To Investors:

March 25, 2025

MonotaRO Co, Ltd
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Notice: Disposal of Treasury Stock as Restricted Stock Compensation for Executive Officer

MonotaRO Co., Ltd. (hereinafter “the Company”) hereby announces that at the Board of Directors meeting held on March 25, 2025, it has resolved to dispose treasury stocks as stock compensation (hereinafter “Disposal of Treasury Stocks”) as follows;

1. Outline of disposal

(1) Disposal date	April 24, 2025
(2) Class and number of stocks to be disposed	32,693 stocks of common stock of the Company
(3) Disposal price	2,700 JPY per stock
(4) Total value of stocks to be disposed	88,271,100 JPY
(5) Scheduled allocation	7 Executive Officers, 32,693stocks

2. Purpose and reason of the disposal

The Company resolved, in a meeting of its Compensation Committee held on Feb 25, 2021, to introduce a restricted share-based remuneration plan (hereinafter “the Plan”) as an incentive for its Executive Officers to continuously improve the corporate value and shareholder value for the mid to long-term.

Considering purpose of the Plan, the Company’s operating result, responsibility scope of each Executive Officer, and other conditions, the Company has decided, at a meeting of Compensation Committee held on March 25, 2025, to grant monetary claims pertaining to remuneration of 88,271,100 JPY in total, which are contributed to 32,693 common stocks (hereinafter “Allotted Stocks”), to 7 Executive Officers (hereinafter “Eligible Executive Officers”), and disposals of treasury stock are also resolved in the Board of Director meeting held on March 25, 2025.

<Overview of Restricted Stock Allotment Contract>

The Company and every Eligible Executive Officer will conclude the restricted stock allotment contract (hereinafter “Allotment Contract”), and the overview of the Allotment Contract is as follows;

(1) Transfer restricted period
Eligible Executive Officers are not allowed to transfer, to set security rights, or any other disposal for Allotted Stocks from April 24, 2025 (Disposal Date) until the expiration date of position as the Company’s Executive Officer.

(2) Condition for releasing transfer restriction
Provided that Eligible Executive Officers maintain executive officer positions of the Company during the period from the payment date until April 1, 2026 (hereinafter "Service Period, etc.," and “Service Period,” the period from the payment date until the conclusion of the ordinary general shareholders meeting for the fiscal year ending on December 31, 2025 of Service Period, etc.), the Company releases the transfer restriction on all of the Allotted Shares allocated to the Eligible Executive Officers. In the event that Eligible Executive Officers lost their position of executive officer by death or any other reason which the Company’s Board of Directors recognizes justifiable, the Company releases the transfer restriction for number of Allotted Stocks which is product of number of months from April 2025 to the month including the day, on which position is lost, divided by 12 (if it exceeds one, it is considered to be one) and number of Allotted Stocks for Eligible Executive Officers (rounded down if the calculation generates any fraction) on the time immediately after the expiration of position.

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(3) The Company's acquisition of Allotted Stock without contribution
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) Malus provisions
If the events, which include a material restatement of financial statement, material violation against the Company's internal regulations, material damage for the Company's business or reputation, material defect in risk management, or other events specified by Compensation Committee, occur during Eligible Executive Officers' tenure period, Malus (acquisition of Allotted Stock without contribution during transfer restriction period) is exercised.

(5) Management of stock
Allotted Stock will be managed in accounts at Daiwa Securities Co., Ltd. opened by Executive Officers not to allow transferring, setting security rights, or any other disposal for Allotted Stocks.

(6) Treatment for reorganization, etc.
If, during the transfer restriction period, matters relating to a merger agreement in which the Company is the dissolving entity, a stock exchange agreement or stock transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganizations are approved in the Company's general shareholders meeting (or in the Company's Board of Directors if the approval at company's general shareholders meeting is not mandatory for the reorganization), based on the resolution of the Board of Directors, the Company releases the transfer restriction for number of Allotted Stocks which is product of number of months from April 2025 to the month including the day, on which the reorganization is resolved, divided by 12 (if it exceeds one, it is considered to be one) and number of Allotted Stocks (rounded down if the calculation generates any fraction) at the time immediately preceding the business day before the effective date of reorganization, etc.

3. Basis of calculation and specific details for the payment amount

The Disposal of Treasury Stocks to the Eligible Executive Officers is funded by monetary compensation claims or monetary claims which the Company provided as the Restricted Stock Compensations respectively in accordance with the Plan. To eliminate arbitrariness in the disposal price, 2,700 JPY, which is the closing price for the common stock of the Company in the Tokyo Stock Exchange on March 24, 2025 (the business day prior to the day of resolution in the meeting of the Board of Directors) is used as the disposal price. As this is the market price the day prior to the day of resolution in the Board of Directors, it is reasonable by appropriately reflecting the Company's corporate value in the situation without specific circumstance indicating that the latest stock price of the Company is unreasonable and does not represent a particularly favorable price for the Eligible Executive Officers.

End of notice

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