

April 3, 2024

Name of listed company: AIN HOLDINGS INC.  
Exchange listed on: Tokyo Prime Market, Sapporo Securities Exchange  
Code number: 9627  
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### **Notice Concerning Introduction of “Stock-Based Benefit Trust (Employee Shareholders Association Purchase Type)” and Disposal of Treasury Shares Through Third-Party Allotment**

AIN HOLDINGS INC. (the “Company”) hereby announces that its Board of Directors resolved at a meeting held today to introduce a “Stock-Based Benefit Trust (Employee Shareholders Association Purchase Type)” (the “Plan”) for the purpose of enhancing the welfare and benefits of its employees and providing incentives to increase the Company’s corporate value.

In addition, along with the introduction of the Plan, the Company at the same time resolved to conduct a single collective disposal of a portion of the treasury shares currently held by the Company to the Trust E Account established at the Custody Bank of Japan, Ltd. (The “Trust E Account”).

Concerning the introduction of the Plan

#### 1. Purpose of the introduction

The purpose of the Plan is to enhance the welfare and benefits of employees and contribute to efforts to improve the Company’s corporate value, such as by encouraging awareness among employees of the share price and improving work motivation, through the stable provision of the Company’s shares to the Employee Shareholders Association, and the distribution of profits obtained through the management and disposal of trust assets.

The Plan is a welfare and benefits system for employees that was constructed by referencing the ESOP (Employee Stock Ownership Plan), a remuneration plan for employees that is common in the United States as part of employee incentive plans, and the “Report on a New Scheme for Holding Own Shares” announced by Ministry of Economy, Trade and Industry on November 17, 2008.

#### 2. Overview of the Plan

The Plan is an incentive plan that returns the benefits of increases in the Company’s share price to all employees who have joined “AIN HOLDINGS Employee Shareholders Association” (the “Shareholders Association”).

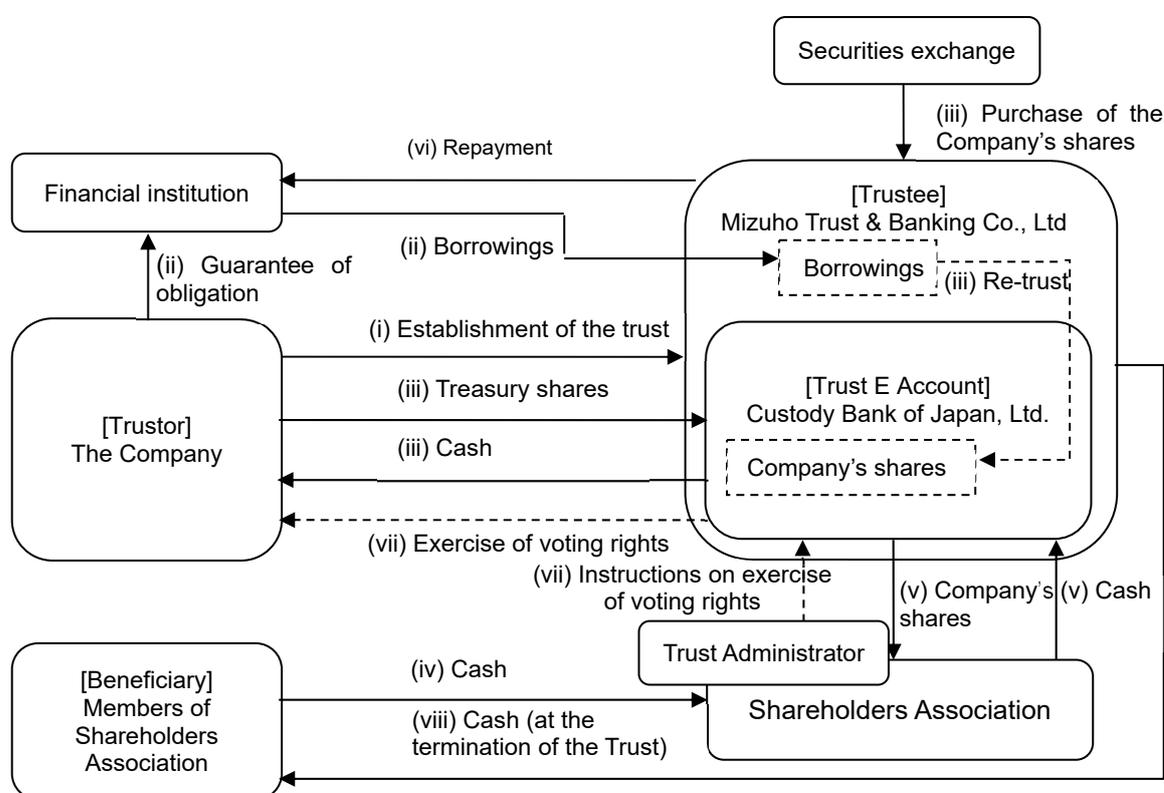
With the introduction of the Plan, the Company, as the Trustor, will enter into a Stock-Based Benefit Trust (Employee Shareholders Association Purchase Type) Agreement (the “Trust Agreement”; the trust established pursuant to the Trust Agreement is referred to as the “Trust”) with Mizuho Trust & Banking Co., Ltd. (the “Trustee”). Additionally, the Trustee will enter into a re-trust agreement with Custody Bank of Japan, Ltd. regarding the management of securities and other trust assets by Custody Bank of Japan, Ltd. as the sub-trustee.

Custody Bank of Japan, Ltd. will make a single collective acquisition of the Company’s shares in advance equivalent to the number of shares anticipated to be purchased by the Shareholders Association over the next five years, transferring them to the Trust E Account, and sell the Company’s shares thereafter when purchases

of the shares are made by the Shareholders Association. If an amount equivalent to the gains on sales of shares is accumulated in the trust assets of the Trust via the sale of the Company's shares up until the time of the Trust's termination, this cash shall be distributed as residual assets to the members of the Shareholders Association (employees) who satisfy the beneficiary eligibility requirements.

In addition, since the Company provides a guarantee when the Trustee takes out a loan in order for the Trust E Account to acquire the Company's shares, in a case in which the Trustee has an outstanding loan balance equal to the loss on the sale of shares as of the time of Trust's termination due to a drop in the Company's share price or the like, the Company will pay off the outstanding loan balance pursuant to the guarantee agreements.

### 3. Structure of the Plan



- (i) The Company will contribute cash to the Trust E Account and will establish a third-party benefit trust.
- (ii) The Trustee will borrow funds for the acquisition of shares from financial institutions. (The Company will provide a debt guarantee to the financial institutions.)
- (iii) The Trustee will re-trust the borrowed funds to the Trust E Account, and the Trust E Account will use these funds to acquire the Company's shares. When the Trust E Account acquires the shares, it does so through a single collective allotment of treasury shares for the portion equivalent to the number of shares anticipated to be purchased by the Shareholders Association during the Trust period. The remaining portion will be purchased from the stock market by the Trust E Account.
- (iv) Members of the Shareholders Association will contribute cash to the Shareholding Association in conjunction with the company contributions.
- (v) The Shareholders Association will use the purchase funds contributed each month by employees to purchase the Company's shares from the Trust E Account at market value.

- (vi) The Trustee will use the proceeds in the Trust E Account from the sale of shares to the Shareholders Association to pay off the loan principal, and the Trust E Account will use the dividends and the like received from the Company to pay off the interest.
- (vii) Throughout the trust term, the Trust will exercise the voting rights for the Company's shares held in the Trust E Account in accordance with the voting instructions from the Trust Administrator.
- (viii) The Trust will end upon the conclusion of the trust term, for scarcity of trust assets or for other reasons. The residual shares in trust will be disposed into cash upon the ending of the trust, and once the loan is repaid in full, any remaining cash will be distributed to the members of the Shareholders Association who satisfy the beneficiary eligibility requirements.  
(If the Trustee is unable to pay off the loan using the trust assets at the ending of the trust, the Company will perform on the guaranteed debt to pay off the loan.)

#### 4. Overview of the Trust

- (1) Purpose of the Trust: To provide a stable supply of the Company's shares to the Shareholding Association, and to distribute income generated from the management and disposition of trust assets to beneficiaries.
- (2) Trustor: The Company
- (3) Trustee: Mizuho Trust & Banking Co., Ltd.  
Mizuho Trust & Banking Co., Ltd. will enter into a comprehensive trust agreement with Custody Bank of Japan, Ltd., and Custody Bank of Japan, Ltd. will be the re-trustee.
- (4) Beneficiary: Members of Shareholders Association who satisfy the eligibility criteria for beneficiaries.
- (5) Date of Trust establishment: April 24, 2024
- (6) Trust period: From April 24, 2024 to May 15, 2029 (planned)

#### 5. Details on acquisition of the Company's shares by the Trust

- (1) Class of shares to be acquired: Common shares of the Company
- (2) Total amount of acquisition: ¥1,845 million (planned)
- (3) Period of share acquisition: From April 24, 2024 to May 31, 2024 (planned)
- (4) Method of share acquisition: Acquisition of shares by a disposal of the Company's treasury shares and the purchase of the Company's shares from the stock market

## Concerning the disposal of treasury shares

### 6. Overview of the disposal

(1)	Disposal date	Wednesday, April 24, 2024
(2)	Class and number of shares to be disposed	295,700 common shares
(3)	Disposal price	¥5,462 per share
(4)	Total disposal value	¥1,615,113,400
(5)	Planned recipient of disposal	Custody Bank of Japan, Ltd. (Trust Account E)
(6)	Other	The disposal of treasury shares is conditional on the effectuation of the securities registration statement filed in accordance with the Financial Instruments and Exchange Act.

### 7. Purpose of and reason or disposal

This disposal of treasury shares will involve the disposal of treasury shares by third-party allotment to the Custody Bank of Japan, Ltd. (Trust E Account) which holds and disposes of the treasury shares of the Company designated at the time of the introduction of the Trust.

The number of disposed-of shares is equivalent to the portion of the planned number of shares that the Shareholders Association purchases via the Trust during the Trust period consisting of the five years thereafter, and that shall be 0.83% of the 35,428,212 total shares of the Company issued as of October 31, 2023 (0.84% of the 351,117 total voting rights (the aforementioned percentages are rounded to the nearest one-hundredth of a percent)).

### 8. Basis for calculation of the disposal price and specific details thereof

The disposal price has been set to the closing price of ¥5,462 for common shares of the Company on the Tokyo Stock Exchange on the business day preceding the date of the resolution at the Board of Directors meeting for this disposal of treasury shares.

The Company deems it reasonable to set the disposal price to the closing price of the business day preceding the date of the resolution at the Board of Directors as it is a price that is representative of the corporate value of the Company on the stock market.

Regarding the disposal price of ¥5,462, it is a price that is 100.94% of the average closing price for the most recent one month period prior to the day preceding the date of the resolution at the Board of Directors of ¥5,411 (rounded down to the nearest yen), that is 111.08% of the average closing price for the most recent three months prior to the same day of ¥4,917 (rounded down to the nearest yen), and that is 118.07% of the average closing price for the most recent six months prior to the same day of ¥4,626 (rounded down to the nearest yen). As a result of taking the aforementioned into consideration, the Company deems the price to be reasonable and not particularly advantageous.

Three corporate auditors (of which two are outside corporate auditors) have expressed the opinion that the aforementioned disposal price is appropriate and does not fall under a disposal price that is particularly advantageous.

### 9. Matters concerning the procedure required by the corporate code of conduct

For the Treasury Share Disposal, the opinion of an independent third party and procedures for confirming the intent of shareholders as stipulated in Article 432 of the Securities Listing Regulations of the Tokyo Stock

Exchange and Article 2 of Corporate Conduct Rules of the Sapporo Securities Exchange are not required because (1) the dilution ratio is less than 25% and (2) the treasury share disposal does not involve a change of a controlling shareholder.