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To whom it may concern

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Notice Concerning Disposal of Treasury Shares as Restricted Share-Based Remuneration

MEIJI ELECTRIC INDUSTRIES CO., LTD. (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors held on June 26, 2025, to dispose of treasury shares (the "Disposal of Treasury Shares" or the "Disposal") as described below.

1. Overview of disposal

(1)	Date of disposal	July 22, 2025		
(2)	Class and number of shares for disposal	18,500 common shares of the Company		
(3)	Disposal price	1,876 yen per share		
(4)	Total amount of disposal	34,706,000 yen		
(5)	Allottees, number thereof, and number of shares to be disposed of	Directors (excluding Directors who are Audit and Supervisory Committee Members)	3 persons	10,000 shares
		Executive Officers	3 persons	3,000 shares
		Employees	11 persons	5,500 shares
(6)	Other matters	As prescribed in Article 2-12, Item (i) of the Order for Enforcement of the Financial Instruments and Exchange Act, the Disposal of Treasury Shares falls under a public offering of securities that does not require notification of public offering or secondary distribution. Accordingly, the Company has not submitted a written notice of securities.		

2. Purpose and reason for disposal

At a meeting of the Board of Directors held on May 29, 2019, the Company resolved to introduce, with the aim of providing Directors (excluding Directors who are Audit and Supervisory Committee Members) (the "Subject Directors") with an incentive to continuously enhance the corporate value of the Company and further promoting value sharing with shareholders, a restricted share-based remuneration plan (the "Plan") as a new remuneration plan for the Subject Directors of the Company and Executive Officers of the Company who do not concurrently serve as Directors of the Company (collectively the "Subject Directors or Persons"). In addition, at the 63rd Annual General Meeting of

Shareholders held on June 25, 2019, the Company gained approval for granting the Subject Directors monetary remuneration claims of up to 50,000,000 yen per year as monetary remuneration (the "Restricted Share-Based Remuneration") for the acquisition of restricted shares under the Plan, and setting the transfer restriction period for the restricted shares to a period of 3 to 30 years as determined by the Board of Directors of the Company.

The outline of the Plan is described below.

[Outline, etc. of the Plan]

The Subject Directors or Persons shall pay in, as properties contributed in kind, all of the monetary remuneration claims granted by the Company under the Plan and receive common shares of the Company issued or disposed of. In addition, the total number of common shares to be issued or disposed of by the Company to the Subject Directors under the Plan shall not exceed 50,000 shares per year, and the amount to be paid in per share shall be determined by the Board of Directors, based on the closing price of common shares of the Company on the Tokyo Stock Exchange on the business day immediately preceding the date of the relevant resolution of the Board of Directors (or, if no trade has been executed on the same day, the closing price on the most recent day on which a trade has been executed), to the extent that the amount is not particularly favorable to the Subject Directors or Persons who shall receive the common shares.

In addition, when common shares of the Company are issued or disposed of under the Plan, the Company and the Subject Director or Person shall enter into a restricted share allotment agreement with each other, which shall include provisions such as (i) the Subject Director or Person shall not transfer, pledge as collateral, or otherwise dispose of common shares of the Company allotted under the restricted share allotment agreement for a certain period of time, and (ii) the Company shall acquire such common shares gratis when a certain event has occurred.

This time, taking into consideration the purposes of the Plan, the Company's business conditions, the scope of responsibilities of each of the Subject Directors or Persons, and various circumstances, the Company has decided to grant monetary remuneration claims totaling 34,706,000 yen (the "Monetary Remuneration Claims") and 18,500 common shares for the purpose of securing capable human resources as officers and employees and further motivating each of the Subject Directors or Persons. In addition, the transfer restriction period has been set to 30 years in order to realize over the medium-to-long term the sharing of shareholder value, which is one of the purposes in introducing the Plan.

In the Disposal of Treasury Shares, under the Plan, the 17 Subject Directors or Persons, who are scheduled allottees, will pay in all of the Monetary Remuneration Claims to the Company as properties contributed in kind and receive common shares of the Company disposed of (the "Allotted Shares"). The outline of the restricted share allotment agreement (the "Allotment Agreement") to be concluded between the Company and the Subject Directors or Persons in the Disposal of Treasury Shares is described in 3. below.

3. Outline of the Allotment Agreement

(1) Transfer restriction period: July 22, 2025 to July 21, 2055

(2) Conditions for lifting transfer restriction:

The transfer restriction for all of the Allotted Shares shall be lifted at the time of expiration of the transfer restriction period on the condition that the Subject Director or Person has continued to hold any position as Director (including Director who is an Audit and Supervisory Committee Member), Executive Officer who does not concurrently serve as Director, employee, advisor, or senior advisor, or any other position equivalent thereto of the Company or any subsidiary of the Company during the transfer restriction period.

(3) Treatment in the event that the Subject Director or Person resigns or retires due to expiration of the term of office, retirement age or any other justifiable reason during the transfer restriction period:

(i) Timing of lifting transfer restriction

In the event that the Subject Director or Person has resigned or retired from any position as Director (including Director who is an Audit and Supervisory Committee Member), Executive Officer who does not

concurrently serve as Director, employee, advisor, senior adviser, or any other position equivalent thereto of the Company or any subsidiary of the Company due to expiration of the term of office, retirement age or any other justifiable reason (excluding the case of resignation or retirement due to death), the transfer restriction shall be lifted immediately after the resignation or retirement of the Subject Director or Person who has thus resigned or retired. In the case of resignation or retirement due to death, the transfer restriction shall be lifted at a time determined alternatively by the Board of Directors after the death of the Subject Director or Person.

(ii) Number of shares for which the transfer restriction is lifted

It shall be calculated by multiplying the number of Allotted Shares held at the time of the resignation or retirement as set forth in (i) by a value obtained by dividing the period of service (in months) by 12 (1 is used as the value if the obtained value exceeds 1), where the period of service is the number of months from the month to which the date of the 69th Annual General Meeting of Shareholders of the Company belongs to the month to which the date of resignation or retirement of the Subject Director or Person belongs. (However, if the calculated number of shares includes a fraction less than one unit of shares, the fraction shall be omitted.)

(4) Gratis acquisition by the Company

At the time of expiration of the transfer restriction period or at the time of lifting of the transfer restriction as specified in (3) above, the Company shall automatically acquire, gratis, the Allotted Shares for which the transfer restriction has not been lifted.

(5) Management of shares

During the transfer restriction period, the Allotted Shares shall be managed in dedicated accounts opened at Nomura Securities Co., Ltd. by the Subject Directors or Persons so that those shares cannot be transferred, pledged as collateral, or otherwise disposed of during the transfer restriction period. In order to ensure the effectiveness of the restriction on transfer of the Allotted Shares, the Company has concluded an agreement with Nomura Securities Co., Ltd. for the management of the accounts of the Allotted Shares held by each of the Subject Directors or Persons. In addition, the Subject Directors or Persons shall consent to the details of the management of the accounts.

(6) Treatment in organizational restructuring or similar event

If, during the transfer restriction period, 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 other matters related to an organizational restructuring or similar event is approved at a general meeting of shareholders of the Company (or a meeting of the Board of Directors of the Company if the organizational restructuring or similar event does not require approval at a general meeting of shareholders of the Company), the transfer restriction shall be lifted immediately before the business day prior to the effective date of the organizational restructuring or similar event subject to a resolution of the Board of Directors for a certain number of Allotted Shares, where the certain number is calculated by multiplying the number of Allotted Shares held at the time of the approval by a value obtained by dividing by 12 the number of months from the month to which the date of the 69th Annual General Meeting of Shareholders of the Company belongs to the month to which the date of the approval belongs (1 is used as the value if the obtained value exceeds 1). (However, if the calculated number of shares includes a fraction less than one unit of shares, the fraction shall be omitted.) In addition, at the time immediately after the lifting of the transfer restriction, the Company shall automatically acquire gratis all of the Allotted Shares for which the transfer restriction has not been lifted.

4. Basis of calculation and specific details of the amount to be paid in

The Disposal of Treasury Shares to the scheduled allottees shall be made using, as contributed properties, monetary remuneration claims that will be granted under the Plan as restricted share-based remuneration for the 70th fiscal year of the Company. The disposal price has been set at 1,876 yen, which is the closing price of common shares of the Company on the Prime Market of the Tokyo Stock Exchange on June 25, 2025 (the business day immediately preceding the date of the resolution by the Board of Directors) in order to eliminate arbitrariness. This is a market share price immediately before the date of the resolution of the Board of Directors, which the Company believes is reasonable

and does not fall under a particularly favorable price.