

July 11, 2025

**Notice Regarding Disposal of Treasury Shares as Restricted Stock Compensation**

At the Board of Directors meeting held today, it was resolved to dispose of treasury shares as restricted stock compensation. We hereby notify you of the details as follows.

**1. Outline of the Disposal**

Item	Details
Disposal Date	July 31, 2025
Type and Number of Shares	3,400 shares of common stock
Disposal Price	1,888 yen per share
Total Disposal Amount	6,419,200 yen
Scheduled Recipients	Four directors (excluding outside directors), 3,400 shares

**2. Purpose and Reason for Disposal**

At the Board of Directors meeting on May 12, 2017, the Company resolved to introduce a restricted stock compensation plan ("Plan") for directors (excluding outside directors) to encourage sharing of stock price fluctuation risks and benefits, aiming to raise motivation toward enhancing stock value and corporate value.

At the 58th Annual General Meeting of Shareholders on June 21, 2017, it was resolved to set the total annual monetary claim amount for this Plan to 20 million yen or less, limit shares allocated to 40,000 per fiscal year and set the restricted period from 5 to 30 years.

Following today's Board resolution, as restricted stock compensation for the period to the 67th Annual General Meeting scheduled for June 2026, 4 directors (excluding outside directors), called the "allottees," will be allotted 3,400 shares of common stock in exchange for monetary claims totaling 6,419,200 yen.

The Board has comprehensively assessed contributions and determined the allotments and monetary claims. The allottees will conclude restricted stock allotment agreements accordingly.

This plan aims to promote long-term motivation for stock value growth by enabling directors to share merits and risks with shareholders during their tenure. The restricted period is set to 30 years.

**3. Overview of the Allotment Agreement****1. Transfer Restricted Period:**

The transfer restriction period stipulated above (hereinafter referred to as "the Transfer Restriction Period") shall be from July 31, 2025, to July 30, 2055. During the Transfer Restriction Period, the allottee shall not transfer, create a pledge, set a security interest, make a gift while alive, bequests, or perform any other disposition acts concerning the restricted shares.

**2. Acquisition without Compensation for Restricted Shares:**

If the allottee resigns as a director of the Company on or after the commencement date of the Transfer Restriction Period and before the day preceding the date of the first annual general meeting of shareholders thereafter, the Company shall acquire without consideration the restricted shares allocated to such allottee (hereinafter referred to as "the allocated shares") at the time of such resignation, except in cases where the Board of Directors of the Company recognizes a legitimate reason (such as expiration of term).

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Further, if at the expiry date of the Transfer Restriction Period (hereinafter referred to as "the Expiry Date") any of the allocated shares remain subject to transfer restrictions based on the conditions for lifting transfer restrictions set forth in 3 below, the Company shall acquire such shares without consideration immediately after the Expiry Date.

3. Lifting Transfer Restrictions:

The Company shall lift the transfer restrictions on all the allocated shares held by the allottee at the Expiry Date, provided that the allottee has continuously held the position of a director of the Company from the commencement date of the Transfer Restriction Period until the date of the first annual general meeting of shareholders.

However, if the allottee resigns as a director before the Expiry Date due to a legitimate reason recognized by the Board of Directors (such as expiration of term), the transfer restrictions shall be lifted immediately after the resignation on a pro rata basis calculated as follows: the number of months from July 2025 through the month including the resignation date divided by 12 (but capped at 1), multiplied by the number of allocated shares held at the time of resignation (fractions less than one share shall be rounded down).

4. Provision Regarding Stock Management:

The allottee shall open an account with SMBC Nikko Securities Inc. by the method designed by the Company for recording the allocated shares and shall keep and maintain the allocated shares in such an account until the transfer restrictions are lifted.

5. Treatment in Case of Corporate Reorganization, etc.:

If, during the Transfer Restriction Period, a merger agreement under which the Company is the disappearing company, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or any other corporate reorganization-related matter is approved by the Company's shareholders meeting (or, if no approval is required from the shareholders meeting for such corporate reorganization, by the Board of Directors), then the Company shall remove transfer restrictions on a pro rata basis calculated as follows by resolution of the Board of Directors: the number of months from July 2025 through the month including the approval date of such corporate reorganization (hereinafter referred to as the "Approval Date") divided by 12 (but capped at 1), multiplied by the number of allocated shares held by the allottee on the Approval Date (fractions less than one share shall be rounded down). The removal of transfer restrictions shall be effective immediately before the business day preceding the effective date of such corporate reorganization.

In this case, the Company shall acquire without consideration the allocated shares subject to transfer restrictions as of the business day preceding the effective date of the corporate reorganization according to the above provisions.

**4. Basis for the Calculation of the Payment Amount and Its Specific Details**

The disposal price in this treasury stock disposal is set as the closing price of the Company's common shares on the Tokyo Stock Exchange on the last business day prior to the resolution date of the Company's Board of Directors (July 10, 2025), which is 1,888 yen. This price is intended to eliminate arbitrariness.

This represents the market price immediately before the Board resolution date and is considered reasonable and does not constitute a particularly advantageous price.