



May 15, 2024

Company Name	MegaChips Corporation
Representative	Tetsuo Hikawa, President and CEO (Code number: 6875, Tokyo Stock Exchange)
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### Disposal of Treasury Shares based on Restricted Stock Compensation Unit System through Employee Stock Ownership Association

MegaChips Corporation (the “Company”) hereby announces that it has decided through a written resolution today, based on Article 370 of Companies Act (written resolution), to dispose of treasury shares as restricted transfer shares through the Employee Stock Ownership Association (“Association”) based on the system of granting restricted transfer shares to our employees. The restricted transfer shares will only be granted to the member of the Association who have agreed to receive the restricted transfer shares through the Association.

#### 1. Overview of Disposal

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| (1) Date of disposal                            | August 1, 2024   |
| (2) Type and number of shares                   | Common stock of the Company 17,400 shares                                    |
| (3) Disposal price                              | 4,250 JPY per share  |
| (4) Total Disposal value                        | 73,950,000 JPY   |
| (5) Allocation method (party to receive shares) | Third-party allotment method<br>MegaChips Employee Stock Association 17,400株 |

(Note) The “number of shares” and “total disposal value” is the maxim value as of today and the number of shares to be disposed of and the amount will be determined based on the eligible number of employees after the promotional campaign for non-members of the stock ownership association and the confirmation of consent to this system from the members.

#### 2. Purpose and reasons of disposal

The Company has determined to dispose of its common stocks as treasury shares as restricted transfer shares through the Association as the planned party to receive shares to promote further shared value with our employees and shareholders and assist in wealth accumulation of our employees though granting shares.

Under this system, the company provides monetary claims to the eligible employees as a special incentive for granting our common shares as shares with transfer restrictions. The eligible employees then contribute the said monetary claims to the Association. The Association, in turn, makes an in-kind contribution to the company with the monetary claims received from the employees, thereby receiving the disposal of our common shares as shares with transfer restrictions.

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The total number of shares to be disposed of will be determined as stated above Note. 1, however, the maximum amount is 17,400 shares. The scale of dilution of this treasury stock disposal, premising the maximum value of abovementioned amount, will be 0.08% compared to the total number of outstanding shares of 21,132,400, and 0.10% compared to the total voting rights of 181,465 as of March 31, 2024.

### 3. Calculation basis of the payment amount and details

The disposal price is set at 4,250 JPY, which is the closing price of our common shares on the Tokyo Stock Exchange Prime Market on the business day immediately preceding the date of this resolution (May 14, 2024) to eliminate arbitrariness in the price. Considering the above, we have determined that the disposal price is reasonable as the market price of our common shares and does not constitute a particularly advantageous price for the planned allotted party.

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