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Notice Regarding Disposal of Treasury Shares as Restricted Stock Compensation

Mie Kotsu Group Holdings, Inc. (the “Company”) hereby announces that, at the meeting of the Board of Directors held today, it resolved to dispose of treasury shares (hereinafter referred to as the “Disposal of Treasury Shares” or the “Disposal”) as described below.

1. Summary of the Disposal

(1) Date of disposal	August 14, 2025
(2) Class and number of shares to be disposed	266,100 shares of the Company’s common stock
(3) Disposal price	492 yen per share
(4) Total disposal value	130,921,200 yen
(5) Allottees, number of allottees, and number of shares to be disposed	7 Directors of the Company (excluding Outside Directors): 69,300 shares 10 Executive Officers of the Company: 20,900 shares 40 Directors of the Company’s subsidiaries: 175,900 shares Note: The above includes 23 individuals who concurrently serve as Directors or Executive Officers of the Company and as Directors of its subsidiaries.
(6) Other	An extraordinary report has been submitted regarding the Disposal of Treasury Shares in accordance with the Financial Instruments and Exchange Act.

2. Purpose and Reason for the Disposal

At the meeting of the Board of Directors held on May 7, 2018, the Company resolved to introduce a new compensation system in the form of restricted stock compensation (hereinafter referred to as the “Plan”) for Directors of the Company (excluding Outside Directors; hereinafter referred to as the “Eligible Directors”). The purpose of this Plan is to provide incentives that promote the sustainable growth of the Mie Kotsu Group and enhance its corporate value over the medium to long term, while further aligning the interests of shareholders and directors. Furthermore, at the 12th Ordinary General Meeting of Shareholders held on June 21, 2018, approval was obtained for granting monetary compensation claims of up to 60 million yen per year to the Eligible Directors under the Plan, as consideration for the acquisition of restricted stock (hereinafter referred to as “Restricted Stock Compensation”), and for setting the transfer restriction period for the restricted stock to a duration determined by the Board of Directors, within a range of 10 to 30 years.

The outline of the Plan is as follows.

[Outline of the Plan, etc.]

(1) Outline of the Plan

Under the Plan, monetary compensation claims are granted to the Eligible Directors in principle on an annual basis, for the purpose of allotting restricted stock. These monetary compensation claims are contributed in kind to the Company, and in exchange, the Company issues or disposes of shares of its common stock to the Eligible Directors, who will then hold such shares. The total number of shares of common stock to be issued or disposed of by the Company under the Plan shall be no more than 176,000 shares per year. The amount to be paid per share will be determined by the Board of Directors within a range that does not constitute a particularly favorable price to the Eligible Directors subscribing for the shares, 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 resolution at the Board of Directors (or, if there is no closing price on that day, the closing price on the most recent trading day prior to that date).

Furthermore, in issuing or disposing of the Company's common stock under the Plan (hereinafter referred to as the "Shares"), a restricted stock allotment agreement (hereinafter referred to as the "Allotment Agreement") shall be executed between the Company and each Eligible Director receiving Restricted Stock Compensation. The terms of the Allotment Agreement shall include: (i) a restriction on transfer, pledge, or any other disposal of the Shares to any third party for a predetermined period (hereinafter referred to as the "Transfer Restriction Period"), which shall be determined in advance by the Company's Board of Directors and fall within a range of 10 to 30 years; and (ii) a provision that the Company may acquire the Shares without compensation upon the occurrence of certain events.

(2) Application of the Restricted Stock Compensation Plan to the Company's Executive Officers and Directors of Subsidiaries

Following the approval of the introduction of the Plan at the 12th Ordinary General Meeting of Shareholders held on June 21, 2018, and the introduction of the executive officer system at the Company as of June 23, 2021, the Company has also applied a restricted stock compensation plan, similar to the Plan, to its executive officers and the directors of its subsidiaries (hereinafter referred to as the "Eligible Subsidiaries," and collectively with the Company, the "Eligible Companies"). These individuals are hereinafter collectively referred to as the "Eligible Directors, etc."

(3) Restricted Stock Compensation for This Allotment

The Disposal of Treasury Shares for this allotment will be conducted for a total of 57 individuals, comprising 7 Eligible Directors, 10 Executive Officers of the Company, and 40 Directors of the Company's subsidiaries (including 23 individuals who concurrently serve as Directors or Executive Officers of the Company and Directors of its subsidiaries).

At the meetings of the Board of Directors of the Company and its subsidiaries held today, in consideration of the purpose of the Plan and the scope of duties of the Eligible Directors, etc., it was resolved to grant monetary compensation claims totaling 130,921,200 yen (the "Total Monetary Compensation Claims") as incentives to the Eligible Directors, etc., across the entire Company Group. Of this amount, the total monetary compensation claims to be granted to the Eligible Directors amount to 34,095,600 yen. Further, at the meeting of the Company's Board of Directors held today, it was resolved to allot 266,100 shares of the Company's common stock (hereinafter referred to as the "Allocated Shares") in exchange for the in-kind contribution of the Total Monetary Compensation Claims by the Eligible Directors, etc. In order to realize the purpose of the Plan, which is to align with shareholder value over the medium to long term, the Transfer Restriction Period for this allotment will be set at 30 years.

The outline of the Allotment Agreement to be executed between the Company and the Eligible Directors, etc., in connection with the Disposal of Treasury Shares, is as described in Section 3 below.

3. Outline of the Allotment Agreement

(1) Transfer Restriction Period: August 14, 2025 to August 14, 2055

(2) Conditions for Lifting of Transfer Restrictions:

The transfer restrictions on all the Allocated Shares shall be lifted at the expiration of the Transfer Restriction Period, provided that the Eligible Directors, etc., have continuously held a position as a director, auditor, employee, or other equivalent position at the Company or its subsidiaries throughout the Transfer Restriction Period.

(3) Treatment in the Event of Resignation or Retirement during the Transfer Restriction Period due to Expiration of Term, Death, or Other Justifiable Reasons Recognized by the Company's Board of Directors:

(i) Timing of Lifting Transfer Restrictions:

The transfer restrictions shall be lifted immediately following the resignation or retirement of the Eligible Directors, etc. However, in the event of resignation or retirement due to death, the transfer restrictions shall be lifted at a time separately determined by the Board of Directors of the Company after the death of the Eligible Directors, etc.

(ii) Number of Shares Subject to Lifting of Transfer Restrictions:

The number of Allocated Shares held at the time of resignation or retirement, as defined in (i) above, multiplied by a fraction calculated by dividing the number of months from July of the year including the payment date of the Allocated Shares (August 14, 2025) to the month including the resignation or retirement date by 12 (with the result capped at 1 if it exceeds 1). Any fractional shares resulting from the calculation will be rounded down.

(4) Free Acquisition by the Company

The Company shall naturally and without compensation acquire all Allocated Shares for which the transfer restrictions have not been lifted as of the expiration of the Transfer Restriction Period or the time of lifting of transfer restrictions specified in item (3) above.

Furthermore, if an Eligible Directors, etc. resigns or retires from any of the positions specified in item (2) during the Transfer Restriction Period, other than in cases of expiration of term, death, or other reasons deemed justifiable by the Board of Directors of the Company, the Company shall, at the time of such resignation or retirement, naturally and without compensation acquire all of the Allocated Shares. In addition, even if the Eligible Directors, etc. continues to hold one of the positions defined in item (2) immediately prior to the expiration of the Transfer Restriction Period, the Company shall naturally and without compensation acquire all of the Allocated Shares.

(5) Management of Shares

To ensure that the Allocated Shares are not transferred, pledged, or otherwise disposed of to any third party during the Transfer Restriction Period, they shall be managed in a dedicated account opened by the Eligible Directors, etc. with Nomura Securities Co., Ltd. during said period. The Company shall enter into an agreement with Nomura Securities Co., Ltd. regarding the management of the accounts holding the Allocated Shares to ensure the effectiveness of the transfer restrictions. The Eligible Directors, etc. shall be deemed to have agreed to the content of such account management.

(6) Handling in the Case of Organizational Restructuring

If, during the Transfer Restriction Period, any matter relating to an organizational restructuring, such as a merger agreement in which the Company becomes the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other similar restructuring, is approved by the General Meeting of Shareholders of the Company (or by the Board of Directors of the Company in cases where shareholder approval is not required), then by resolution of the Board of Directors, the number of Allocated Shares held at that time, multiplied by a fraction calculated by dividing the number of months from July of the year including the payment date of the Allocated Shares (August 14, 2025) to the month including the date of approval by 12 (with the result capped at 1 if it exceeds 1), shall have their transfer restrictions lifted as of immediately before the business day preceding the effective date of the restructuring. Any fractional shares resulting from the calculation will be rounded down.

Immediately after the transfer restrictions are lifted as described above, the Company shall naturally and without compensation acquire all Allocated Shares for which the transfer restrictions have not been lifted.

4. Basis and Specific Details of the Payment Amount Calculation

The disposal price for the Disposal of Treasury Shares has been set at 492 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on July 14, 2025 (the business day prior to the date of resolution at the Board of Directors). This price reflects the market value immediately before the date of resolution at the Board of Directors and is considered reasonable and not particularly advantageous to the recipients, thereby eliminating arbitrariness.