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To whom it may concern

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Notice Concerning the Introduction of a Restricted Stock Compensation Plan

Takara Standard Co., Ltd. (the “Company”) hereby announces that, at the Board of Directors meeting held today, it was resolved to revise its remuneration system for officers and to introduce a restricted stock compensation plan (hereinafter referred to as the “Plan”), and to submit a proposal regarding the Plan (hereinafter referred to as the “Proposal”) to the 152nd Annual General Meeting of Shareholders (hereinafter referred to as the “General Meeting of Shareholders”) scheduled to be held on June 24, 2026, as follows.

1. Purpose, etc. of the introduction of the Plan

(1) Purpose of the introduction of the Plan

The purpose of the Plan is to provide an incentive for Directors of the Company (excluding non-executive Directors; hereinafter referred to as the “Eligible Director(s)”) to enhance the Company’s corporate value on a sustainable basis and to further promote value sharing with shareholders, by introducing a remuneration system under which restricted stock is allotted to the Eligible Directors.

(2) Conditions for the introduction of the Plan

As the Plan involves granting monetary remuneration claims to the Eligible Directors as remuneration, etc. for the allotment of restricted stock, the introduction of the Plan is subject to obtaining the approval of shareholders at the General Meeting of Shareholders with respect to the payment of such remuneration, etc. In addition, at the 142nd Annual General Meeting of Shareholders of the Company held on June 29, 2016, it was approved that the total amount of remuneration for Directors of the Company shall be within ¥400 million per year (including up to ¥30 million for outside Directors and excluding the salary portion for Directors concurrently serving as employees). However, at this General Meeting of Shareholders, taking into comprehensive consideration various factors such as the contributions of the Eligible Directors, the Company plans to seek approval from shareholders to set the total amount of monetary remuneration claims to be granted as remuneration, etc. relating to restricted stock for the Eligible Directors within the scope of the aforementioned amount of remuneration for Directors.

2. Overview of the Plan

(1) Allotment and payment of restricted stock

The Company shall grant monetary remuneration claims to the Eligible Directors within the aforementioned annual amount as remuneration, etc. relating to restricted stock, pursuant to a resolution of the Board of Directors of the Company, and each Eligible Director shall receive an

allotment of restricted stock by contributing all of such monetary remuneration claims as property contributed in kind.

The amount to be paid in per share for the restricted stock shall be determined by the Board of Directors of the Company based on the closing price of the Company's common shares on the Tokyo Stock Exchange as of the business day immediately preceding the date of the resolution of the Board of Directors relating to the issuance or disposition of such shares (or, if no transaction has been executed on the same business day, the closing price on the most recent transaction date), to the extent that the amount is not particularly favorable to the Eligible Directors who shall receive the restricted stock.

In addition, the aforementioned monetary remuneration claims shall be granted on the condition that the Eligible Directors agree to the aforementioned contribution in kind and enter into a restricted stock allotment agreement containing the provisions set forth in (3) below.

(2) Total number of restricted stock

The total number of restricted stock to be allotted to the Eligible Directors shall not exceed 50,000 shares per fiscal year.

However, if, on or after the date of resolution of the Proposal, a stock split (including the allotment of shares without consideration) or stock consolidation of the Company's common shares is effected, or if it otherwise becomes necessary to adjust the total number of restricted stock in a manner similar thereto, the Company may reasonably adjust such total number of restricted stock.

(3) Details of restricted stock allotment agreement

Upon the allotment of restricted stock, the Company and each Eligible Director receiving such allotment shall enter into a restricted stock allotment agreement based on a resolution of the Board of Directors of the Company, which shall include the following provisions:

(i) Details of transfer restrictions

The Eligible Directors who receive an allotment of restricted stock shall not, during the period from the date of delivery of the restricted stock until the date on which they resign or retire from all positions as Director, Executive Officer, or Executive Fellow of the Company (hereinafter referred to as the "Transfer Restriction Period"), transfer, create a pledge on, create a security interest by way of transfer, make an inter vivos gift, bequeath, or otherwise dispose of the restricted stock allotted to such Eligible Directors (hereinafter referred to as the "Allotted Shares") to any third party (hereinafter referred to as the "Transfer Restrictions").

(ii) Acquisition of restricted stock without consideration

If an Eligible Director who has received an allotment of restricted stock resigns or retires from all positions as Director, Executive Officer, or Executive Fellow of the Company during the period from the commencement date of the Transfer Restriction Period until the day immediately preceding the date of the first annual general meeting of shareholders of the Company to be held thereafter, the Company shall, unless there are reasons deemed justifiable by the Board of Directors of the Company, automatically acquire the Allotted Shares without consideration.

In addition, if there are any of the Allotted Shares for which the Transfer Restrictions have not been lifted pursuant to the provisions for grounds for lifting the Transfer Restrictions specified in (iii) below at the time when the Transfer Restriction Period specified in (i) above expires, the Company shall automatically acquire such shares without consideration.

(iii) Lifting of Transfer Restrictions

The Company shall lift the Transfer Restrictions on all of the Allotted Shares upon the expiration of the Transfer Restriction Period, on the condition that the Eligible Director who received the allotment of restricted stock has continuously held a position as Director, Executive Officer, and Executive Fellow of the Company during the period from the commencement date of the Transfer Restriction Period until the date of the first annual general meeting of shareholders of the Company to be held thereafter.

However, if such Eligible Director resigns or retires from all positions as Director, Executive

Officer, and Executive Fellow of the Company during the period from the commencement date of the Transfer Restriction Period until the day immediately preceding the date of the first annual general meeting of shareholders of the Company to be held thereafter due to reasons deemed justifiable by the Board of Directors of the Company, the number of Allotted Shares for which the Transfer Restrictions are to be lifted and the timing of such lifting shall be reasonably adjusted as necessary.

(iv) Treatment in organizational restructuring, etc.

During the Transfer Restriction Period, if a merger agreement under which the Company becomes the dissolved company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other matters related to organizational restructuring are approved at a general meeting of shareholders of the Company (provided, however, that if such organizational restructuring does not require approval by a general meeting of shareholders of the Company, by the Board of Directors of the Company), the Company shall, by a resolution of the Board of Directors of the Company, lift the Transfer Restrictions on a number of the Allotted Shares reasonably determined in light of the period from the commencement date of the Transfer Restriction Period to the date of approval of such organizational restructuring, prior to the effective date of such organizational restructuring.

In such case, the Company shall automatically acquire without consideration any Allotted Shares that remain subject to the Transfer Restrictions at the time immediately after such lifting of the Transfer Restrictions.

(Reference)

The Company plans to allot restricted stock with transfer restrictions similar to those described above to its Executive Officers and Executive Fellows after the conclusion of the General Meeting of Shareholders.