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June 24, 2025

Company name: F.C.C. CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 7296
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Notice Relating to the Disposal of Treasury Stock for Restricted Share Compensation

F.C.C.CO.,LTD. (hereinafter the “Company”) hereby announces that the Company resolved at its Board of Directors’ meeting held on June 24, 2025 to dispose of treasury stock as the restricted share compensation (hereinafter the “Disposal” or “Disposal of Treasury Stock”) as follows.

1. Overview of the Disposal

(1)	Disposal Date	July 23, 2025
(2)	Class and number of shares to be disposed of	12,132 shares of the Company’s common stock
(3)	Disposal price	2,701 yen per share
(4)	Total disposal value	32,768,532 yen
(5)	Scheduled allottee	4 Directors (*): 9,578 shares 2 Managing Officers: 2,554 shares * Excluding Outside Directors and Directors who are Audit and Supervisory Committee Members

2. Purpose and Reason of the Disposal

The Company resolved at its Board of Directors’ meeting held on May 20, 2021, to introduce the Restricted Stock Compensation Plan (hereinafter the “Plan”) as a new compensation plan for the Company’s directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the “Eligible Directors”) for the purpose of providing the Eligible Directors with incentives for sustainably increasing the corporate value of the Company and further promoting shared value with shareholders. At the 91st Ordinary General Meeting of Shareholders held on June 22, 2021, the Company received approval to provide restricted shares as compensation for the Eligible Directors separate from existing monetary compensation based on the Plan.

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The outline of the Plan is as follows.

<Outline of the Plan>

The Eligible Directors will receive the Company's common shares to be newly issued or disposed of by the Company in exchange for in-kind contribution of all monetary remuneration claim granted by the Company under the Plan.

The total amount of monetary remuneration to be paid to the Eligible Directors shall be not more than 100 million yen per year, and the total number of common shares of the Company to be issued or disposed of under the Plan shall be not more than 50,000 shares per year.

In addition, in issuing or disposing of common shares of the Company under the Plan, the Company shall conclude a restricted shares allotment agreement with the Eligible Directors who are to be allottee, and the agreement shall include the following items:

- (1) The Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of the common shares of the Company allotted to them under the restricted shares allotment agreement during the period from the date of the allotment of the stock to the date on which the Eligible Directors resigns as a Director of the Company or any other such position stipulated by the Company's Board of Directors.
- (2) If an event occurs that the Company's Board of Directors deems to be legitimate cause for acquiring restricted shares without consideration such as violation of laws, the Company's internal rules or the restricted shares allotment agreement, the Company shall, without consideration, acquire the restricted share.

The Company has also decided to introduce the Restricted Stock Compensation Plan similar to the Plan for its Managing Officers in addition to the Eligible Directors.

Based upon the foregoing, the Company resolved at the Board of Directors' meeting held on June 24, 2025, to grant monetary remuneration claims in a total amount of 32,768,532 yen and dispose of 12,132 of the Company's common shares (the "Allotted Shares") in exchange for in-kind contribution of such monetary remuneration claims to the 4 Eligible Directors and 2 Managing Officers (Hereinafter, the Eligible Directors and Managing Officers shall be collectively referred to as the "Allottee"), taking into account the purpose of the Plan, the scope of each Allottee's work responsibilities, and other relevant factors.

<Overview of Restricted Shares Allotment Agreement>

The Company and Allottee will individually conclude the Restricted Shares Allotment Agreement related to the Disposal, and the overview of the Restricted Shares Allotment Agreement is as follows.

(1) Restriction Period

The Allottee shall not transfer, create a security interest on, or otherwise dispose of the Allotted Shares during the period from July 23, 2025 (hereinafter the "Disposal Date") to the date when the Allottee resigns from all of his/her position as the Company's Director and Officer.

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(2) Conditions for lifting Transfer Restriction

The Company shall lift the Transfer Restrictions of all of the Allotted Shares on the date following the date of resignation, on the condition that the Allottee has remained in the position as the Company's Director and Officer continuously throughout the period from the date of the Ordinary General Meeting of Shareholders immediately prior to the Disposal Date to the date of the Ordinary General Meeting of Shareholders to be held in the following year (hereinafter the "Service Period"). Provided, however, that in the event that the Allottee resigns from his/her position as the Company's Director and Officer during the Service Period due to death, or other reasons deemed legitimate by the Board of Directors, the Company will lift, upon expiration of the Restriction Period, the Transfer Restriction regarding the Allotted Shares in a quantity obtained by multiplying the number, which is obtained by dividing the number of months from the month following the month including starting date of Service Period to the month including the date of resignation by 12 (if this number exceeds 1, then this number shall be deemed to be 1), by the number of Allotted Shares (if any fraction less than 1 share unit arises as a result of the calculation, such fraction shall be rounded down).

(3) Acquisition of Allotted Shares by the Company without any consideration

The Company shall acquire, as a matter of course, without consideration the Allotted Shares on which the Transfer Restriction has not been lifted at the expiration of the Restriction Period.

(4) Management of shares

During the Restriction Period, the Allotted Shares will be managed in a dedicated account of the restricted shares opened by the Allottee in Daiwa Securities Co. Ltd. so that the Allottee cannot transfer, create security interest on, or otherwise dispose of the Allotted Shares during the Restriction Period.

(5) Treatment in the event of organizational restructuring, etc.

In the event a merger agreement with the Company as the absorbed company, a share exchange agreement or share transfer plan with the Company as a wholly-owned subsidiary, or other organizational restructuring etc. is approved by the Company's general meeting of shareholders (or by the Board of Directors of the Company in case the organizational restructuring etc. does not require approval of the general meeting of shareholders) during the restriction period, the Company will lift the Transfer Restriction, by the resolution of the Board of Directors, immediately before the business day preceding the effective date of such organizational restructuring, etc. for the Allotted Shares in a quantity obtained by multiplying the number, which is obtained by dividing the number of months from the month following the month including starting date of Service Period to the month including the date when such organizational restructuring, etc. is approved by 12 (if this number exceeds 1, then this number shall be deemed to be 1), by the number of Allotted Shares (if any fraction less than 1 share unit arises as a result of the calculation, such fraction shall be rounded down).

3. Basis of calculation and specific details of the amount to be paid in

The Disposal will be carried out with the monetary remuneration claims, which are paid to the scheduled allottee

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based on the Plan, as the contributed assets, and the amount paid per share is 2,701 yen, which is the closing price of the Company's common stocks on the Tokyo Stock Exchange on June 23, 2025 (the business day preceding the date of the resolution of the Board of Directors), in order to adopt a price that excludes arbitrariness. This price is the market value immediately preceding the date of the resolution of the Board of Directors, and is a reasonable price that properly reflects the Company's corporate value in a state where there are no special circumstances under which the foregoing price is not relied upon the most recent stock price, and does not fall within a price that is excessively advantageous for the Allottee.

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