Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

June 25, 2025

Company name: CHUDENKO CORPORATION
Representative: Takafumi Shigeto
Representative Director and President
(Securities code: 1941; Prime Market, Tokyo Stock Exchange)
Inquiries: Taisuke Nagahara
Deputy General Manager of General Management Division and General Manager of General Affairs Department
Telephone: +81-82-291-9730

Notice Concerning Disposal of Treasury Stock as Restricted Stock Compensation

CHUDENKO CORPORATION (the "Company") hereby announces that it has resolved, at the Board of Directors meeting held today, to dispose of treasury stock (the "Treasury Stock Disposal" or "Disposal") as described below.

1. Overview of Disposal

(1)	Date of disposal	July 24, 2025
(2)	Class and number of shares to be disposed of	15,900 shares of the Company's common stock
(3)	Disposal price	3,385 yen per share
(4)	Total disposal amount	53,821,500 yen
(5)	Allottees, the number allottees, and the number of shares to be disposed of	Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors): 3 persons, 6,700 shares Executive Officers with Special Titles: 9 persons, 9,200 shares

2. Purpose of and reason for Disposal

At the Board of Directors meeting held on May 18, 2020, the Company resolved to introduce a restricted stock compensation plan (the "Plan") for the Company's Directors (excluding Outside Directors) and Executive Officers with Special Titles to replace the stock compensation type stock option plan. The Plan is intended to provide a stronger incentive to continuously enhance business performance and further increase the Company's stock value by sharing viewpoints with shareholders. At the 104th Annual General Meeting of Shareholders held on June 24, 2020, the Company obtained approval for the granting of monetary compensation claims under the Plan to Directors (excluding Outside Directors) of up to 80 million yen per year as assets contributed in kind to acquire restricted stock.

Additionally, at the 107th Annual General Meeting of Shareholders held on June 27, 2023, the Company obtained approval for the abolishment of previous provisions concerning the Plan due to transition to a company with an audit and supervisory committee, as well as for the granting of monetary compensation claims under the Plan to Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) (the "Eligible Directors"; collectively "Eligible Directors etc." when including Executive Officers with Special Titles) of up to 50 million yen per year.

An overview of the Plan is as follows.

[Overview of the Plan]

Eligible Directors etc. shall pay in all monetary compensation claims granted by the Company under the Plan as assets contributed in kind, and shall receive the issuance or disposal of shares of the Company's common stock. The specific timing of such provision and allocation to each Eligible Director etc. shall be determined by the Board of Directors. The total number of shares of common stock that the Company issues or disposes of to the Eligible Directors under the Plan shall be no more than 50,000 shares per year. The amount to be paid in per share shall be determined by the Board of Directors within a range that is not particularly favorable to the Eligible Directors etc. who are to subscribe for such shares of common stock, based on the closing price of the shares of the Company's common stock on the Tokyo Stock Exchange on the business day preceding the date of the resolution by the Board of Directors on the allocation of such shares of common stock (if no transactions are conducted on that date, the closing price on the immediately preceding trading day shall apply).

Prior to the issuance or disposal of the shares of the Company's common stock under the Plan, the Company and the Eligible Directors etc. shall enter into a restricted stock allocation agreement, including, but not limited to the following provisions: (i) the Eligible Directors etc. shall not transfer, establish a security interest on, or otherwise dispose of the shares of the Company's common stock allocated under the restricted stock allocation agreement for a specified period; and (ii) the Company will acquire such shares of common stock without compensation under certain circumstances.

Taking into consideration the purpose of the Plan, the balance with the Company's other compensation plans for officers, the scope of responsibility of each Eligible Director etc., and other various factors, the Company has decided to grant 15,900 shares of common stock this time, or a total of 53,821,500 yen in monetary compensation claims (the "Monetary Compensation Claims").

In the Treasury Stock Disposal, the twelve (12) Eligible Directors etc. to whom the allotment is intended will pay in all of the Monetary Compensation Claims against the Company as assets contributed in kind, and in exchange will receive the disposal of shares of the Company's common stock (the "Allocated Shares") in accordance with the Plan. An overview of the restricted stock allocation agreement concluded between the Company and the Eligible Directors etc. for the Treasury Stock Disposal (the "Allocation Agreement") is provided in 3 below.

3. Overview of the Allocation Agreement

(1) Transfer restriction period

From July 24, 2025 (date of disposal) until immediately after resignation from the positions of either Director or Executive Officer with Special Title of the Company.

(2) Conditions for lifting the transfer restrictions

Transfer restrictions on all of the Allocated Shares will be lifted upon the expiration of the transfer restriction period on condition that the Eligible Director etc. has continuously served in the positions of either Director or Executive Officer with Special Title of the Company throughout the period from the date of start of service to immediately before the closing of the first Annual General Meeting of Shareholders held thereafter (the "Service Provision Period").

(3) Treatment in the event of resignation of Eligible Directors etc. during the Service Provision Period due to death or other justifiable reasons

(i) Timing for lifting the transfer restrictions

If an Eligible Director etc. resigns from the position of either Director or Executive Officer with Special Title of the Company due to justifiable reasons (excluding resignation due to death), the transfer restrictions shall be lifted immediately after such resignation. In the event of resignation due to death, the transfer restrictions shall be lifted promptly after the death of the Eligible Director etc.

(ii) Number of shares subject to the lifting of the transfer restrictions

The number of shares subject to the lifting of the transfer restrictions is obtained by multiplying the number of Allocated Shares held by the Eligible Director etc. upon such resignation as stipulated in (i) by the number of months between the month including the date of start of service and the month including the date of such resignation divided by 12 (if the result exceeds one, it shall be rounded down to one). Should the calculation result in a fraction less than

one unit of shares, it shall be disregarded.

(4) Acquisition by the Company without compensation

The Company shall rightfully acquire without compensation the entirety of any Allocated Shares whose transfer restrictions are not lifted upon expiration of the transfer restriction period or as of the time immediately after the transfer restrictions are lifted as stipulated in (3).

(5) Management of shares

During the transfer restriction period, the Allocated Shares shall be managed in an exclusive account opened by each Eligible Director etc. at a securities company to prevent transfer, establishment of security interest, or any other disposal during the period. The Company has entered into an agreement with the securities company concerning the management of accounts for the Allocated Shares held by all Eligible Directors etc. to ensure the effectiveness of transfer and other restrictions on the Allocated Shares. The Eligible Directors etc. shall agree to the details of the management of these accounts.

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

During the transfer restriction period, if any merger agreement in which the Company is dissolved, any share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary of another company, or any other matter relating to organizational restructuring or the like is approved at the Company's General Meeting of Shareholders (or by the Company's Board of Directors if such organizational restructuring or the like does not require approval of the Company's General Meeting of Shareholders), the Company shall, by the Board of Directors' resolution, lift the transfer restrictions on an adjusted number of Allocated Shares immediately before the business day preceding the effective date of the organizational restructuring or the like. The adjusted number shall be calculated by multiplying the number of Allocated Shares held at such time by the number of months between the month including the date of start of service and the month including the approval date of the organizational restructuring or the like divided by 12 (if the result exceeds one, it shall be rounded down to one). Should the calculation result in a fraction less than one unit of shares, it shall be disregarded. The Company shall rightfully acquire without compensation the entirety of any Allocated Shares whose transfer restrictions are not lifted as of the time immediately after such transfer restrictions are lifted.

4. Basis of calculation of the paid-in amount and specific details thereof

The disposal price is set at 3,385 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on June 24, 2025 (the business day preceding the date of the Board of Directors' resolution) to eliminate any arbitrariness in the amount. As this is the market share price immediately before the date of the Board of Directors' resolution, the Company considers it reasonable and not representing a particularly advantageous price.