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To whom it may concern

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## **Notice on Disposal of Treasury Stock as Restricted Stock Incentive for Employees' Shareholding Association**

Konishi Co., Ltd. ("the Company") hereby announces that the Board of Directors at its meeting held today approved a resolution to establish a restricted stock incentive plan (hereinafter referred to as the "Plan") to dispose of treasury stock (hereinafter referred to as the "Treasury Stock Disposal") as restricted stock to be allotted to the Konishi Employees' Shareholding Association (hereinafter referred to as "the Shareholding Association") as described below.

### 1. Summary of disposal

(1) Date of disposal	September 25, 2025
(2) Type and number of shares for disposal	140,000 common shares of the Company (Note)
(3) Disposal value	1,135 yen per share
(4) Total amount of disposal	158,900,000 yen (Note)
(5) Disposal method (Planned allottee)	By way of a third-party allotment, subject to subscription by the Shareholding Association, the number of shares determined by the Shareholding Association shall be allotted to the Shareholding Association within the range of the number of shares to be disposed of described in (2) above (the number of shares so allotted shall be the number of shares to be disposed of). (Konishi Employees' Shareholding Association: 140,000 shares) No partial application for the number of shares to be granted shall be accepted from each eligible employee (as defined below).
(6) Other	For the Treasury Stock Disposal, an extraordinary report has been submitted in accordance with the Financial Instruments and Exchange Act.

(Note) "Number of shares for disposal" and "Total amount of disposal" are calculated based on the assumption that 100 shares of common stock of the Company shall be granted as restricted stock to each of 1,400 employees of the Company and its subsidiaries, the maximum number of eligible persons under the Plan, and the actual number of shares to be disposed of and the total amount of disposal shall be finalized according to the number of employees of the Company and its subsidiaries (up to 1,400 employees) who agree to the Plan (hereinafter referred to as the "Eligible Employees") after the completion of the promotion of membership to those who have not yet joined the Shareholding Association and the confirmation of consent to the Plan by the members of the Shareholding Association. Specifically, as described in (5) above, the number of shares to be applied for as determined by the Shareholding Association shall be the "Number of shares to be disposed of" and the amount obtained by multiplying such number by the disposal value per share shall be the "Total amount of disposal." The Company or its subsidiary shall provide each Eligible Employee with a uniform monetary claim of 113,500 yen, and the Company shall uniformly allocate 100 shares to each Eligible Employee through the Shareholding Association.

## 2. Purpose and reason for disposal

At the Board of Directors meeting held today, the Company resolved that, as a measure to promote the welfare of the Eligible Employees among employees of the Company and its subsidiaries who were members of the Shareholding Association, it shall introduce the Plan for the purpose of creating an opportunity for the Eligible Employees to acquire shares of common stock issued or disposed of by the Company as restricted stock through the Shareholding Association, thereby helping them to build up their assets, as well as providing the Eligible Employees with an incentive to continuously improve the corporate value of the Company and promoting further value sharing between the Eligible Employees and the shareholders of the Company.

The summary of the Plan, etc. is as follows.

### [Summary of the Plan, etc.]

Under the Plan, the Company and its subsidiaries shall provide the Eligible Employee monetary claims (hereinafter referred to as the "Special Incentive Payment") as a special incentive payment to grant 100 shares as restricted stock per employee, and the Eligible Employees shall contribute the Special Incentive Payment to the Shareholding Association. The Shareholding Association shall then be issues or disposed of the Company's common stock as restricted stock by making in-kind contribution to the Company of the Special Incentive Payment contributed by the Eligible Employees.

If shares of common stock of the Company are newly issued or disposed of under the Plan, the amount to be paid per share of such common stock shall be 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 each Board resolution regarding such issuance or disposal (or, if no transaction is effected on that date, on the immediately preceding business day), within the range not particularly advantageous to the Shareholding Association (and therefore, the Eligible Employees).

In issuing or disposing of shares of common stock of the Company under the Plan, the Company and the Shareholding Association shall enter into a restricted stock allotment agreement that includes: (i) a prohibition on the transfer, creation of security interest or other disposal of the allotted shares to a third party for a certain period (hereinafter referred to as the "Transfer Restriction"); and (ii) the Company's acquisition of the allotted shares without consideration in the event of certain events. The provision of the Special Incentive Payment to the Eligible Employees shall be subject to the execution of the restricted stock allotment agreement between the Company and the Shareholding Association.

Until the Transfer Restriction is lifted, the Eligible Employees shall be restricted on the withdrawal of the membership interests to be held by the Eligible Employees for the restricted stock according to the monetary claims contributed to the Shareholding Association (hereinafter referred to as the "Restricted Stock Interests" or "RS Interests") in accordance with the Shareholding Association Rules and the Shareholding Association Operating Detailed Rules, etc. (hereinafter referred to as the "Shareholding Association Rules and Regulations, etc.") (Note), pertaining to the Shareholding Association.

(Note) The Board of Trustees of the Shareholding Association, at its meeting to be held promptly after the resolution of the Board of Directors regarding the Treasury Stock Disposal, shall be scheduled to pass a resolution to revise the Shareholding Association Rules and Regulations, etc., in response to the Plan prior to receiving the Treasury Stock Disposal, and such revision shall become effective two (2) weeks after the notice to the members of the Shareholding Association based on the Shareholding Association Rules and Regulations, etc., after such resolution of the Board of Trustees, is sent, and if the number of objections from the members of the Shareholding Association is less than one-third (1/3) of the total number of members of the Shareholding Association.

For the Treasury Stock Disposal, the Company's common shares (hereinafter referred to as the "Allotted Shares") shall be disposed of to the Shareholding Association, which is the planned allottee, by paying all of the Special Incentive Payment contributed by the Eligible Employees as assets contributed in kind under the Plan. The summary of the restricted stock allotment agreement (the "Allotment Agreement") to be entered into between the Company and the Shareholding Association in connection with the Treasury Stock Disposal is as described in "3. Summary of the Allotment Agreement" below. The number of shares to be disposed of under the Treasury Stock Disposal shall be determined at a later date as described in Note to 1. above, and is expected to be 140,000 shares if all of the 1,400 employees of the Company and its subsidiaries, the maximum number of persons to be eligible for the Plan, enroll in the Shareholding Association and agree to the Plan. Assuming such number of shares to be disposed of, the dilutive effect of the Treasury Stock Disposal shall be 0.20% (rounded to two decimal places: The same shall apply for the calculation of the percentage hereinafter.) of the total number of shares outstanding at 70,414,880 shares as of March 31, 2025, and 0.21% of the total number of voting rights at 663,374 as of March 31, 2025.

The introduction of the Plan is intended to create an opportunity to acquire shares of the Company's common stock issued or disposed of by the Company as restricted stock through the Shareholding Association as a measure to promote the welfare of the Eligible Employees, thereby helping them to build up their assets and providing them with an incentive to continuously improve the corporate value of the Company and to further share values with shareholders of the Company, and it is deemed to contribute to the increase in the Company's corporate value. The Company believes that the number of shares to be disposed of and the scale of dilution of shares in the Treasury Stock Disposal are reasonable and that the impact on the market shall be minimal in light of the scale of dilution.

The Treasury Stock Disposal shall be implemented on the condition that the revised Shareholding Association Rules and Regulations, etc. becomes effective by the day immediately preceding the disposal date of the Treasury Stock Disposal, and that the Allotment Agreement is executed between the Company and the Shareholding Association within the prescribed period.

### 3. Summary of the Allotment Agreement

#### (1) Transfer restriction period

During the period from September 25, 2025 to the date on which every Eligible Employee retires from his/her position as an employee of the Company or its subsidiary who is eligible for membership in the Shareholding Association (hereinafter referred to as the "Transfer Restriction Period").

#### (2) Condition subsequent for transfer restrictions

On the condition that the Eligible Employee has been a member of the Shareholding Association continuously during the period from the disposal date to September 25, 2035 (hereinafter referred to as the "Vesting Period"), the transfer restriction shall be lifted upon expiration of the transfer restriction period with respect to all of the Allotted Shares in the number corresponding to the restricted stock interests held by the Eligible Employee who satisfies such conditions.

#### (3) Treatment of withdrawal from the Shareholding Association

If an Eligible Employee withdraw from the Shareholding Association during the Vesting Period due to retirement, promotion to director or officer, or any other justifiable reason (meaning the case where the Eligible Employee loses his/her membership or applies for withdrawal from the Shareholding Association, including withdrawal due to death), the Company shall lift the restriction on transfer of all of the Allotted Shares in the number corresponding to the restricted stock interests held by such Eligible Employee on the date of acceptance by the Shareholding Association of the Eligible Employee's application for withdrawal from membership (the date of losing membership if the membership is lost (the date of death in the case of withdrawal due to death); hereinafter referred to as the "Withdrawal Application Acceptance Date").

#### (4) Acquisition by the Company without consideration

If the Eligible Employee commits a violation of laws and regulations during the transfer restriction period, if a decision is made that the Eligible Employee falls under a non-resident due to overseas transfer or other reasons, or if the Eligible Employee falls under certain other events specified in the Allotment Agreement, the Company shall naturally acquire without consideration all of the Allotted Shares in the number corresponding to the restricted stock interests held by the Eligible Employee at such time. In addition, the Company shall naturally acquire the Allotted Shares, for which transfer restriction is not lifted, without consideration at the expiration of the transfer restriction period or at the time of lifting the transfer restriction stipulated in (3) above.

#### (5) Management of shares

The Allotted Shares shall be managed in an exclusive account opened by the Shareholding Association with Nomura Securities Co., Ltd. during the transfer restriction period so that the Allotted Shares may not be transferred, pledged as collateral, or otherwise disposed of during the transfer restriction period. In addition, the Shareholding Association shall, in accordance with the provisions of the Shareholding Association Rules and Regulations, etc., register and manage the restricted stock interests separately from other member interests held by the Eligible Employees (hereinafter referred to as the " Ordinary Interests").

#### (6) Treatment in organizational restructuring, etc.

If, during the transfer restriction period, a merger agreement under which the Company shall become a defunct company, a share exchange agreement under which the Company shall become a wholly owned subsidiary, a share transfer plan, or any other matters relating to organizational restructuring, etc. determined by the Company are approved at a general meeting of shareholders of the Company (however, the Board of Directors of the Company if approval by a general meeting of shareholders of the Company is not required with respect to such organizational restructuring, etc.), then by resolution of the Board of Directors, the transfer restriction shall be lifted with respect to all the Allotment Shares held by the Shareholding Association on the date of such approval in the number corresponding to the restricted stock interests held by the Eligible Employees, at the time immediately preceding the business day prior to the effective date of the organizational restructuring, etc.

### 4. Calculation base of the disposal amount and its specific details

The Treasury Stock Disposal for the Shareholding Association, the planned allottee, shall be made by the Eligible Employees, who shall contribute to the Shareholding Association with the Special Incentive Payment, which was paid to the Eligible Employees for the grant of restricted stock, as contributed assets. The disposal amount is set at 1,135 yen, which is the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on June 23,

2025 (the business day prior to the date of the Board of Directors' resolution), in order to eliminate arbitrariness. This is the market stock price immediately prior to the date of the Board of Directors' resolution, and we believe that it is reasonable and does not constitute a particularly favorable amount.

The percentage deviation of this disposal amount from the average closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market (rounded to two decimal places) is as follows.

Period	Average closing price (rounded down to the nearest yen)	Percentage deviation
One month (May 26, 2025 - June 23, 2025)	1,114 yen	1.89%
Three months (March 24, 2025 - June 23, 2025)	1,125 yen	0.89%
Six months (December 24, 2024 - June 23, 2025)	1,179 yen	-3.73%

The Audit and Supervisory Committee of the Company (consisting of four members, including three Outside Directors) expressed the opinion that the above disposal amount was not particularly favorable to the planned allottees and was lawful, considering that the purpose of the Treasury Stock Disposal was to introduce the Plan and that the disposal amount was the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on the business day prior to the date of the Board resolution.

##### 5. Matters related to procedures under the corporate code of conduct

Because (i) the dilution ratio is less than 25% and (ii) the Treasury Stock Disposal does not involve a change in controlling shareholder, it is not necessary to obtain an opinion from an independent third party or to confirm the intent of shareholders as required by Section 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange.

(Reference)

[How the Plan works]

- ① The Company and its subsidiaries shall provide monetary claims to Eligible Employees as special incentive payment for the grant of restricted stock.
- ② The Eligible Employees shall contribute the monetary claims described in (i) above to the Shareholding Association.
- ③ The Shareholding Association shall consolidate the monetary claims contributed in (ii) above and pay them to the Company.
- ④ The Company shall allot the Allotted Shares to the Shareholding Association as restricted stock ("RS" in the diagram below).
- ⑤ The Allotted Shares shall be deposited into the exclusive account opened by the Shareholding Association through Nomura Securities Co., Ltd.
- ⑥ The Allotted Shares shall be transferred to the Ordinary Interests or securities account in the name of the Eligible Employee after the termination of the transfer restrictions.

