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May 13, 2026

To Whom It May Concern:

Company name:	Fuji Seal International, Inc.
Representative:	Shigeko Okazaki, President and CEO
Stock code:	7864 TSE Prime
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Notice Concerning of introduction an incentive plan for Employees (Determination of Details)

Fuji Seal International, Inc. (hereinafter, the "Company") previously announced that the Board of Directors resolved to introduce an incentive plan (hereinafter referred to as the "Plan") for the Group's employees (hereinafter referred to as "employees") in a meeting held on May 13, 2025, and hereby announces that, in a meeting held today, the Board of Directors passed a resolution on details such as the timing of introduction of the Plan, its duration and the total amount of shares acquired, as follows.

1. Introduction of the Plan

1) The Company has introduced the Plan with the aim of enhancing engagement among employees, who are responsible for the execution of its business plan called "FSG.30." as well as to attract and retain talented personnel. Moreover, the Plan is intended to promote their heightened awareness of medium- to long-term results.

2) The Plan adopts the ESOP (Employee Stock Ownership Plan) Trust system (the ESOP Trust).

   The ESOP Trust is an employee incentive plan modeled after the ESOP system in the United States. Under this plan, shares of the Company acquired by the ESOP Trust are granted to employees who meet certain predetermined criteria, in accordance with the provisions set forth in the stock grant rules established in advance.

   It should be noted that all funds required for the acquisition of the Company's shares by the ESOP Trust will be contributed by the Company, and therefore, no financial burden will be placed on the employees.

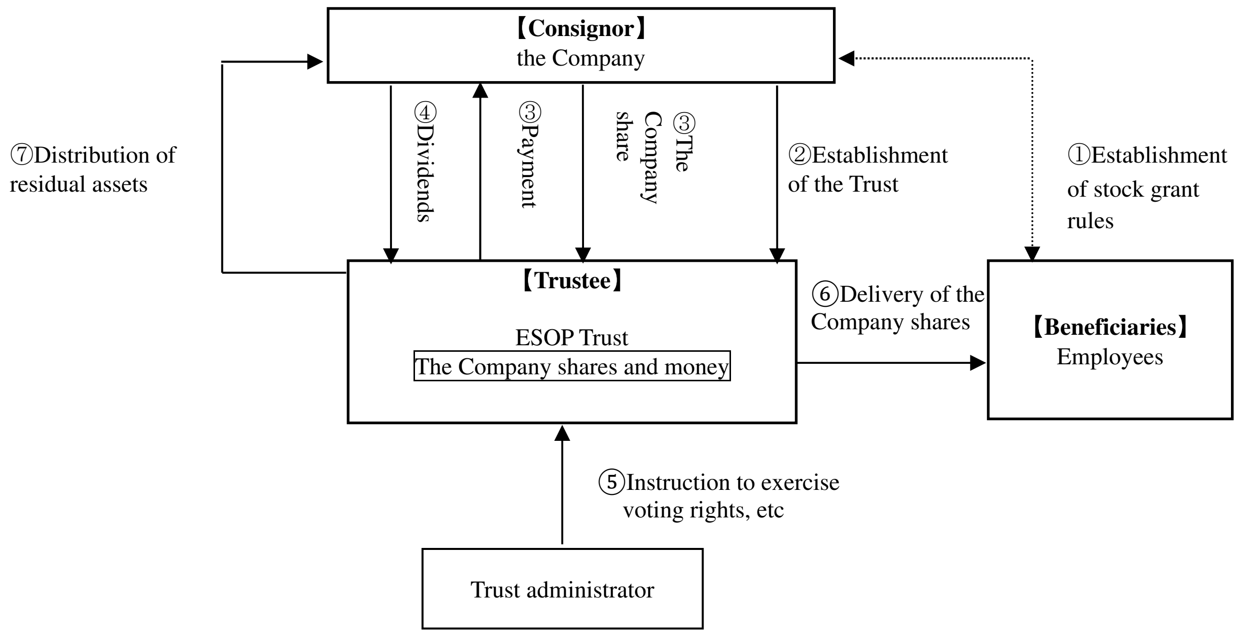
3) Through the introduction of the Plan, employees will be able to receive economic benefits linked to increases in the Company's stock price, which is expected to encourage greater awareness of stock performance in the execution of their duties and to enhance their motivation to work.

   In addition, voting rights associated with the Company's shares held as trust assets under the ESOP Trust are exercised in a manner that reflects the intentions of employees who are prospective beneficiaries. This framework is considered an effective means of increasing corporate value by promoting employees' participation in corporate management.

Note: In association with introducing the Plan, it has also been resolved that 185,000 shares (JPY 458 million) of 6,818,091 treasury shares of the Company held by the Company (as of March 31, 2026) will be disposed of to the ESOP Trust. For details, refer to announcement of the "Notice Regarding Disposal of Treasury Shares Through Third-Party Allotment" released today.

The Company
shares

2. Outline of the Plan



① The Company will establish stock grant rules in connection with the introduction of the Plan.

② The Company will contribute funds and establish the ESOP Trust under which employees who meet the eligibility criteria will be designated as beneficiaries.

③ In accordance with instructions from the trustee, the ESOP Trust will use the funds contributed in item ② to acquire, during the trust period, a number of shares of the Company that are expected to be granted to the beneficiaries. Such shares will be acquired from the Company (through the disposal of treasury shares).

④ Dividends will be paid on the shares of the Company held within the ESOP Trust, in the same manner as for other shares of the Company.

⑤ With respect to the shares held in the ESOP Trust, throughout the trust period, the trust administrator shall provide instructions regarding the exercise of shareholder rights, including voting rights, and the ESOP Trust shall exercise such rights in accordance with those instructions.

⑥ Shares of the Company will be granted to employees who meet certain predetermined requirements, in accordance with the stock grant rules.

⑦ Upon the termination of the ESOP Trust, any residual assets remaining after distribution to the beneficiaries will revert to the Company, within the scope of the reserve for trust-related expenses, after deducting the funds used for acquiring the shares.

Note:
During the trust period, should there be a risk of a shortage in the number of shares held within the ESOP Trust, or a shortfall in funds required to cover trustee compensation and trust-related expenses, the Company may make additional monetary contributions to the ESOP Trust.

3. Details of the Trust Agreement

Types of trusts	Monetary trusts other than specified solely managed monetary trusts (other-benefit trusts)
Purpose of the trust	Provision of incentives for employees who meet certain predetermined criteria
Consignor	The Company
Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
Beneficiary	Employees who meet certain predetermined criteria
Trust administrator	Third parties who have no interest in the Company (Certified Public Accountants)
Trust agreement date	May 28, 2026 (planned)
Duration of the trust	May 28, 2026 to August 31, 2031 (planned)
Exercise of voting	The trustee will exercise the voting rights of the Company shares by following the instructions of the trust administrator that reflect the exercise of voting rights by the beneficiary candidates.
Type of acquiring stock	Common stock of the Company
Total amount of acquiring stock	JPY 458,985,000
Method of acquiring stock	Acquire from the Company (the treasury stock disposal)

End