

Notice of Disposal of Treasury Stock under Restricted Stock Compensation Plan

At the Board of Directors Meeting held on June 20, 2024, MISUMI Group Inc. (the "Company") announced the disposal of treasury stock as part of the Restricted Stock Compensation Plan for MISUMI Group Officers. This scheme is an incentive for FY2024, in compliance with Articles 199 and 201 of the Companies Act. Further details can be found below.

1. Summary of the disposal

(1)	Payment date	July 5, 2024
(2)	Class and number of shares to be disposed	132,900 shares of Ordinary stock of MISUMI Group Inc.
(3)	Disposal price	2,712.0 yen per share
(4)	Total value of the disposal	360,424,800 yen
(5)	Destination of disposal: (Allocated destination)	6 Directors of the Company (excluding Outside Directors): 132,900 shares
(6)	Other matters	Regarding the sale of treasury stock, an exceptional report has been submitted in compliance with the Financial Instruments and Exchange Act.

2. Purpose and reason for disposal

The purpose of this Plan is to increase the willingness of Directors to contribute to the improvement of the Company's performance and value over the medium to long term and to further promote the sharing of value with shareholders by encouraging the Directors to hold shares for the long term. This Plan will be implemented in fiscal year 2024 as transfer-restricted stock compensation for the Directors. The details of this Plan were resolved at the Board of Directors meeting held on May 18, 2023. It was also resolved at the 61st Annual General Meeting of Shareholders held on June 15, 2023 that the total amount of compensation shall be within 850 million yen per year and the total number of shares to be disposed of shall be up to 500,000 shares.

Furthermore, the Company will grant each eligible Director a monetary compensation claims equal to the payment amount. Each eligible Director will fulfill the payment by providing the full amount of the monetary compensation claim by way of contribution-in-kind, thereby receiving the disposal of the Company's ordinary stock.

3. Overview of the Restricted Stock Award Agreement

(1) Transfer Restrictions

The eligible Directors will be subject to transfer restrictions with respect to the shares of Restricted Stock allocated to them (the "Allocated Shares") from July 5, 2024 until such time as they cease to serve as Officers or employees of the Company, its subsidiaries, or affiliates (the "Transfer Restriction Period"). During the Restricted Transfer Period, the eligible Directors are prohibited from transferring, pledging, creating a security interest in, gifting, bequeathing or otherwise disposing of the Restricted Shares to any third party (the "Transfer Restrictions").

(2) Removal of Transfer Restrictions

The Company will remove the transfer restrictions on all allocated shares at the end of the Transfer Restriction Period.

(3) Reasons for Acquisition without Compensation

Notwithstanding the provisions of (2) above, if, prior to June 30, 2025, the eligible Directors cease to serve as an Officer or an employee of the Company, or any of its subsidiaries or affiliates for any reason other than death, expiration of term of office, mandatory retirement or other justifiable reasons, the Company shall automatically acquire, as of such cessation of service, without compensation, all of the Allocated Shares for which the Transfer Restriction has not been removed at the time of such cessation of service.

(4) Marth Clause/Claw back Clause

The Company reserves the right to confiscate or demand the return of the compensation (including benefits or entitlements) related to the allocated shares if a significant act of misconduct or violation occurs on the part of the eligible Directors.

(5) Treatment in Organizational Restructuring

Notwithstanding the provisions of (1) above, the Company, during the transfer restriction period, may lift the transfer restrictions on a reasonable number of allocated shares, taking into account the period from the start of the transfer restriction period to the date of approval of organizational restructuring, such as a merger agreement where the Company becomes a disappearing company, a share exchange agreement where the Company becomes a wholly-owned subsidiary, or a stock transfer plan or other organizational restructuring matters, approved at the Company's General Meeting of Shareholders (except in cases where approval by the Company's General Meeting of Shareholders is not required for such organizational restructuring, in which case it will be approved by the Company's Board of Directors). The transfer restrictions will be lifted prior to the effective date of the organizational restructuring.

In this case, based on the aforementioned provision, the Company shall acquire, without charge, any allocated shares that have not been released from transfer restrictions at the point immediately after the lifting of the transfer restrictions.

(6) Management of Allocated Shares

Eligible Directors who have been granted shares are required to open an account with a financial service provider designated by the Company. This account will serve as the platform for recording or registering their share entitlements. The allocated shares must be held and maintained in this designated account until the transfer restrictions are lifted.

4. Basis and Specifics of the Calculation of the Payment Amount

We have set a fair and objective price for the disposal of our treasury stock. This is based on the closing price of our common stock on the Tokyo Stock Exchange Prime Market on June 19, 2024, which was ¥2,712.0. This price reflects the shares' market value before the Board of Directors' decision and is reasonable and not unfairly beneficial.