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Company name: JACCS CO., LTD.
Name of representative: Ryo Murakami, President
(Code No.: 8584
Prime Market of the Tokyo Stock
Exchange)
Inquiries: Akihito Suehiro, Senior Managing
Executive Officer
(TEL: +81-3-5448-1311)

**Notice Concerning Disposal of Treasury Shares as Performance Share Unit
(Performance-Linked Share-Based Remuneration Plan)**

JACCS CO., LTD. (“the Company”) hereby announces that it resolved at the Board of Directors’ meeting held today to dispose of treasury shares as performance-linked share-based remuneration (the “Disposal of Treasury Shares” or the “Disposal”).

1. Overview of the disposal

(1)	Disposal date	August 7, 2025
(2)	Class and number of shares to be disposed	5,209 shares of common stock of the Company
(3)	Disposal value	¥4,160 per share
(4)	Total disposal value	¥21,669,440
(5)	Allottees and the number thereof and the number of shares to be disposed of	Directors of the Company (excluding outside Directors) 7 persons, 3,015 shares Senior executive officers of the Company 14 persons, 1,287 shares Retired officers (Directors and senior executive officers) of the Company 6 persons, 907 shares

2. Purpose of and reason for the disposal

The Company resolved at the Board of Directors’ meeting held on May 15, 2018 and the 87th Annual General Meeting of Shareholders held on June 28, 2018 to revise the remuneration system for officers and introduce Performance Share Unit (Performance-linked Share-based Remuneration Plan) (the “Plan”) in order to provide Directors of the Company (excluding outside Directors) (“Eligible Directors”) an incentive to sustainably increase the Company’s corporate value and to further promote shared value between shareholders and them.

The Disposal of Treasury Shares is to be conducted in accordance with the resolution at the Board of Directors’ meeting held today to issue common shares of the Company to Eligible Directors in exchange for in-kind contribution of monetary remuneration claims provided by the Company to the Eligible Directors according to the achievement rate of the performance numerical targets in the applicable period of the Company’s 14th Medium Term Management Plan (three fiscal years from FY2022 to FY2024) based on the Plan.

Under the Plan, in addition to Eligible Directors (including retired Directors) who served during the applicable period, similar performance-linked share-based remuneration is also paid to senior executive officers (including retired senior executive officers) of the Company . Furthermore, with regard to the

amount of monetary remuneration claims provided to Eligible Directors, Etc. to whom the treasury shares are to be allotted, and the number of common shares subject to the Disposal of Treasury Shares, it was decided at the Board of Directors' meeting to provide monetary remuneration claims of ¥21,669,440 in total and common shares of 5,209 shares in total in accordance with the position of Eligible Directors, Etc. who are to receive the provision, and the achievement rate of the predetermined performance numerical targets in the applicable period.

At the said Board of Directors' meeting, it was also decided to pay ¥23,678,720 in total to Eligible Directors, Etc. as money equivalent to the taxes to be borne by the Eligible Directors, Etc. due to the acquisition of common shares of the Company.

With regard to the holding policy for third-party allocation, no special restrictions have been placed. In addition, since the number of shares to be disposed of is small at 0.01% against the total number of issued shares, and the Plan is considered to promote sustainable increase of the JACCS Group's corporate value, the Company deems that the number of shares to be disposed of and the scale of dilution are reasonable.

Details of the Plan

(1) Overview of the Plan

Performance Share Unit (Performance-Linked Share-Based Remuneration) is performance-linked share-based remuneration where, in the applicable period of the Company's 14th Medium Term Management Plan (the three fiscal years from FY2022 to FY2024), to Eligible Directors, Etc., numerical targets for the performance, etc. of the Company during the applicable period are set in advance by the Company's Board of Directors, and common shares of the Company ("Company's Shares") to a number corresponding to the achievement rate of said numerical targets and money equivalent to the taxes levied against these are paid as remuneration, etc. for the applicable period. Therefore, the Plan is to pay the Company's Shares and money equivalent to the taxes levied against these to Eligible Directors, Etc. in accordance with the achievement rate of the above numerical targets.

(2) Maximum amount of remuneration, etc.

Monetary remuneration claims and money equivalent to taxes levied shall be issued to Eligible Directors, Etc. based on their role, duties, and position, in accordance with the achievement rate of the performance numerical targets of the Company over the performance evaluation period, and Eligible Directors, Etc. shall obtain Company's Shares to the number set forth in (3) and (4) below by investment of the monetary remuneration claims in kind upon the issuance and the disposal of Company's Shares. The amount of monetary remuneration claims shall be determined by the Board of Directors within the extent that the amount will not be particularly advantageous to Eligible Directors, Etc. who subscribe the Company's Shares. The amounts of monetary remuneration claims and cash to be paid by the Company to the Eligible Directors shall be not more than ¥72 million during applicable period. In addition, the total number of Company's Shares to be issued by the Company to Eligible Directors shall be limited to a maximum of 15,800 shares during the applicable period. However, if, the total number of issued shares of the Company increases or decreases as a result of share consolidations, share splits, allotment of shares without contribution, etc., the maximum amount and the total number of shares to be issued to Eligible Directors shall be reasonably adjusted according to the consolidation ratio, split ratio, allotment ratio, etc.

If there is a concern that the issuance of Company's Shares would result in the aforementioned remuneration limit or maximum number of shares to be issued being exceeded, a reduction will be performed by a reasonable method, such as the proportional reduction of the number of shares to be issued to each Eligible Director, to the range where these limits are not exceeded.

(3) Calculation method of monetary remuneration amount

The numbers of shares to be issued and the payment amount for each Eligible Director, Etc. shall be determined upon the performance of a calculation based on the following method.

<Calculation method of individual number of shares to be issued and individual payment amount for Eligible Directors, Etc.>

(i) Individual number of shares to be issued

- Number of base shares (*1) x 50%
- (ii) Individual payment amount
Number of base shares (*1) x (i) Individual number of shares to be issued x share price of the Company (*2)
- *1. Total points shall be calculated by adding the points granted annually in accordance with the achievement rate of consolidated ordinary profit and consolidated operating revenue during the 14th Medium Term Management Plan (Table A below) to the points granted in accordance with overall performance during the three-year period. The performance evaluation rank (Table B below) shall be determined by the calculated total number of points, the number of base shares (Table C below) shall be issued in line with the performance evaluation rank, as well as in accordance with the position of the Eligible Director, Etc., within the range of the maximum number of shares for all Eligible Directors, Etc. at that performance rank.
- *2. This shall be the closing price of a Company's Share on the Tokyo Stock Exchange, Inc. on the business day immediately before each date of resolution by the Board of Directors held within two months after the conclusion of the first Annual General Meeting of Shareholders after the expiration of the applicable period (if there is no closing price on such date, the closing price on the closest preceding trading day).

A: The points to be granted in accordance with the performance achievement rate are as indicated below.

Ordinary profit (Consolidated)

Achievement rate	110% or more	105% or more	100% or more	90% or more	Less than 90%
Point	35	28	21	14	7

Operating revenue (Consolidated)

Achievement rate	110% or more	105% or more	100% or more	90% or more	Less than 90%
Point	15	12	9	6	3

ROE

Target indicators	Achievement	Not achieved
Point	5	0

Total Points = 1st year points + 2nd year points + 3rd year points (Total achievement points)

B: The evaluation of performance evaluation rank is as indicated below.

Total points	Performance evaluation rank	Maximum number of shares
140 - 165	S	15,800 shares
120 - 139	A	12,200 shares
76 - 119	B	8,600 shares
46 - 75	C	0 shares
30 - 45	D	0 shares

C: The number of base shares is as indicated below.

Performance evaluation rank	S	A	B
Chairman / President	2,600 shares	2,200 shares	1,800 shares
Vice Chairman / Vice President	2,200 shares	1,800 shares	1,400 shares
Senior Managing Executive Officer	1,800 shares	1,400 shares	1,000 shares
Managing Executive Officer	1,400 shares	1,000 shares	600 shares
Senior Executive Officer	600 shares	400 shares	200 shares

(4) Conditions for the Issuance of Company's Shares to Eligible Directors, Etc.

Upon the ending of the applicable period, in the event of the following conditions for the issuance of shares being met, Company's Shares shall be issued to the Eligible Directors, Etc. Such issuance of Company's Shares shall be performed in the form of the issuance or the disposal of Company's Shares, and the Eligible Directors, Etc. for receipt of Company's Shares, and the number of shares to be issued, shall be determined by the Company's Board of Directors after the ending of the applicable period.

- (i) Served as Director during the applicable period
- (ii) Did not perform any violating acts
- (iii) Other requirements deemed necessary in order to achieve the purport of the share-based remuneration plan

* Eligible Directors, Etc. who retire from office will receive the number of Company's Shares prorated to the period they have held office up to the time of retirement. However, in the event of an Eligible Director, Etc. having left their position during the applicable period due to death, after the end of the applicable period, the number of base shares in accordance with length of service shall be granted to the heir of said Eligible Director, Etc. In addition, Eligible Directors, Etc. who are newly appointed during the applicable period will receive the number of the Company's Shares prorated to the period in office.

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

The Disposal of Treasury Shares is to be conducted with monetary remuneration claim provided to scheduled allottees based on the Plan as contributed property, and the amount to be paid is set at ¥4,160, which is the closing price of the Company's common shares on the Tokyo Stock Exchange, Inc. on July 10, 2025 (the business day immediately before the resolution by the Board of Directors) in order to be a price that eliminates arbitrariness. As this is the market price immediately before the resolution by the Board of Directors, and a reasonable price which appropriately reflects the Company's corporate value in situations that are not special circumstances showing that it cannot rely on the latest share price, the Company believes that the amount is not a particularly advantageous price to persons eligible for the Plan.

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