

## TRANSLATION – FOR REFERENCE ONLY

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### **Notice Regarding the Establishment of Stock Benefit Rules in Connection with the Introduction of a Stock Benefit Trust (J-ESOP) and Disposal of Treasury Shares through Third-Party Allotment**

METAWATER Co., Ltd. (the “Company”) hereby announces that, in line with the introduction of the Stock Benefit Trust [J-ESOP] (the “Plan”) announced on May 29, 2024, a resolution was passed at the Board of Directors meeting held on February 26, 2026 to establish Stock Benefit Rules (the “Rules”) concerning the Plan and to dispose of treasury stock through third-party allotment (the “Disposal of Treasury Shares”) as follows.

#### 1. Outline of the Plan and Establishment of the Rules

The Company announced the introduction of the Plan on May 29, 2024. (For an overview of the Plan, please refer to “Notice Regarding the Introduction of a Stock Benefit Trust (J-ESOP)” dated May 29, 2024.)

The Company resolved to establish the Rules at a meeting of the Board of Directors held on February 26, 2026.

In accordance with the Rules, the Company shall grant points to employees according to their individual contributions, etc. When allocating stock, each point granted to an employee will be converted into one share of the Company’s common stock. If a stock split, free allotment of shares, reverse stock split, etc. are carried out with respect to the Company’s shares, the number of points already granted or the conversion ratio will be reasonably adjusted according to the ratio, etc.

If an employee of the Company meets the beneficiary requirements stipulated in the Rules, said employee shall, by following the prescribed procedures for determining beneficiaries, receive a number of Company shares corresponding to the number of points from the trust established based on a trust agreement entered into with Mizuho Trust & Banking Co., Ltd. (the “Trust Agreement”), in which the Company is the trustor and Mizuho Trust & Banking Co., Ltd. is the trustee (the “Trust”).

#### 2. Outline of the Trust

- (1) Name : Stock Benefit Trust (J-ESOP)
- (2) Trustor : The Company
- (3) Trustee : Mizuho Trust & Banking Co., Ltd.  
(Re-trustee: Custody Bank of Japan, Ltd.)
- (4) Beneficiaries : Employees of the Company who meet the requirements as beneficiaries stipulated in the Stock Benefit Rules
- (5) Trust Administrator : Selected from eligible employees
- (6) Type of Trust : Trust of money other than monetary trust (other benefit trust)
- (7) Purpose of the Trust : Deliver Company shares, which are trust assets, to beneficiaries in accordance with the Stock Benefit Rules
- (8) Trust Agreement Date : March 13, 2026
- (9) Date of Trust Funding : March 13, 2026
- (10) Term of Trust : From March 13, 2026 until the termination of the Trust  
(No specific termination date is set, and the Trust will continue as long as the Plan continues.)

### 3. Outline of Disposal

(1) Date of disposal	Friday, March 13, 2026
(2) Class and number of shares to be disposed	60,000 shares of the Company's common stock
(3) Disposal price	4,130 yen per share
(4) Total disposal value	247,800,000 yen
(5) Planned disposal destination	Custody Bank of Japan, Ltd. (trust E account)
(6) Other	The Company will submit an extraordinary report pursuant to the Financial Instruments and Exchange Act regarding this Disposal of Treasury Shares.

(Note 1) The intended recipient of this Disposal of Treasury Shares is the Custody Bank of Japan, Ltd. (trust E account). The Custody Bank of Japan, Ltd. (trust E account) is the trust account established by the execution of this Trust Agreement. This Disposal of Treasury Shares is for the purpose of providing benefits to employees under the Plan, and is substantially the same as allocating shares to employees as consideration for services provided to the Company.

(Note 2) Employees of the Company are awarded points based on their individual contributions, etc., and they are granted Company shares equivalent to the points granted when certain conditions are met and they receive vesting rights. As such, the above number of shares is the maximum amount, and the actual number of Company shares to be granted to employees will vary depending on the individual contributions of employees.

### 4. Purpose and Reasons for the Disposal

The Disposal of Treasury Shares is to dispose of treasury shares through third-party allotment to the Custody Bank of Japan, Ltd. (trust E account), the re-trustee being re-entrusted by the trustee of the Trust, in order to hold and dispose of the Company's shares in the operation of the Plan.

Company shares allotted to the Custody Bank of Japan, Ltd. (trust E account) through this Disposal of Treasury Shares will be held by the Custody Bank of Japan, Ltd. (trust E account) until an eligible employee receives benefits. Even if an eligible employee has received points, they may not transfer or otherwise dispose of the Company's shares corresponding to the points until the benefits are received.

The number of shares to be disposed of will be equivalent to the number of shares that are expected to be provided to employees during the trust period (the three-year period from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2028) in accordance with the Rules, and will be 0.14% of the total number of issued shares, 44,258,500 shares, as of September 30, 2025 (0.14% of the total number of voting rights, 436,240 rights, as of September 30, 2025). (both figures rounded to two decimal places) Because the Company shares allocated through this Disposal of Treasury Shares will be granted to employees in accordance with the Rules, the shares that are part of this Disposal of Treasury Shares are not expected to be released onto the stock market all at once. As such, the Company has determined that the impact on the stock market will be minimal and that the scale of dilution is reasonable.

### 5. Basis for Calculating Disposal Price and Specific Details Thereof

The disposal price was set at 4,130 yen, 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 of Directors' resolution regarding the Disposal of Treasury Shares.

The closing price on the business day immediately preceding the date of the Board of Directors' resolution was determined to be reasonable as it represents the Company's fair corporate value on the stock market.

The disposal price of 4,130 yen is calculated by multiplying the average closing price of 3,693 yen (rounded down to the nearest yen) for the one-month period up to the business day immediately preceding the date of the Board of Directors' resolution by 111.83%. And by multiplying the average closing price of 3,476 yen (rounded down to the nearest yen) for the three-month period up to that date by 118.81%. And by multiplying the average closing price of 3,286 yen (rounded down to the nearest yen) for the six-month period up to that date by 125.68%. This is how the disposal price is calculated. As a result of taking the above into consideration, the disposal price for this Disposal of Treasury Shares cannot be said to be particularly advantageous and is deemed reasonable.

Regarding the above disposal price, the four corporate auditors (two of whom are outside corporate auditors) who attended the meeting of the Board of Directors expressed the opinion that it does not correspond to a particularly favorable disposal price.

6. Matters Concerning Procedures Under the Code of Corporate Conduct

Since this Disposal of Treasury Shares (i) has a dilution ratio of less than 25% and (ii) does not involve any change in controlling shareholders, the need to obtain an opinion from an independent third party and confirm the intentions of shareholders as stipulated in Rule 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. is not required.