



MEMBERSHIP

April 21, 2022

To Whom It May Concern

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Representative: Naomichi Hayashi
President and CEO
(Securities Code: 8914, TSE Standard Market)
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Notice Concerning the Disposal of Treasury Stock as Restricted Stock Compensation

Arealink Co., Ltd. hereby announces that, as of the Board of Directors meeting held today, the Company has resolved the following regarding the disposal of treasury stock (hereinafter “treasury stock disposal”) as restricted stock compensation.

Notice

1. Outline of the Disposal

(1)	Date of distribution	May 20, 2022
(2)	Type of stock to be disposed of, and quantity	Common shares of the Company: 15,696
(3)	Intended recipients	5 Directors (excluding Outside Directors) , 15,696 shares
(4)	Other	A securities notification in line with the Financial Instruments and Exchange Act has been submitted regarding this treasury stock disposal. Note: This treasury stock disposal is issued as remuneration free of charge to directors (Companies Act, Article 202 (2)). However, a securities notification has been submitted with the issue amount of 23,857,920 yen as the fair market price based on the closing price (1,520 yen) on April 20, 2022, the day before today’s Board of Director’s resolution, times the above-mentioned number of the Company’s common shares.

2. Purpose and Reason for the Disposal

At the Board of Directors meeting on February 12, 2021, the Company resolved to introduce a restricted stock compensation plan (hereinafter the “Plan”) as an incentive for the Company’s Directors (excluding Outside Directors, and hereinafter “Eligible Directors”) to continuously improve the Company’s corporate value and to promote further shared value with its shareholders.

Also, as approved at the 26th Ordinary General Meeting of Shareholders held on March 24, 2021, based on this Plan, the amount for restricted stock to be paid shall be no more than 50 million yen per year (excluding the portion of employee's salary for directors who concurrently serve as employees) to the Company's directors and shall be within the already existing range of monetary compensation, the total number of common shares issued or disposed of by the Company under this Plan shall be no more than 50,000 shares per year, and the transfer restriction period is to be a period specified by the Board of Directors in the period of 3 to 10 years from the date of issuance or disposal.

At today's Board of Directors meeting, the Company resolved to allot 15,696 common shares (hereinafter "Allotted Shares") as restricted stock to the 5 Eligible Directors, who are not required to pay money, after full consideration is given to various matters, such as the Plan's purpose, the Company's financial results, and the directors' area of responsibility. Also, the transfer restriction period will be 5 years.

3. Outline of the Allotment Contract for Restricted Stock

Along with this treasury stock disposal, the Company and Eligible Directors will conclude separate Allotment Contracts for Restricted Stock, and the outline is as follows.

(1) Transfer Restriction Period

The Eligible Directors must not transfer, create a security interest on, or dispose of the Allotted Shares during the period from May 20, 2022 (date of disposal) to May 19, 2027.

(2) Conditions for Cancelling the Restriction

The transfer restriction period will be cancelled on all of the Allotted Shares on the date of maturation of the transfer restriction period, on the condition that the Eligible Directors were either Directors or employees of the Company continuously during the transfer restriction period. However, if, during the transfer restriction period, an Eligible Director dies, completes his/her term of office, retires, or leaves office or resigns for a reason recognized as justifiable by the Company's Board of Directors, the transfer restriction will be cancelled for the Allotted Shares for the quantity as calculated for the number of months from the month including the disposal date to the month including the applicable date of resignation divided by 12 (however, if the result is more than 1, then 1 is used), and multiplied by the number of Allotted Shares (however if the calculation results in portions of less than 1 share, that portion will be discarded).

(3) The Company's Acquisition Without Contribution

Upon cancellation of restrictions as specified in (2), the Company will, as a matter of course, acquire, without contribution, stock from the Allotted Shares that has not had the restrictions cancelled.

(4) Administration of the Stock

The Allotted Shares will be administered in dedicated accounts opened by the Eligible Directors at Okasan Securities Co., Ltd. This is to ensure Eligible Directors do not transfer, create a security interest on, or dispose of the restricted stock during the transfer restriction period.

(5) Handling When there is a Reorganization, etc.

During the transfer restriction period, if a reorganization is approved at the Ordinary General Meeting of the Shareholders (however, if the concerned reorganization does not require the approval of the Ordinary General

Meeting of the Shareholders, then approval by the Board of Directors) and the Company becomes a non-surviving company in a merger contract, or a wholly-owned subsidiary in an exchange of stock or stock transfer plan, or some other reorganization, the transfer restriction period will be cancelled for the Allotted Shares for the quantity as calculated for the number of months from the month including the distribution date to the month including the applicable date of reorganization divided by 12 (however, if the result is more than 1, then 1 is used), and multiplied by the number of Allotted Shares (however if the calculation results in portions of less than 1 share, that portion will be discarded) as of a time on the day immediately prior to the day the reorganization goes into effect.