August 7, 2026

Dear All

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Representative: Naoki Okada, President & CEO
(Code: 5803, Prime Market of the TSE)
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Notice Concerning the Disposal of Treasury Shares as Restricted Stock Incentives for the Employee Stock Ownership Plan

As announced on May 20, 2026, Fujikura Ltd. (the "Company") introduced a restricted stock incentive plan for its employee stock ownership plan (the "Plan"). The Company hereby announces that, at a meeting of its Board of Directors held today, it resolved to dispose of treasury shares as restricted stock under the Plan to the Fujikura Employee Stock Ownership Association (the "Association"), the prospective allottee, as described below (the "Disposal").

Details

1. Overview of the Disposal

(1)	Date of Disposal	November 30, 2026
(2)	Class and number of shares to be disposed of	150,000 shares of the Company's common stock (Note)
(3)	Disposal price	JPY 4,596 per share
(4)	Total disposal amount	JPY 689,400,000 (Note)
(5)	Method of disposal (Prospective allottee)	By way of third-party allotment, subject to an application for subscription by the Association, the Company will allot to the Association the number of shares subscribed for by the Association within the number of shares to be disposed of set forth in (2) above (the number of shares so allotted will be the number of shares actually disposed of). (Fujikura Employee Stock Ownership Association: 150,000 shares)
(6)	Other matters	The Company has filed an extraordinary report under the Financial Instruments and Exchange Act in connection with the Disposal.

(Note) The "number of shares to be disposed of" and the "total disposal amount" have been calculated assuming that 50 shares of the Company's common stock will be granted as restricted stock to each of 3,000 employees of the Company, the maximum number of employees potentially eligible for the Plan. The actual number of shares to be disposed of and the actual total disposal amount will be determined based on the number of employees of the Company who consent to participate in the Plan (the "Eligible Employees"; up to 3,000 employees), after completion of the campaign to encourage employees who are not members of the Association to join the Association and confirmation of consent to the Plan from members of the Association. Specifically, as stated in (5) above, the number of shares for which the Association applies will be the "number of shares to be disposed of," and the amount obtained by multiplying that number by the disposal price per share will be the “total disposal amount.” The Company will grant each Eligible Employee a monetary claim in the uniform amount of JPY 229,800 and, through the Association, will allot 50 shares to each Eligible Employee.

2. Purpose and Reason for the Disposal

As set forth in the “Notice Concerning the Introduction of a Restricted Stock Incentive Plan for the Employee Stock Ownership Association” dated May 20, 2026, the Company resolved to introduce the Plan for employees of the Company who are members of the Association and consent to participate in the Plan. The Plan is intended to enhance the welfare of the Eligible Employees by providing them, through the Association, with an opportunity to acquire shares of the Company’s common stock issued or disposed of by the Company as restricted stock, thereby supporting their asset formation. The Plan is also intended to incentivize the Eligible Employees to contribute to the achievement of the “2028 Medium-Term Management Plan” and the sustainable enhancement of the Company’s corporate value, while further promoting value sharing between the Eligible Employees and the Company’s shareholders.

An outline of the Plan is as follows.

Outline of the Plan

Under the Plan, the Company will grant the Eligible Employees monetary claims as special incentives for the grant of restricted stock (the “Special Incentives”), and the Eligible Employees will contribute the Special Incentives to the Association. The Association will then contribute the Special Incentives received from the Eligible Employees to the Company in kind, in exchange for the issuance or disposal of shares of the Company’s common stock as restricted stock.

If shares of the Company’s common stock are newly issued or disposed of under the Plan, the amount to be paid per share will be determined by the Board of Directors based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the relevant Board of Directors resolution (or, if no transaction is executed on that day, the closing price on the most recent trading day preceding that day), within a range that is not particularly advantageous to the Association and, ultimately, the Eligible Employees.

In connection with the issuance or disposal of shares of the Company’s common stock under the Plan, the Company and the Association will enter into a restricted stock allotment agreement that will provide, among other things, that (i) the allotted shares may not be transferred to any third party, pledged, or otherwise disposed of for a specified period (the “Transfer Restrictions”), and (ii) the Company will acquire the allotted shares without consideration if certain events occur. The Special Incentives will be granted to the Eligible Employees subject to the execution of the restricted stock allotment agreement between the Company and the Association.

Until the Transfer Restrictions are lifted, the Eligible Employees will be restricted, pursuant to the Association’s rules and operating regulations and other relevant rules (collectively, the “Association Rules”) (Note), from withdrawing their membership interests corresponding to the restricted stock acquired through the monetary claims contributed to the Association (the “Restricted Stock Interests” or “RS Interests”).

(Note) At a meeting of its board of directors to be held promptly after the Board of Directors resolution concerning the Disposal, the Association plans to approve amendments to the Association Rules to accommodate the Plan before accepting the Disposal. The amendments are expected to become effective after two weeks have elapsed following notice to the Association’s members under the Association Rules and provided that objections are received from fewer than one-third of the Association’s members.

In connection with the Disposal, the Association, the prospective allottee, will contribute to the Company in kind all of the Special Incentives contributed by the Eligible Employees, and the

Company will dispose of shares of its common stock to the Association (the "Allotted Shares"). An overview of the restricted stock allotment agreement to be entered into between the Company and the Association in connection with the Disposal (the "Allotment Agreement") is set forth in Section 3, "Overview of the Allotment Agreement," below. As stated in the Note to Section 1 above, the number of shares to be disposed of will be determined at a later date. If all 3,000 employees of the Company who are potentially eligible for the Plan join the Association and consent to participate in the Plan, the maximum number of shares to be disposed of will be 150,000 shares. Based on that maximum, the dilution resulting from the Disposal would be 0.01% of the 1,775,180,526 issued shares as of March 31, 2026 (*) and 0.01% of the 16,546,818 voting rights as of the same date, in each case rounded to two decimal places.

The Company believes that the Plan will contribute to the enhancement of its corporate value by supporting the asset formation of the Eligible Employees, incentivizing them to contribute to the achievement of the "2028 Medium-Term Management Plan" and the sustainable enhancement of the Company's corporate value, and further promoting value sharing with the Company's shareholders. Accordingly, the Company considers the number of shares to be disposed of and the resulting dilution to be reasonable and has determined that the impact on the market will be minimal.

The Disposal is subject to the amendments to the Association Rules becoming effective no later than the day immediately preceding the Disposal Date and to the execution of the Allotment Agreement between the Company and the Association within the prescribed period.

(*) The Company conducted a six-for-one stock split effective April 1, 2026. Accordingly, the figures shown above were calculated by multiplying the actual number of issued shares and voting rights as of March 31, 2026 by six.

3. Overview of the Allotment Agreement

(1) Transfer Restriction Period

From November 30, 2026 to May 31, 2029

(2) Conditions for Lifting the Transfer Restrictions

Provided that an Eligible Employee remains a member of the Association throughout the Transfer Restriction Period, the Transfer Restrictions will be lifted upon expiration of the Transfer Restriction Period with respect to all Allotted Shares corresponding to the RS Interests held by that Eligible Employee.

(3) Treatment upon Withdrawal from the Association

If, during the Transfer Restriction Period, an Eligible Employee ceases to be an employee of the Company due to mandatory retirement, expiration of a fixed-term contract, appointment as an officer, transfer to a group company, or any other justifiable reason (excluding reemployment by the Company following mandatory retirement, but including reemployment by a group company, loss of membership eligibility, submission of a withdrawal request, and withdrawal due to death), the Transfer Restrictions will be lifted, as of the date on which the Company accepts the relevant retirement or other procedures (or, in the case of loss of membership eligibility, the date on which eligibility is lost, and in the case of death, the date of death; the "Acceptance Date"), with respect to all Allotted Shares corresponding to the RS Interests held by that Eligible Employee as of the Acceptance Date.

(4) Treatment if an Eligible Employee Becomes a Non-Resident

If, during the Transfer Restriction Period, the Company determines that an Eligible Employee will become a non-resident due to an overseas transfer or otherwise, the Transfer Restrictions will be lifted, as of the date of that determination (the "Overseas Transfer Determination Date"), with respect to all Allotted Shares corresponding to the RS Interests held by that Eligible Employee as of the Overseas Transfer Determination Date.

(5) Acquisition by the Company without Consideration

If an Eligible Employee violates any law or regulation during the Transfer Restriction Period or falls under any other event specified in the Allotment Agreement, the Company will automatically acquire without consideration all Allotted Shares corresponding to the RS Interests held by that Eligible Employee at that time. In addition, the Company will automatically acquire without consideration any Allotted Shares for which the Transfer Restrictions have not been lifted upon expiration of the Transfer Restriction Period or at the time the Transfer Restrictions are lifted pursuant to (3) or (4) above.

(6) Management of the Shares

During the Transfer Restriction Period, the Allotted Shares will be held in a dedicated account opened by the Association at Nomura Securities Co., Ltd. so that they cannot be transferred, pledged, or otherwise disposed of. In accordance with the Association Rules, the Association will register and manage the RS Interests separately from the other membership interests held by the Eligible Employees (the "Ordinary Interests").

(7) Treatment in the Event of Organizational Restructuring, etc.

If, during the Transfer Restriction Period, a merger agreement under which the Company will become the disappearing company, a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary, or any other matter relating to organizational restructuring is approved at a general meeting of shareholders of the Company (or by the Board of Directors if shareholder approval is not required), the Transfer Restrictions will be lifted, by resolution of the Board of Directors, immediately before the business day immediately preceding the effective date of the organizational restructuring, with respect to all Allotted Shares held by the Association as of the date of approval that correspond to the RS Interests held by the Eligible Employees.

4. Basis for Calculating the Disposal Price and Details Thereof

The Disposal to the Association, the prospective allottee, will be effected by the Eligible Employees contributing to the Association the Special Incentives granted to them for the acquisition of restricted stock, and the Association contributing those Special Incentives to the Company in kind. To eliminate arbitrariness, the disposal price has been set at JPY 4,596, the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on August 6, 2026, the business day immediately preceding the date of the Board of Directors resolution. Because this price is the market price immediately preceding the date of the Board of Directors resolution, the Company considers it reasonable and not particularly advantageous to the prospective allottee.

The percentage deviations of the disposal price from the average closing prices of the Company's common stock on the Prime Market of the Tokyo Stock Exchange for the periods indicated below (rounded to two decimal places) are as follows. The calculations use share prices adjusted to reflect the stock split effective April 1, 2026.

Period	Average closing price (rounded down to the nearest yen)	Percentage deviation
1 month (July 7, 2026 to August 6, 2026)	JPY 4,615	-0.41%
3 months (May 7, 2026 to August 6, 2026)	JPY 5,126	-10.34%
6 months (February 9, 2026 to August 6, 2026)	JPY 4,921	-6.60%

The Company's Audit and Supervisory Committee, which consists of four members, including three Outside Directors, has expressed the opinion that, in light of the purpose of the Disposal—namely, the introduction of the Plan—and the fact that the disposal price is the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors resolution, the disposal price is not particularly advantageous to the prospective allottee and is lawful.

5. Matters Concerning Procedures under the Corporate Code of Conduct

Because the Disposal (i) will result in a dilution ratio of less than 25% and (ii) will not involve a change in the controlling shareholder, the procedures for obtaining an opinion from an independent third party and confirming the intent of shareholders prescribed in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange are not required.

(Reference)
[Mechanism of the Plan]

① The Company will grant monetary claims to the Eligible Employees as special incentives for the grant of restricted stock.
② The Eligible Employees will contribute the monetary claims described in item (1) above to the Association.
③ The Association will aggregate the monetary claims contributed under item (2) above and contribute them in kind to the Company.
④ The Company will allot the Allotted Shares to the Association as restricted stock ("RS" in the figure below).
⑤ The Allotted Shares will be deposited into a dedicated account opened by the Association at Nomura Securities Co., Ltd., and withdrawals will be restricted during the Transfer Restriction Period.
⑥ After the Transfer Restrictions are lifted, the Allotted Shares will be transferred to the Ordinary Interests or to securities accounts in the names of the Eligible Employees.