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BrainPad

September 25, 2025

Dear Everyone

Company name: BrainPad Inc.
Representative: Tomohiro Sekiguchi, Representative Director, President and CEO
(Securities code: 3655, Listing: The Prime Market of the Tokyo Stock Exchange)
Inquiries: Natsuki Shinki, Chief Financial Officer (Telephone: +81-3-6721-7701)

Notice Regarding Disposal of Treasury Shares as Restricted Stocks to Our Directors, Executive Officers, and Employees

We hereby announce that, at the Board of Directors meeting held on September 25, 2025, we resolved to dispose of treasury shares as restricted stocks (hereinafter referred to as the "Disposal of Treasury Shares") as outlined below.

Note

1. Summary of Disposal

(1) Payment Date	October 24, 2025		
(2) Class and Number of Shares to be Disposed	20,390 shares of our Common Stock		
(3) Disposal Price	1,401yen per share		
(4) Total Disposal Value	¥28,566,390yen		
(5) Allottees	Our Directors (*)	3 individuals	6,680 shares
	Our Executive Officers	13 individuals	5,310 shares
	Our Employees	14 individuals	8,400 shares

(*) *Excluding Directors who are Audit and Supervisory Committee Members and Outside Directors.

2. Purpose and Reason for Disposal

We have introduced the Restricted Stock Compensation Plan (hereinafter referred to as the "Plan") as a compensation system targeting our Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors; hereinafter referred to as "Eligible Directors"). The purpose of this Plan is to provide incentives to Eligible Directors for the sustained improvement of our medium-to-long-term corporate value and shareholder value, and to further promote value sharing with our shareholders.

Furthermore, at the 18th Ordinary General Meeting of Shareholders held on September 29, 2021, approval was obtained regarding the provision of monetary compensation claims of up to ¥70 million per year to Eligible Directors, separate from the existing monetary compensation limits, as property contributed in kind for the grant of Restricted Stocks under the Plan. Approval was also obtained regarding the Restricted Period for the Restricted Stocks, which shall be a period determined by our Board of Directors between three and five years, commencing from the first day of the month in which the grant date falls (hereinafter referred to as the "Restricted Period").

The outline of the Plan is as follows.

Eligible Directors shall pay in the entirety of the monetary compensation claims provided by the Company under the Plan as property contributed in kind, and in return shall receive the issuance or disposal of our Common Stock.

The total number of shares of our Common Stock to be issued or disposed of to Eligible Directors under this Plan shall not exceed 45,000 shares per year. The amount to be paid per share shall be determined by the Board of Directors within a range that is not particularly favorable to the Eligible Directors receiving the allotment, based on the closing price of our Common Stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors resolution (or the closing price on the most recent trading day preceding that date, if no transaction occurred on that day).

Furthermore, regarding the issuance or disposal of our Common Stock under this Plan, a Restricted Stock Allotment Agreement shall be executed between the Company and the Eligible Directors receiving the allotment, which shall include the following provisions:

1. The recipient shall not transfer, create security interests in, or otherwise dispose of the allotted shares of our Common Stock during a predetermined period.
2. The Company shall acquire said Common Stock without compensation upon the occurrence of certain events.

In addition, the Company resolved at the Board of Directors meeting held today to grant Restricted Stocks of a similar nature to our Executive Officers and certain employees, as detailed below.

Upon resolution of the Board of Directors meeting held today, considering the purpose of the Plan, the Company's performance, the scope of duties of each allottee, and various other circumstances, we resolved to grant monetary compensation claims totaling ¥9,358,680 to 3 of our Eligible Directors, monetary (compensation) claims totaling ¥7,439,310 to 13 of our Executive Officers (hereinafter referred to as "Eligible Executive Officers"), and monetary claims totaling ¥11,768,400 to 14 of our Employees (hereinafter referred to as "Eligible Employees"), thereby granting a total of 20,390 shares of our Common Stock (hereinafter referred to as the "Allotted Shares").

In connection with the Disposal of Treasury Shares, the Company and the Eligible Directors shall individually enter into Restricted Stock Allotment Agreements, the outlines of which are as follows:

(1) Restricted Period
Eligible Directors shall not transfer, create security interests in, or otherwise dispose of the Allotted Shares granted between October 24, 2025 (Payment Date) and September 30, 2028.
(2) Conditions for Lifting the Restriction on Transfer
Provided that the Eligible Director continuously holds the position of a Director of the Company throughout the Restricted Period, the restriction on transfer shall be lifted for all Allotted Shares upon the expiration of the Restricted Period. However, if an Eligible Director loses the position of a Director of the Company during the Restricted Period due to death or other reasons deemed legitimate by the Company's Board of Directors, the restriction on transfer shall be lifted immediately following such loss for a number of Allotted Shares calculated by multiplying the number of Allotted Shares by the number obtained by dividing the number of months from October 2025 up to and including the month in which the position was lost by 36 (provided that if the result exceeds 1, it shall be deemed as 1) (provided that any fraction of a share resulting from the calculation shall be rounded down).
(3) Acquisition by the Company Without Compensation
The Company shall naturally acquire without compensation any Allotted Shares for which the restriction on transfer has not been lifted, either upon the expiration of the Restricted Period or immediately after the Eligible Director loses the position of Director of the Company during the Restricted Period.
(4) Share Management
To prevent the transfer, creation of security interests, or other disposal of the Allotted Shares during the Restricted Period, the Allotted Shares shall be managed in a dedicated account for restricted stocks opened by the Eligible Director at Daiwa Securities Co. Ltd. during the Restricted Period.
(5) Treatment in Cases of Organizational Restructuring, etc.

If a merger agreement in which the Company is the absorbed company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or other matters related to organizational restructuring, etc., are approved by the Company's General Meeting of Shareholders (or by the Company's Board of Directors if the approval of the General Meeting of Shareholders is not required for such organizational restructuring, etc.) during the Restricted Period, the restriction on transfer shall be lifted for the number of shares calculated pursuant to (2) above (provided that the time of loss of position mentioned in (2) shall be read as the date of said approval), effective immediately preceding the business day preceding the effective date of the organizational restructuring, etc., based on a resolution of the Board of Directors.

In connection with the Disposal of Treasury Shares, the Company shall individually enter into Restricted Stock Allotment Agreements with Eligible Executive Officers and Eligible Employees (collectively referred to as "Eligible Recipients"), the outlines of which are as follows:

(1) Restricted Period
Eligible Recipients shall not transfer, create security interests in, or otherwise dispose of the Allotted Shares granted between October 24, 2025 (Payment Date) and September 30, 2027.
(2) Conditions for Lifting the Restriction on Transfer
Provided that the Eligible Recipient continuously holds the position of a Director, Employee, or Executive Officer, etc., of the Company or a subsidiary of the Company throughout the Restricted Period, the restriction on transfer shall be lifted for all Allotted Shares upon the expiration of the Restricted Period. However, if an Eligible Recipient loses all positions (Director, Employee, Executive Officer, etc.) at the Company or a subsidiary of the Company during the Restricted Period due to death or other reasons deemed legitimate by the Company's Board of Directors, the restriction on transfer shall be lifted immediately following such loss for a number of Allotted Shares calculated by multiplying the number of Allotted Shares by the number obtained by dividing the number of months from October 2025 up to and including the month in which the position was lost by 24 (provided that if the result exceeds 1, it shall be deemed as 1) (provided that any fraction of a share resulting from the calculation shall be rounded down).
(3) Acquisition by the Company Without Compensation
The Company shall naturally acquire without compensation any Allotted Shares for which the restriction on transfer has not been lifted, either upon the expiration of the Restricted Period or immediately after the Eligible Recipient loses all positions (Director, Employee, or Executive Officer, etc.) at the Company or a subsidiary of the Company during the Restricted Period.
(4) Share Management
To prevent the transfer, creation of security interests, or other disposal of the Allotted Shares during the Restricted Period, the Allotted Shares shall be managed in a dedicated account for restricted stock units opened by the Eligible Recipient at Daiwa Securities Co. Ltd..
(5) Treatment in Cases of Organizational Restructuring, etc.
If a merger agreement in which the Company is the absorbed company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or other matters related to organizational restructuring, etc., are approved by the Company's General Meeting of Shareholders (or by the Company's Board of Directors if the approval of the General Meeting of Shareholders is not required for such organizational restructuring, etc.) during the Restricted Period, the restriction on transfer shall be lifted for the number of shares calculated pursuant to (2) above (provided that the time of loss of position mentioned in (2) shall be read as the date of said approval), effective immediately preceding the business day preceding the effective date of the organizational restructuring, etc., based on a resolution of the Board of Directors.

3. Basis for Calculation and Specific Details of the Payment Amount

The Disposal of Treasury Shares is conducted using monetary compensation claims or monetary claims provided to the prospective allottees under the Plan as property contributed in kind. To ensure the payment price excludes arbitrariness, the price has been set at ¥1,401, which is the closing price of our Common Stock on the Tokyo Stock Exchange on September 24, 2025 (the business day immediately preceding the date of the Board of Directors resolution). This price represents the market stock price immediately prior to the date of the Board of

Directors resolution. In the absence of special circumstances indicating that reliance on the most recent stock price is inappropriate, we believe it is a reasonable price that appropriately reflects our corporate value and is not particularly advantageous to the Eligible Directors, Eligible Executive Officers, and Eligible Employees.

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