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March 12, 2024

To whom it may concern:

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(Stock code: 9364, Prime Market, Tokyo Stock Exchange)	
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Notice regarding disposal of treasury stock as restricted share-based compensation to employees

At a meeting of the Board of Directors held March 12, 2024, the Company resolved as follows regarding the disposal of treasury stock (“disposal of treasury stock” or “disposal” hereinafter).

1. Overview of disposal

(1)	Date of disposal	April 1, 2024
(2)	Class and number of stocks subject to disposal	Kamigumi common stock 8,910 shares
(3)	Disposal value	3,310 yen per share
(4)	Total disposal amount	29,492,100 yen
(5)	Assignees, number of assignees, and number of stocks subject to disposal	Employees, 99 persons, 8,910 shares

2. Purpose of and reasons for disposal

At a meeting of the Board of Directors held December 14, 2021, the Company resolved to introduce a restricted stock compensation program (“the program” hereinafter) for employees

meeting the specified requirements (“eligible employees” hereinafter), with the aim of strengthening employee motivation to boost the Company’s stock price and the Company’s corporate value over the medium to long term. An overview of the program is as follows.

Overview of the Program

Eligible employees shall make an in-kind contribution of claims for monetary compensation to be provided by the Company in accordance with the program in return for the issue or disposal of common stock of the Company.

Further, with the issue or disposal of common stock of the Company in accordance with the program, a restricted stock allotment agreement will be concluded between the Company and the eligible employees, which will include the following provisions: (1) Eligible employees shall be prohibited from transferring, pledging or otherwise disposing of any common stock of the Company allocated under said restricted stock allotment agreement for a certain period of time; and (2) the Company shall be entitled to acquire said common stock free of charge in the event of certain circumstances (“reasons for acquisition without contribution” hereinafter).

This time, in consideration of the purpose of the program, the Company’s business conditions, the scope of duties of the eligible employees, and various other circumstances, it has been determined that the total amount of compensation is to be 29,492,100 yen (“compensation” hereinafter), and that 8,910 shares of common stock (“allotted stocks” hereinafter) will be granted.

In this disposal of treasury stock, in accordance with the provisions of the program, the 99 eligible employees to whom allotment is scheduled will make an in-kind contribution of all such monetary compensation claims in return for disposal in accordance with this allotment. An overview of the restricted stock allotment agreement (“allotment agreement” hereinafter) to be concluded between the Company and the eligible employees in this disposal of treasury stock is set forth below in 3.

3. Overview of allotment agreement

(1) Transfer restriction period

The transfer restriction period shall be from April 1, 2024 (“disposal date” hereinafter) until the time the eligible employee retires (including cases in which the employee becomes a contract employee, re-hired employee, or a non-regular employee, etc. of the Company after his or her retirement) from the Company (However, if such retirement etc.

occurs after the end of the business year in which the payment date falls, but before the expiration of three months following that business year, the restriction period shall extend until the expiration of those three months.).

(2) Conditions for lifting transfer restrictions

Provided that the eligible employee has continuously held the position of employee of the Company from the disposal date of this treasury stock until the end of the business year in which the disposal date falls (“period of service” hereinafter), transfer restrictions will be lifted at the expiration of the transfer restriction period for all allotted stocks.

(3) Handling in the event that an eligible employee retires from his or her position due to reaching retirement age, upon his or her death, or any other legitimate reason during the period of service

① Timing for lifting of transfer restrictions

In the event that an eligible employee retires from his or her position as an employee of the Company (including cases in which the eligible employee becomes a contract employee, re-hired employee, or a non-regular employee, etc. after his or her retirement), if said employee’s retirement occurs on his or her reaching retirement age, upon his or her death, or for other legitimate reason, the restrictions shall be lifted immediately following the retirement (or, in the case of retirement due to death, a date separately determined by the Board of Directors after the employee’s death).

② Number of stocks eligible for lifting of transfer restrictions

The number of allotted stocks held at the time of retirement as specified in ①.

(4) Acquisition without contribution by the Company

The Company will duly acquire all allocated stocks for which transfer restrictions have not been lifted without contribution upon the expiration of the transfer restriction period or, if a reason for said acquisition without contribution occurs.

(5) Management of stocks

During the transfer restriction period, the allotted stocks will be managed in a dedicated account to be opened by the eligible employee at Nomura Securities Co., Ltd., so that the stocks cannot be transferred, pledged, or otherwise transferred during the transfer restriction period. To ensure the effectiveness of transfer restrictions, etc. related to the allotted stocks, the Company has concluded an agreement with Nomura Securities Co., Ltd. regarding the management of accounts for the allotted stocks held by the eligible employees. In addition, eligible employees shall agree to the specifics of the management of said accounts.

(6) Handling in the event of organizational restructuring, etc.

During the transfer restriction period, if a merger agreement in which the Company becomes an extinguished company, a stock exchange agreement in which the Company becomes a wholly owned subsidiary, a stock transfer plan, or other matters related to organizational restructuring, etc. are approved at a general meeting of Company shareholders (or, where said reorganization, etc. does not require approval at a general meeting of Company shareholders, a meeting of the Company's Board of Directors), by a resolution of the Board of Directors, the transfer restrictions regarding the number of allotted stocks held at that time will be lifted immediately before the business day immediately before the effective date of the organizational restructuring, etc.

4. Basis for calculating the payment amount and its specific details

This disposal of treasury stock to the scheduled assignees will be carried out in accordance with the provisions of the program, using the monetary compensation claims paid as restricted share-based compensation for the Company's 85th fiscal year (ending March, 2024) as invested assets. Regarding the disposal price, to eliminate any arbitrariness, this has been set as 3,310 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange Prime market on March 11, 2024 (the business day before the date of the Board of Directors' resolution). This is the market share price immediately before the date of the Board of Directors' resolution, and may be considered a reasonable price that confers no particular advantage to the Company.