March 31, 2025

Company name:	Mitsui Chemicals, Inc.
Name of representative:	**HASHIMOTO Osamu, Representative Director and President** (Securities Code: 4183: Prime Market)
Inquiries:	**TAKATAMA Yoshinori, General Manager of Corporate Communications Division** (TEL+81-3-6880-7500)

Notice regarding Disposal of Treasury Shares as a Restricted Stock Incentive for the Employee Shareholding Association

Mitsui Chemicals, Inc. (Tokyo: 4183; President & CEO: HASHIMOTO Osamu; "the Company") has announced that its Board of Directors resolved to establish a Restricted Stock Incentive Plan for Employee Shareholding Association (the"Plan") and to dispose of treasury shares as restricted shares (the" "Disposal of Treasury Shares" or "Disposal") with the Mitsui Chemicals Employee Shareholding Association (the" Shareholding Association")as the Expected Allottee.

Note

1. Outline of the Disposal

(1)	Date of Disposal	August 20, 2025
(2)	Type and number of the shares to be disposed of	Common stock of the Company 1,245,000 shares (Note)
(3)	Disposal value	3,490 yen per share
(4)	Total amount of disposal	4,345,050,000 yen (Note)
(5)	Method of Disposal (Expected Allottee)	By way of third party allotment. (the Shareholding Association 1,245,000 shares)
(6)	Other	The Company submitted an extraordinary report on the disposal of treasury shares pursuant to the Financial Instruments and Exchange Act.

(Note) The "number of shares to be disposed of" and the "total amount of disposal" are calculated based on the assumption that 150 shares of the Company's common stock are granted as restricted shares to each of the Company's 8,300 employees, the maximum number of employees who can be subject to the Plan. The actual number of shares to be disposed of and the total amount of disposal will be determined according to the number of applicants ("Applicable Employees": maximum 8,300) who agree to the Plan, which will be fixed after the enrollment promotion for those who are not currently members of the Shareholding Association and the confirmation of agreement with the Plan by the members of the Shareholding Association are

completed. Specifically, the number of offered shares determined by the Shareholding Association will be the "number of shares to be disposed of" and the amount obtained by multiplying the number by the disposal value per share will be the "total amount of disposal". The Company shall provide monetary claims of 523,500 yen to each Applicable Employees and the Company shall allocate 150 shares to each Applicable Employees through the Shareholding Association.

２. The purpose and reasons for the disposal;

At the meeting of the Board of Directors held today, the Company resolved to establish the Plan for the purpose of providing the Applicable Employees with incentives to achieve sustainable improvement of the Company's corporate value and to further promote shared value between the Applicable Employees and the Company's shareholders in addition to helping the Applicable Employees to build their assets by creating opportunities to acquire the Company's common shares as Restricted Shares.

The outline of the Plan is as follows:

[Outline of the Plan, etc.]

Under the Plan, the Company shall grant 150 shares as Restricted Stock to each Applicable Employee, and the monetary claim ("Special Incentive") shall be provided as a special incentive. Applicable Employees will contribute the Special Incentive to the Shareholding Association. In addition, the Shareholding Association will receive the disposal of the Company's common shares as Restricted Shares by making an in-kind contribution to the Company of the Special Incentive Fund contributed by the Applicable Employees.

In the event that the Company's common shares are newly disposed of under the Plan, the amount to be paid in per share of the common shares will be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the day of resolution of the Board of Directors regarding the disposal (if no transaction is made on that day, the closing price on the most recent transaction day preceding that day) to the extent that the amount is not particularly favorable to the Shareholding Association (and consequently to the Applicable Employees).

When disposing of the Company's common shares under the Plan, the Company and the Shareholding Association shall execute the Restricted Stock Allotment Agreement which provides that : (ⅰ) the transfer of the allotted shares to a third party, the establishment of a security interest, or any other disposition (the "Transfer Restriction") is prohibited for a certain period of time, and (ii) in the event that certain events occur, the Company will acquire the allotted shares without compensation. In addition, the grant of the Special Incentive to the Applicable Employees will be made subject to the execution of the Restricted Stock Allotment Agreement between the Company and the Shareholding Association.

Until the transfer restrictions are lifted, the Applicable Employees will be restricted from withdrawing the Membership Interests ("Restricted Stock Interests" or"RS Interests") held by the Applicable Employees in relation to the Restricted Stock to be held by the Applicable Employees in exchange for the monetary claims contributed to the Shareholding Association, in accordance with the Shareholding Association Rules and the Detailed Regulations for the Operation of the Shareholding Association (the"Shareholding Association Rules, etc.") (Note).

(Note) The Shareholding Association plans to resolve to revise the Articles of Incorporation of the Shareholding Association, etc. corresponding to the Plan prior to the Disposal of Treasury Shares at the Shareholding Association's board of directors meeting to be held immediately after the Company's board of directors resolves the Disposal of Treasury Shares. Such revision is scheduled to become effective two weeks after the notice is sent to the Shareholding Association members based on the Articles of Incorporation of the Shareholding Association, etc. after the resolution of the Shareholding Association's board of directors, and if the number of objections from the Shareholding Association members is less than one

third of the total number of the Shareholding Association members.

In the Disposal of Treasury Shares, the Shareholding Association, which is the Planned Allottee, shall pay all of the Special Incentive contributed by the Applicable Employees as property contributed in-kind, in accordance with the Plan, and the Common Stock of the Company (the "Allotted Shares") shall be allotted to the Shareholding Association. The outline of the Restricted Stock Allotment Agreement (the "Allotment Agreement") to be concluded between the Company and the Shareholding Association in connection with the Disposal of Treasury Shares is as described in "3. Outline of the Allotment Agreement" below. The number of shares to be disposed of in the Disposal of Treasury Shares will be determined at a later date as described in 1. (Note) above. If all of the Company's 8,300 employees, who are the maximum number of employees to whom the Plan can be applied, participate in the Shareholding Association and agree to the Plan, the Company plans to dispose of 1,245,000 shares. Assuming that such number of shares are disposed of, the dilution amount of shares in the Disposal of Treasury Shares is 0.62% (Rounded to the second decimal place. The same applies hereinafer in the calculation of ratio.) of the the total number of issued shares which is 200,843,815 as of September 30, 2024, and is 0.66% of the total number of voting rights which is 1,893,041 as of September 30, 2024.

The introduction of the Plan is intended to contribute to the accumulation of assets of the Applicable Employees by creating opportunities for the Applicable Employees to acquire the Company's common shares disposed of by the Company as restricted shares through the Shareholding Association as a measure to enhance the engagement of the Applicable Employees, and is also intended to provide the Applicable Employees with incentives to sustainably improve the Company's corporate value and to further promote the sharing of value between the Applicable Employees and the Company's shareholders. The Company believes that the introduction of the Plan will contribute to the improvement of the Company's corporate value. Therefore, the number of shares disposed of and the dilution of shares in the Disposal of Treasury Shares are reasonable, and the Company has determined that the impact on the market will be still minor taking into account the dilution.

The Disposal of Treasury Shares will be implemented on the condition that the amended Articles of Incorporation of the Shareholding Association, etc. take effect by the day immediately preceding the date of the Disposal of Treasury Shares and that the Allotment Agreement is executed between the Company and the Shareholding Association within the prescribed period.

3. Outline of the Allotment Agreement

(1) Transfer restriction period

From August 20, 2025 to August 19, 2031

(2) Conditions for Lifting the Transfer Restrictions

Provided that the Applicable Employee has been a member of the Shareholding Association continuously during the Transfer Restriction Period, the Transfer Restriction shall be lifted for all of the Allotted Shares corresponding to the number of the Restricted Stock Interests held by the Applicable Employee who satisfies the condition at the time when the Transfer Restriction Period expires (provided, however, that if the securities report of the Company for the business year to which the Disposal Date belongs has not been submitted at that time, it shall be at the time immediately after the submission of the securities report).

(3) Treatment in the case of withdrawal from the Shareholding Association

If an Applicable Employee withdraws from the Shareholding Association (meaning cases in which the Applicable Employee has lost the membership or has applied for withdrawal, and including cases in which the Applicable Employee has withdrawn due to death) during the Transfer Restriction Period due to mandatory retirement, resignation upon expiration of the employment period (excluding cases of continued employment), appointment as a Senior Director or Executive Officer, transfer to a group company (excluding group companies to which the Articles of Incorporation of the Shareholding Association apply), or other

justifiable reasons, the Company shall lift the Transfer Restriction on the certain number of the Allotted Shares as of the Withdrawal Application Acceptance Day. The number of the Allotted Shares subject to the lifting of the Transfer Restriction is obtained by multiplying the number of the Allotted Shares corresponding to the Restricted Stock Interests held by the Applicable Employee on the day on which the Shareholding Association accepts the Applicable Employee's application for withdrawal (in the case of losing the membership, the day on which the Applicable Employee has lost the membership (in the case of withdrawal due to death, the day on which the Applicable Employee has died); the "Withdrawal Application Acceptance Day") by the number obtained by dividing the number of months from the month following the month including the Disposal Date to the month including the Withdrawal Application Acceptance Day by the number of months of the Transfer Restriction Period (72).

(4) Treatment in the case of becoming a non-resident

If the Company determines that an Applicable Employee becomes a non-resident due to overseas transfer, etc. during the Transfer Restriction Period, the Transfer Restriction shall be lifted on the Overseas Transfer, etc. Determination Date for the certain portion of the Allotted Shares corresponding to the number of the Applicable Employee's Restricted Stock Interests held on the day of such determination.

(5) Acquisition by the Company without compensation

If an Applicable Employee commits a violation of laws and regulations during the Transfer Restriction Period or falls under any of the grounds set forth in the Allotment Agreement, the Company shall automatically acquire all of the Allotted Shares without compensation, corresponding to the Restricted Stock Interests held by the Applicable Employee at the time of any of the above trigger events. In addition, the Company shall acquire the Allotted Shares for which the Transfer Restriction is not lifted at no charge at the time of expiration of the Transfer Restriction Period or at the time of lifting of the Transfer Restriction as set forth in (3) or (4) above.

(6) Management of shares

To prevent the Allotted Shares from being transferred, pledged as a security interest, or otherwise disposed of during the Transfer Restriction Period, the Allotted Shares shall be managed in a dedicated account opened by the Shareholding Association with Nomura Securities Co., Ltd. during the Transfer Restriction Period. In addition, the Shareholding Association shall register and manage the Restricted Stock Interests separately from other Regular Member's Interests (the "Ordinary Interests") held by the Subject Employees in accordance with the provisions of the Articles of Incorporation of the Shareholding Association.

(7) Treatment in the event of organizational restructuring, etc.

If a merger agreement under which the Company is to be dissolved, a share exchange agreement or share transfer plan under which the Company is to become a wholly owned subsidiary, or other matters concerning reorganization, etc. are approved at a general meeting of shareholders of the Company (or at a meeting of the Board of Directors of the Company if approval at a general meeting of shareholders of the Company is not required for the reorganization, etc.) during the Transfer Restriction Period, the Transfer Restrictions on the Allotted Shares held by the Shareholding Association on the date of the approval, corresponding to the number of the Restricted Stock Interests held by the Applicable Employees, will be lifted immediately before the business day immediately preceding the effective date of the reorganization, etc., by a resolution of the Board of Directors.

4. Basis for calculation of the disposal amount and specific details thereof

The Disposal of Treasury Shares to the Shareholding Association, which is the Planned Allottee, will be implemented by the Applicable Employees by contributing to the Shareholding Association the Special Incentive provided to the Applicable Employees for the purpose of granting the Restricted Shares as their investment property. In order to ensure that the disposal amount is not arbitrary, the disposal amount is set at 3,490 yen, which is the closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market on March 28, 2025 (the business day immediately preceding the date of resolution by the Board of Directors). This is the market share price immediately before the date of resolution by the Board of Directors, and is considered reasonable and not particularly favorable.

The deviation of the disposal amount from the average closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market (rounded off to two decimal places) is as follows.

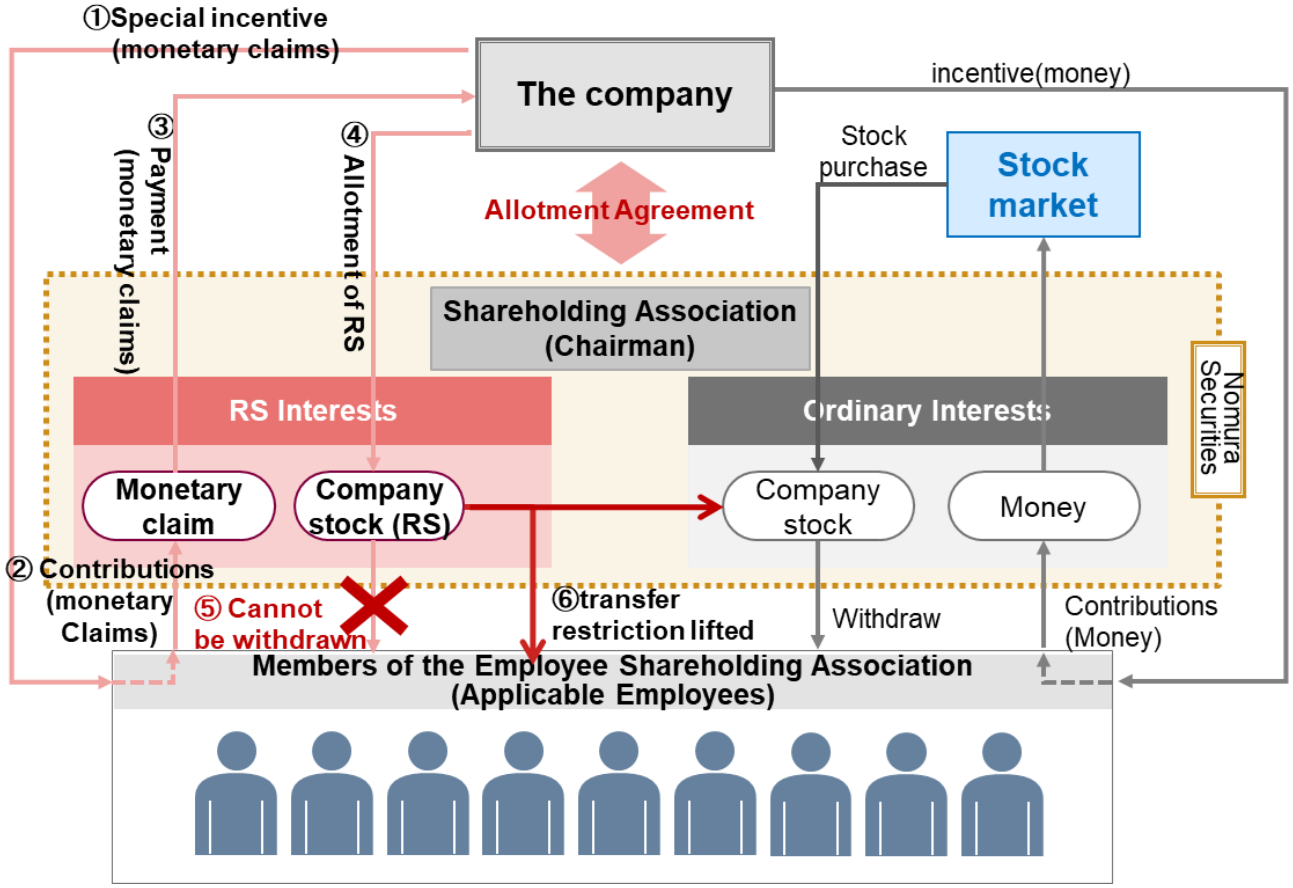
Period	Average closing price (Amounts less than one yen are rounded down)	Deviation
1 month (March 3, 2025 - March 28, 2025)	3,510 yen	-0.57%
3 months (December 30, 2024 - March 28, 2025)	3,393 yen	2.86%
6 months (September 30, 2024 - March 28, 2025)	3,457 yen	0.95%

5. Matters relating to procedures under the Corporate Code of Conduct

As the Disposal of Treasury Shares (ⅰ) will have a dilution ratio of less than 25% and (ii) will not involve any change in the controlling shareholder, it is not necessary to obtain an opinion from an independent third party or to follow the procedures to confirm the intent of shareholders as stipulated in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange.

(Reference)
[Structure of the Plan]

① The Company shall provide monetary claims to Applicable Employees as special incentive grants for the granting of Restricted Stock.
② The Applicable Employees contribute the monetary claims described in ① above to the Shareholding Association.
③ The Shareholding Association will collect the monetary claims contributed in ② above and pay them to the Company.
④ The Company shall provide the Shareholding Association with the Allotted Shares as the Restricted Stock (referred to as "RS" in the following figure).
⑤ The Allotted Shares will be deposited in a dedicated account opened by the Shareholding Association through Nomura Securities Co., Ltd., and withdrawals during the transfer restriction period will be restricted.
⑥ After the transfer restriction is lifted, the Allotted Shares will be transferred to the Ordinary Interests or the securities account of the name of the Applicable Employee.



Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.