

May 29, 2024

Menicon Co., Ltd.

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**Announcement on Disposition of Treasury Shares by Third-Party Allotment  
upon Reintroduction of Employee Stock Ownership Plan (Stock Benefit Trust)  
for Employee Shareholder Association**

Menicon Co., Ltd. (hereinafter, the “Company,” together with its subsidiaries, the “Group”) hereby announces that at the meeting of the board of directors held on May 29, 2024, a resolution was passed on the disposition of treasury shares by third-party allotment (hereinafter, the “Treasury Shares Disposition”) upon the reintroduction of the Employee Stock Ownership Plan (Stock Benefit Trust) for the Employee Shareholder Association as detailed below.

1. Overview of disposition

(1) Date of disposition	June 14, 2024
(2) Class and number of shares to be disposed of	420,300 common shares of the Company
(3) Disposition price	1,330 yen per share
(4) Total amount of disposition	558,999,000 yen
(5) Allottee	Custody Bank of Japan, Ltd. (Trust Account)
(6) Other	The Treasury Shares Disposition is subject to the effectiveness of the registration statement filed under the Financial Instruments and Exchange Act.

## 2. Purpose and reason for disposition

The Company passed a resolution at the board of directors meeting held on May 29, 2024 to reintroduce the Employee Stock Ownership Plan (Stock Benefit Trust) for the Employee Shareholder Association (hereinafter, the “Plan”) for the purpose of enhancing employee benefits, raising employees’ awareness of stock prices, and increasing their motivation for work through the steady provision of the Company’s shares to the Company’s employee shareholding program, Menicon Group Employee Shareholder Association (hereinafter, the “Shareholder Association”), and distribution of profits generated by trust property management, thereby to increase the Group’s corporate value. (For details of the Plan, see the “Announcement on Reintroduction of Employee Stock Ownership Plan (Stock Benefit Trust) for Employee Shareholder Association” dated May 29, 2024.)

Upon the reintroduction of the Plan, the Company, as the settlor, will enter into a trust agreement (hereinafter, the “Trust Agreement”) with the trustee, Resona Bank, Limited (hereinafter, the “Trustee”) and establish a trust established pursuant to the Trust Agreement (hereinafter, the “Trust”). Additionally, the Trustee will enter into a specified comprehensive trust agreement regarding management of securities and other trust assets with Custody Bank of Japan, Ltd. as the retrustee.

The Treasury Shares Disposition shall be a disposition of treasury shares by third-party allotment to the Trust Account, which will be established at Custody Bank of Japan, Ltd. upon the reintroduction of the Plan and will hold and dispose of the Company’s shares.

The quantity of shares to be disposed of shall be within the scheduled quantity that the Shareholder Association will purchase from the Trust during the trust period over the next four years, which will be 0.55% of 76,634,388 shares, the total number of issued shares as of March 31, 2024 (0.55% [rounded off to two decimal places in either case] of 761,833, the total number of voting rights as of March 31, 2024). As the shares to be disposed of by the Treasury Shares Disposition will be gradually transferred from the Trust to the Shareholder Association every month, the likelihood of a large influx of shares into the market is diminished. As such, the Company has determined that the Treasury Shares Disposition will only have a minor impact on stock dilution and the secondary market.

### Overview of the Trust Agreement

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|------------------------------|--|
| (1) Type of Trust:           | Individually operated designated money trust (non-grantor trust)   |
| (2) Purpose of Trust:        | For the steady and continued provision of the Company’s shares to the Shareholder Association, and the enhancement of benefits and incentives for the Group’s employees who satisfy the beneficiary requirements |
| (3) Settlor:                 | The Company  |
| (4) Trustee:                 | Resona Bank, Limited<br>Resona Bank, Limited shall enter into a specified comprehensive trust agreement with Custody Bank of Japan, Ltd., and Custody Bank of Japan, Ltd. shall be the retrustee.                |
| (5) Beneficiaries:           | Members of the Shareholder Association who satisfy the beneficiary requirements  |
| (6) Date of Trust Agreement: | June 12, 2024 (tentative)  |
| (7) Trust period:            | From June 12, 2024 to June 30, 2028 (tentative)  |

### 3. Basis for calculation of disposition price and its details

The amount to be paid in per share (disposition price) has been set as 1,330 yen (rounded down to the nearest yen), the closing price of the Company's common shares at Tokyo Stock Exchange, Inc. on May 28, 2024 (the business day immediately preceding the date of the board of directors resolution on the Treasury Shares Disposition).

The price was set as the closing price on the business day immediately preceding the date of the board of directors resolution because it is a fair measurement of corporate value of the Company at the stock market and determined to be rational.

The divergence between the disposition price of 1,330 yen and the average closing price of 1,430 yen (rounded down to the nearest yen) over one month up to the business day immediately preceding the date of the board of directors resolution (from April 30, 2024 to May 28, 2024) is -6.99%. Comparatively, the divergence between the disposition price and the average closing price of 1,528 yen (rounded down to the nearest yen) over three months up to the said business day (from February 29, 2024 to May 28, 2024) is -12.96%, and the divergence between the disposition price and the average closing price of 1,852 yen (rounded down to the nearest yen) over six months up to the said business day (from November 29, 2023 to May 28, 2024) is -28.19% (all rates of divergence are rounded off to two decimal places).

Considering the above, the disposition price in regard to the Treasury Shares Disposition has been determined to be rational. Furthermore, the Audit Committee has expressed the view that the above-mentioned disposition price is not especially advantageous to the allottee.

### 4. Matters related to procedures under the Corporate Code of Conduct

The Treasury Shares Disposition 1) will result in a stock dilution of less than 25% and 2) will not result in a change in controlling shareholders; therefore, procedures to obtain the opinion of an independent third-party and confirm the intent of shareholders as stipulated in Rule 432 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc. is unnecessary.

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