



July 1, 2026

Dear Investors and Analysts

Company Name erex Co., Ltd.
Representative Hitoshi Honna,
 Representative Director and President
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Notice Regarding the Issuance of New Shares as Restricted Stock Compensation

erex Co., Ltd. (hereinafter referred to as “the Company”) announces that, at the meeting of the board of directors held today, it resolved to issue new shares (hereinafter referred to as “the Issuance of New Shares”) as restricted stock compensation, as detailed below.

Note

1. Overview of the Issuance

(1) Payment Due Date	July 29, 2026
(2) Class and Number of Shares to Be Issued	156,050 shares of the Company's common stock
(3) Issue Price	JPY726 per share
(4) Total Amount Issued	JPY113,292,300
(5) Allottees and the Number of Shares to be Allotted	Directors of the Company (excluding external directors): 5 directors, 89,250 shares Employees of the Company holding managerial positions: 55 employees, 66,800 shares
(6) Others	The Issuance of New Shares is subject to the effectiveness of the extraordinary report filed pursuant to the Financial Instruments and Exchange Act.

2. Purpose and Reasons for the Issuance

At the meeting of the board of directors held on May 21, 2021, the Company resolved to introduce a restricted stock compensation plan for its directors (excluding external directors; hereinafter referred to as “the Eligible Director/Directors”) (hereinafter referred to as “the Stock Compensation Plan for Directors”). The purpose of the plan is to further promote the sharing of value between the Eligible Directors and shareholders and to serve as an incentive for the sustainable growth of mid/long-term business performance and shareholder value.

Furthermore, at the 23rd ordinary general meeting of shareholders held on June 22, 2021, approval was obtained for the introduction of the plan, as well as for the following terms: the total annual amount of monetary compensation receivables to be granted to the Eligible Directors for the allotment of restricted stock under the plan shall not exceed JPY200 million; the total number of restricted stock shares to be allotted to the Eligible Directors

shall not exceed 200,000 shares per fiscal year; and the transfer restriction period for the restricted stock shall be a period of three years or longer, as determined by the Company's board of directors.

Furthermore, at the meeting of the board of directors held on April 28, 2023, the Company resolved to introduce a restricted stock compensation plan (hereinafter referred to as "the Plan", together with the Stock Compensation Plan for Directors) for employees holding managerial positions (specifically, managerial positions defined in the Company's internal regulations; hereinafter referred to as "the Eligible Manager/Managers"), based on the same rationale as the Stock Compensation Plan for Directors.

Taking into account the purpose of the Plan and other factors, the Company resolved at the board of directors meeting held on July 1, 2026, to grant monetary compensation receivables totaling ¥64,795,500 to 5 Eligible Directors and allot them 89,250 shares of the Company's common stock as restricted stock (with a transfer restriction period of 10 years) and grant monetary compensation receivables totaling ¥48,496,800 to 55 Eligible Managers and allot them 66,800 shares of the Company's common stock as restricted stock (with a transfer restriction period of 3 years). The amount of monetary compensation receivables for each Eligible Director was determined by comprehensively considering factors such as their respective contributions to the Company, while the amount for each Eligible Manager was determined based on evaluations regarding their position and the degree of achievement of performance targets.

Pursuant to the Plan and the resolution of the board of directors meeting today, the Eligible Directors and the Eligible Managers will, subject to conditions such as entering into a restricted stock allotment agreement with the Company that includes the terms set forth in "3." below, contribute the entirety of their monetary compensation receivables against the Company as property contributed in kind and receive an allotment of newly issued shares of the Company's common stock.

3. Overview of the Allotment Agreement

① Transfer Restriction Period

During the transfer restriction period specified below, the Eligible Directors and the Eligible Managers may not transfer the restricted stock allocated to them (hereinafter, the restricted stock allocated to the Eligible Directors is referred to as "the Allotted Shares I", and the restricted stock allocated to the Eligible Managers is referred to as "the Allotted Shares II") to a third party, create a pledge, create a security interest in connection with a transfer, make a gift inter vivos, bequests, or any other acts of disposition (hereinafter referred to as "the Transfer Restriction").

a) The Eligible Directors

From July 29, 2026 to July 28, 2036 (hereinafter referred to as "the Transfer Restriction Period I").

b) The Eligible Managers

July 29, 2026 to July 28, 2029 (hereinafter referred to as "the Transfer Restriction Period II")

② Acquisition of the Restricted Stock without Consideration

a) The Eligible Directors

In the event that the Eligible Director resigns from the position as a director of the Company on or after the start date of the Transfer Restriction Period I but before the day immediately preceding the date of the Company's first ordinary general meeting of shareholders held thereafter, the Company shall automatically acquire the Allotted Shares I without consideration at the time of such resignation, unless the board of directors of the Company determines that there is a justifiable reason for such resignation.

Furthermore, with respect to the Allotted Shares I for which the Transfer Restriction has not been lifted as of the expiration of the Transfer Restriction Period I (hereinafter referred to as "the Expiration Time I") pursuant to the provisions regarding grounds for lifting transfer restrictions set forth in Item ③(a) below, the Company shall automatically acquire such shares without consideration at the time immediately following the Expiration Time I.

b) The Eligible Managers

In the event that the Eligible Manager resigns from the position of manager or any other position designated by the Company's general manager of human resources or retires prior to the expiration of the Transfer Restriction Period II, the Company shall automatically acquire the Allotted Shares II without consideration as of the time of such resignation or retirement, unless the Company's general manager of human resources deems there to be a justifiable reason.

Furthermore, with respect to the Allotted Shares II for which the transfer restriction has not been lifted as of the expiration of the Transfer Restriction Period II (hereinafter referred to as "the Expiration Time II") pursuant to the provisions regarding grounds for lifting transfer restrictions set forth in Item ③(b) below, the Company shall automatically acquire such shares without consideration at the time immediately following the Expiration Time II.

③ Lifting of the Transfer Restriction

a) The Eligible Directors

The Company shall lift the transfer restrictions on all of the Allotted Shares I held by the Eligible Director at the time of the Expiration Time I, subject to the condition that the Eligible Director has continuously held the position of director of the Company from the start date of the Transfer Restriction Period I until the date of the Company's first ordinary general meeting of shareholders held thereafter. However, in the event that the Eligible Director resigns from the position of director of the Company for a reason deemed justifiable by the Company's board of directors after the start date of the Transfer Restriction Period I but prior to the day immediately preceding the Company's first ordinary general meeting of shareholders held thereafter, the transfer restrictions shall be lifted, immediately following such resignation on a portion of the Allotted Shares I calculated by multiplying the number of the Allotted Shares I held by the Eligible Director

at that time by a fraction obtained by dividing the number of months from July 2026 through the month of the Eligible Director's resignation by 12 (provided, however, that any fraction of a share resulting from such calculation shall be rounded down).

b) The Eligible Managers

The Company shall lift the transfer restrictions on all of the Allotted Shares II held by the Eligible Manager at the time of the Expiration Time II, subject to the condition that the Eligible Manager has continuously held the position designated by the Company's general manager of human resources during the Transfer Restriction Period II. However, in the event that the Eligible Manager resigns from the position of manager or any other position designated by the Company's general manager of human resources or retires prior to the expiration of the Transfer Restriction Period II, the transfer restrictions shall be lifted for all of the Allotted Shares II held by the Eligible Manager, immediately following such resignation or retirement.

④ Provisions Regarding the Management of Share

The Eligible Directors and the Eligible Managers shall complete the opening of accounts with SMBC Nikko Securities Inc., in a manner designated by the Company, for the recording or registration of the Allotted Shares I and Allotted Shares II, and shall hold and maintain the Allotted Shares I and Allotted Shares II in said accounts until the transfer restrictions are lifted.

⑤ Treatment in Connection with Organizational Restructuring, etc.

a) The Eligible Directors

In the event that, during the Transfer Restriction Period I, a proposal regarding a merger agreement under which the Company becomes the disappearing company, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or any other organizational restructuring is approved at the Company's meeting of shareholders (or by the Company's board of directors in cases where approval by the meeting of shareholders is not required for such organizational restructuring; hereinafter referred to as "the Approval" in this paragraph), the Company shall, pursuant to a resolution of the board of directors, lift the transfer restrictions on a portion of the Allotted Shares I; specifically, the number of shares calculated by multiplying the number of the Allotted Shares I held by the Eligible Director as of the date of the Approval by the quotient obtained by dividing the number of months from July 2026 through the month including the date of the Approval by 12 (provided, however, that if the result of the calculation exceeds 1, it shall be treated as 1; and provided further, that any fraction of a share resulting from the calculation shall be rounded down), effective as of the time immediately preceding the close of business on the business day prior to the effective date of such organizational restructuring.

In the event that the Approval is obtained, the Company shall, as of the business day immediately preceding the effective date of such organizational restructuring, automatically acquire without consideration all Allotted Shares I for which transfer restrictions have not been lifted as of that date pursuant to the provisions above.

b) The Eligible Managers

In the event that, during the Transfer Restriction Period II, a proposal regarding a merger agreement under which the Company becomes the disappearing company, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or any other organizational restructuring is approved at the Company's meeting of shareholders (or by the Company's board of directors, in cases where approval by the general meeting of shareholders is not required for such organizational restructuring), the Company shall, pursuant to a resolution of its board of directors, lift the transfer restrictions on all the Allotted Shares II held by the Eligible Manager, effective as of the time immediately preceding the business day immediately prior to the effective date of such organizational restructuring.

4. Basis for Calculating the Payment Amount and the Specific Details Thereof

The issue price for the Issuance of New Shares has been set at JPY726, the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the board of directors' resolution (June 26, 2026) in order to ensure the price is determined without arbitrariness. As it represents the market price immediately prior to the board of directors' resolution, the Company considers it to be a reasonable price and not one that constitutes a "particularly favorable price."

Note:

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