



May 12, 2023

Company name	HIRANO TECSEED Co., Ltd.	
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Securities Code	6245	
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Notice Concerning the Introduction of a Restricted Stock Compensation Plan for Executive Officers

HIRANO TECSEED Co., Ltd., (the “Company”) hereby announces that it has decided to introduce a restricted stock compensation plan (hereinafter referred to as the “Plan”) for Executive Officers (excluding Directors who are also Executive Officers, hereinafter referred to as “Eligible Officers”) at a meeting of the Board of Directors held on May 12, 2023. The Plan is the same as restricted stock compensation plan for Directors described in the “Notification Concerning the Abolition of the Directors’ Retirement Bonus Plan and Introduction of a Revised Compensation Amounts and a Restricted Stock Compensation Plan for Directors” of May 20, 2019.

1. Purpose of the introduction of the Plan

The Plan will allot common shares with restrictions on transfer in order to provide an incentive for Eligible Officers to continuously strive to improve the Company’s corporate value via more active participation in management as well as to further promote value sharing with shareholders.

2. Overview of the Plan

Eligible Officers will pay all monetary compensation claims to be provided by the Company as in-kind contributions in accordance with the Plan. In turn, they will receive the Company’s common shares, to be either newly issued or by disposal of treasury shares by the Company. The monetary compensation to be paid to Eligible Officers based on the Plan as well as the exact timing and allotment to each Eligible Officer will be determined by the Board of Directors.

The amount to be paid per common share, either newly issued or by disposal of treasury shares, will be determined by the Board of Directors based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately preceding each date of resolution by the Board of Directors (or the closing price on the transaction day immediately prior thereto if no transactions were made on the day in question) to the extent that the amount is not especially advantageous to the Eligible Directors receiving the common shares.

The issuance or disposal of the Company’s common shares in accordance with the Plan will be subject to the Eligible Officers entering into a Restricted Stock Allotment Agreement with the Company which includes the following conditions:

- ① Eligible Officers shall not transfer, create a security interest on, or otherwise dispose of the allotted common shares for a fixed time period.
- ② The company may acquire the common shares in question from Eligible Officers for no fee under certain circumstances.

3. Timing of the introduction of the Plan

The exact timing of payment, payment amounts, number of shares, and other details of the Plan will be determined by the Board of Directors at a later date.

The common shares allotted to Eligible Officers will be managed in specialized accounts opened by the Eligible Officers at Nomura Securities Co., Ltd. to ensure that the Eligible Officers do not transfer, create security interest on, or otherwise dispose of the shares during the restriction period.

Notice: The official version of this announcement was published in Japanese. An unofficial English translation is provided for the convenience of overseas investors. For any discrepancies between the Japanese and English versions, the Japanese version shall prevail.