



July 16, 2025

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Notice of Disposal of Treasury Shares as Restricted Stock Compensation

Prestige International Inc. (the “Company”) hereby announces that at the meeting of the Board of Directors held on July 16, 2025, the Company resolved to dispose of treasury shares as restricted stock compensation (the “Disposal of Treasury Shares”) as indicated below.

1. Overview of the Disposal

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| (1) Disposal Date | August 15, 2025 |
| (2) Class and number of shares to be disposed | 133,000 shares of common stock |
| (3) Disposal price | 621 yen per share |
| (4) Total value of shares to be disposal | 82,593,000 yen |
| (5) Allottees and number thereof, number of shares to be disposed | Four (4) Directors (one of whom also serves as the Company’s employee)
124,600 shares
Eight (8) Executive Officers of the Company and Directors of its subsidiary (concurrently serving as employees)
8,400 shares
※ For Directors, excluding External Directors. |

2. Purpose and Reasons of the Disposal

At the meeting of its Board of Directors held on May 25, 2021, the Company resolved to introduce a new restricted stock compensation plan (the “Plan”) for the Company’s Directors (excluding External Directors; the “Eligible Directors”). The purpose of the Plan is to provide the Eligible Directors with incentives to contribute to the sustainable enhancement of the Company’s medium- to long-term corporate value and shareholder value and to further promote shared values with shareholders. At the 35th Annual General Meeting of Shareholders held on June 24, 2021, the Company received approval to grant restricted stock to the Eligible Directors as compensation, in addition to the existing monetary compensation limit, based on the Plan.

An overview of the Plan is provided below.

<Overview of the Plan>

The restricted stock under the Plan shall be granted by issuance or disposal of the Company’s common stock, in exchange for all in-kind contributions and all the monetary compensation claims provided to the Eligible Directors.

The total number of shares of the Company’s common stock to be issued or disposed of under the Plan shall not exceed 150,000 shares per year, and the total amount of monetary compensation to be paid for the granting of restricted stock shall not exceed 100 million yen per year.

Additionally, when issuing or disposing of the Company’s common stock under the Plan, the Company and the Eligible Directors shall enter into a restricted stock allotment agreement, including the following matters:

- i. The Eligible Directors shall not transfer, establish a security interest on, or otherwise dispose of the common stock allotted under the restricted stock allotment agreement during the period from the

- date of the allotment of the stock to the date on which they resign or retire as a Director or any other positions determined by the Company's Board of Directors.
- ii. The Company shall acquire the relevant stock without consideration as a matter of course in the case of a breach of the laws, internal rules, or the restricted stock allotment agreement, or any other reason deemed legitimate cause by the Company's Board of Directors.

A system similar to the Plan has also been introduced for the Executive Officers of the Company and the Directors (excluding External Directors) and the Executive Officers of the Company's subsidiary.

Based on the above, the Company has resolved at the meeting of its Board of Directors held today to dispose of 133,000 shares of the Company's common stock (the "Allotted Shares") to the four (4) Eligible Directors (one of whom also serves as the Company's employee) and eight (8) Executive Officers of the Company and Directors of its subsidiary (concurrently serving as employees of the Company, collectively the "Eligible Individuals"), taking into account the purpose of the Plan and considering the scope of each Eligible Individual's responsibilities, position, and other relevant factors, in exchange for in-kind contributions of monetary compensation claims in a total amount of 82,593,000 yen.

< Overview of the restricted stock allotment agreement >

In connection with the Disposal of treasury shares, the Company will enter into a restricted stock allotment agreement with each Eligible Individual, and the overview of the restricted stock allotment agreement is as follows:

(1) Transfer restriction period

The Eligible Individuals shall not transfer, establish a security interest on, or otherwise dispose of their Allotted Shares during the period from August 15, 2025 (the "Disposal Date") to (i) the date on which the Eligible Individuals resign or retire from all of their positions as a Director, Audit and Supervisory Board Member, Executive Officer, or full-time advisor of the Company or its subsidiary or (ii) the date on which they retire as an employee of the Company or its subsidiary (excluding persons reemployed after reaching the mandatory retirement age; the same shall apply hereinafter).

(2) Conditions for lifting transfer restriction

The Company shall lift the transfer restrictions of all the Allotted Shares at the expiration of the transfer restriction period, on the condition that the Eligible Individuals continuously hold the position as a Director, Audit and Supervisory Board Member, Executive Officer, or full-time advisor of the Company or its subsidiary throughout the period (the "Service Provision Period") from the date of the Annual General Meeting of Shareholders of the Company held immediately prior to the Disposal Date (or, if the Eligible Individual is a Director of its subsidiary, from the Annual General Meeting of Shareholders of that subsidiary held immediately prior to the Disposal Date; or, if the Eligible Individual is an Executive Officer of the Company or its subsidiary, from April 1, 2025) to the date of the Annual General Meeting of Shareholders of the Company held in the following year (or, if the Eligible Individual is a Director of its subsidiary, to the Annual General Meeting of Shareholders of that subsidiary held in the following year; or, if the Eligible Individual is an Executive Officer of the Company or its subsidiary, to March 31, 2026). Provided, however, that in the event the Eligible Individuals resign from all of their positions as a Director, Audit and Supervisory Board Member or the Executive Officer of the Company or its subsidiary during the Service Provision Period due to death, expiration of the term of office or other reasons deemed legitimate by the Board of Directors, then the transfer restriction regarding Allotted Shares shall be lifted on the day following the date of such resignation (or, if the Eligible Individuals continue to serve as employee of the Company or its subsidiary after such resignation, on the day following the date of retirement from that employee), calculated as follows; the number of months from the month following the month including starting date of the Service Provision Period (or, if the Eligible Individual is an Executive Officer of the Company or its subsidiary, from the month including starting date of the Service Provision Period) to the month including the date of resignation shall be divided by 12 (provided, however, that if the resulting number exceeds 1, then this number shall be deemed to be 1) ,and shall be multiplied by the number of Allotted Shares (provided, however, that if any fraction less than 1 share arises as a result of the calculation, such fraction shall be rounded down).

(3) Acquisition of Allotted Shares by the Company without compensation

As a matter of course, the Company shall acquire the Allotted Shares on which the transfer restriction has not been lifted at the expiration of the transfer restriction period, without compensation

(4) Management of shares

During the transfer restriction period, the Allotted Shares will be managed in a dedicated account of the restricted stock account opened by the Eligible Individuals in Daiwa Securities Co. Ltd. so that the Allotted Shares cannot be transferred, have a security interest established on them, or otherwise be disposed of during the transfer restriction period.

(5) Handling of reorganization, etc.

If, during the transfer restriction period, a merger agreement in which the Company will become the absorbed

company, a share exchange agreement or share transfer plan in which the Company will become a wholly-owned subsidiary, or other organizational restructuring, etc., is approved by the Company's General Meeting of Shareholders (or by the Board of Directors, if such reorganization, etc. does not require approval at the Company's General Meeting of Shareholders), the Company will lift the transfer restriction, by the resolution of the Board of Directors, immediately before the business day preceding the effective date of such reorganization, etc. for the Allocated Shares, calculated as follows; the number of months from the month following the month including starting date of the Service Provision Period (or, if the Eligible Individual is an Executive Officer of the Company or its subsidiary, from the month including starting date of the Service Provision Period) to the month including the date when the such reorganization, etc. is approved shall be divided by 12 (provided, however, that if the resulting number exceeds 1, then this number shall be deemed to be 1), and shall be multiplied by the number of Allotted Shares held at that time (provided, however, that if any fraction less than 1 share arises as a result of the calculation, such fraction shall be rounded down).

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

The Disposal of Treasury Shares will be carried out with the monetary remuneration receivables, which are paid to the Eligible Individuals based on the Plan, as the contributed assets, and the amount to be paid per share is 621 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on July 15, 2025 (business day immediately prior to the date of the resolution of the Board of Directors), in order to adopt a price that excludes arbitrariness. This price reflects the market value immediately prior to the date of the resolution of the Board of Directors, and is a reasonable price that properly reflects the Company's corporate value in a state where there are no special circumstances under which the foregoing price should not be relied upon the most recent stock price, and does not fall within a price that is particularly advantageous to the Eligible Individuals.