June 27, 2025

Company Name: Paramount Bed Holdings Co., Ltd.
Representative: Tomohiko Kimura, President and Chief Executive Officer
(Securities code: 7817 TSE Prime)
Contact: Toshiyuki Hatta, Member of the Board
TEL: 03-3648-1100

Notice Regarding the Disposal of Treasury Stock as Restricted Stock to Directors, etc.

Paramount Bed Holdings Co., Ltd. (the "HOLDINGS") announces that, at the Board of Directors' meeting held today, the Board of Directors resolved to dispose of treasury stock as restricted stock (the "Disposal of Treasury Stock") as described below.

1. Overview of the Disposal

(1) Date of payment	July 25, 2025
(2) Class and number of shares to be disposed of	23,237 shares of common stock of HOLDINGS
(3) Disposal price	2,557 yen per share
(4) Total value of disposal	59,417,009 yen
(5) Scheduled allottees	Four (4) directors of HOLDINGS (*): 13,999 shares One (1) directors of a subsidiary of HOLDINGS: 2,940 shares Six (6) executive officers of a subsidiary of HOLDINGS : 6,298 shares * Excluding directors who are Audit & Supervisory Committee members and outside directors.

2. Purpose and Reason for the Disposal

At the meeting of the Board of Directors held on May 13, 2021, a resolution was passed regarding the introduction of a restricted stock compensation plan (the "Plan") for the directors of HOLDINGS (excluding directors who are Audit & Supervisory Committee members and outside directors; the same applies below), in order to provide incentives for the sustainable increase of HOLDINGS's medium- to long-term corporate value and shareholder value, as well as to further promote shared interests between directors and shareholders. In addition, at the 39th Ordinary General Shareholders Meeting held on June 29, 2021, it was approved that, in

accordance with the Plan, HOLDINGS may grant monetary compensation claims of up to 200 million yen per year to the directors of HOLDINGS as property contributed in kind, which is separate from the current monetary compensation limitation, and that the transfer restriction period for the restricted stock will be from the date when the restricted stock is granted to the date when the directors of HOLDINGS loses his/her position as HOLDINGS's executive director or any other position(s) specified by the Board of Directors.

The overview of the Plan is as follows:

<Overview of the Plan>

Under the Plan, the directors of HOLDINGS will pay in as property contributed in kind all of the monetary compensation claims provided by HOLDINGS and will receive the issuance or disposal of common stock of HOLDINGS.

The total number of shares of common stock of HOLDINGS to be issued or disposed of under the Plan shall not exceed 100,000 shares per year, and the amount paid per one share of HOLDINGS common stock will be decided by the Board of Directors based on the closing price of HOLDINGS's common stock on the Tokyo Stock Exchange on the business day preceding the date of the resolution of the Board of Directors (if there is no transaction concluded on said date, the closing price of the most recent trading day preceding said date) to the extent that it will not be excessively favorable to the directors of HOLDINGS.

When HOLDINGS issues or disposes of common stock under the Plan, HOLDINGS and the directors of HOLDINGS shall conclude a restricted stock allocation agreement, which shall include the following terms:

(i) a director shall not transfer, create a security interest on, or otherwise dispose of HOLDINGS's common stock allocated under the allocation agreement during a predetermined period; and

(ii) if certain specified events occur, HOLDINGS shall acquire the allocated shares without consideration.

In addition to the directors of HOLDINGS, HOLDINGS may grant restricted stock to the directors and executive officers of HOLDINGS's subsidiaries in order to provide incentives for the sustainable increase of HOLDINGS's medium- to long-term corporate value and shareholder value, as well as to further promote shared interests between these directors and executive officers, and HOLDINGS's shareholders. HOLDINGS passed a resolution at today's meeting of the Board of Directors to grant restricted stock to the directors and executive officers of a subsidiary of HOLDINGS in a similar manner as to the directors of HOLDINGS, as detailed below.

Taking into consideration the purpose of the Plan, the business performance of HOLDINGS, the scope of responsibilities of each intended allottee and other circumstances, HOLDINGS granted (i) monetary compensation claims against HOLDINGS to four (4) Directors (the "Eligible Directors") based on the resolution of the Board of Directors passed today; and (ii) monetary compensation claims against a subsidiary of HOLDINGS to one (1) Directors and six (6) executive officers of such subsidiary based on the resolution of the

Board of Directors of such subsidiary passed today, with the total amount of these monetary compensation being 59,417,009 yen. Based on the above, HOLDINGS passed a resolution at the meeting of the Board of Directors to grant a total of 23,237 shares of HOLDINGS's common stock (the "Allotted Stock") in exchange for in-kind contribution of these monetary compensation claims (the amount thereof to be contributed is 2,557 yen per share) by the intended allottees.

<Overview of the Allocation Agreement>

HOLDINGS and each Eligible Director will individually conclude a restricted stock allocation agreement (the "Allocation Agreement"), the overview of which is as follows. In addition, HOLDINGS will conclude similar restricted stock allocation agreements with the directors and executive officers of a subsidiary of HOLDINGS.

(1) Transfer restriction period

An Eligible Director shall not transfer, create a security interest on, or otherwise dispose of the Allotted Stock during a period from July 25, 2025 (the date of payment) until the date when the Eligible Director loses the position of executive director of HOLDINGS.

(2) Conditions for lifting transfer restrictions

Provided that the Eligible Director continues to hold the position of executive director of HOLDINGS from July 25, 2025 (the date of payment) to the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending March 2026 (the "Period of Service"), HOLDINGS shall lift the transfer restrictions on all of the Allotted Stock at the expiration of the transfer restriction period. However, if the Eligible Director loses the position of executive director of HOLDINGS during the Period of Service due to death, expiration of the office term or other reasons deemed justifiable by HOLDINGS's Board of Directors, HOLDINGS shall lift the transfer restrictions upon expiration of the transfer restriction period on the portion of the Allotted Stock calculated by dividing the number of months from July 2025 to the month including the date of such loss by 12 (with any amount greater than 1 rounded down to 1) and multiplying this quotient by the number of shares of Allotted Stock (with any resulting fractional shares rounded down to the nearest whole number).

(3) Acquisition of the Allotted Stock by HOLDINGS without consideration

Upon expiration of the transfer restriction period or at such other time specified in the Allotment Agreement, HOLDINGS shall acquire without payment of consideration the Allotted Stock for which transfer restrictions have not been lifted.

(4) Management of Allotted Stock

During the transfer restriction period, the Allotted Stock will be managed in a dedicated restricted stock account opened by the Eligible Director at Daiwa Securities Co. Ltd. so that the Eligible Director cannot

transfer, create a security interest on, or otherwise dispose of the Allotted Stock during the transfer restriction period.

(5) Measures to be taken upon restructuring, etc.

If a merger agreement under which HOLDINGS is the disappearing company, a share exchange agreement or stock transfer plan under which HOLDINGS becomes a wholly-owned subsidiary, or other event involving an organizational restructuring, etc. is approved at HOLDINGS's General Meeting of Shareholders (or at HOLDINGS's Board of Directors meeting in the case where approval of the General Meeting of Shareholders is not required for the said organizational restructuring, etc.) during the transfer restriction period, the transfer restrictions shall be lifted by resolution of HOLDINGS's Board of Directors immediately before the business day preceding the effective date of the said organizational restructuring, etc. on the portion of the Allotted Stock calculated by dividing the number of months from July 2025 to the month including the date of approval of the organizational restructuring, etc. by 12 (with any amount greater than 1 rounded down to 1) and multiplying this quotient by the number of shares of Allotted Stock (with any resulting fractional shares rounded down to the nearest whole number).

3. Basis of calculation of paid-in amount and specific details thereof

The Disposal of Treasury Stock will be carried out using the monetary compensation claims paid to the intended allottees under the Plan as the contributed assets. The amount to be paid per share is 2,557 yen, which was the closing price of HOLDINGS's common stock on the Tokyo Stock Exchange on June 26, 2025 (the business day immediately prior to the date of the resolution of the Board of Directors), in order to adopt a price that is not arbitrary. This price is the market value immediately prior to the date of the resolution of the Board of Directors, is a reasonable price that properly reflects HOLDINGS's corporate value in a situation where there are no special circumstances indicating that the most recent stock price should not be relied upon, and is not especially favorable to the intended allottees.

End.