer Periods, the allotted shares shall be managed in a dedicated account for restricted stock opened by eligible employee at Daiwa Securities Co., Ltd.

(5) Handling of organizational restructuring, etc.

In the event that, during Restricted Transfer Period E, a merger agreement under which the Company becomes a dissolved company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other matters related to organizational restructuring, etc. are approved at a general meeting of shareholders of the Company (or, in cases where said reorganization, etc. does not require the approval of a general meeting of shareholders of the Company, approved by the Board of Directors of the Company), the restrictions on the transfer of all allotted shares not yet lifted as of the date of approval of the organizational restructuring, etc. shall be lifted by a resolution of the Board of Directors as of the business day immediately preceding the effective date of the organizational restructuring, etc.

However, in the event the business day immediately preceding the effective date of the organizational restructuring, etc. falls on or before December 31, 2023, the Company will naturally acquire all of the allotted shares without consideration on the business day immediately preceding the effective date of the organizational restructuring, etc.

3 Basis for Calculation and Specific Details of the Paid-in Amount

This issuance of new shares will be made with the monetary claims provided to the allottees as the property contributed. The paid-in amount shall, in order to eliminate arbitrariness, be the higher amount of either (a) the closing price of the Company's common stock on the Tokyo Stock Exchange of 705 yen on November 7, 2022 (the business day prior to the date of the resolution by the Board of Directors) or (b) the average of the closing prices for each trading day from November 9, 2022 to November 16, 2022 (excluding days with no closing price and rounding up fractions less than one yen)(Note). According to said calculation method, the paid-in amount shall be equal to or higher than the market share price immediately before the date of the resolution of the Board of Directors on this issuance of new shares. Therefore, we believe that the paid-in amount is not a particularly favorable price for the eligible employees.

(Footnote) The paid-in amount will be determined on November 16, 2022, in accordance with the method described in "1. Overview of the Issuance (Footnote 1)" above.

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