



June 27, 2025

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Notice Concerning Disposal of Treasury Shares as Restricted Stock Compensation

Onoken Co., Ltd. (the “Company”) hereby announces that, at the Board of Directors meeting held on June 27, 2025, the following resolution was passed regarding the disposal of treasury shares as restricted stock compensation (hereinafter, the “Disposal of Treasury Shares”).

1. Outline of the disposal

(1) Payment date	July 25, 2025
(2) Class and total number of shares to be disposed of	Common shares of the Company; 20,000 shares
(3) Disposal price	1,396 yen per share
(4) Total value of disposal	27,920,000 yen
(5) Scheduled allottees	6 Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company; 20,000 shares

2. Purpose and reasons for the disposal

As described in the “Notice Concerning Abolition of Retirement Benefit Plan for Corporate Officers and Introduction of Restricted Stock Compensation Plan” dated May 15, 2020, the Company resolved at the Board of Directors meeting held on May 15, 2020, to review its compensation plan for corporate officers, abolish the retirement benefit plan for corporate officers, and introduce a restricted stock compensation plan (hereinafter, the “Plan”) in order to provide the Company’s Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter, the “Eligible Directors”) with an incentive to promote sustainable enhancement of corporate value of the Company, and to further enhance the sharing of value between the Eligible Directors and shareholders.

Based on this, the Company resolved, by a resolution reached at the Board of Directors meeting held today, to pay monetary compensation claims totaling 27,920,000 yen (hereinafter, the “Monetary Compensation Claims”) to the six Eligible Directors, taking into consideration the purpose of the Plan, the Company’s business performance and various other factors. In addition, at the Board of Directors meeting held today, the Company resolved, pursuant to the Plan, to dispose of 20,000 shares of the Company’s common stock (hereinafter, the “Allotted Shares”) by the six Eligible Directors who are the scheduled allottees paying in all

of the Monetary Compensation Claims to the Company as properties contributed in kind. Furthermore, in order to achieve the purposes of the introduction of the Plan, which are to promote the sustainable enhancement of corporate value and to strengthen the sharing of value with shareholders over the medium to long term, the transfer restriction period is set until the day on which an Eligible Director resigns or retires from the position of director of the Company or any other positions specified by the Company's Board of Directors.

<Outline of the stock allotment agreement>

The Company will individually enter into a restricted stock allotment agreement with the Eligible Directors, an outline of which is as follows:

(1) Transfer restriction period

The Eligible Directors shall not transfer, create a security interest in, make a living gift of, or otherwise dispose of the Allotted Shares from the payment date for the Allotted Shares (hereinafter, the "Payment Date") to the day on which they resign or retire from the position of director of the Company or any other positions specified by the Company's Board of Directors, or the day on which the Company's securities report for the business year in which the Payment Date falls (or the Company's semiannual securities report if the Payment Date falls within six months from the beginning of the Company's business year) is submitted, whichever comes later (hereinafter, the "Transfer Restriction Period").

(2) Conditions for the lifting of transfer restriction

The transfer restriction shall be lifted for all of the Allotted Shares upon the expiration of the Transfer Restriction Period, on condition that the Eligible Directors have continued to hold positions as directors of the Company and any other positions as specified by the Company's Board of Directors during the period from the Payment Date to the conclusion of the first Annual General Meeting of Shareholders of the Company held after the Payment Date.

However, if an Eligible Director resigns or retires from the position due to justifiable reasons or due to death during the Transfer Restriction Period, the transfer restriction shall be lifted for the number of Allotted Shares held by the Eligible Director that is derived by multiplying (i) the number of months from the month following the month that includes the date of the Annual General Meeting of Shareholders immediately prior to the Payment Date to the month that includes the date of the Eligible Director's resignation or retirement from the position divided by 12 (provided, however, that if the result of the calculation exceeds 1, it shall be 1) by (ii) the number of such shares held by the Eligible Director at that time (provided, however, that if a fraction less than one share occurs as a result of the calculation, such fraction shall be discarded).

(3) Grounds for acquisition without consideration

If an Eligible Director resigns or retires from the position during the Transfer Restriction Period without a justifiable reason, the Company shall naturally acquire the Allotted Shares without consideration.

In addition, if there are Allotted Shares for which the transfer restriction has not been lifted at the time of lifting of the transfer restriction set forth in (2) above, the Company shall naturally acquire them without consideration.

(4) Treatment in cases of reorganization, etc.

Notwithstanding the provisions in (1) above, if a merger agreement under which the Company becomes the dissolved company, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or other matters related to reorganization, etc. are approved at a general meeting of shareholders of the Company (provided, however, that in cases where the approval by a general meeting of shareholders of the Company is not required with respect to the reorganization, etc., the Company's Board of Directors meeting) during the Transfer Restricted Period, the Company shall, by a resolution of its Board of Directors meeting, lift the transfer restriction for the number of shares that is derived by multiplying (i) the number of months from the month following the month that includes the

date of the Annual General Meeting of Shareholders immediately prior to the Payment Date to the month that includes the date of such approval (hereinafter, the “Approval Date of Reorganization, etc.”) divided by 12 (provided, however, that if the result of the calculation exceeds 1, it shall be 1) by (ii) the number of such shares held by the Eligible Directors on the Approval Date of Reorganization, etc. (provided, however, that if a fraction less than one share occurs as a result of the calculation, such fraction shall be discarded), effective at the time immediately prior to the business day immediately preceding the date on which the reorganization, etc. take effect. In that case, if there are Allotted Shares for which the transfer restriction has not been lifted at the time immediately after the lifting of the transfer restriction, the Company shall naturally acquire them without consideration.

(5) Administration of shares

The Eligible Directors shall open a dedicated account at Mizuho Securities Co., Ltd. to enter or record the Allotted Shares in a manner designated by the Company, and shall store and maintain all of the Allotted Shares in the dedicated account until the transfer restriction is lifted.

3. Basis for calculation of the amount to be paid in and specific details thereof

To eliminate arbitrariness in pricing, the disposal price for the Disposal of Treasury Shares has been set at 1,396 yen, which is the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the meeting of the Board of Directors (June 26, 2025). This is the market price of the stock immediately before the resolution of the Board of Directors of the Company, and we believe that the price is reasonable and does not represent a particularly advantageous value.