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Notice Concerning Disposition of Treasury Stock as Restricted Stock Remuneration

DAIICHI JITSUGYO CO., LTD. (the “Company”) hereby announces, as describes below, that it has resolved, at a meeting of its Board of Directors held today, to dispose of treasury stock (hereinafter, the “Treasury Stock Disposition” or the “Disposition”).

1. Outline of Disposition

(1)	Disposition date	July 23, 2025
(2)	Class and number of shares to be disposed of	27,200 shares of the Company’s common stock
(3)	Disposition value	2,405 yen per share
(4)	Total disposition amount	65,416,000 yen
(5)	Assignees, the number thereof, and the number of shares disposed of	Directors (excluding who are Audit & Supervisory Committee Members); 9; 22,900 shares Directors who are Audit and Supervisory Committee Member; 3; 1,500 shares Executive offices who are not directors; 4; 2,800 shares

2. Objective and Reason for Disposition

The Board of Directors of the Company approved the following resolution to revise the remuneration system for directors of the Company (excluding Directors who are Audit & Supervisory Committee Members). The Company's Board of Directors, resolved to review the executive compensation system for the Company's Directors (excluding Directors who are members of the Audit Committee) and Executive Officers who do not concurrently serve as Directors, and to add the Company's Outside Directors to the eligible persons of the new restricted stock remuneration system (the "System") with the aim of further enhancing their awareness to contribute to sustainable enhancement of the group's corporate value over the medium and long terms. In addition, the Company will add the Company's Outside Directors to the list of persons eligible for the new System. In addition, the Company will partially revise the content of the System, which is intended for the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members) and Directors who are members of the Audit and Supervisory Committee of the Company (hereinafter referred to as "Directors") and executive officers who do not concurrently serve as directors (collectively, the "Eligible Directors"). The purpose of this plan is to prevent damage to the Company's corporate value and provide incentives to maintain the Company's credibility, as well as to further promote value sharing with shareholders. The Company resolved to introduce this system, which is the same as that for the Company's Directors (excluding Directors who are Audit and Supervisory Committee members) and

Executive Officers who do not concurrently serve as Directors. In addition, at the 102nd Ordinary General Meeting of Shareholders to be held on June 24, 2025, the Company resolved to issue a stock remuneration system as monetary remuneration to be used as assets to be contributed for the acquisition of restricted stock under the system (the "Restricted Stock Remuneration System"). The Company resolved at the 102nd Ordinary General Meeting of Shareholders held on June 28, 2012 that the total amount of monetary remuneration to be paid to the Company's directors (excluding those who are members of the Audit Committee) as the total amount of monetary remuneration to be paid to the Company's Directors (excluding those who are members of the Audit and Supervisory Board) as monetary remuneration for the acquisition of restricted stock shall not exceed 100 million yen per year (including 10 million yen for Outside Directors). The total amount of monetary remuneration claims to be paid to the Company's directors (excluding those who are Audit and Supervisory Committee Members) shall not exceed 100 million yen per year (including 10 million yen for outside directors, but not including the portion of employee salaries of directors who concurrently serve as employees). The total amount of monetary remuneration claims to be paid to directors who are Audit and Supervisory Committee Members of the Company shall be limited to 10 million yen per year, the total number of shares of common stock of the Company to be issued or disposed of shall be limited to 10,000,000 shares per year, and the number of shares of common stock of the Company to be issued or disposed of shall be limited to 10,000 shares per year. The Company has received approval to change the total amount of monetary remuneration claims to be paid to Directors who are members of the Audit Committee of the Company to 10 million yen or less per year, the total number of shares of common stock of the Company to be issued or disposed of to 10,000 shares per year, and the period of restricted stock transfer to 30 years. The overview of the plan is as follows.

Overview of this System

The Eligible Directors will pay all of the monetary claims paid by the Company under the System as assets contributed in-kind and will be issued or disposed of shares of common stock of the Company. 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 each Board of Directors resolution (or the closing price of the immediately preceding trading day if no trading was effected on that date) to the extent not particularly favorable to the Eligible Directors, who will subscribe for such common stock, The Board of Directors will determine the amount of the subscription price.

In addition, upon the issuance or disposal of shares of common stock of the Company under the System, the Company shall enter into a restricted share allotment agreement between the Company and the Eligible Directors, which provides that (i) the Eligible Directors may not, for a certain period, transfer the shares of common stock of the Company allotted to them under the restricted share allotment agreement to any third party, use them as collateral, or dispose of them in any other way and (ii) if certain events occur, the Company shall acquire such shares of common stock without consideration.

After consulting with the Governance Committee, and taking into consideration the purpose of the System, the Company's business conditions, the scope of responsibilities of each of the Eligible Directors, and various other circumstances, the Company decided to grant the Eligible Directors 27,200 shares of common stock with a total monetary remuneration of ¥65,416,000 (hereinafter referred to as the "Monetary Remuneration") for the purpose of further increasing their motivation.

In the treasury stock disposal, the 14 Eligible Directors, who are the allottees, will pay all of the Monetary Remuneration to the Company as assets contributed in-kind and will receive the common shares of the Company (hereinafter referred to as "Allotted Shares"). In the treasury share disposal, the Company will dispose of the Company's common shares. The restricted stock allotment agreement (the "Allocation Agreement") to be executed between the Company and the Eligible Directors in connection with the disposal of treasury stock is as described in 3.

3. Overview of the Allocation Agreement

(1) Transfer Restriction Period

From July 23, 2025 (payment due date) to July 22, 2055

(2) Conditions for Lifting Transfer Restrictions

The transfer restrictions shall be lifted for all allocated shares at the expiration of the transfer restriction period, on the condition that the Eligible Directors has continuously held the position of either Director or Executive

Officer who is not a Director of the Company throughout the transfer restriction period.

(3) Treatment in cases where Eligible Directors retire due to expiration of term or other justifiable reasons during the transfer restriction period

(i) Timing of lifting transfer restrictions

In the event an Eligible Directors retire from both positions of Director and Executive Officer who is not a Director of the Company due to expiration of term or other justifiable reasons (including retirement due to death), the transfer restrictions shall be lifted immediately after the retirement.

(ii) Number of shares subject to lifting of transfer restrictions

The number of shares shall be calculated by multiplying the number of allocated shares held at the time of retirement as defined in (i) above by the number of months from the month including the payment date to the month including the date of retirement of the Eligible Director, divided by 12 (if the result exceeds 1, it shall be 1). Any fraction less than one unit of shares resulting from the calculation shall be rounded off.

(4) Acquisition without compensation by the Company

The Company shall naturally acquire without compensation any allocated shares for which the transfer restrictions have not been lifted as of the expiration of the transfer restriction period or the time of lifting transfer restrictions as stipulated in (3) above.

(5) Management of shares

To ensure the effectiveness of the transfer restrictions and other provisions concerning the allocated shares, the allocated shares shall be managed in dedicated accounts opened by Eligible Directors. with Nomura Securities Co., Ltd. during the transfer restriction period. The Company has entered into an agreement with Nomura Securities Co., Ltd. concerning the management of the accounts in which the allocated shares are held by each Eligible Director. The Eligible Directors shall agree to the details of the account management.

(6) Treatment in case of organizational restructuring, etc.

If, during the transfer restriction period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or other organizational restructuring, etc. are approved at the Company's General Meeting of Shareholders (or at a meeting of the Company's Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required for the said organizational restructuring, etc.), the Board of Directors shall resolve to lift the transfer restrictions on the number of allocated shares held at that time multiplied by the number of months from the month including the payment date to the month including the date of said approval, divided by 12 (if the result exceeds one, it shall be one), immediately before the business day preceding the effective date of the organizational restructuring, etc. (any fraction less than one unit of shares resulting from the calculation shall be rounded off.) Additionally, the Company shall naturally acquire without compensation all allocated shares for which the transfer restrictions have not been lifted as of the time immediately after the lifting of transfer restrictions.

4. Basis for Calculation and Details of the Payment Amount

This Treasury Stock Disposition to the planned allottees is carried out using the monetary remuneration claims provided as restricted stock remuneration for the Company's 103rd fiscal year under the System as contributed property. To eliminate arbitrariness in the disposal value, it is set at 2,405 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on June 23, 2025 (the business day immediately preceding the date of the Board of Directors resolution). This is considered to be rational and not particularly advantageous, as it is the market stock price immediately prior to the date of the Board of Directors resolution.