

July 13, 2026

To Whom It May Concern

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Name of Representative:	President and CEO Masuhiro Yoshitake
Securities Code:	520A Tokyo Stock Exchange Growth Market
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Notice Regarding Issuance of New Shares as Restricted Stock Compensation to Directors and Executive Officers

J-Pharma Co., Ltd. (the "Company") hereby announces that, at a meeting of its Board of Directors held today, the Company resolved to issue new shares as restricted stock compensation (the "Issuance of New Shares"), as set forth below.

1. Overview of the Issuance

(1) Payment date	August 12, 2026
(2) Class and number of shares to be issued	Common stock of the Company: 56,820 shares
(3) Issuance price	JPY 297 per share
(4) Total paid-in amount	JPY 16,875,540
(5) Planned allottees	2 Directors of the Company: 45,456 shares (*1) 2 Executive Officers of the Company: 11,364 shares *1 Excluding Outside Directors and Directors who are Audit and Supervisory Committee Members.

2. Purpose and Reason for the Issuance

At a meeting of the Board of Directors held on May 24, 2026, the Company resolved to introduce a restricted stock compensation plan (the "Plan") as a new compensation plan for Directors of the Company (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members, hereinafter referred to as the "Eligible Directors"), including Directors who may be elected in the future. The purpose of the Plan is to encourage the Eligible Directors to continuously fulfill their responsibilities in research and development, business development and licensing strategy, financial strategy, and other key areas, in order to steadily implement the Company's growth strategy and achieve medium- to long-term enhancement of corporate value, and to further promote the sharing of value with shareholders and strengthen their commitment to enhancing corporate value.

At the 21st Annual General Meeting of Shareholders held on June 26, 2026, shareholders approved the following matters under the Plan: (i) the Eligible Directors may, pursuant to resolutions of the Company's Board of Directors, either (a) receive shares of common stock of the Company (restricted stock) issued or disposed of by the Company, without being required to make any monetary payment or otherwise contribute any property in exchange for the shares subscribed for, as compensation for the performance of their duties as Directors (the "No-Contribution Method"), or (b) receive shares of common stock of the Company (restricted stock) issued or disposed of by the Company by contributing all of the monetary compensation claims granted by the Company as property contributed in kind (the "In-Kind Contribution Method"); (ii) the total number of shares of common stock of the Company to be issued or disposed of by either the No-Contribution Method or the In-Kind Contribution Method shall not exceed 56,819 shares per year (provided, however, that if a stock split of the Company's common stock (including an allotment of shares of the Company's common stock without contribution), a consolidation of shares, or any other

event that requires adjustment to the total number of shares of common stock of the Company to be issued or disposed of as restricted stock occurs, such total number shall be adjusted within a reasonable range); (iii) the total value of shares of common stock of the Company to be issued or disposed of for the purpose of granting restricted stock shall not exceed JPY 50 million per year, under a framework that is within the scope of the existing compensation framework and on a combined basis for the No-Contribution Method and the In-Kind Contribution Method. In the case of (a) the No-Contribution Method, although no monetary payment is required upon the grant of restricted stock, the amount of compensation for each Eligible Director shall be calculated on a per-share basis based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors resolution concerning the grant of restricted stock (or, if there is no trading on that day, the closing price on the immediately preceding trading day). In the case of (b) the In-Kind Contribution Method, the paid-in amount per share shall be determined by the Board of Directors within a range that is not particularly advantageous to the persons who will subscribe for such shares, based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors resolution concerning the grant of restricted stock (or, if no trading occurs on that day, the closing price on the immediately preceding trading day); and (iv) upon the issuance or disposal of shares of common stock of the Company, the Company and each Eligible Director shall enter into a restricted stock allotment agreement that includes, in summary, the following matters:

- (1) The Eligible Director shall not transfer, create any security interest in, or otherwise dispose of shares of the Company's common stock allotted to the Eligible Director during a pre-determined period.
- (2) If certain events occur, the Company shall acquire such shares of common stock for no consideration.

Following shareholder approval of the matters concerning the determination of compensation for the grant of restricted stock to Eligible Directors as described above, the Company has also introduced a restricted stock grant plan for Executive Officers of the Company (hereinafter collectively referred to with the Eligible Directors as the "Eligible Persons") on terms similar to those of the Plan. The position of Executive Officer corresponds to the position formerly referred to as Counselor.

Taking into account the purpose of the Plan, the Company's business performance, the scope of responsibilities of each Eligible Person, and other relevant circumstances, the Company has resolved, pursuant to a resolution of the Board of Directors passed today, to grant a total of 56,820 shares of common stock of the Company (the "Allotted Shares") to 2 Directors and 2 Executive Officers by having them contribute, as property contributed in kind, monetary compensation claims against the Company in the total amount of JPY 16,875,540 to be granted to them (the amount of monetary compensation claims to be contributed per share subscribed for shall be JPY 297).

Overview of the Restricted Stock Allotment Agreement

The Company and each Eligible Person will individually enter into a restricted stock allotment agreement, the outline of which is as follows.

(1) Transfer restriction period

During the period from August 12, 2026 (the payment date) until the date on which the Eligible Person ceases to hold any position as a Director, Executive Officer, employee or advisor of the Company (provided, however, that if such date falls before the filing date of the Company's semi-annual report for fiscal 2026, the period shall end on the filing date of such semi-annual report), the Eligible Person may not transfer, create any security interest in, or otherwise dispose of the Allotted Shares.

(2) Conditions for lifting the transfer restrictions

Provided that the Eligible Person continuously holds any position as a Director, Executive Officer, employee or advisor of the Company (the "Eligible Position") during the period from August 12, 2026 (the payment date) until the conclusion of the Annual General Meeting of Shareholders for the fiscal year ending March 31, 2027 (the "Service Provision Period"), the transfer restrictions shall be lifted for all of the Allotted Shares upon expiration of the transfer restriction period. However, if the Eligible Person ceases to hold the Eligible Position during the Service Provision Period due to death or any other reason deemed justifiable by the Company's Board of Directors, the transfer restrictions shall be lifted, upon expiration of the transfer restriction period, only for the number of Allotted Shares calculated by multiplying the number of Allotted Shares by the number obtained by dividing by 11 the number of months from August 2026 through and including the month in which the Eligible Person ceases to hold the Eligible Position (provided that if such number exceeds 1, it shall be deemed to be 1; and any fraction of less than one share resulting from the calculation shall be rounded down).

(3) Acquisition by the Company for no consideration

The Company shall automatically acquire, for no consideration, any Allotted Shares for which the transfer restrictions have not been lifted at the time of expiration of the transfer restriction period or at any other time specified in the allotment agreement.

(4) Management of shares

In order to prevent the transfer, creation of any security interest in, or other disposal of the Allotted Shares during the transfer restriction period, the Allotted Shares shall be managed during the transfer restriction period in a dedicated account for restricted stock opened by the Eligible Person with Daiwa Securities Co. Ltd.

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

If, during the transfer restriction period, matters concerning a merger agreement under which the Company becomes the disappearing company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other organizational restructuring, etc. are approved at a General Meeting of Shareholders of the Company (or, if approval at a General Meeting of Shareholders of the Company is not required for such organizational restructuring, etc., by the Company's Board of Directors), the transfer restrictions shall be lifted for all of the Allotted Shares, by resolution of the Board of Directors, as of the time immediately before the business day preceding the effective date of such organizational restructuring, etc.

3. Basis for Calculation of the Paid-in Amount and Specific Details

The Issuance of New Shares will be carried out through the contribution in kind of the monetary compensation claims granted to the planned allottees under the Plan. In order to eliminate arbitrariness in the price, the issuance price has been set at JPY 297, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on July 10, 2026 (the business day immediately preceding the date of the Board of Directors resolution). This is the market price immediately preceding the date of the Board of Directors resolution, and, in the absence of any special circumstances indicating that the Company cannot rely on the most recent share price, the Company believes that it reasonably reflects the Company's corporate value and does not constitute a price that is particularly advantageous to the Eligible Persons.