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# Notice Regarding Issuance of Restricted Stock to Directors and Employees of the Company and Its Subsidiaries

MEDIA DO Co., Ltd. (the "Company") announces that its Board of Directors, at a meeting held today, resolved to issue new shares of common stock (the "Shares") as restricted stock compensation as outlined below.

1. Overview of the Share Issuance

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| (1) Payment date | July 7, 2025 | |
| (2) Type and number of shares | Common stock of the Company; 32,202 shares | |
| (3) Issue price per share | ¥1,793 per share | |
| (4) Total issue amount | ¥57,738,186 | |
| (5) Allottees | 4 Directors of the Company | 27,884 shares |
| | 6 Employees of the Company | 3,203 shares |
| | 1 Director of a subsidiary | 1,115 shares |

2. Purpose and Rationale

The Company introduced its restricted stock compensation plan (the "Plan") on April 26, 2018, for its Directors (excluding Outside Directors) with the aim of providing incentive for sustainable enhancement of the Company's medium- to long-term corporate and shareholder value and further aligning the interests of Directors and shareholders. Shareholders approved the Plan at the 19th Annual General Meeting of Shareholders on May 30, 2018. The Plan includes the following framework: "an annual limit of up to ¥50 million in monetary compensation claims, to be granted separately from existing compensation and used as payment in kind for the issuance or disposal of restricted shares to Directors", and "a restriction period, to be determined by the Board of Directors, within a range of two to five years."

The overview of the Plan is as follows:

(Overview of the Plan)

Under the Plan, Directors contribute the full amount of their granted monetary compensation claims as payment in kind for newly issued or disposed shares. The total number of shares of the Company's common stock to be issued or disposed of under the Plan is limited to 60,000 shares per year. The issue price per share is determined by the Board of Directors based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board resolution (if no trading took place on that day, the closing price on the most recent trading day prior thereto shall be used; hereinafter referred to as the “TSE Closing Price”), and is set at a level that is not particularly favorable to the Directors receiving the allotment.

Each Director subject to the Plan enters into a restricted stock allotment agreement with the Company, which includes the following provisions:

1) A prohibition on transferring, pledging, or otherwise disposing of the shares during a predetermined restriction period; and
2) The Company’s right to acquire the shares without compensation under certain conditions.

The Company has also decided to grant similar restricted stock to employees and to the director of a subsidiary under the same objectives of promoting sustained enhancement of corporate and shareholder value and strengthening value sharing with shareholders.

(Summary of the Restricted Stock Allotment Agreement)

The Company will enter into individual restricted stock allotment agreements with each of the recipients described above (the “Eligible Recipients”). The main terms are as follows:

(1) Restriction period

Eligible Recipients may not transfer, pledge, or otherwise dispose of the shares allotted to them (the “Allotted Shares”) during the period from July 7, 2025 (the “Payment Date”) through the end of February 2028.

(2) Conditions for lifting transfer restrictions

The transfer restrictions on all Allotted Shares will be lifted upon the expiration of the restriction period, provided that the Eligible Recipient has continuously served as a Director, Audit & Supervisory Board Member, or employee of the Company or its subsidiaries during this period. If the recipient loses their position as a Director, Audit & Supervisory Board Member, or employee of the Company or its subsidiaries during the restriction period due to the expiration of term, death, or other reason deemed legitimate by the Board of Directors, a portion of the restrictions will be lifted based on the number of months served, calculated as: (number of months from the payment month to the month of loss of position ÷ 32) × number of shares granted (any fractional shares will be rounded down).

(3) Acquisition without compensation

The Company will automatically acquire, without compensation, any shares for which the transfer restrictions have not been lifted, either upon the expiration of the restriction period or at the time the Eligible Recipient loses their position as a Director, Audit & Supervisory Board Member, or employee of the Company or its subsidiaries during the restriction period.

(4) Share management

The allotted shares will be managed in a dedicated account opened with Mizuho Securities Co., Ltd. to prevent any transfer, pledge, or disposal during the restriction period.

(5) Treatment in case of corporate reorganization

In the event of a corporate reorganization during the restriction period, the transfer restrictions will be lifted on a pro-rata portion of the Allotted Shares. A corporate reorganization includes a merger in which the Company is dissolved, or a share exchange or share transfer that results in the Company becoming a wholly owned subsidiary, provided such an action is approved by the General Meeting of Shareholders (or the Board of Directors, where applicable). The number of shares subject to early release will be calculated on a prorated basis using the same method described above and will be released immediately before the effective date of the reorganization.

3. Basis for Determining the Issue Price

The Shares will be issued as payment in kind using the monetary compensation claims granted to the Eligible Recipients under the Plan. To ensure fairness, the issue price has been set at ¥1,793, which is the TSE Closing Price as of June 18, 2025, the business day preceding the date of the Board resolution. The Company believes this price appropriately reflects its corporate value under normal market conditions and does not represent a particularly favorable price for the Eligible Recipients.