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Tokyo Stock Exchange Prime Market)
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Notice of the Issuance of New Shares as Restricted Stock Compensation

COLOPL, Inc. (the "Company") hereby announces that the meeting of the Board of Directors held today, the Company decided to issue new shares as restricted stock compensation ("New Share Issuance") as follows.

Notes

1. Overview of Publication

(1) Payment date	January 18, 2024
(2) Type and number of shares to be issued	89,635 shares of our common stock
(3) Issue price	569 yen per share
(4) Total issue price	51,002,315 yen
(5) Recipients and number thereof; number of shares to be allotted	7 executive directors: 89,635 shares
(6) Others	Regarding New Share Issuance, the Company has submitted a notice of securities in accordance with the Financial Instruments and Exchange Act.

2. Purpose and Reasons for the New Share Issuance

As stated in the "Notice of Introduction of Restricted Stock Compensation Plan" dated November 20, 2019, the Company introduce a stock compensation-plan with restriction ("This Plan") targeted towards our board members (excluding outside directors and directors of the audit and maintenance committee; "Eligible board members") to continuously improve our company's corporate value as well as promoting further value sharing between Eligible board members and shareholders. At the 11th Ordinary General Meeting of Shareholders held on December 20, 2019, the Company has acquired approval under This Plan on the payment of monetary remuneration receivable within 300 million yen per year to the Eligible board members as the property contributed in kind in order to issue restricted shares, and the distribution of restricted shares within 500,000 shares per year.

Taking into account the purpose of This Plan, our business performance, the scope of duties of each eligible board member, and various circumstances, the Company has resolved to pay them a total of 51,002,315 yen in monetary remuneration on condition that they acquire the New Share Issuance as the property contributed in kind, and the Company has resolved to issue New Share Issuance to Eligible board members. In order to provide incentives and share shareholder value for the

purpose of realizing sustainable improvement of corporate value, which is the purpose of the introduction of This Plan, the Company has decided that the transfer restriction period is until the retirement of our director as described in 3 below.

3. Overview of restricted share allocation agreement

As a result of the New Share Issuance, the Company and each of the Eligible board members will enter into an Allocation Agreement with Restriction on Transfer ("Allocation Agreement"), the outline is as follows.

(1) Restriction period of transfer

The Eligible board members may not transfer, pledge or otherwise dispose of the Shares of Common Stock (the "Allotted Shares") that have been allotted during the period from January 18, 2024 (Payment Date) to the date of retirement of our directors.

(2) Cancellation of restrictions on transfer

Notwithstanding the provisions of (1) above, the Company cancels restrictions on the transfer of all of the Allotted Shares held by the Eligible board members. at the time of the expiration of the restriction on the transfer of all of the Allotted Shares provided that they were in the position of our directors on an ongoing basis during the period stipulated by our Board of Directors (the "Service Period"). However, in the event that the Eligible board members retire from the Board of Directors prior to the expiration of the Service period for reasons the Company deems appropriate, the Company will reasonably adjust, as necessary, the number of Allotted Shares that will cancel the restriction on transfer and cancel the restriction on transfer upon such retirement.

(3) Free acquisition by the Company

The Company will automatically acquire the Allotted Shares free of charge in the event of certain events as provided in this Allocation Agreement, such as the case where the Eligible board members retired for reasons other than those which our Board of Directors deems to be valid prior to the expiration of the term of provision of services.

In addition, the Company will automatically acquire at no charge the Allotted Shares for which the restrictions have not been lifted at the time the restrictions expire.

(4) Management of shares

The Eligible board members will set up and manage a dedicated account in the securities companies as designated by the Company so that they will not be able to transfer, pledge or otherwise dispose of the Allotted Shares during the Transfer Restriction Period. Daiwa Securities Co. Ltd. will be assigned as the securities company.

(5) Treatment of Organizational Restructuring

The Company will cancel the restriction on the transfer of reasonably determined number of Allotted Shares at the time immediately before the business day before the effective day of the said organizational restructuring, etc. in the event that, during the period of the restriction on transfer, the merger agreement in which the Company is the dissolving company, the share exchange agreement in which the Company is a wholly-owned subsidiary, the share transfer plan and other matters relating to organizational restructuring, etc. are approved at our general meeting of shareholders (however, if such organizational restructuring, etc. is not necessary to be approved by our general meeting of shareholders, our board of directors, etc.), based on the resolution of our board of directors, based on the period from the beginning of the restriction period to the effective date of the said organizational restructuring, etc. In addition, the Allotted Shares for which the transfer restriction has not been removed, as of the time immediately after the removal of the transfer restriction will automatically be acquired by the Company without consideration.

4. Basis of calculation and specific details for the payment amount

The issue price for the New Share Issuance to be allotted will be 569 yen per share, the closing price of our common shares on the Tokyo Stock Exchange on December 21, 2023 (the business day immediately before the resolution date of

the Board of Directors), in order to eliminate arbitrariness. This is the market price immediately prior to the resolution date of the Board of Directors and in circumstances where there is no particular circumstance indicating that the Company cannot rely on the most recent stock price, the Company believes that it is reasonable, appropriately reflecting the Company's corporate value, and that is not particularly favorable value for the Eligible board members.

End.