October 15, 2024

To all persons concerned:

NPC Incorporated
1-7-15 Higashi-ueno, Taito-ku
Tokyo 110-0015, Japan

Announcement of Disposition of Treasury Stock as Restricted Stock Remuneration to Employees

NPC Incorporated ("the Company") hereby announces that the Company has resolved to dispose of its treasury stock as restricted stock remuneration at the Director's Board of Meeting held today. Details are as follows:

Descriptions

1. Summary of Disposition

(1) Date of disposition	November 5, 2024
(2) Class and number of shares to be disposed of	Common stock of the Company 23,805 shares
(3) Disposition price	882 Yen per share
(4) Total disposition value	20,996,010 Yen
(5) Recipients of the shares, the number thereof, and shares to be disposed of	9 Employees of the Company 23,805 shares

2. Purposes and reasons for disposition

In order to provide incentives to continuously improve the corporate value of the Company and to promote sharing value with our shareholders, the Company has resolved to grant monetary claims to the Company's employees who satisfy certain requirements (the "Eligible Employees") in the total amount of 20,996,010 yen and 23,805 shares (the "Allotted Shares") of common stock through this disposition at the Directors' Board of Meeting held on October 15, 2024.

The Eligible Employees shall pay in monetary claims provided by the Company in full amount in the form of property contributed in kind, and receive common stocks allotted by the Company through this disposition. The Company will conclude a restricted stock allocation agreement with the Eligible Employees respectively. In addition, the Allotted Shares will be allotted only to the Eligible Employees who choose to receive them.

3. Outline of restricted stock allocation agreement

The Company will conclude a restricted stock allocation agreement with the Eligible Employees respectively. The outline of the agreement is as follows:

(1) Transfer restriction period

From November 5, 2024 until September 30, 2027, the Eligible Employees shall not transfer, arrange security interests, or otherwise dispose of any of the shares allocated to them.

(2) Condition of removal of transfer restriction period

The Company shall remove the transfer restriction of all the allocated shares when the transfer restriction period expires on condition that the Eligible Employees continuously served as Directors or Employees during the transfer restriction period. However, when an Eligible Employee leaves the position due to death or any other reasons deemed justifiable by the Board of Directors, during the transfer restriction period, the transfer restriction of all the allocated shares shall be removed.

(3) Acquisition by the Company without cost

The Company shall acquire free of charge the shares allocated of which transfer restriction has not been removed, upon expiry or removal of the transfer restriction period as stated (2) above.

(4) Management of shares

The allocated shares will be managed in the dedicated account opened by the Eligible Employees at Okasan Securities, Co., Ltd. in order to ensure it is impossible to transfer, arrange security interests, or otherwise dispose of any of the shares allocated to them during the transfer restriction period.

(5) Treatment of the allocated shares at the organizational restructuring, etc.

In case organizational restructuring, such as a merger contract whereby the Company will be the non-surviving party to the merger, or a share exchange agreement or share transfer agreement whereby the Company will be a wholly-owned subsidiary to the other party, will be approved at the General Meeting of Shareholders (or by the Company's Board of Directors if such organizational restructuring, etc. does not require the approval at the General Meeting of Shareholders), the transfer restriction of all the allocated shares shall be removed as of the time immediately before the business day prior to the effective date of organizational restructuring, etc.

4. Basis of calculation and specific details of the amount to be paid

The disposition of the treasury stock will be performed based on the monetary compensation claims paid to the Eligible Employees according to the Plan. The award amount per share will be based on 882 yen, the closing price of the Company's common stock at the Tokyo Stock Exchange on October 11, 2024 to exclude arbitrariness. As this amount is the market share value on the business day just before the date of resolution of the Directors' Board of Meeting, the Company believes that the amount is reasonable, reflecting the Company's corporate value appropriately and is not particularly advantageous to the Eligible Employees, in the circumstances where no special reasons exist showing that this share price cannot be based on.

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