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February 25, 2025

To Whom It May Concern:

Company name RIKEN TECHNOS CORPORATION
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Notice Concerning Introduction of Employee Stock Benefit Trust (J-ESOP)

RIKEN TECHNOS CORPORATION (hereinafter the "Company") hereby announces that our Board of Directors, at a meeting held today, resolved to introduce the "Employee Stock Benefit Trust (J-ESOP)," an incentive plan that provides employees with shares of the Company's stock (hereinafter referred to as "the Scheme," and the trust to be established in accordance with the trust agreement concluded with Mizuho Trust & Banking Co., Ltd., is referred to as "the Trust") , as described below.

The purpose of the Scheme is to increase the linkage between the Company's stock price and business performance with the compensation of employees, and to share the economic benefits with shareholders, thereby boosting morale and motivating employees to improve the Company's stock price and business performance.

1. Background of Introduction

Under the management philosophy, the RIKEN TECHNOS WAY, our Group has set forth a long-term vision "Aiming to become the leading provider of comfort for all living spaces," and we have been working on the Medium-term Business Plan, formulating strategies and implementing various measures to achieve this vision. In addition, we have identified materiality as an important issue to be addressed in order to realize our long-term vision, and we aim to contribute to the realization of a sustainable society and enhance our corporate value by incorporating responses to issues surrounding sustainability into our management.

In order to further accelerate the medium- and long-term enhancement of corporate value through the realization of our long-term vision, we have decided to introduce this Scheme with the aim of providing incentives for the achievement of performance targets to employees who execute management strategies and lead various measures to solve social issues.

In March 2012, the Company introduced a stock benefit trust (employee shareholding association type) with the aim of increasing employees' awareness of the stock price and their motivation to work. This Scheme is expected to further increase employees' interest in improving the share price and business performance, and to motivate

them to work with a greater sense of participation in management.

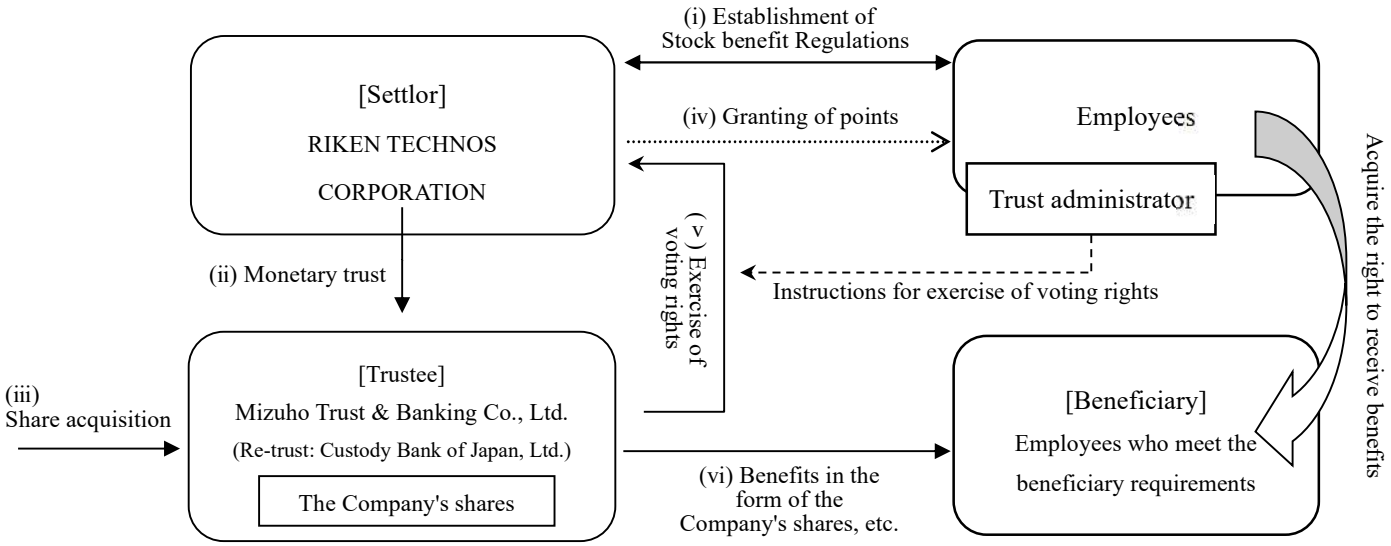
In September 2016, the Company introduced the Board Benefit Trust (BBT) as a stock compensation plan for directors and executive officers.

2. Outline of the Scheme

The Scheme is a trust-type scheme based on the Employee Stock Ownership Plan (ESOP) in the U.S., and is designed to provide employees of the Company who meet certain requirements with the Company's shares and money equivalent to the amount of the Company's shares converted to market value (hereinafter referred to as the "Company's shares, etc.") based on the Stock benefit Regulations established by the Company in advance.

The Company grants points to employees in accordance with the Company's performance and their individual contributions, etc., and when they acquire the right to receive benefits under certain conditions, the Company provides them with the Company's shares, etc., equivalent to the points granted. Shares to be provided to employees in the future shall be acquired with money set up in advance in a trust, and shall be segregated and managed as trust assets.

How the Scheme Works



(i) The Company will establish Stock benefit Regulations upon the introduction of this Scheme.

(ii) The Company will place money in a trust (other beneficiary trust) with Mizuho Trust & Banking Co., Ltd. (re-trustee: Custody Bank of Japan, Ltd.) for the purpose of acquiring in advance the shares to be delivered to employees in the future, in accordance with the Stock benefit Regulations.

(iii) The Trust will acquire the Company's shares using the money entrusted in (2) above as the source of funds, either through the stock exchange market or by subscribing to the Company's disposal of treasury stock.

(iv) The Company will grant points to employees in accordance with the Stock benefit Regulations.

(v) The Trust exercises voting rights in accordance with the instructions of the trust administrator.

(vi) The Trust shall deliver shares of the Company's stock to those employees who satisfy the beneficiary requirements stipulated in the Stock benefit Regulations (the "beneficiary") in proportion to the number of points granted to the Beneficiary. However, if an employee satisfies the requirements stipulated in the Stock benefit Regulations, a certain percentage of the points will be paid in cash equivalent to the market value of the Company's shares.

3. Outline of the Trust

(1) Name : Employee Stock Benefit Trust (J-ESOP)

(2) Settlor : RIKEN TECHNOS CORPORATION

(3) Trustee : Mizuho Trust & Banking Co., Ltd.
(Re-trustee: The Custody Bank of Japan, Ltd.)

(4) Beneficiary : Employees who meet the requirements for beneficiaries as stipulated in the Stock benefit Regulations

(5) Trust administrator : Selected from our employees

(6) Type of trust : Money held in trust other than money trust (other beneficiary trust)

(7) Purpose of the trust : To provide beneficiaries with the Company's shares, etc., which are assets of the trust, in accordance with the Stock benefit Regulations.

(8) Date of execution of the trust agreement : March 11, 2025

(9) Date on which money is placed in trust : March 11, 2025

(10) Period of the trust : From March 11, 2025 until the trust is terminated
(No specific termination date is set, and the trust will continue as long as the Scheme continues.)

4. Details of Acquisition of the Company's Shares by the Trust

(1) Type of shares to be acquired : Common stock of the Company

(2) Amount held in trust for share acquisition : 200,000,000 yen

(3) Method of acquisition of shares : Acquired from exchange market

(4) Share acquisition period : From March 11, 2025 to April 16, 2025 (tentative)

End