

June 24, 2025

To Whom It May Concern:

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Notice Concerning the Disposal of Treasury Stock for Restricted Stock-Based Remuneration

Fuji Seal International, Inc. (the “Company”) hereby announces that, on June 24, 2025, the Company has resolved to dispose of treasury stock for restricted stock-based remuneration. The details are as follows.

Details

1. Summary of the Disposal

(1) Disposal date	July 18, 2025
(2) Type and number of shares to be disposed	Common stock of the Company, 46,000 shares
(3) Disposal price	2,603 yen per share
(4) Total value of disposal	119,738,000 yen
(5) Persons eligible for the treasury stock to be disposed	Executive officers of the Company, 13 persons 37,000 shares Directors of its subsidiaries, 8 persons 9,000 shares
(6) Others	An Extraordinary Report as stipulated in the Financial Instruments and Exchange Act has been submitted with respect to this Disposal of Treasury Stock.

2. Purpose of and Reasons for the Disposal

The Company has introduced a restricted stock compensation plan (the “Plan”) for its Executive Officers and the directors of its subsidiaries, with the aim of aligning shareholder’s economic interests and enhancing the Fuji Seal Group’s corporate value over the medium to long term.

Under the Plan, the Company’s Remuneration Committee resolved to grant restricted stock compensation to (i) 13 Executive Officers of the Company for the period from the 67th Ordinary General Meeting of Shareholders held on the same day to the scheduled 68th Ordinary General Meeting of Shareholders in June 2026, and (ii) 8 directors of the Company’s subsidiaries for the period from the Ordinary General Meeting of Shareholders for the fiscal year ending in 2024 to the one for the fiscal year ending in 2025. The Company resolved to grant monetary compensation claims totaling 119,738,000 yen to above individuals (i) and (ii), (the “Allottees”) as consideration for restricted stock-based remuneration.

On the same day, the Company’s Board of Directors resolved to dispose of 46,000 shares of common stock as restricted stock to the Allottees, in exchange for the full contribution in kind of their respective monetary compensation claims.

The amount of monetary compensation claim granted to each Allottee has been determined comprehensively, taking into account factors such as the roles and responsibilities of each individual within the Group and the prevailing market stock price. Such monetary compensation claims will be granted subject to the condition that each Allottee enters into a restricted stock allotment agreement (the “Allotment Agreement”) with the Company, which includes, among other terms, provisions restricting the transfer of the allocated shares.

In line with the purpose of the Plan, the transfer restriction period has been set at 30 years for all Allottees. However, for certain Allottees residing outside Japan, the transfer restriction period is 5 years, taking into consideration the tax regulations and contractual practices of the respective countries of residence.

3. Outline of the Allotment Agreement

(i) Transfer Restriction Period

The transfer restriction period (the “Restriction Period”) shall run from July 18, 2025, to July 17, 2055. For certain overseas-resident Allottees, the Restriction Period shall instead end on July 17, 2030. During the Restriction Period, Allottees shall not transfer, pledge, or otherwise dispose of the restricted shares (the “Allocated Shares”), including by gift, bequest, or any other means (collectively, the “Transfer Restrictions”).

(ii) Forfeiture of Allocated Shares

If an Allottee ceases to hold any position as a director, executive officer, or auditor of the Company or its subsidiaries before the first ordinary general meeting of shareholders held after the start of the Restriction Period (for subsidiaries, prior to their corresponding meeting date), unless the Board of Directors deems the reason for such cessation to be valid (e.g., term expiration), such Allottee shall automatically forfeit the Allocated Shares as of the date of such cessation, with no consideration.

Furthermore, if any Allocated Shares remain subject to Transfer Restrictions after the Restriction Period expires (the “Expiration Date”), such shares shall automatically be forfeited by the Company immediately after the Expiration Date.

(iii) Lifting of Transfer Restrictions

Provided that an Allottee continuously holds a position as a director, executive officer, or auditor of the Company or its subsidiaries from the start of the Restriction Period until the first ordinary shareholders’ meeting thereafter (for subsidiaries, until their corresponding meeting), all Allocated Shares held as of the Expiration Date shall have the Transfer Restrictions lifted at the Expiration Date.

However, if an Allottee ceases to hold any such position for a valid reason (as recognized by the Board) before the Restriction Period expires, the Company shall lift Transfer Restrictions proportionally on a pro rata basis. Specifically, the number of shares to be released will be calculated by dividing the number of months elapsed from July 2025 to the month of cessation by 12 (capped at 1.0), multiplied by the number of Allocated Shares held as at that time, with any fraction of a share rounded down. The corresponding portion of shares shall have the Transfer Restrictions lifted immediately after the date of cessation.

(iv) Share Custody

Allottees shall open and maintain an account with SMBC Nikko Securities Inc. for recording and holding Allocated Shares and shall keep the shares in that account until Transfer Restrictions are lifted.

(v) Treatment in the Event of Corporate Reorganization

If, during the Restriction Period, the Company’s merger agreement (where the Company is the disappearing entity), share exchange agreement, or share transfer plan (where the Company becomes a wholly-owned subsidiary), or other corporate reorganization proposals are approved by the Company’s shareholders’ meeting (or, where shareholder meeting approval is not required, by the Board), the Company shall lift Transfer Restrictions on a pro rata basis. The number of shares released shall be calculated by dividing the number of months from July 2025 through the month of approval by 12 (capped at 1.0), multiplied by the number of Allocated Shares held at the time of approval, with fractions rounded down, and released immediately before the effective date of the reorganization.

Additionally, all remaining Allocated Shares that still carry Transfer Restrictions shall automatically be forfeited by the Company on the business day immediately preceding the effective date of the reorganization.

4. Basis of Subscription Price and Specific Details

The disposal price for this transaction has been set at 2,603 yen per share, the closing price of the Company’s common stock on the Tokyo Stock Exchange on June 23, 2025 (the business day immediately prior to the Board resolution), in order to eliminate arbitrariness. This represents the market price immediately before the resolution and is considered reasonable and not favorable.

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