August 22, 2024

To Investors:

MonotaRO Co, Ltd
(Code No. 3064 Tokyo Prime Market)
IR Contact: +81-6-4869-7190
Mail: pr@monotaro.com

Notice: Disposal of Treasury Stock as Restricted Stock Compensation for Employee

MonotaRO Co., Ltd. (hereinafter “the Company”) hereby announces that at the Board of Directors meeting held on August 22, 2024, it has resolved to dispose treasury stocks as stock compensation (hereinafter “Disposal of Treasury Stocks”) as follows;

1. Outline of disposal

(1) Disposal date	September 20, 2024
(2) Class and number of stocks to be disposed	14,059 shares of common stock of the Company
(3) Disposal price	2,387 JPY per share
(4) Total value of stocks to be disposed	33,558,833 JPY
(5) Scheduled allocation	88 employees, 14,059 shares

2. Purpose and reason of the disposal

For enhancing employees' awareness and willingness of contributions to the enhancement of the Company's corporate value over the medium to long term, the Company decided to grant restricted stock compensation to 88 employees above a certain position (hereinafter “the Eligible Employees”) in an amount commensurate with their respective responsibilities and resolved to dispose of the treasury stock at the Board of Directors meeting held today August 22, 2024.

The Eligible Employees will subscribe to a total of 14,059 shares of the Company's common stock (hereinafter "the Allotted Shares") by paying all of the total monetary compensation claims of 33,558,833 JPY to the Company.

Disclaimer:
This is an English translation of the notice in Japanese language.
All readers are recommended to refer to the original in Japanese language.
In the event of any discrepancy between this translation and the original, the original prevails.

<Overview of Restricted Stock Allotment Contract>

The Company and every Eligible Employee will conclude the restricted stock allotment contract, and the overview of the Allotment Contract is as follows;

(1) Transfer Restriction Period
The Eligible Employees are not allowed to transfer, to set security rights, or any other disposal for the Allotted Stocks from September 20, 2024 (Due Date of the Payment) until May 31, 2027 (hereinafter “the Transfer Restriction Period”).

(2) Condition for Releasing Transfer Restriction
The Eligible Employee continuously holds the position of director, executive officer or other officer, or employee of the Company or its subsidiary during the Transfer Restriction Period, the restriction on transfer of all of the Allotted Shares allocated to the Eligible Employee is released at the expiration of the Transfer Restriction Period. However, if the Eligible Employee retires during the Transfer Restriction Period (provided the Eligible Employee is rehired after the retirement, such reemployment period expires) or the Eligible Employee loses her/his position as a director, executive officer or other officer, or employee of the Company or its subsidiary due to death or other reasons deemed justifiable by the Board of Directors of the Company, the Company releases the restrictions on transfer of the shares as of the time immediately following such loss (after April 1, 2025 if such time is prior to April 1, 2025), and the number of transferable shares is calculated by dividing the number of months from the month including the Due Date of the Payment to the month including the date of such expire by 12 (however, if the number exceeds 1, it is deemed to be 1), multiplied by the number of shares allotted to the Eligible Employee out of the Allotted Shares (however, any fraction less than one share resulting from the calculation is rounded down).

(3) The Company’s Acquisition of Allotted Stock without Consideration
The Company naturally acquires without consideration the Allotted Shares for which the restriction on transfer has not been released at the time when the restriction on transfer is released in accordance with (2) above or at any other time stipulated in the contract.

(4) Management of Stock
The Allotted Shares are managed during the Restricted Transfer Period in a dedicated account for restricted transfer shares opened by the Eligible Employee at Daiwa Securities Co. Ltd.

(5) Treatment for Reorganization, etc.
If, during the Transfer Restriction Period, a merger agreement under which the Company becomes a defunct company, a share exchange agreement under which the Company becomes a wholly owned subsidiary, a share transfer plan or any other matters relating to organizational restructuring, etc. is approved at a general meeting of shareholders of the Company (however, if such organizational restructuring, etc. does not require approval at a general meeting of shareholders of the Company, the Board of Directors of the Company), the Company, by a resolution of the Board of Directors, releases the Transfer Restriction. The number of the Allotted Stock subject to release of Transfer Restriction is calculated by dividing the number of months from September 2024 to the month that includes the date of approval of the Reorganization by 12 (however, if the number exceeds 1, it is deemed to be 1), multiplying by the number of the Allotted Stocks (if the calculation results in a fraction of less than 1 share, such fraction is rounded down), the Company cancels the restrictions on the transfer of such shares as of the time immediately preceding the business day immediately before the effective date of the reorganization, etc. However, notwithstanding the above, if the business day immediately preceding the effective date of the reorganization is earlier than April 1, 2025, the Company naturally acquires all of the Allotted Shares without consideration as of the time immediately preceding the business day which immediately precedes the effective date of the reorganization.

3. Basis of Calculation and Specific Details of the Amount to be Paid in
This disposition of treasury stock is to be conducted with the monetary compensation claims paid to the scheduled subscriber under this plan as the assets to be contributed, and the price per share to be paid in is set at 2,387 JPY, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on August 21, 2024 (the business day immediately preceding the date of the Board of Directors resolution) in order to eliminate any arbitrariness. This is the market share price immediately prior to the date of the Board of Directors' resolution, and in the absence of special circumstances indicating that the most recent share price cannot be relied upon, this is a reasonable price that appropriately reflects the Company's corporate value and does not constitute a particularly favorable price for the Eligible Employees.

End of Notice

Disclaimer:
This is an English translation of the notice in Japanese language.
All readers are recommended to refer to the original in Japanese language.
In the event of any discrepancy between this translation and the original, the original prevails.