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April 25, 2025

To whom it may concern

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Notice Concerning Disposal of Treasury Shares as Restricted Stock Compensation

MICRONICS JAPAN CO., LTD. (hereinafter referred to as the "Company") hereby announces that the Board of Directors of the Company resolved on April 25, 2025 to dispose of treasury shares (hereinafter referred to as the "Disposal of Treasury Shares" or "Disposal") as restricted stock compensation for Directors (excluding Directors who are Audit & Supervisory Committee Members, Outside Directors and Directors who are nonresidents (hereinafter referred to as "Non-resident Directors")) as set forth below.

1. Outline of Disposal

(1)	Date of disposal	May 23, 2025
(2)	Class and number of stocks to be disposed of	The Company's common stocks 23, 948 shares
(3)	Disposal price	2, 998 yen per share
(4)	Total disposal value	71, 796, 104 yen
(5)	Planned disposal recipient	Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members, Outside Directors and Non-resident Directors) 4 persons 23, 948 shares

2. Purpose and Reason for Disposal

At the Board of Directors meeting held on February 12, 2021, the Company resolved to introduce a Restricted Stock Compensation Plan (hereinafter referred to as the "Plan") as a new compensation system for Eligible Directors, with the aim of providing the Company Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors, hereinafter referred to as the "Eligible Directors") with an incentive to continuously enhance the corporate value of the Company and further sharing the value with shareholders. In addition, at the Ordinary General Meeting of Shareholders held on March 26, 2021, approval was obtained for the payment of monetary compensation claims of up to 100 million yen per year to the Eligible Directors separately from the existing monetary compensation framework for Directors as monetary compensation to be invested in the acquisition of restricted stocks under the Plan, and for transfer restriction period that it shall be from the day on which the restricted stocks are allotted until the Eligible Directors retire from their positions as Director of the company.

The outline of the Plan is as follows.

[Outline of the Plan, etc.]

The Eligible Directors shall pay all of the monetary compensation claims paid by the Company under the Plan as property contributed in kind and shall receive the issuance or disposition of the Company's common stocks.

The total number of the Company's common stocks to be issued or disposed of under the Plan shall be not more than 150,000 shares per year, and the amount to be paid in per share shall be determined by the Board of Directors of the Company, based on the closing price of the Company's common stocks on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Board of Directors of the Company (If no transaction has been closed on the same day, the closing price on the most recent transaction date), to the extent that the amount is not particularly favorable to the Eligible Directors who subscribe for the restricted stocks.

Upon issuance or Disposal of the Company's common stocks under the Plan, the Company and the Eligible Directors shall execute a Restricted Stock Allotment Agreement (hereinafter referred to as the "Allotment Agreement"), which shall include the following matters.

- (1) The Eligible Directors shall not transfer, create a security interest or otherwise dispose of the Company's common stocks allotted to them under the Allotment Agreement for the period specified in advance.
- (2) The company shall acquire such common stocks free of charge in the event of certain circumstances.

Today, by a resolution of the Board of Directors of the Company, it has been decided to allot 23,948 shares of the Company's common stocks as the restricted stocks by paying a total of 71,796,104 yen of monetary compensation claims (hereinafter referred to as the "Monetary Compensation Claims") to four Eligible Directors (excluding Non-resident Directors. The same shall apply hereinafter.) and by having the Eligible Directors pay all of the Monetary Compensation Claims in the form of contribution in kind. The amount of the Monetary Compensation Claims receivable for the Eligible Directors has been determined based on comprehensive consideration of various circumstances, including the Company's business performance and the responsibilities of each Eligible Director. In addition, the Monetary Compensation Claims will be provided in the event that the Eligible Directors execute the Allotment Agreement with the Company, which includes the following details.

3. Outline of the Allotment Agreement

- (1) Transfer restriction period From May 23, 2025 until retirement from the position of Director of the Company

During the transfer restriction period set forth above (hereinafter referred to as the "Transfer Restriction Period"), the Eligible Directors shall not transfer, pledge, create a transfer security interest, make a lifetime gifting, bequeath or otherwise any of Disposal of

the allotted restricted stocks (hereinafter referred to as the "Allotted Stocks") to any third party (hereinafter referred to as the "Transfer Restrictions").

(2) Lifting of the Transfer Restrictions

The Company shall release all of the Allotted Stocks upon expiration of the Transfer Restriction Period on the condition that the Eligible Directors to whom the Allotted Stocks have been allotted continue to hold the position of Director of the Company during the Transfer Restriction Period. However, if the Eligible Directors resign or retire from the above position prior to the expiration of the Transfer Restriction Period for reasons deemed justifiable by the Board of Directors of the Company, the number of the Allotted Stocks for which the Transfer Restrictions are to be lifted and the timing for lifting the Transfer Restrictions shall be reasonably adjusted as necessary.

(3) Acquisition of restricted stocks without compensation

If the Eligible Directors to whom the restricted stocks have been allotted resign from the position of Director of the Company prior to the expiration of the Transfer Restriction Period, the Company shall acquire the Allotted Stocks without consideration as a matter of course unless there is a justifiable reason recognized by the Board of Directors of the Company. In addition, if there are the Allotted Stocks for which the Transfer Restrictions have not been lifted at the time of the expiration of the Transfer Restriction Period in Outline (1) of the Allotment Agreement, in accordance with the provisions on the grounds for lifting the Transfer Restrictions in Outline (2) of the Allotment Agreement, the Company shall automatically acquire such Stocks free of charge.

(4) Treatment in organizational restructuring, etc.

During the Transfer Restriction Period, if a merger agreement under which the Company will become the dissolved company, a share exchange agreement or share transfer plan under which the Company will become a wholly-owned subsidiary, or other matters related to the Reorganization, etc. are approved at the General Meeting of Shareholders of the Company (However, if the Organizational Restructuring, etc. does not require an approval by a General Meeting of shareholders of the Company, the Board of Directors of the Company), the Company shall, by a resolution of the Board of Directors of the Company, release the Transfer Restrictions for the number of the Allotted Stocks reasonably determined in light of the period from the commencement date of the Transfer Restriction Period to the date of approval of the Reorganization, etc. prior to the effective date of the Reorganization, etc. In the case set forth above, the Company shall acquire without consideration the Allotted Stocks for which the Transfer Restrictions have not been lifted immediately after the lifting of the Transfer Restrictions.

(5) Management of the Allotted Stocks

In order that the Allotted Stocks shall not be transferred, created a transfer security interest or otherwise disposed of during the Transfer Restriction Period, the Eligible Directors shall open a dedicated account with a financial instruments business operator Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. designated in advance by the Company and manage the Allotted Stocks in the account until the Transfer Restrictions are lifted.

4. Basis of Calculation of Disposal Value and Specific Details Thereof

In order to eliminate arbitrariness, the Disposal price has been set at 2,998 yen, which is the closing price of the Company's common stocks on the Tokyo Stock Exchange on April 24, 2025 (the business day immediately preceding the date of the resolution by the Board of Directors of the Company). This is the market share price immediately before the date of resolution of the Board of Directors of the Company, and we believe that it is reasonable and does not fall under a particularly favorable value.