

[Reflects the changes made on January 23, 2024]

January 18, 2024

Company Name: Open House Group Co.,Ltd.
Representative: Masaaki Arai, President and CEO
Securities code: 3288, TSE
Contact: Kotaro Wakatabi, Senior Managing Director and CFO

Notice Regarding Issuance of Stock Compensation-Type Stock Options (Stock Acquisition Rights)

Open House Group Co.,Ltd. (hereinafter the "Company") announced at the board of directors meeting held on January 18, 2024, pursuant to the provisions of Articles 236, 238, and 240 of the Companies Act, that the Company's directors and executive officers will receive new shares as stock compensation-type stock options. The Company has resolved to issue stock acquisition rights and would like to inform you as follows.

1. Reason for Issuance of Stock Acquisition Rights as Stock Options

The Company will issue stock acquisition rights as stock compensation-type stock options to our directors and executive officers for the purpose of further increasing motivation and morale to contribute towards improving performance and enhancing corporate value, by further strengthening the link between the Company's performance and share value and having them partake with shareholders not only the benefits of share price increases but also the risks of share price decreases.

2. Details of Issuance of Stock Acquisition Rights

(1) Name of the Stock Acquisition Rights

Open House Group Co.,Ltd. 10th Stock Acquisition Rights

(2) Total Number of Stock Acquisition Rights

784 units.

The total number above is the scheduled number for the allotment, and if the total number of stock acquisition rights to be allotted decreases, such as in the event that an application for underwriting is not made, the total number of stock acquisition rights to be allotted shall be the total number of stock acquisition rights to be issued.

(3) Persons Entitled to Allotment of Stock Acquisition Rights and Number Thereof; Number of Stock Acquisition Rights to be Allotted

Company directors	6 persons	540 units
Company executive officers	8 persons	244 units

(4) Class and Number of Shares Underlying Stock Acquisition Rights

Common shares: 78,400

The class of shares underlying the stock acquisition rights shall be common shares, and the number of shares that are the object of each stock acquisition right (hereinafter referred to as the "Number of Shares Granted") shall be 100 shares.

However, after the date of which stock acquisition rights are allotted (hereinafter referred to as the "Allotment Date"), we effect a stock split (including gratis allotment of our common shares; hereinafter the same shall apply to the description of the stock split), or reverse stock split with respect to our common shares. The number of granted shares shall be adjusted according to the following formula, and any fractions less than one share resulting from the adjustment shall be rounded down.

$$\begin{array}{ccccc} \text{Number of Shares} & & \text{Number of Shares} & & \text{Ratio of share split} \\ \text{Granted after} & = & \text{Granted before} & \times & \text{or share} \\ \text{adjustment} & & \text{adjustment} & & \text{consolidation} \end{array}$$

In addition to the above, if an unavoidable reason necessitates adjusting the number of shares granted, the Company's board of directors may adjust the number of shares granted within a reasonable range. Furthermore, any fraction less than one share resulting from the above adjustment shall be rounded down.

(5) Method of Calculation for Amount to be Paid Upon Allocation of Stock Acquisition Rights

The amount to be paid upon allocation of each stock acquisition right shall be the option price per share calculated based on the figures from 2) to 7) according to the formula of the Black-Scholes model, multiplied by the Number of Shares Granted, with fractions of less than one yen being rounded up to the nearest yen.

Black-Scholes model:

$$C = Se^{-qT}N(d) - Xe^{-rT}N(d - \sigma\sqrt{T})$$

Here

$$d = \frac{\ln\left(\frac{S}{X}\right) + \left(r - q + \frac{\sigma^2}{2}\right)T}{\sigma\sqrt{T}}$$

1) Option price per share (C)

2) Share price (S): the closing price of the common stock of the Company in regular trading on the Tokyo Stock Exchange on February 8, 2024 (if there is no closing price, the base price will be on the following trading day).

- 3) Exercise price (X): ¥1
- 4) Expected remaining period (T): 15 years
- 5) Volatility (σ): volatility of share price calculated based on the closing price of our common shares in common trading on the last trading day of each week from September 20, 2013 to February 8, 2024.
- 6) Risk-free interest rate (r): The interest rate on Japanese government bonds with remaining years corresponding to the expected remaining period.
- 7) Dividend yield (q): Dividends per share (dividends for the fiscal year ended September 2023) divided by the share price as set forth in 2) above.
- 8) Cumulative distribution function of the standard normal distribution (N)

The amount calculated in accordance with the above is the fair value of the stock acquisition rights and does not fall under the category of favorable issuance. In addition, The Company shall pay monetary remuneration and salary equivalent to the total amount paid for the stock acquisition rights to those who receive the allocation of stock acquisition rights. In place of the payment, the remuneration claim/salary claim held against the Company shall be set off against the payment obligation of the paid-in amount of stock acquisition rights.

(6) Value of Assets to be Contributed Upon Exercise of Stock Acquisition Rights

The amount paid per share that can be delivered by exercising each stock acquisition right (hereinafter referred to as the "exercise price") shall be 1 yen, multiplied by the number of shares granted.

(7) Exercise Period for Stock Acquisition Rights

The period is from February 9, 2024 to February 8, 2054 (hereinafter referred to as the "Exercise Period"). However, if the last day of the exercise period falls on a holiday of the Company, the last day will be the preceding business day.

(8) Conditions for Exercise of Stock Acquisition Rights

- (a) Stock acquisition rights holders (hereinafter referred to as "holder") shall, during the exercise period, retire from their positions as directors or executive officers at the time of allotment of stock acquisition rights (If the holder is in the position of director and executive officer at the time of stock acquisition rights allotment, the allotment date shall be the date on which he or she retires from the position of director, where if the holder is in the position of an executive officer at the time of allotment, and assumes the position of director simultaneous to his or her retirement as executive officer, the date shall be the date of his or her retirement from the position of director, lastly, if the holder is in the position of an executive officer at the time of stock acquisition rights allotment, but assumes the position of director after the allotment

date, the date shall be after the retirement from the position of director.) stock acquisition rights may only be exercised in one lump sum only during the period of 30 days following the date of resignation (or the preceding business day if the 30th day falls on a holiday).

- (b) In the event that a holder deceases before the day on which three years have elapsed from the Allotment Date, succession of Share Options by inheritance shall not be permitted.
 - (c) In the event that a holder deceases on or after the day on which three years have elapsed from the Allotment Date, only one of the heirs of such holder of Share Options (hereinafter referred to as the "Successor of Rights") shall be entitled to succeed to the Share Options. Successors of Rights shall be entitled to exercise the Rights only in a lump sum, limited to the period between the day on which six months have elapsed from the date of death and the day on which the Exercise Period expires, whichever comes earlier. In the event that Successors of Rights deceases, his or her heirs may not further inherit the stock acquisition rights.
 - (d) If the total number of issued shares of the Company exceeds the total number of shares issuable at the time of the exercise of the Stock Acquisition Rights, the Stock Acquisition Rights may not be exercised.
 - (e) Exercise of less than one unit of each Stock Acquisition Right is not allowed.
 - (f) Other terms and conditions shall be as set forth in the Share Option Allotment Agreement concluded between the Company and holders of Share Options pursuant to a resolution of the Board of Directors.
- (9) Matters Related to the Increase in Capital and Capital Reserves Upon the Exercise of the Stock Acquisition Rights
- (a) The amount of stated capital to be increased in the event of the issuance of shares as a result of the exercise of stock acquisition rights shall be one-half of the maximum amount of increase in capital calculated in accordance with Paragraph 1 of Article 17 of the Regulation on Corporate Accounting, and any fraction less than one yen resulting from the calculation shall be rounded up.
 - (b) (b)The amount of additional paid-in capital to be increased in cases where shares are issued as a result of the exercise of Share Options shall be the amount obtained by subtracting the amount of increased stated capital as set forth in item (a) from the maximum amount of increase in stated capital, etc. as set forth in item (a).

(10) Conditions for Acquisition of Stock Acquisition Rights

In case that a resolution for the approval of any of the proposals (a) to (e) below are adopted at the General Meeting of Shareholders of the Company (or at a meeting of the Board of Directors, if resolution at a General Meeting of Shareholders is not required), stock acquisition rights may be acquired free of charge on a date separately determined by the Board of Directors.

- (a) Proposal for approval of a merger agreement under which the Company shall be a dissolving

company.

- (b) Proposal for approval of a demerger agreement or demerger plan under which the Company shall be a split company.
- (c) Proposal for approval of a share exchange agreement or share transfer plan under which the Company shall be a wholly-owned subsidiary.
- (d) Proposal for approval of amendment to the Articles of Incorporation that stipulate the requirement of approval of the Company on acquisition of any of the shares issued by the Company by transfer.
- (e) Proposal for approval of the Company on acquisition of class of shares to be issued upon exercise of stock acquisition rights by transfer or the provisions that allow the Company to acquire all of the shares of said class by a resolution at a General Meeting of Shareholders.

In addition, if the holder no longer satisfies the conditions for exercising stock acquisition rights pursuant to the provisions of (8) "Conditions for Exercise of Stock Acquisition Rights" above, the Company shall, on a date separately determined by the Board of Directors of the Company, Stock acquisition rights can be acquired free of charge.

(11) Restrictions on Acquisition of Stock Acquisition Rights Through Transfer

Acquisition of stock acquisition rights through transfer requires approval by resolution of the Company's board of directors.

(12) Matters Concerning the Details of the Delivery of Stock Acquisition Rights Under Organizational Restructuring

In the event that the Company undergoes a merger (limited to cases where the Company becomes a dissolving company), performs an absorption-type demerger or an incorporation-type demerger (limited to cases in which the Company becomes a split company), or conducts a share exchange or a share transfer (in cases which the Company becomes a wholly-owned subsidiary) (hereinafter referred to as "Organizational Restructuring"), the stock acquisition rights remaining immediately before the effective date of the organizational restructuring actions (hereinafter referred to as "Remaining Stock Acquisition Rights") described in Article 236, Paragraph 1, Item 8, (a) through (e) of the Companies Act of Japan (hereinafter referred to as "Reorganized Company") shall be granted to each Stock Acquisition Rights Holder. However, the condition is that the absorption-type merger agreement, incorporation-type merger agreement, absorption-type split agreement, incorporation-type split plan, stock exchange agreement, or stock transfer plan stipulates that the stock acquisition rights of the reorganized company will be delivered in accordance with the following items.

- (a) Number of stock acquisition rights of the reorganized company to be delivered

The number that equals the remaining stock acquisition rights held by the holders shall be delivered, respectively.

- (b) Class of shares of the reorganized company underlying the stock acquisition rights
Common shares of the reorganized company.
- (c) Number of shares of the Reorganized Company underlying the stock acquisition rights
To be determined in accordance with (4) above, taking into consideration the terms, conditions, etc. of the reorganization.
- (d) Value of assets to be invested upon exercise of stock acquisition rights
The value of the assets to be invested upon the exercise of each stock acquisition right to be delivered shall be the post-restructuring exercise price specified below plus the number of shares of the reorganized company that is the object of the stock acquisition right determined in accordance with (c) above. The exercise price after reorganization shall be one (1) yen per share of the reorganized company to be delivered upon exercise of each of the delivered stock acquisition rights.
- (e) Exercise period of stock acquisition rights
From the starting date of the exercise period or the effective date of the reorganization act (the later date) until the expiration date of the exercise period.
- (f) Matters regarding increase in capital and capital reserves when shares are issued by exercising stock acquisition rights
To be determined in accordance with (9) above.
- (g) Restriction on acquisition of stock acquisition rights through transfer
The acquisition of stock acquisition rights through transfer requires the approval of the reorganized company.
- (h) Conditions for exercise of stock acquisition rights
To be determined in accordance with (8) above.
- (i) Provisions on acquisition of stock acquisition rights
To be determined in accordance with (10) above.

(13) Allotment Date of Stock Acquisition Rights

February 8, 2024

(14) Arrangements for Fractions of Less Than One Share Resulting from Exercise of Stock Acquisition Rights

If there are any fractions of less than one share to be delivered to holders of stock acquisition rights who exercised the stock acquisition rights, such fractions will be rounded down.

(15) Issuance of Stock Acquisition Rights Certificates

Stock acquisition rights certificates will not be issued.