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For immediate release

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**Notice Regarding Disposal of Treasury Shares as Restricted Stock (RS) Compensation for
 Directors, Executive Officers, and Employees**

DEAR LIFE CO., LTD. (the “Company”) hereby announces that, at a meeting of its Board of Directors held today, it resolved to dispose of treasury shares (hereinafter “Treasury Share Disposal”) as described below.

1. Overview of the Disposal

(1)	Disposal date	January 15, 2026
(2)	Class and number of shares to be disposed	Common shares of the Company: 96,200 shares
(3)	Disposal price	¥1,082 per share (the closing price on December 22, 2025)
(4)	Total disposal price	¥104,088,400
(5)	Method of offering or disposal	Method of allotting specified RS
(6)	Method of contribution	Contribution in kind of monetary claims
(7)	Allottees, number of persons, and number of shares to be allotted	Directors of the Company (excluding Outside Directors): 9 persons, 75,500 shares Executive Officers of the Company: 1 person, 500 shares Employees of the Company: 42 persons, 20,200 shares
(8)	Other	With respect to the Treasury Share Disposal, a securities registration statement has been filed in accordance with the Financial Instruments and Exchange Act.

2. Objective and Reason for the Disposal

At a meeting of the Board of Directors held on November 17, 2017, the Company resolved to introduce an RS compensation plan for its Directors (excluding Outside Directors; hereinafter “Plan for Directors”), with the aim of providing incentives to achieve sustained enhancement of the corporate value of the Dear Life Group and further promoting the sharing of value with shareholders. In addition, at the 13th Annual General Meeting of Shareholders held on December 21, 2017, and the 17th Annual General Meeting of Shareholders held on December 23, 2021, approval was obtained for the total amount of monetary compensation claims to be granted for the allotment of RS under the Plan to be set at no more than ¥300 million per year (excluding the portion of salaries payable to Directors concurrently serving as employees), and for the total number of the Company’s common shares to be issued or disposed of thereunder to be limited to no more than 600,000 shares per year.

Furthermore, at a meeting of the Board of Directors held on September 15, 2017, the Company resolved to introduce an RS compensation plan (hereinafter “Plan for Employees”) for its Executive

Officers and employees (hereinafter “Eligible Employees”).

The outline of the Plans is as follows.

Outline of the Plans

- **Plan for Directors**

Directors of the Company (excluding Outside Directors; hereinafter “Eligible Directors”) shall contribute, as property contributed in kind, the full amount of the monetary compensation claims granted for the allotment of RS pursuant to a resolution of the Board of Directors, and shall receive the issuance or disposal of the Company’s common shares.

Under the Plan for Directors, the total amount of monetary compensation claims granted for the allotment of RS shall be no more than ¥300 million per year (excluding the portion of salaries payable to Directors concurrently serving as employees), and the transfer restriction period shall range from two to ten years. The specific timing and allocation for each Eligible Director shall be determined by the Nomination and Remuneration Committee, acting under authority delegated by the Board of Directors.

In addition, the total number of the Company’s common shares to be issued or disposed of under the Plan shall be no more than 600,000 shares per year, and the amount to be paid in per share shall be the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the relevant Board of Directors’ resolution (or, if no transaction occurs on that day, the closing price on the most recent trading day preceding it).

In connection with the issuance or disposal of the Company’s common shares pursuant to the Plan, the Company shall enter into an RS allotment agreement with each Eligible Director. Such agreement shall include, among other provisions: (i) a provision that, for a specified period, the Eligible Director shall not transfer, create a security interest in, or otherwise dispose of the Company’s common shares allotted to him or her; and (ii) a provision that, upon the occurrence of certain events, the Company shall acquire such common shares without compensation.

- **Plan for Employees**

Eligible Employees shall contribute, as property contributed in kind, the full amount of the monetary compensation claims granted for the allotment of RS pursuant to a resolution of the Board of Directors, and shall receive the issuance or disposal of the Company’s common shares.

In connection with the issuance or disposal of the Company’s common shares pursuant to the Plan, the Company shall enter into an RS allotment agreement with each Eligible Employee. Such agreement shall include, among other provisions: (i) a provision that, for a specified period, the Eligible Employee shall not transfer, create a security interest in, or otherwise dispose of the Company’s common shares allotted to him or her; and (ii) a provision that, upon the occurrence of certain events, the Company shall acquire such common shares without compensation.

3. Overview of the Share Allotment Agreement

In connection with the Treasury Share Disposal, the Company will enter into an RS allotment agreement with each Eligible Director and Eligible Employee (collectively the “Allottees”). An outline of such agreement is provided below. With respect to RS compensation for Eligible Employees, the Company has categorized Eligible Employees into groups based on factors such as age and length of service, and has established transfer restriction periods for each group accordingly.

(1) Transfer Restriction Period

Type of RS	Allottees	Number of Persons	Transfer Restriction Period
RS I	Directors of the Company (excluding Outside Directors)	9	January 15, 2026–January 14, 2031
RS II	Executive Officer of the Company	1	January 15, 2026–January 14, 2031
RS III	Employees of the Company	41	January 15, 2026–January 14, 2036
RS IV		1	January 15, 2026–January 14, 2029

(2) Conditions for Lifting of Transfer Restrictions

On the condition that an Allottee has continuously held one of the positions of Director, Executive Officer, or employee of the Company or its affiliated companies (collectively the “Dear Life Group”) throughout the transfer restriction period, the transfer restrictions on all of the shares held by the Allottee at that time shall be lifted upon the expiration of the transfer restriction period. However, in cases where an Eligible Director retires due to the expiration of his or her term of office, death, or other reasons deemed justifiable by the Board of Directors, or where an Eligible Employee resigns during the transfer restriction period due to death, mandatory retirement, or other justifiable reasons, the transfer restrictions shall be lifted with respect to a number of shares calculated by multiplying the number of shares by the quotient obtained by dividing the Allottee’s period of service by the transfer restriction period (hereinafter the “Service Period Ratio”). Any fractional share resulting from such calculation shall be rounded down.

(3) Events Triggering Acquisition Without Compensation

The Company shall, as a matter of course, acquire without compensation all of the shares for which the transfer restrictions have not been lifted as of the expiration of the transfer restriction period, at the time immediately following such expiration. In addition, the Company shall, as a matter of course, acquire without compensation all or part of the shares in cases where an Allottee loses all positions as Director, Executive Officer, or employee of the Dear Life Group, or where the Board of Directors determines that an Allottee has committed a material violation of laws or regulations, the internal rules of the Dear Life Group, or the relevant share allotment agreement, among other circumstances.

(4) Treatment During Reorganization, etc.

If, during the transfer restriction period, a merger agreement in which the Company becomes the absorbed company or other matters relating to organizational restructuring, etc. are approved at a General Meeting of Shareholders of the Company (or, where approval by a General Meeting of Shareholders is not required, at a meeting of the Board of Directors), then, by resolution of the Board of Directors, the transfer restrictions shall be lifted with respect to a number of shares calculated by multiplying the number of shares held by the relevant Allottee as of the date of such approval by the quotient obtained by dividing the number of months from the month including the payment date through the month including the date of such approval by the total number of months in the transfer restriction period. Any fractional share resulting from such calculation shall be rounded down. The transfer restrictions on such shares shall be lifted at the time immediately prior to the closing of business on the business day immediately preceding the effective date of such organizational restructuring, etc.

(5) Management of Shares

In order to ensure that the allotted shares may not be transferred, pledged, or otherwise disposed of during the transfer restriction period, such shares shall be managed, throughout the transfer restriction period, in a dedicated account opened by each relevant Allottee with SMBC Nikko Securities Inc.

4. Basis for Calculation of the Amount to Be Paid and Specific Details Thereof

To eliminate any arbitrariness in the disposal price, the disposal price has been set at ¥1,082 per share, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on December 22, 2025, the business day immediately preceding the date of the relevant Board of Directors' resolution. This price represents the market price immediately before the Board of Directors' resolution relating to the Treasury Share Disposal and is considered reasonable.

(Reference) Overview of the RS Compensation Plan

