

April 25, 2022

**ALBERT Inc.**

(Stock code: 3906)

2-21-1, Kita-Shinjuku,

Shinjuku-ku, Tokyo

Takeshi Matsumoto, President

## Notice of Disposal of Treasury Stock as Restricted Stock Compensation

ALBERT Inc. (hereafter “ALBERT”) announced that the board of directors held today resolved to dispose of its treasury stock as restricted stock compensation (hereafter “the disposal”) as follows.

### 1. OVERVIEW OF DISPOSAL OF TREASURY STOCK

(1) Disposal date	May 13, 2022
(2) Class and number of shares to be disposed	5,280 shares of common stock
(3) Disposal price	4,945 yen per share
(4) Total disposal value	26,109,600 yen
(5) Grantees of shares and number thereof	Directors <sup>(note)</sup> 3 persons / 3,520 shares Executive Officers 8 persons / 1,760 shares (note)excluding outside directors.
(6) Other	As for this disposal of treasury stock, ALBERT submitted a securities registration statement in accordance with the Financial Instruments and Exchange Act.

### 2. PURPOSE AND REASONS FOR THE DISPOSAL

At the 14th ordinary shareholders’ meeting held on March 27, 2019, ALBERT resolved to introduce a restricted stock compensation plan for directors (excluding outside directors, directors receiving restricted stock are hereafter “eligible director(s)”) for the purpose of sharing the benefits and risks of stock price fluctuations with shareholders and further increasing their motivation to contribute to stock price increases and the enhancement of corporate value. And based on the stock compensation system, the total amount of monetary receivables to be paid to the directors as compensation for restricted shares, etc. shall be set within 200 million yen per year, the total number of restricted stocks to be allotted in each business year shall be maximum 5,000 shares and the transfer restriction period of restricted stocks shall be a period between one year and five years which the board of directors determines, were approved. In addition, the board of directors held on March 27, 2019 resolved the same system for executive officers and employees.

Today, the board of directors has decided that 3 eligible directors and 8 executive officers (hereafter “eligible officers”) will be allotted as share-restricted stock compensation for the period from the ordinary shareholders’ meeting held in March 2022 to the 18th ordinary shareholders’ meeting to be held in March 2023, a total of 26,109,600 yen in monetary receivables, and the eligible officers pay all of the monetary receivables by the method of contribution in kind and is allocated 5,280 shares of common stock as restricted stocks.

The amount of monetary receivable for each eligible officer is decided after comprehensively considering various matters such as the degree of contribution of each eligible officer. In addition, each of eligible officer, with respect to the monetary receivables, concludes a share allocation contract with transfer restrictions (hereafter “the allocation contract”) with ALBERT.

In order to realize the purpose of introducing the system, in which the allotted shares benefit and risks of stock price fluctuations with shareholders and further enhances the willingness to contribute to stock price rise and corporate value improvement, the transfer restriction period is 1 year.

### **3. OVERVIEW OF THE ALLOCATION CONTRACT**

(1) The transfer restriction period

From May 13, 2022 to May 12, 2023

Eligible officers cannot transfer, set pledges, set collateral rights, give gifts, bequests or any other disposition to third parties during the transfer restriction period.

(2) Free acquisition of restricted stock

If eligible officer has retired or resigned from any position as a director, executive officer, corporate auditor or employee of ALBERT from the commencement date of the transfer restriction period until the day before the date of the first ordinary shareholders' meeting, ALBERT shall, as a matter of course, acquire the allotted shares as of the time of resignation or retirement, unless there is a reason recognized as legitimate by the board of directors.

In addition, ALBERT shall, as a matter of course, acquire the allotted shares without compensation for which the transfer restrictions has not been lifted pursuant to (3) below at the time of expiration of the transfer restriction period.

(3) Remove of the transfer restriction

ALBERT shall remove the transfer restrictions of all the allotted shares at the time of expiration of the transfer restriction period, provided that eligible officers have continuously held the position of director, executive officer, corporate auditor or employee (incl. its subsidiaries) from the commencement date of the transfer restriction period until the date of the first ordinary shareholders' meeting. However, if any eligible officer resigns or retires from any position as a director, executive officer, corporate auditor or employee (incl. its subsidiaries) prior to the expiration of the transfer restriction period for any reason that the board of directors deems justifiable (expiration of term of office, etc.), the transfer restrictions shall be released as of the time of resignation or retirement, with respect to the number of the allotted shares calculated on the number of months from April 2022 until the month in which eligible officer resigns or retires from any position as a director, executive officer, corporate auditor or employee (incl. its subsidiaries) is divided by 12 multiplied by the number of the allotted shares held by eligible officer (if the calculation results in a fractional share, that will be rounded down).

(4) Administration of shares

Eligible officers shall complete the opening of an account to the SMBC Nikko Securities, Inc. by the method designated by ALBERT to describe or record the allotted shares, then keep and maintain it in their account until the transfer restrictions are removed.

(5) Procedure in the event of organizational restructuring, etc.

During the transfer restriction period, if a merger agreement in which ALBERT will be an extinguished company, a share exchange agreement in which ALBERT will be a wholly owned subsidiary, a stock transfer plan or other reorganization proposals are approved at the shareholders' meeting (or by the board of directors, where such organizational restructuring, etc. does not require approval of the shareholders' meeting), the transfer restrictions shall be removed on the time just before the business day immediately prior to the effective date of the reorganization, etc. on the number of the allotted shares calculated on the number of months from April 2022 until the month including the date of approval is divided by 12 multiplied by the number of the allotted shares held by eligible officer (if the calculation results in a fractional share, that will be rounded down).

In this case, ALBERT shall, as a matter of course, acquire all of the allotted shares without compensation for which the transfer restrictions has not been removed, on a business day prior to the effective date of the reorganization, etc. based on the above provisions.

### **4. BASIS FOR CALCULATION THE AMOUNT TO BE PAID AND ITS SPECIFIC CONTENT**

The disposal price for the treasury stock is the closing price on the Tokyo Stock Exchange on the business day preceding the resolution by the board of directors (April 22, 2022), to eliminate the arbitrariness. The price is 4,945 yen. This is the market share price closest before the resolution date of the board of directors, and ALBERT considers it to be a reasonable price but not particularly advantageous price.