

Note: This document has been translated from the Japanese original for reference purposes only.
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



April 16, 2024

Company Name: Syuppin Co., Ltd.
Representative: Naohiko Ono,
CEO and Representative Director
(Code: 3179, Tokyo Stock Exchange PRIME)
Inquiries: Hiroki Toyoizumi,
General Manager of Corporate Planning Office
(Phone +81-3-3342-2944)

Notice of Disposal of Treasury Stock as restricted stock compensation

Syuppin Co., Ltd. (“the Company”) announces that a meeting of its Board of Directors held on April 16, 2024 approved a resolution to disposal of treasury stock as restricted stock compensation (the “Disposal of Treasury Stock”). The details are as follows.

1. Summary of the Disposal of Treasury Stock

P a y m e n t d a t e	May 17, 2024
N u m b e r o f s h a r e s d i s p o s e d o f i n t h i s o f f e r i n g	14,297 shares
D i s p o s a l p r i c e	1,182 yen per share
T o t a l a m o u n t t o b e p a i d i n	16,899,054 yen
A l l o t t e e s	- Two Directors of the Company (excluding Outside Directors) 14,297 shares

2. Purpose of and Reasons for the Disposal

At the meeting of the Board of Directors held on May 16, 2018, the Company adopted a resolution to introduce a tenure-linked restricted stock unit system (the “System”) for Managing Officers for continuous improvement of our medium-to long-term corporate value. At the 13th annual general meeting of shareholders held on June 26, 2018, the Company approved of the System, and for the directors (excluding Outside Directors) on payment (within 30 million yen per year) of the full amount of the monetary remuneration entitlement as assets subscribed in kind in accordance with the System.

Outline, etc., of the System

Each fiscal year, the Company grants eligible persons the rights to receive the Company’s ordinary shares with transfer restriction as a stock-based remuneration based on a decision of the Board of Directors. Directors shall pay all of the monetary compensation receivables provided by the Company as contributed assets in kind, and shall receive new share issuances or disposal of treasury shares with

Note: This document has been translated from the Japanese original for reference purposes only.
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

respect to the Company's common stock (within 23,000 shares per year). Persons as the capital contribution, and to exclude arbitrariness, the amount of this payment is the closing price of the Company's common shares on the Tokyo Stock Exchange (the business day preceding the date of the resolution of the Board of Directors).

The Disposal of Treasury Stock is conditional on the entry into, between the Company and Eligible Persons of allocation agreements for the granting of the shares with transfer restriction (the "Allocation Agreements"). The Company will acquire all or part of the Shares without compensation during the Transfer Restriction Period if an Eligible Person engages in actions in the Allocation Agreement.

The Company and the Allotted Persons individually execute the Allotment Agreement. The overview of the Allotment Agreement is as follows in "Overview of the Allocation Agreement".

3. Overview of the Allocation Agreement

(1) Period of Restriction of Transfer

May 17, 2024 to May 17, 2027

(2) Conditions of Termination of the Transfer Restrictions

The Company shall terminate the transfer restrictions for all Allotted Shares upon the expiration of the Transfer Restriction Period provided that the Allotted Person in question continuously held a post of either Director or Executive Officer of the Company during the Period of Restriction of Transfer. Provided, however, that if the Allotted Person in question loses all posts of Director and Executive Officer of the Company due to death, expiry of office, resignation or other reason which the Board of Directors considers justifiable during Period of Restriction of Transfer, at the time of expiration of the Transfer Restriction Period, transfer restrictions shall be terminated for a certain number of the Allotted Shares. That certain number of Allotted Shares shall be calculated by dividing the number of months until the month including the date of such loss of post(s) by 12 (provided, however, that this number shall be deemed to be 1 if the calculation returns a value exceeding 1), and then multiplying the result by the number of the Allotted Shares (provided, however, that if the calculated number of Allotted Shares for which transfer restrictions are to be terminated contains a fractional component, that fractional component shall be dropped from that number of shares).

(3) Acquisition without Compensation by the Company

The Company shall, as a matter of course, acquire the Allotted Shares for which the transfer restrictions have not been terminated at the time which is specified in the Allotment Agreement, including the time of expiration of the Transfer Restriction Period, without compensation.

(4) Administration of Stocks

To prevent any Allotted Person from transferring, creating a security interest on, or disposing of Allotted Shares during the Transfer Restriction Period, Allotted Shares will be administered in a dedicated account with Nomura Securities Co., Ltd. opened by each Allotted Person during the Transfer Restriction Period.

(5) Procedure in the Event of Organizational Restructuring, etc.

If a merger agreement in which the Company will be the absorbed company, a share exchange agreement or a share transfer plan in which the Company will become a wholly owned subsidiary, or any other matter related to organizational restructuring or the like is approved at the Company's General Meeting of Shareholders (or by the Board of Directors of the Company, where such organizational restructuring or the like does not require approval of the General Meeting of Shareholders of the Company) during the Transfer Restriction Period, the Company shall, by resolution of the Board of Directors of the Company, terminate

Note: This document has been translated from the Japanese original for reference purposes only.
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

the transfer restrictions for all Allotted Shares, in the end of the day prior to the effective date of such organizational restructuring or the like.)

4. The Basis for Calculating the Amount to Be Paid and Related Specific Details

The Disposal of Treasury Stock will be conducted with the monetary compensation claims provided to the Allotted Persons as the capital contribution, and to exclude arbitrariness, the amount of this payment shall be ¥1,182, which is the closing price of the Company's common shares on the Tokyo Stock Exchange "PRIME" as of April 15, 2024 (the business day preceding the date of the resolution of the Board of Directors). Since this is the market share price immediately preceding the date of the resolution by the Board of Directors, the Company believes that it is reasonable amount appropriately reflecting the Company's corporate value and does not constitute an especially advantageous amount to the Allotted Persons.