December 25, 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

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	January 23, 2025
(2) Class and number of shares to be disposed of	Common stock of the Company 46,023 shares
(3) Disposition price	830 Yen per share
(4) Total disposition value	38,199,090 Yen
(5) Recipients of the shares, the number thereof, and shares to be disposed of	3 Directors of the Company (excluding outside directors) 46,023 shares

2. Purposes and reasons for disposition

The Company has resolved to introduce the restricted stock remuneration plan ("the Plan") for the Company's Directors excluding outside directors (the "Eligible Directors") at the Directors' Board of Meeting held on October 9, 2019, in order to provide incentives to continuously improve the corporate value of the Company and to promote sharing value with our shareholders.

At the 27th general meeting of shareholders held on November 28, 2019, it was approved that monetary remuneration claims not exceeding 40 million yen per year (not including the employee salary for a Director serving concurrently as an employee), separate from the existing remuneration, should be granted to Eligible Directors as property contributed in-kind, that the total amount of common stock to be issued or disposed of should be within 150,000 shares per year, and that the transfer restriction period should be determined at the Directors' Board of Meeting within 30 years from the issuance or disposition date, etc.

At the Directors' Board of Meeting held today, the Company has resolved to allocate 46,023 shares ("the Allocated Shares") of the common stock of the Company as restricted stock to the 3 Eligible Directors, by granting a total amount of 38,199,090 yen in monetary compensation claims after comprehensive consideration of the purpose of this Plan, business results of the Company, the range of responsibility of each Eligible Director and other various factors. The Eligible Directors will make in-kind contribution of all monetary compensation claims to the Company according to the Compensation Plan, and will receive disposed shares of common stock of the

Company. Two different transfer restriction period have been set as (i) long-term incentive stock remuneration, which intends to continuously improve the corporate value, and (ii) medium-term incentive stock remuneration, which intends to improve business performance and stock price in the medium term.

3. Outline of restricted stock allocation agreement

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

(1) Transfer restriction period, etc.

	(i) Long-term incentive stock remuneration	(ii) Medium-term incentive stock remuneration
Number of recipients	2 Directors of the Company	1 Director of the Company
Number of allocated shares	Total of 14,698 shares	31,325 shares
Transfer restriction period	January 23, 2025 (date of disposition) to January 22, 2055	January 23, 2025 (date of disposition) to September 30, 2027

The Eligible Directors shall not transfer, arrange security interests, or otherwise dispose of any of the shares allocated to them during the transfer restriction period mentioned above.

(2) Condition of removal of transfer restriction period

(i) Long-term incentive stock remuneration

The Company shall remove the transfer restriction of all the allocated shares when the transfer restriction period expires on condition that the Eligible Directors continuously served as Directors during the transfer restriction period. However, when an Eligible Director leaves the position due to death, expiry of term of office, reaching retirement age or any other reasons deemed justifiable by the Board of Directors, during the transfer restriction period, the number of shares obtained by multiplying the number of the Allocated Shares held by an Eligible Director by the value obtained as a result of dividing the period of service of the Eligible Director during the transfer restriction period (on a monthly basis) by 12 (if the value is above 1, then 1 shall apply) (provided, however, that, any fraction less than one share as a result of the calculation shall be rounded off) shall be removed.

(ii) Medium-term incentive stock remuneration

The Company shall remove the transfer restriction of all the allocated shares when the transfer restriction period expires on condition that the Eligible Directors continuously served as Directors during the transfer restriction period. However, when an Eligible Director 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 Directors 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.

(i) Long-term incentive stock remuneration

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 number of shares obtained by multiplying the number of the Allocated Shares held by an Eligible Director by the value obtained as a result of dividing commencement month of the transfer restriction period to the month including the date of the approval of reorganization by 12 (if the value is above 1, then 1 shall apply) (provided, however, that, any fraction less than one share as a result of the calculation shall be rounded off) shall be removed as of the time immediately before the business day prior to the effective date of organizational restructuring, etc.

(ii) Medium-term incentive stock remuneration

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 Directors according to the Plan. The award amount per share will be based on 830 yen, the closing price of the Company's common stock at the Tokyo Stock Exchange on December 24, 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 Directors, in the circumstances where no special reasons exist showing that this share price cannot be based on.

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