



November 14, 2023

Company name	<b>DIC Corporation</b>
Representative	Kaoru Ino Representative Director President and CEO (Securities code: 4631)
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### **Notice Regarding the Disposal of Treasury Shares through a Third-Party Allotment in Association with an Additional Contribution to the BBT**

DIC Corporation hereby announces that its Board of Directors, at a meeting held today, resolved to dispose of treasury shares by third-party allotment in association with an additional cash contribution to the Board Benefit Trust (BBT), as described below.

#### **1. Outline of disposal of treasury shares**

(1) Date of disposal	November 30, 2023
(2) Class and number of shares to be disposed of	180,000 shares of common stock
(3) Disposal price	¥2,449.5 per share
(4) Amount disposed of	¥440,910,000
(5) Intended recipient	Custody Bank of Japan, Ltd. (Trust Account E)
(6) Other	This disposal of treasury shares is subject to the securities registration statement, filed in accordance with the Financial Instruments and Exchange Act, coming into effect.

#### **2. Purpose of and reason for the disposal of treasury shares**

Pursuant to a resolution adopted at the 119th Annual General Meeting of Shareholders held on March 29, 2017, the Company introduced the BBT ("the Plan"), a performance-based stock compensation plan, in accordance with a trust agreement ("the Trust") concluded with Mizuho Trust & Banking Co., Ltd. Amendments to the Plan were approved at the 123rd Annual General Meeting of Shareholders held on March 30, 2021. (For a summary of the Plan, please see the press release titled "Notice Regarding the Creation of a BBT," published on February 28, 2017 (Japanese only), and "Proposal 4. Revision of the Performance-Based Stock Compensation Plan" in the Notice of Convocation of the 123rd Annual General Meeting of Shareholders, published

on March 12, 2021.)

In seeking to ensure the continuity of the Plan, the Company reached the decision to make an additional monetary contribution to the Trust ("addition to the Trust") so that the Trust can acquire additional shares of the Company deemed necessary to facilitate the payment of future benefits. The Company also resolved to dispose of treasury shares through a third-party allotment to the Trust Account E of the Custody Bank of Japan, Ltd. (to which the Trust has been re-entrusted by trustee Mizuho Trust & Banking).

The number of shares to be disposed of is equivalent to the number of shares that are likely to be granted to target officers, i.e., directors who concurrently serve as executive officers and executive officers, during the Trust period, pursuant to the Rules of Officer Share Benefit, that is, for the three fiscal years ending December 31, 2023, 2024 and 2025, which represents 0.19% of the total number of shares of the Company's stock issued as of June 30, 2023 (95,156,904) and 0.19% of total units of voting rights as of June 30, 2023 (945,985). (Both percentages are rounded to the second decimal place.)

*Outline of the addition to the Trust*

Date of addition:	November 30, 2023
Amount of addition:	¥440,910,000
Class of shares to be acquired:	Common stock of the Company
Total number of shares to be acquired:	180,000
Date of share acquisition:	November 30, 2023
Method of share acquisition:	Subscription to treasury shares disposed of by the Company

**3. Basis for calculating disposal price and details thereof**

The disposal price was determined using the closing price of shares of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the aforementioned resolution at the Board of Directors' meeting pertaining to this disposal of treasury stock (¥2,449.5).

The closing price on the business day immediately preceding the date of Board of Directors' resolution accurately reflects the Company's corporate value and is thus judged to be reasonable.

The disposal price for the Company's treasury shares (¥2,449.5) can be calculated by multiplying the average closing price over the month immediately preceding the date of the Board of Directors' resolution (¥2,390) by 102.49% or multiplying the average closing price over the most recent three-month period (¥2,439) by 100.43%. The disposal price can also be calculated by multiplying the average closing price over the most recent six-month period (¥2,519) by 97.24%. (Share price figures are truncated to the nearest yen.) Accordingly, the disposal price is judged

to be reasonable and not particularly advantageous.

In addition, 4 members of the Audit & Supervisory Board who attended the aforementioned meeting of the Board of Directors (of whom 2 are outside Audit & Supervisory Board members) declared the disposal price to be not particularly advantageous and in legal compliance.

**4. Matters regarding procedures governed by the Code of Corporate Conduct**

Because this disposal of treasury shares (i) entails dilution of less than 25%, and (ii) does not entail a change in the controlling shareholder, it does not require either the receipt of the opinion of an independent entity or confirmation of the shareholders' intent as set forth in Rule 432 of the Securities Listing Regulations stipulated by Tokyo Stock Exchange, Inc.

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