September 25, 2024

To whom it may concern,

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Representative: Nobuo Domae, President and Representative Director
(Code number 7453, Prime market of the Tokyo Stock Exchange)
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Announcement of the Introduction of a Trust-type Employee Shareholding Incentive Plan (E-Ship®)

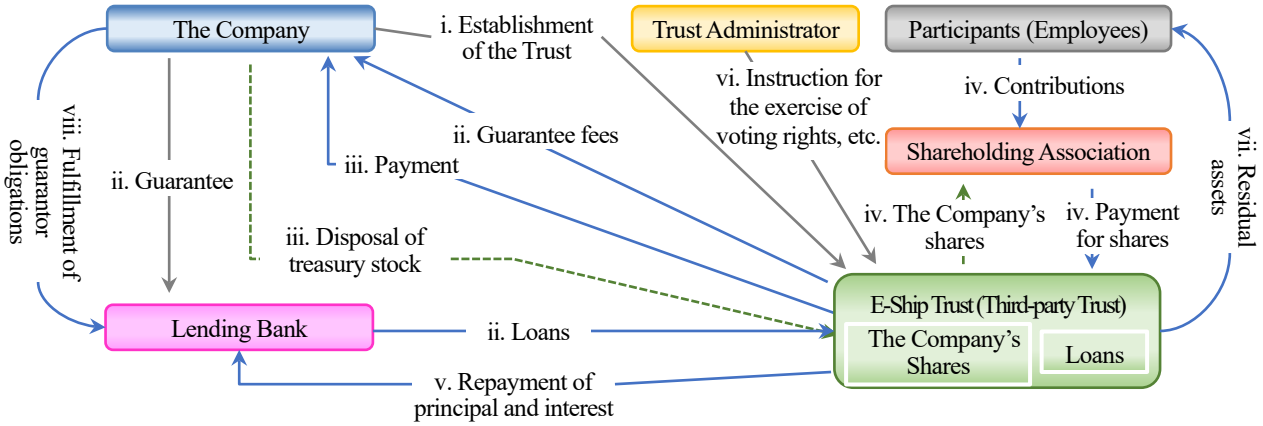
Ryohin Keikaku Co., Ltd. (the "Company") announces that it has resolved at the Board of Directors meeting held today to introduce a Trust-type Employee Shareholding Incentive Plan (E-Ship®) (hereinafter the "Plan") for the purpose of giving an incentive to the employees of the Company to enhance corporate value in the medium- to long-term, improving their benefits, and encouraging steady growth of the Company by elevating their work motivation through capital participation as shareholders.

1. Overview of the Plan

   The Plan is an incentive plan for all employees participating in the Ryohin Keikaku Employee Shareholding Association (the "Shareholding Association"). Under the Plan, the Company will establish a Ryohin Keikaku Employee Shareholding Incentive Plan Trust (the "E-Ship Trust") with a trust bank. The E-Ship Trust will acquire, in advance, through a third-party allotment from the Company, a number of the Company's shares equivalent to the number that the Shareholding Association is expected to acquire over the next three years, using loans from financial institutions as funds. Subsequently, the E-Ship Trust will continuously sell the Company's shares to the Shareholding Association. If any gains on the sale of shares have accumulated in the E-Ship Trust at the termination of the trust, then these gains will be distributed as residual assets to employees who meet the requirements for eligible beneficiaries. Furthermore, as the Company will become the guarantor of the loans taken by E-Ship Trust to acquire the Company's shares, if any losses on the sale of shares have accumulated in the E-Ship Trust owing to a decline in the price of the Company's shares, and there are any outstanding loans payable equivalent to these losses in the E-Ship Trust at the termination of the trust, the Company will repay these remaining loans payable.

   In conjunction with the introduction of the Plan, the Company, at the same time, has resolved a one-time disposal of 1,056,900shares (equivalent to approximately ¥2,754 million) of the 4,500,891 shares of treasury stock it currently holds (as of August 31, 2024) to E-Ship Trust. For details, please refer to "Announcement of a Disposal of Treasury Stock through a Third-party Allotment in Conjunction with the Introduction of a Trust-type Employee Shareholding Incentive Plan (E-Ship®)," dated today.

2. Scheme of the Plan



i. The Company establishes an E-Ship Trust (Third-party Trust) whose beneficiaries are participants in the Shareholding Association who meet the beneficiary eligibility requirements.

ii. The E-Ship Trust takes out loans for funds necessary to acquire the Company's shares from the lending bank, and the Company becomes the guarantor for the said loans. The Company receives guarantee fees from E-Ship Trust as consideration for the guarantee.

iii. The E-Ship Trust acquires the Company's shares that are expected to be acquired by the Shareholding Association from the Company during the trust term.

iv. The E-Ship Trust continuously sells the Company's shares acquired in iii. to the Shareholding Association throughout the trust term at market value according to a prescribed plan (terms, conditions, and method).

v. The E-Ship Trust repays the principal and interest of the loans with the proceeds from the sale of the Company's shares to the Shareholding Association and the dividends from the Company's shares it holds.

vi. The E-Ship Trust exercises its voting rights with respect to the Company's shares it holds as instructed by the Trust Administrator selected for the beneficiaries.

vii. If any residual assets remain in the E-Ship Trust at the end of the trust term, they are distributed to those who meet the beneficiary eligibility requirements.

viii. If any outstanding loans remain in the E-Ship Trust at the end of the trust term, the Company shall repay them, based on its obligations as guarantor described in ii.

3. Overview of the E-Ship Trust

(1)	Name:	Ryohin Keikaku Employee Shareholding Incentive Plan Trust
(2)	Trustor:	The Company
(3)	Trustee:	The Nomura Trust and Banking Co., Ltd.
(4)	Beneficiaries:	Those who meet the beneficiary eligibility requirements (certain prescribed procedures must be completed after occurrence of the events determining the beneficial interests)
(5)	Trust contract date:	September 25, 2024
(6)	Trust term:	September 25, 2024, to September 21, 2027
(7)	Purpose of the trust:	Stable and continuous supply of shares to the Shareholding Association and distribution of trust assets to those who meet the beneficiary eligibility requirements
(8)	Beneficiary eligibility requirements:	All persons who are alive and participants in the Shareholding Association on the start date of the beneficiary determination procedures (the date on which the trust term ends and the trust assets are converted into cash; the date on which all shares of the Company held as trust assets are sold to the Shareholding Association, etc.) (including persons, who, from September 25, 2024 to the start date of the beneficiary determination procedures, have resigned from the Shareholder Association because they reached the compulsory retirement age, transferred to a non-eligible Group company, or were promoted to an officer).

(For reference)

E-Ship® is a registered trademark of Nomura Securities Co. E-Ship® (an abbreviation for Employee Shareholding Incentive Plan) is an incentive plan for employees developed by Nomura Securities Co., Ltd. and Nomura Trust & Banking Co., Ltd. by applying the structure of an employee stock ownership plan (ESOP), which is popular in the United States, to an employee stock ownership plan.