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For Immediate Release

dip Corporation
3-2-1 Roppongi, Minato-ku, Tokyo
Hideki Tomita, Representative Director, President and CEO
(Securities Code: 2379, First Section of the Tokyo Stock Exchange)
<Contact>
Haruhiko Arai, Corporate Officer, CFO,
Head of Corporate Management Group
Phone: +81-3-5114-1177

Notice of Disposition of Treasury Stock as Restricted Stock (with Performance-Based Conditions)

Dip Corporation (“dip”) announces that, at the Board of Directors meeting held on July 7, 2021, it resolved to dispose of its treasury stock (the “Disposition of Treasury Stock” or the “Disposition”) as restricted stock (with performance-based conditions) to directors other than outside directors (“Eligible Directors”) as well as employees who joined the company on April 2, 2020 onward and those who were promoted in May 2020 onward (the “Eligible Employees”; the “Eligible Directors” and “Eligible Employees” hereinafter collectively the “Eligible Allottees”), as described below.

1. Outline of the Disposition

(1)	Date of Disposition	August 27, 2021
(2)	Type and number of shares to be disposed of	271,912 shares of common stock
(3)	Disposition price	3,385 yen per share
(4)	Total value of Disposition	920,422,120 yen
(5)	Allottees, numbers thereof, and number of shares to be disposed of	Directors*: 160,000 shares to 3 directors Employees: 111,912 shares to 659 employees *Excluding outside directors

2. Purpose of and Reason for the Disposition

(Purpose of and Reason for Disposition to Eligible Directors)

Dip obtained approval for the following at its 24th Annual General Meeting of Shareholders held on May 26, 2021: i) introducing a compensation plan utilizing restricted stock (with performance-based conditions) for directors (the “Director Compensation Plan”) in order to encourage Eligible Directors to maximize the social and economic value of dip by strengthening their alignment with our shareholders and thereby contributing toward the realization of our corporate vision of becoming a ‘Labor force solution company’ and ii) setting the upper limit of the total annual amount of monetary claims paid to Eligible Directors as compensation utilizing restricted stock based on the Director Compensation Plan at 900,000 thousand yen. However, said total amount of monetary claims is based on the assumption that, as a rule, an amount equivalent to consideration for the execution of duties over four fiscal years will be paid in a lump sum. In reality, this is equivalent to payments of up to 225,000 thousand yen per fiscal year.

Dip has also obtained approval for the following: i) that the upper limit of the total number of restricted stock

to be allotted each fiscal year to Eligible Directors will be 350,000 shares (the assumption is, as a rule, that shares equivalent to the consideration for the execution of duties over four fiscal years will be allotted in a lump sum; in reality, this is equivalent to allotments of up to 87,500 shares (0.15% of issued shares) per fiscal year); and ii) that the period of restriction on transfer of the restricted stock will be a period within four years stipulated by the Board of Directors (the "Period of Restriction on Transfer").

(Purpose of and Reason for Disposition to Eligible Employees)

At the Board of Directors meeting held on June 22, 2021, dip resolved to implement an incentive plan utilizing restricted stock (with performance-based conditions) to Eligible Employees (the "Plan", collectively with the "Director Compensation Plan") for the same purpose as the disposition to Eligible Directors.

Based on the Plan, dip resolved at the Board of Directors meeting held today that a total of 920,422,120 yen in monetary claims (the "Monetary Claims") and 271,912 shares of common stock (the "Allotted Shares") would be granted to 3 Eligible Directors and 659 Eligible Employees as restricted stock compensation for the fiscal year ending February 2022 through the fiscal year ending February 2025 depending on the conditions concerning the Eligible Allottees' enrollment with dip (the "Enrollment Conditions"), the conditions concerning the Eligible Allottees' positions (the "Position Conditions") and level of achievement of the performance targets set out by dip (the "Performance Conditions").

In the Plan, because dip grants each Eligible Allottee monetary claims for contribution in kind, the Eligible Employees' salaries will not be reduced as a result of the Disposition of Treasury Stock. In addition, the Allotted Shares will be allotted only to Eligible Allottees who choose to subscribe. Accordingly, if there are no applications for subscription, the Monetary Claims will be extinguished.

With respect to the Disposition of Treasury Stock, the Eligible Allottees will pay all of the Monetary Claims to dip as payment in kind in accordance with the Plan and receive disposition of the Allotted Shares. Further, regarding the Disposition of Treasury Stock, the outline of the agreement for allotment of restricted stock that will be executed between dip and the Eligible Allottees (the "Allotment Agreement") is as described in 3. below.

3. Outline of the Allotment Agreement

(1) Period of Restriction on Transfer: From August 27, 2021, to April 15, 2025

During the Period of Restriction on Transfer stipulated above (the "Period of Restriction on Transfer in Question"), the Eligible Allottees may not transfer, create a pledge, create a transfer security interest, gift inter vivos, bequeath, or otherwise dispose of to a third party the Allotted Shares allotted to said Eligible Allottees (the "Transfer Restriction").

(2) Conditions to Release the Transfer Restriction Based on Performance Conditions and Other Conditions (Directors (other than outside directors) of among the Eligible Allottees)

For directors (other than outside directors) among the Eligible Allottees, the Transfer Restriction will be released at the expiry of the Period of Restriction on Transfer in Question (or on the date (tentative) the summary report on financial results for the year ending February 2025 is released, if such report is released prior to the expiry of the Period of Restriction on Transfer) for all or part of the Allotted Shares, subject to the Enrollment Conditions, which require such directors to remain in position as a director of dip, director of a subsidiary of dip or equivalent throughout the Period of Restriction on Transfer in Question and based on the Position Conditions and the Performance Conditions, which are set forth below. Dip will automatically acquire the Allotted Shares for which the Transfer Restriction is unreleased, for no consideration.

However, if a director (other than an outside director) among the Eligible Allottees retires or resigns from the position of director of dip, director of a subsidiary of dip or equivalent prior to the expiry of the Period of Restriction on Transfer in Question for reasons deemed justifiable by the Board of Directors, the number of Allotted Shares for which the Transfer Restriction will be released and the timing of releasing the Transfer Restriction shall be adjusted reasonably as needed.

[Performance Conditions]

The Transfer Restriction will be released depending on the level to which dip achieves consolidated

sales and consolidated operating income (or non-consolidated sales and non-consolidated operating income if non-consolidated) targets disclosed in the summary report on financial results for the year ending February 2025. The targets will be 100 billion yen for sales and 30 billion yen for operating income.

(Employees among the Eligible Allottees)

For employees among the Eligible Allottees, the Transfer Restriction will be released at the expiry of the Period of Restriction on Transfer in Question (or on the date (tentative) the summary report on financial results for the year ending February 2025 is released, if such report is released prior to the expiry of the Period of Restriction on Transfer) for all or part of the Allotted Shares, subject to the Enrollment Conditions, which require such employees to remain in position as a director, corporate officer (who does not hold a position as director), employee or equivalent throughout the Period of Restriction on Transfer in Question and based on the Position Conditions and the Performance Conditions, which are set forth below. Dip will automatically acquire the Allotted Shares for which the Transfer Restriction is unreleased, for no consideration.

However, if an employee among the Eligible Allottees retires or resigns from the position of director, corporate officer (who does not hold a position as director), employee or equivalent prior to the expiry of the Period of Restriction on Transfer in Question for reasons deemed justifiable by the Board of Directors, the number of Allotted Shares for which the Transfer Restriction will be released and the timing of releasing the Transfer Restriction shall be adjusted reasonably as needed.

[Performance Conditions]

a. Employees belonging to the DX Business Group

The Transfer Restriction will be released depending on the level to which the DX business achieves the sales and operating income targets disclosed in the summary report on financial results for the year ending February 2025. The targets will be 45 billion yen for sales and 10.8 billion yen for operating income.

b. Employees belonging to any department other than the DX Business Group

The Transfer Restriction will be released depending on the level to which dip achieves consolidated sales and consolidated operating income (or non-consolidated sales and non-consolidated operating income if non-consolidated) targets disclosed in the summary report on financial results for the year ending February 2025. The targets will be 100 billion yen for sales and 30 billion yen for operating income.

(3) Treatment upon Reorganization

If a merger agreement under which dip becomes the acquired company, or a share exchange agreement or a share transfer plan under which dip becomes a wholly-owned subsidiary, or if any other matter regarding reorganization, etc. is approved at dip's general meeting of shareholders (or at a Board of Directors meeting if such reorganization etc. does not require the approval of dip's general shareholders) during the Period of Restriction on Transfer in Question, dip will automatically acquire all of the Allotted Shares by resolution of the Board of Directors, for no consideration, one business day prior to the effective date of reorganization.

(4) Management of Shares

During the Period of Restriction on Transfer in Question, the Allotted Shares will be managed separately from other dip shares with no restrictions in a dedicated account opened by the Eligible Allottees with a

securities company so as not to result in the transfer, creation of a pledge, creation of transfer security interest, inter vivos gift, bequeathment, or disposal by other means of the restricted stock to a third party during the Period of Restriction on Transfer in Question. Dip has executed an agreement with the Securities Company for the management of the account for the Allotted Shares held by the Eligible Allottees in order to ensure the effectiveness of the restriction on transfer, etc., of the Allotted Shares. It shall be assumed that the Eligible Allottees agree to details regarding the management of the account.

4. Grounds for Calculation of the Amount to be Paid and the Specific Details Thereof

The Disposition of Treasury Stock to the Eligible Allottees will be made with monetary claims, provided as restricted stock in accordance with the Plan for the period stretching from the fiscal year ending February 2022 to the fiscal year ending February 2025, as payment in kind. The disposition price is set at 3,385 yen, which was the closing price of dip common stock on the First Section of the Tokyo Stock Exchange on July 6, 2021 (the business day preceding the date of the resolution by the Board of Directors). We believe this disposition price to be reasonable and not a particularly advantageous price for the Eligible Allottees.

5. Future Outlook

Although there is no effect on cash flows, the impact of the Disposition of Treasury Stock on dip's business performance and financial situation will likely lead to the additional recording of approximately 140 million yen of selling, general and administrative expenses for the fiscal year ending February 2022.

(Note) English documents are prepared as a courtesy to our shareholders. In the event of any inconsistency between English-language documents and the Japanese-language documents, the Japanese-language documents will prevail.