Press Release

July 23, 2025

To all concerned parties

INNOTECH CORPORATION
(Code: 9880, Tokyo Stock Exchange Prime Market)
Company Representative: Nobuyuki Otsuka
President and Representative Director
Contact: Takaaki Mikami
General Manager of Corporate Planning Department
Tel: +81-45-474-9000

Notice Regarding Third-Party Allotment of Restricted Treasury Stock in Connection with Additional Contributions to the Stock Benefit Trust (J-ESOP)

INNOTECH CORPORATION announces that, at its Board of Directors meeting held on July 23, 2025, it has resolved to dispose of Treasury Stock as Restricted Stock through a third-party allotment (hereinafter, "the Treasury Stock Disposal").

Formally, this treasury stock disposition will be made to Custody Bank of Japan, Ltd. (Trust E Account), the re-trustee that received trust assets from the trustee of the trust (hereinafter, "the Trust"). This Trust was established under a trust agreement with Mizuho Trust & Banking Co., Ltd. concerning the "Stock Benefit Trust (J-ESOP)" (hereinafter, "the Scheme"). In essence, however, this disposition is substantially equivalent to allocating shares to our employees as consideration for their services rendered to our company.

1. Summary of Disposal of Treasury Stock

1.	Date of disposal	August 22, 2025
2.	Class and number of shares to be disposed	Common shares of the Company 38,000 shares
3.	Disposal value	1,437 yen per share
4.	Total disposal amount	54,606,000 yen
5.	Scheduled disposal destination	124 Employees 38,000 Shares *1,*2
6.	Other	This disposal of treasury stock shall be subject to the effectiveness of the Securities Registration Statement filed under the Financial Instruments and Exchange Act.

*1 : The formal allottee of this treasury stock disposal is Custody Bank of Japan, Ltd. (Trust E Account). Custody Bank of Japan, Ltd. (Trust E Account) is a trust account established under a trust agreement where our company is the settlor, Mizuho Trust & Banking Co., Ltd. is the trustee, and Custody Bank of Japan, Ltd. is the re-entrusted trustee. However, since this treasury stock disposal is conducted to provide benefits to our employees under this scheme, and is substantially equivalent to allocating shares to our employees as consideration for services rendered to our company, we have listed our employees as the scheduled allottee.

*2 : Under this scheme, employees are granted points based on their individual contributions and other factors. When they acquire the right to receive benefits under certain conditions, they will be granted shares of our company equivalent to the points awarded. Therefore, the aforementioned number of shares represents the maximum, and the actual number of our company's shares granted to employees will vary depending on their individual contributions and other factors.

2. Purpose and reason for disposal

Our company introduced this system based on a resolution of the Board of Directors meeting held on May 12, 2022. (For an overview of this system, please refer to our notices "Introduction of Stock Benefit Trust (J-ESOP)" dated May 12, 2022, and "Notice Regarding Disposal of Treasury Stock Through Third-Party Allotment in Connection with the Introduction of Stock Benefit Trust (J-ESOP)" dated July 21, 2022.)

Now, in order to continue this system, our company has decided to make an additional contribution of funds (hereinafter, "additional contribution to the trust") to the trust so that it can acquire the shares estimated to be necessary for future benefits. We've also decided to dispose of treasury stock through a third-party allotment (this Treasury Stock Disposal) to Trust E Account at Custody Bank of Japan, Ltd. (the re-entrusted trustee that received re-entrustment from Mizuho Trust & Banking Co., Ltd., the trustee of this trust) for the purpose of holding and disposing of our company's shares in the operation of this system. While this Treasury Stock Disposal will formally be conducted with Custody Bank of Japan, Ltd. (Trust E Account) as the allottee, it is substantially equivalent to allotting shares to our employees as consideration for their services to our company.

The number of shares to be disposed of is equivalent to the number of shares estimated to be granted to our employees during the trust period based on the "Stock Benefit Regulations" (for the three fiscal years from the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2028). This represents 0.28% of the total outstanding shares as of March 31, 2025 (13,700,000 shares), and 0.29% of the total voting rights as of March 31, 2025 (131,538 voting rights), with both percentages rounded to two decimal places. We believe the scale of dilution is reasonable in light of the purpose of this system as described in the "Introduction of Stock Benefit Trust (J-ESOP)" notice dated May 12, 2022, as this number corresponds to the estimated shares to be granted to our employees over the three fiscal years from March 31, 2026, to March 31, 2028, based on the "Stock Benefit Regulations."

※Summary of Additional Trust

1.	Date of Additional Trust	August 22, 2025
2.	Amount of Additional Trust	54,606,000 yen
3.	Type of Shares to Be Acquired	Our common shares
4.	Number of Shares to Be Acquired	38,000 shares
5.	Date of Share Acquisition	August 22, 2025
6.	Method of Share Acquisition	Acquired by underwriting our company's disposition of treasury shares (this treasury share disposition).

3. Basis for calculation of disposal price and specific contents

The disposal price for this treasury stock disposal was set at 1,437 yen, which is the closing price of our common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors' resolution.

We determined that using the closing price of the business day immediately preceding the Board of Directors' resolution was reasonable as it reflects our company's fair enterprise value in the stock market.

The disposal price of 1,437 yen represents 101.55% of the average closing price over the most recent one-month period preceding the business day immediately before the Board of Directors' resolution (1,415 yen), 107.56% of the average closing price over the most recent three-month period (1,336 yen), and 107.80% of the average closing price over the most recent six-month period (1,333 yen). Considering the above, we have determined that the disposal price for this treasury stock disposal is reasonable and not particularly favorable.

Furthermore, our Audit and Supervisory Committee has stated its opinion that the aforementioned disposal price is not particularly favorable.

4. Matters concerning procedures under the Corporate Code of Conduct

This treasury stock disposal (1) has a dilution ratio is less than 25%, and (2) does not involve a change of controlling shareholders. Therefore, there is no need to obtain opinions from third parties or confirmation from shareholders as stipulated in Article 432 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc..

Note: This document is an English translation of a statement written initially in Japanese. The Japanese original should be considered as the primary version.