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February 28, 2025

Company name: FP Partner Inc.
Name of representative: Tsutomu Kuroki, Representative Director and President
(Securities code: 7388; Tokyo Stock Exchange Prime Market)
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Notice Regarding Disposal of Treasury Shares as Restricted Stock Compensation

At a meeting of the Board of Directors held on February 28, 2025, the Company resolved to dispose of treasury shares as restricted stock compensation (below, “Disposal of Treasury Shares”), as described below.

1. Outline of the disposal

(1) Payment date	March 21, 2025
(2) Class and number of shares to be disposed of	Common shares of the Company: 12,252 shares
(3) Disposal price	2,497 yen per share
(4) Total disposal price	30,593,244 yen
(5) Scheduled allottees	6 Directors *12,252 shares *Excludes Outside Directors.
(6) Other	-

2. Purpose and reason for disposal

At a meeting of the Board of Directors held on January 15, 2024, it was resolved to introduce a restricted stock compensation system (below, the “System”) for the Company’s Directors (excluding Outside Directors. Below, “Eligible Directors”) to provide incentives for the Eligible Directors to achieve sustainable enhancement of the Company’s corporate value and to promote greater value sharing with all shareholders.

Furthermore, at the 14th Ordinary General Meeting of Shareholders held on February 28, 2024, a payment of monetary compensation claim of within 100 million yen a year was approved for Eligible Directors as in-kind contributions for granting restricted stock based on the System and separate from existing monetary compensation.

An outline of the System is as follows.

[Outline of the System]

Eligible Directors will pay the full amount of the monetary compensation claims granted by the Company as in-kind contributions based on the System, and will be issued or receive disposal of the Company’s common shares.

The total monetary compensation claim to be paid to the Eligible Directors based on the System shall be within 100 million yen a year. Specific payment schedule and distribution to Eligible Directors will be determined in the Board of Directors meeting.

The total number of the Company’s common shares to be issued or disposed of based on the System shall be within 20,000 shares per year. However, when there is a stock split (including stock allotment without contribution of the Company’s common shares) or stock merger of the Company’s common shares, and it is necessary to adjust the total number of the Company’s common shares to be issued or disposed of as other restricted stock, the total will be adjusted within reasonable limits.

In order to achieve one of the purposes of introducing the System, which is to share value with all shareholders over the medium to long term, the restricted shares granted under the System are subject to transfer restriction from the date

of being granted until the date on which the Eligible Director retires or resigns (excludes cases when the Eligible Director assumes a position at the Company or subsidiary of the Company at the same time as when they retire or resign) from any position as Director, Audit & Supervisory Board Member, Operating Officer or employee (does not include position as employee through re-employment after retiring) of the Company or subsidiary of the Company.

The amount to be paid per share of the Company's common shares to be issued or disposed of under the System 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 date of each resolution of the Board of Directors (if no transaction is executed on that date, the closing price of the most recent trading day prior to that date will be used), within the scope of not being particularly advantageous to the Eligible Directors who will receive the common shares.

In addition, when issuing or disposing of the Company's common shares under the System, the Company and the Eligible Directors shall enter into a restricted stock allotment agreement, and the following matters shall be included as part of the agreement.

(1) The Eligible Directors are prohibited from transferring, pledging as collateral, or otherwise disposing of the Company's common shares allotted during the predetermined period (below, "Transfer Restriction Period") to a third party.
(2) The Company will acquire the common shares without consideration if certain conditions arise.

At the meeting of the Board of Directors held today, the Company resolved to pay a total of 30,593,244 yen in monetary compensation claims to the 6 Eligible Directors taking into consideration the purpose of the System, the Company's performance, each Directors respective scope of duty, and other various circumstances, and to have the Eligible Directors pay in full the monetary compensation claims as in-kind contributions and dispose of 12,252 shares of the Company's common shares.

[Overview of the restricted stock allotment agreement]

In conjunction with the Disposal of Treasury Shares, the Company will enter a restricted stock allotment agreement (below, the "Allotment Agreement") with the Eligible Directors, and an outline of the agreement is as follows.

(1) Transfer restriction period

Eligible Directors cannot transfer, pledge as collateral, or otherwise dispose of the common shares of Company stock from March 21, 2025 until the date they retire or resign (excludes cases when the Eligible Director assumes a position at the Company or subsidiary of the Company at the same time as when they retire or resign) from any position as Director, Audit & Supervisory Board Member, Operating Officer or employee (below "Position, etc.") (does not include position as employee through re-employment after retiring) of the Company or subsidiary of the Company.

(2) Conditions for lifting the transfer restriction

The Company shall remove the transfer restriction for all the Company's common shares (below, the "Shares") allotted under the Allotment Agreement at the expiration of the Transfer Restriction Period (March 1, 2026 if the expiration date lies before March 1, 2026) subject to the condition that the Eligible Director has remained in the position of Director of the Company continuously after the start of the Transfer Restriction Period to the date of the first arriving Ordinary General Meeting of Shareholders of the Company (below, the "Service Rendering Period"). However, if the Eligible Director resigns from the position of Director of the Company due to death or another reason deemed reasonable by the Board of Directors of the Company during the Service Rendering Period, the transfer restriction will be lifted immediately after the resignation (March 1, 2026 if the resignation date lies before March 1, 2026) in the case of resignation due to death for the number of Shares (with any fractions less than one share being discarded) obtained by multiplying the number of Shares by a fraction derived by dividing the number of months from the month including the date of the 15th Ordinary General Meeting of Shareholders to the month including the date of resignation by 12. In the case of any other resignation, the transfer restriction will be lifted from March 1, 2026 as separately determined by the Board of Directors following the resignation.

(3) Acquisition by the Company without consideration

The Company will automatically acquire without consideration all of the Shares for which the transfer restriction has not been lifted at the expiration of the Transfer Restriction Period.

(4) Handling of organizational restructuring, etc.

If, during the Transfer Restriction Period, matters related to reorganization, etc., such as a merger agreement where the Company is the disappearing entity or a share exchange agreement or share transfer plan where the Company becomes a wholly-owned subsidiary, are approved at the Company's General Meeting of Shareholder (or by the Board of Directors if such approval is not required at the General Meeting of Shareholder for the reorganization, etc.), the transfer restriction will be lifted by resolution of the Board of Directors, for the number of Shares (with any fractions less than one share being discarded) obtained by multiplying the number of Shares by a fraction derived by dividing the number of months from the month including the date of the 15th Ordinary General Meeting of Shareholders to the month including the date of approval of the organizational restructuring by 12 (however, if the result exceeds 1, it shall be deemed 1), and the transfer restriction will be lifted as of the business day immediately preceding the effective date of such reorganization, etc. (however, if such business day is prior to March 1, 2026, the transfer restriction will not be lifted for any of the Shares). In the case stipulated above, the Company will automatically acquire without contribution the Shares for which the transfer restriction has not been lifted immediately after the transfer restriction is removed.

(5) Management of the Shares

During the Transfer Restriction Period, the Shares shall be managed in a dedicated account for restricted stock opened by the Eligible Directors at SMBC Nikko Securities Inc., in such a way that they cannot be transferred, pledged as collateral, or otherwise disposed of during the Transfer Restriction Period.

3. Basis for calculation of the amount to be paid and the specific details

This Disposal of Treasury Shares shall be conducted using the monetary compensation claims paid to the allottees under the System as property contributed, and in order to eliminate arbitrariness, the amount to be paid will be 2,497 yen, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on February 27, 2025 (the business day immediately prior to the resolution date of the Board of Directors). This is the market price immediately prior to the resolution date of the Board of Directors, and in the absence of any special circumstances indicating that reliance on the most recent market price is inappropriate, it is deemed to reasonably reflect the Company's corporate value and is not considered to be a particularly favorable price for the Eligible Directors.

4. Matters concerning transactions with controlling shareholder

Among the Eligible Directors who will be allotted the Disposal of Treasury Shares, since Tsutomu Kuroki, the Representative Director and President of the Company, is a shareholder who owns 61.85% (as of November 30, 2024) of the Company's voting rights, including the number of shares owned by FP Consulting LLC, his asset management company, the Disposal of Treasury Shares corresponds to a transaction with the controlling shareholder.

(1) Measures to ensure fairness and to avoid conflict of interest

The Disposal of Treasury Shares is issued in accordance with provisions and procedures stipulated by the laws and regulations that apply. Furthermore, the details and conditions of the disposal, including the method of determining the amount to be paid, are appropriate without deviation from the general details and conditions as restricted stock compensation as stated in "2.Purpose and reason for disposal" and "3. Basis for calculation of the amount to be paid and the specific details" above. In order to avoid any conflict of interest, Tsutomu Kuroki, the controlling shareholder and Company Representative Director and President, has not participated in the discussions and decisions of the Board of Directors concerning this Disposal of Treasury Shares.

(2) Opinions that there must be no disadvantage for minority shareholders

The Company's Board of Directors has first discussed and then made a decision on the validity of the details and conditions of the Disposal of Treasury Shares. The Company consulted a Special Committee about the Board of Directors decision. This Special Committee consists of Directors (the majority of committee members are

independent Outside Directors) and Audit & Supervisory Board Members selected by the resolution of the Board of Directors for which there lies no interest with the controlling shareholder. The Special Committee deliberated this matter from the perspective of protecting minority shareholders and then reported to the Board of Directors the results of its findings, which were that this Disposal of Treasury Shares will increase the motivation and morale of the Eligible Directors to improve business performance and will contribute towards improving corporate value, and also that the details and conditions of the disposal, including the method of deciding the disposal price, are appropriate.

(3) Status of conformity with reports concerning corporate governance

The “Guideline for Policy to Protect Minority Shareholders When Conducting Transactions with the Controlling Shareholder” provided in the report concerning corporate governance released on February 28, 2025 is as follows. The Disposal of Treasury Shares was determined based on the following guideline.

“In principle, the Company will not conduct transactions with the controlling shareholder and his relatives (within the second degree of kinship). When the Company is considering transactions with the controlling shareholder and his relatives (within the second degree of kinship), to ensure the transactions do not harm the interests of minority shareholders, we will consult the Special Committee concerning the reason and necessity for the transactions, and then the validity of the transaction conditions and the decision method. The Committee’s report will then be discussed and a decision will be made by the Board of Directors.”

The Company considers that measures have been taken as stated in “(1) Measures to ensure fairness and to avoid conflict of interest” and “(2) Opinions that there must be no disadvantage for minority shareholders” above for the Disposal of Treasury Shares, and that they are appropriate and comply with the above guideline.

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