

Notice of Disposal of Treasury Stock under Restricted Stock Compensation Plan

At the Board of Directors Meeting held on December 21, 2023, 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 FY2023, 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	February 28, 2024
(2)	Class and number of shares to be disposed	188,000 shares of Ordinary stock of MISUMI Group Inc.
(3)	Disposal price	2,164 yen per share
(4)	Total value of the disposal	406,832,000 yen
(5)	Destination of disposal: (Allocated destination)	105 Officers of the Company (Supervisory Group Executive Officers, Heads of the respective Organizational Line, Corporate Officers of Business Companies, Groups and Platforms, and General Managers) 188,000 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

We have decided to dispose of treasury stock to encourage MISUMI Group Officers to enhance the Company's medium to long term performance and value and promote the sharing of benefits with all shareholders through long-term share ownership.

Furthermore, the Company will grant each eligible Officers a monetary compensation claims equal to the payment amount. Each eligible Officers 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 Officers will be subject to transfer restrictions with respect to the shares of Restricted Stock allocated to them (the "Allocated Shares") from February 28, 2024 to February 27, 2027 (the "Transfer Restriction Period"). During the Restricted Transfer Period, the eligible Officers 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

If an Officer or employee of our Company, subsidiaries, or affiliated companies loses their position (including cases involving the death of Officers) before the end of the transfer restriction period, we will automatically acquire, free of charge, all the allocated shares subject to the transfer restrictions in the event of losing the said position.

(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 Officers.

(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.

Suppose the organizational restructuring or any similar actions are approved before June 30, 2024 (three months after the end of the fiscal year in which the allocation date of these restricted shares falls). In that case, the Company will automatically receive all the allocated shares without any charge upon such approval.

(6) Management of Allocated Shares

Eligible Officers 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 December 20, 2023, which was ¥2,164. This price reflects the shares' market value before the Board of Directors' decision and is reasonable and not unfairly beneficial.