

*Translation: Please note that the following purports to be an accurate and complete translation of the original Japanese version prepared for the convenience of investors. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.*



January 25, 2024

For Immediate Release

Corporate Name   PARK24 CO., LTD.  
 Securities Code   4666, Prime Market of TSE (Ticker Symbol: PKCOY)  
 Representative   Koichi Nishikawa  
                           President and Representative Director  
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### **Notice Regarding Disposal of Treasury Stocks as Restricted Stock Compensation**

PARK24 CO., LTD. (the “Company”) hereby announces that at a meeting of its Board of Directors held on January 25, 2024, it passed a resolution to dispose of its treasury stocks (hereinafter the “Disposal of Treasury Stocks” or “Disposal”) as described below.

#### 1. Overview of the Disposal

(1) Disposal date	February 22, 2024
(2) Type and number of shares to be disposed of	73,464 shares of common stock of the Company
(3) Disposal price	1,857.5 yen per share
(4) Total disposal amount	136,459,380 yen
(5) Allottees, number thereof, and number of shares to be disposed of	Four Directors (excluding Directors who concurrently serve as members of Audit and Supervisory Committee and Outside Directors) of the Company 38,781 shares Four Corporate Officers who are not Directors of the Company 9,413 shares Seven Directors of the Company's subsidiaries 25,270 shares
(6) Other	The Disposal of Treasury Stocks shall be made on the condition that securities registration statements under the Financial Instruments and Exchange Act become effective.

#### 2. Purpose and reasons for the Disposal

At a meeting of the Board of Directors held on December 15, 2021, the Company passed a resolution to introduce a restricted stock compensation system as a new compensation system (hereinafter referred to as "the System")

for Directors (excluding Directors who concurrently serve as members of Audit and Supervisory Committee and Outside Directors. Hereinafter, “Eligible Directors”), Corporate Officers who do not double as Directors of the Company and Directors of the Company’s subsidiary. The system aims to provide these Directors (hereinafter referred to collectively as "Eligible Directors, etc.") an incentive to continuously increase the Company's corporate value and further facilitate value sharing with shareholders. Also, the Company received approval for the following points at the 39th Ordinary General Meeting of Shareholders held on January 25, 2024.

- Based on the System, compensation to be paid for granting restricted stocks to Eligible Directors, etc. (hereinafter, "the Restricted Stock Compensation") shall be monetary claims, their total annual amount shall be 200 million yen or less (excluding the employee wages of Directors who also serve as employees), and 200,000 shares or less, of the Company shall be issued or disposed of.
- The transfer restriction period of restricted stocks shall start from the day when an Eligible Director, etc. receives an allotment of the Company's common stock according to a restricted stock allotment agreement concluded between the Company and the Eligible Director, etc. (hereinafter "the Allotment Agreement") and last until the time immediately after his/her resignation or retirement from a position determined by the Company’s Board of Directors among the managerial positions of the Company or one of its subsidiaries.

The following is an overview of the System.

[Overview of the System]

Under the System, the Eligible Directors, etc. will make in-kind contributions of all the monetary compensation claims to be granted from the Company or its subsidiaries and in return receive the Company’s common stock that will be issued or disposed of by the Company. The amount to be paid in per share will be determined by the Board of Directors to the extent that the amount will not be particularly advantageous to the Eligible Directors, etc. who subscribe to the Company's common stock based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day before the date of each resolution of the Board of Directors (if the trade is not made on that day, the closing price on the trading day immediately prior to that day).

In addition, when the Company’s common stock is issued or disposed of based on the System, the Allotment Agreement will be concluded between the Company and the Eligible Directors, etc., and its contents will include the following: (1)the Eligible Directors, etc. are prohibited from transferring to a third party, creating a security right on or otherwise disposing of the Company’s common stock the allotment of which they received based on the Allotment Agreement for a certain period of time; and (2) if certain circumstances have arisen, the Company shall acquire the common stock without consideration.

After consulting with the Nomination, Compensation & Governance Committee, and taking into consideration the purpose of the System, the Company's business conditions, the scope of responsibilities of each Eligible Director, etc., among other factors, the Company has decided to grant restricted stock to each Eligible Director in order to further motivate them to achieve growth through the realization of the “expansion and seamlessness of four networks” as advocated in the medium-term business growth policy.

In the Disposal of Treasury Stocks, the 15 Eligible Directors, etc. who are the scheduled recipients of the allotment will pay all the Monetary Claims to the Company or its subsidiaries as the property contributed in kind and receive the Disposal of the Company's common stock (the "Allotted Stocks") based on the System. The overview of the Allotment Agreement to be concluded between the Company and the Eligible Directors, etc. in the Disposal of Treasury Stocks is as described in 3. below.

### 3. Overview of the Allotment Agreement

#### (1) Transfer restriction period

The period will start from February 22, 2024 and last until the time immediately after an Eligible Director, etc. resigns or retires from the position of a Director, Corporate Officer, Corporate Officer who do not double as Director, Corporate Auditor, counselor, senior advisor, employee, or any other position equivalent to one of these at the Company or one of its subsidiaries.

#### (2) Lifting the transfer restrictions

The restrictions on transfer will be lifted for all of the Allotted Stocks at the time when the transfer restriction period expires, provided however on the condition that an Eligible Director, etc. continue to hold the position of a Director, Corporate Officer, Corporate Officer who do not double as Director, Corporate Auditor, counselor, senior advisor, employee, or any other position equivalent to one of these at the Company or one of its subsidiaries during the transfer restriction period.

#### (3) Handling in the case of retirement or resignation

If an Eligible Director, etc. retires or resigns from the position of a Director, Corporate Officer, Corporate Officer who do not double as Director, Corporate Auditor, counselor, senior advisor, employee, or any other position equivalent to one of these at the Company or one of its subsidiaries due to the expiration of the term of office, mandatory retirement age or any other due cause (including retirement or resignation due to death), the transfer restrictions shall be lifted immediately for all Allotted Stocks after his/her such retirement or resignation.

#### (4) Acquisition of shares by the Company without compensation

If an Eligible Director, etc. violates laws and regulations during the transfer restriction period or if any of certain matters specified in the Allotment Agreement applies, the Company will automatically acquire all of the Allotted Stocks held by the Eligible Director, etc. at the time of the occurrence thereof without the payment of any compensation. The Company will automatically acquire, without consideration, the Allotted Stocks for which the restriction on transfer is not lifted at the time when the transfer restriction period expires or when the restriction on transfer is lifted as specified in (3) above.

#### (5) Measures to be taken in relation to reorganization, etc.

During the Transfer Restriction Period, if a merger agreement resulting in the dissolution of the Company, a stock swap agreement or stock transfer plan resulting in the Company becoming a wholly-owned subsidiary,

or other matters related to organizational restructuring is approved by the Company's General Meeting of Shareholders (or the Board of Directors, if there is no need to obtain approval at a General Meeting of Shareholders for the organizational restructuring, etc.), the Company shall lift the transfer restriction on all of the Allotted Stocks it holds at that point in time in accordance with the resolution of its Board of Directors at the time immediately preceding the business day prior to the effective date of the organizational restructuring. In addition, the Company will automatically acquire, without consideration, all the Allotted Stocks for which the restriction on transfer is not lifted immediately after the restriction on transfer was lifted.

(6) Management of shares

The Allotted Stocks are managed in a dedicated account opened by the Eligible Directors, etc. at Nomura Securities Co., Ltd. during the transfer restriction period so that the Eligible Directors, etc. will be unable to execute a transfer, create a security right or dispose of them during the transfer restriction period. The Company has entered into a contract with Nomura Securities Co., Ltd. for the management of the account of the Allotted Stocks owned by the Eligible Directors, etc. to ensure the effectiveness of the restriction on transfer of the Allotted Stocks. The Eligible Directors, etc. shall agree on the management of the account.

4. Calculation basis of payment amounts and relevant details

The Disposal of Treasury Stocks to the scheduled recipients is conducted by using as the property contributed the monetary claims granted as the restricted stock compensation for the fiscal year ending October 31, 2024 (40th term) under the System. The Disposal price is set at the closing price of the Company's common stock in the Prime Market of the Tokyo Stock Exchange on January 24, 2024 (business day preceding the date of resolution of the Board of Directors), in order to eliminate arbitrariness.. This is the market share price immediately before the date of resolution of the Board of Directors, and the Company believes that it is reasonable and does not fall under a value that is particularly favorable.

**[Reference]** Timely disclosure in the past related to this timely disclosure

Notice Regarding Restricted Stock Compensation System and Amounts of Compensation to Directors (December 14, 2023)

[https://www.park24.co.jp/news/files/E-RS\\_fm.pdf](https://www.park24.co.jp/news/files/E-RS_fm.pdf)

Notice Regarding Implementation of Restricted Stock Compensation System (December 15, 2021)

<https://www.park24.co.jp/news/files/22a2f4ae815dffe45632a67fdaf5aa9e.pdf>

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