



June 25, 2025

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Securities code: 4182 (The Prime Market of the Tokyo Stock Exchange)  
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### **Notice regarding Disposal of Treasury Shares as Restricted Stock Compensation**

The Board of Directors of Mitsubishi Gas Chemical Company, Inc. (MGC) met today and reached a resolution to dispose of treasury shares (subsequently referred to as the “Treasury Share Disposal” or simply “Disposal”) to provide restricted stock compensation as described below.

#### **1. Outline of the Disposal**

(1) Disposal date	July 24, 2025
(2) Class and number of shares to be disposed	34,800 shares of common stock of the Company
(3) Disposal price	2,157.5 yen per share
(4) Total value of shares to be disposed	75,081,000 yen
(5) Method of offer or disposal	Grant of designated restricted stocks
(6) Method of contribution	In-kind contribution of monetary compensation claim
(7) Allottees and number thereof, number of shares to be disposed of	Directors (excluding Outside Directors): 8 persons, 18,000 shares; Executive Officers: 14 persons, 16,800 shares

#### **2. Purpose of and Reason for the Disposal**

MGC's Board of Directors has resolved today on the Treasury Share Disposal to award MGC Directors (excluding Outside Directors, subsequently referred to as “Eligible Directors”) and Executive Officers (subsequently referred to collectively as “Eligible Officers”) incentives for making lasting improvements in the Company's corporate value and to further align the interests of the Eligible Officers with shareholders. At the 91st Ordinary General Meeting of Shareholders, held on June 26, 2018, the shareholders agreed on compensation for Eligible Directors in order to award them restricted shares under the restricted stock compensation system (subsequently referred to as the “System”).

#### **Overview of this System**

MGC will grant the Eligible Officers monetary receivables as compensation, then require that they pay in all of the receivables as contributed assets so that the Company may issue or dispose of its common shares which will, in turn, be delivered to them. Under this System, MGC intends to provide the Eligible Directors with compensation through monetary receivables totaling up to 100 million yen annually. The specific timing of the provision of such receivables, along with the amount to be allocated to each Eligible Officer, will be determined by the Board of Directors.

The total number of common shares to be issued or disposed of by MGC for the Eligible Directors will be up to 120,000 annually. The per-share compensation amount of monetary receivables to be paid to an Eligible Director will be the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day preceding the relevant resolution of the Board of Directors or, if no trading was reported on that day, the closing price on the immediately preceding trading day.

In issuing and disposing of MGC common shares under this System, MGC will conclude a restricted stock allocation agreement with Eligible Officers (subsequently referred to as the "Allocation Agreement"). The Allocation Agreement covers two main points: a) During a certain period, Eligible Officers shall not transfer any of the MGC common shares allocated to them, nor shall they use these shares as collateral or otherwise dispose of such shares. B) If and when certain events occur, MGC shall acquire such allocated common MGC shares free of charge.

Considering the purpose of this System, the Company's financial performance, the scope of individual Eligible Officers' duties and other circumstances, MGC has recently decided to award the Eligible Officers compensation in the form of monetary receivables worth 75,081,000 yen and 34,800 MGC common shares in total.

With the Treasury Share Disposal, the 22 Eligible Officers to whom MGC shares are to be allocated (subsequently referred to as the "Recipients") will follow this System to pay in all of the compensation received as monetary receivables from the Company as contributed assets, in order to subscribe to the common shares allocated by the Company for disposal (subsequently referred to as "Allocated Shares").

### **3. Overview of the Allocation Agreement**

The following paragraphs describe the Allocation Agreement that will be concluded by MGC and each Eligible Officer.

#### **(1) Transfer Restriction Period: July 24, 2025- July 23, 2055**

The transfer of Allocated Shares shall be restricted (subsequently referred to as the "Transfer Restriction") for 30 years (subsequently referred to as the "Transfer Restriction Period") to attain the purpose of this System: awarding incentives for making lasting improvements in the Company's corporate value and aligning their interests with shareholders.

#### **(2) Conditions for the Removal of Transfer Restriction**

The Transfer Restriction shall be removed when the Transfer Restriction Period expires on the condition that the Eligible Officer has continuously been in the position of Director, Executive Officer, or Trustee of MGC. However, if the Eligible Officer retires at the end of his/her tenure, passes away, or otherwise steps down from the position of Director, Executive Officer, or Trustee of MGC for any reason deemed legitimate by the Board of Directors, the number of Allocated Shares subject to the removal of the Transfer Restriction and the timing of removal of such Restriction shall be reasonably adjusted as necessary.

#### **(3) Reasons for Gratis Acquisition**

- 1) If an Eligible Officer is dismissed from the position of Director, Executive Officer, or Trustee of MGC

prior to the expiration of the Transfer Restriction Period for any reason other than retirement at the end of his/her tenure, death, or other reason deemed legitimate by the Board of Directors, MGC will acquire all the Allocated Shares without consideration.

- 2) Other circumstances in which the Company is allowed to acquire the Allocated Shares without consideration shall be stipulated by the Allocation Agreement based on a resolution by the Board of Directors of MGC.

#### **(4) Management of Shares**

The Allocated Shares shall be managed using dedicated accounts to be opened by Eligible Officers at Nomura Securities Co., Ltd. in order to prevent their transfer, use as collateral or other disposition during the Transfer Restriction Period. To guarantee the effectiveness of the Transfer Restriction and other conditions set on the Allocated Shares, MGC and each Eligible Officer have also concluded an agreement with Nomura Securities Co., Ltd. regarding the management of the accounts created for the Allocated Shares owned by the Eligible Officers.

#### **(5) Treatment of Allocated Shares upon the Reorganization of and Other Changes in MGC**

Notwithstanding item (1) above, the Company may lift the Transfer Restriction on a set number of Allocated Shares based on a resolution passed by its Board of Directors if, during the Transfer Restriction Period, approval is given by the General Meeting of Shareholders (or Board of Directors, if the approval of the General Meeting of Shareholders is not required) to 1) a merger agreement that designates MGC as the non-surviving company; 2) a share exchange agreement or a share transfer plan under which the Company becomes a wholly-owned subsidiary of another company; 3) or any other measures related to reorganization and/or other changes to the Company. In this case, MGC's Board of Directors shall determine the number of Allocated Shares subject to the lifting of the Transfer Restriction by considering the period from the beginning of the Transfer Restriction Period to the day of said approval and shall lift the Transfer Restriction on these Shares before the effective date of said reorganization and/or transition. Immediately after the lifting of the Transfer Restriction in any of the cases stated above, the Company shall, as a matter of course, acquire all of the Allocated Shares for which the Transfer Restrictions have not been lifted, at no extra cost.

#### **4. Calculation of Paid-In Amounts**

The Treasury Share Disposal aimed at rewarding the Recipients shall be undertaken by using the monetary compensation receivables, delivered to them in the form of the fiscal 2025 restricted stock compensation under the System, as contributed assets. To ensure fairness, the disposal value is set at 2,157.5 yen based on the closing price of the Company's common shares on the Prime Market of the Tokyo Stock Exchange on June 24, 2025. MGC considers this pricing reasonable and not disproportionately in favor of the Company because it corresponds to the market value on the business day immediately preceding the relevant resolution of the Board of Directors.