

June 25, 2024

RYODEN CORPORATION

(Code: No. 8084, TSE Prime Market)

President & CEO Katsuyuki Tomizawa,

Contact: Kouzaburo Okamura, General Manager, General Affairs Dept

(Tel: +81-3-5396-6111)

Notice of Disposition of Treasury Stock to Directors of Board and Others as Restricted Stock

At its meeting held today, the Board of Directors of RYODEN CORPORATION (hereinafter, the “Company”) resolved to carry out a disposition of treasury stock as restricted stock (hereinafter referred to as “Treasury Stock Disposition”) as follows:

1. Overview of the disposition

(1) Payment due date	July 25, 2024
(2) Class and number of shares to be disposed of	33,000 shares of common stock of the Company
(3) Disposition price	2,680 yen per share
(4) Total disposition price	88,440,000 yen
(5) Intended allottees	Three Directors of Board (*) of the Company: 15,000shares 14 Executive Officers of the Company: 18,000 shares * Excluding Outside Directors of Board and Directors of Board who are Audit & Supervisory Board members
(6) Other	The Treasury Stock Disposition is subject to restrictions that prohibit transfer for a period of at least three months following the end of the fiscal year containing the day on which Directors of Board and others who are intended allottees are to receive the delivery and that the total disposition price shall be less than 100 million yen. As such, the Company has submitted neither a written notice of securities nor an extraordinary report under the Financial Instruments and Exchange Act.

2. Purpose of and reason for the disposition

At its meeting held on May 16, 2024, the Board of Directors of the Company resolved to introduce a restricted stock compensation plan (hereinafter referred to as the “Plan”) as a new compensation plan to provide an incentive for the sustainable enhancement of the Company’s corporate value to Directors of Board (excluding Outside Directors of Board and Directors of Board who are Audit & Supervisory Board members, hereinafter referred to

as “Eligible Directors of Board”), and to further share value with the Company’s shareholders. At the 84th Ordinary General Meeting of Shareholders held on June 25, 2024, it was approved that the total amount of monetary claims to be paid under the Plan in order to grant restricted stock to Eligible Directors of Board, separately from monetary compensation for Directors of Board, shall be an amount not exceeding 100 million yen per annum, that the total number of shares of common stock of the Company to be issued or disposed of under the Plan shall not exceed 38,000 shares per annum, and that the transfer restriction period for restricted stock shall be from the date of delivery of restricted stock to Eligible Directors of Board to the day on which the Eligible Directors of Board lose their position of Director of Board of the Company or any other position determined by the Board of Directors of the Company.

The Company has also introduced a plan to grant restricted stock that is similar to the Plan for the Company's Executive Officers.

The outline of the Plan is as follows:

Overview of the Plan

Eligible Directors of Board shall pay in the entire amount of the monetary compensation claims provided to them under the Plan as contributed assets, and shall receive the issuance or disposition of the Company’s common stock.

Moreover, the payment amount per share of the Company’s common stock issued or disposed of under the Plan shall be based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the last business day before the day of the Board of Directors’ resolution (or the most recent trading day’s closing price if no transactions occurred on that day) and shall be determined by the Board of Directors within a range that is not particularly advantageous to the Eligible Directors of Board.

In connection with the issuance or disposition of the Company’s common stock under the Plan, a Restricted Stock Allotment Agreement (hereinafter referred to as the “Allotment Agreement”) shall be concluded between the Company and the Eligible Directors of Board, which shall include the following provisions:

- (i) The Eligible Directors of Board shall not transfer, pledge, or otherwise dispose of shares of the Company’s common stock allotted to them under the Allotment Agreement during a predetermined period.
- (ii) In certain circumstances, the Company shall acquire these shares of the Company’s common stock without consideration.

At its meeting held today, the Board of Directors of the Company resolved to grant 33,000 shares of common stock of the Company in total (hereinafter referred to as “Allotted Stock”) to three Directors of Board of the Company (hereinafter referred to as “Allotted Directors of Board”) and 14 Executive Officers of the Company (hereinafter, Allotted Directors of Board and these 14 Executive Officers are collectively referred to as “Allottees”) in exchange for capital contribution in kind of the total monetary compensation claims of 88,440,000yen (the amount of monetary (compensation) claims to be contributed per share for subscription is 2,680yen), in consideration of the purpose of the Plan, financial performance of the Company, the scope of job duties of each Allottee, and other various circumstances.

Outline of the Restricted Stock Allotment Agreement

The Company and each Allotted Director of Board will enter into an Allotment Agreement on an individual basis, and the outline of the Allotment Agreement is as shown below. The Company also plans to enter into a restricted stock allotment agreement, which is substantially similar to the Allotment Agreement, with each Executive Officer of the Company who is an Allottee.

(1) Transfer restriction period

Allotted Directors of Board may not transfer, pledge, or otherwise dispose of Allotted Stock during the period from July 25, 2024 (payment due date) to the day on which they lose the positions of both Director of Board and Executive Officer of the Company.

(2) Conditions for the lifting of transfer restrictions

Transfer restrictions shall be lifted at the expiration of the transfer restriction period with regard to all Allotted Stock for an Allotted Director of Board on condition that the Allotted Director of Board has continuously remained in the position of either Director of Board or Executive Officer of the Company (hereinafter referred to as the "Position") during the period from July 25, 2024 (payment due date) to the point of time at which July 1, 2025 has arrived (hereinafter referred to as "Service Provision and Other Period," which shall include a service provision period from the payment due date to the close of the ordinary general meeting of shareholders pertaining to the fiscal year ending March 31, 2025). However, if an Allotted Director of Board has lost the Position during the Service Provision and Other Period due to death, expiration of term of office, or for any other reasons determined by the Board of Directors as legitimate, transfer restrictions shall be lifted at the expiration of the transfer restriction period with regard to as many shares of Allotted Stock as calculated as the number of months from and including July 2024 to and including the month containing the date of loss of the Position divided by 12 (if the resulting number exceeds 1, the number shall be deemed to be 1) multiplied by the number shares of Allotted Stock (any resulting fraction less than one share shall be discarded).

(3) Acquisition without consideration by the Company

The Company shall naturally acquire without consideration any shares of Allotted Stock for which the transfer restrictions have not been lifted at the expiration of the transfer restriction period or any other time provided for by a written agreement.

(4) Management of shares

During the transfer restricted period, the Allotted Stock shall be managed in an account dedicated to restricted stock opened by Allotted Directors of Board with Daiwa Securities Co. Ltd. to prevent the Allotted Stock from being transferred, pledged, or otherwise disposed of during the transfer restricted period.

(5) Treatment in case of reorganization

If, during the transfer restriction period, a proposal for a merger agreement under which the Company will be the disappearing company, a share exchange agreement or a share transfer plan under which the Company will be a wholly owned subsidiary of another company, or other reorganization is approved by the general meeting of shareholders of the Company (or by the Board of Directors of the Company if such a reorganization does not require the approval of the general meeting of shareholders of the Company), transfer restrictions shall be lifted by the resolution of the Board of Directors immediately before the business

day immediately preceding the effective date of such reorganization with regard to as many shares of Allotted Stock as calculated as the number of months from and including July 2024 to and including the month containing the effective date of such reorganization divided by 12 (if the resulting number exceeds 1, the number shall be deemed to be 1) multiplied by the number of shares of Allotted Stock (any resulting fraction less than one share shall be discarded).

3. Basis of calculation of paid-in amount and its specific amount

The Treasury Stock Disposition will be carried out in exchange for the contribution in kind of monetary (compensation) claims that have been provided to the intended allottees under the Plan. The paid-in amount has been determined to be 2,680 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on June 24, 2024 (the business day immediately preceding the date of resolution of the Board of Directors), in order to prevent an arbitrary price from being chosen. It is the market share price immediately before the date of resolution of the Board of Directors. Provided that there are no special circumstances indicating that the Company cannot rely on its latest stock price, it is a rational price that appropriately reflects the corporate value of the Company. For this reason, we believe that it is not a price that is particularly advantageous to the Allottees.