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June 24, 2025

To whom it may concern:

Company name	KISSEI PHARMACEUTICAL CO., LTD.
Representative	Mutsuo Kanzawa, Chairman and CEO (Stock code 4547; Prime Market, Tokyo Stock Exchange)
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Notice Concerning Disposal of Treasury Shares as Restricted Stock for Members of the Board and Corporate Officers

KISSEI PHARMACEUTICAL CO., LTD. (the “Company”) hereby announces that, at the Board of Directors meeting held on June 24, 2025, it resolved to dispose of the Company’s treasury shares as restricted stock (the “Treasury Shares Disposal”) as follows.

1. Overview of the Disposal

(1) Due date of payment	July 24, 2025
(2) Class and number of shares to be disposed of	16,787 shares of the common shares of the Company
(3) Disposal price	¥ 4,080 per share
(4) Total disposal amount	¥ 68,490,960
(5) Scheduled allottees	Eight Members of the Board (excluding Outside Directors) of the Company: 12,255 shares Eight Corporate Officers of the Company: 4,532 shares

2. Purpose of and Reason for Issuance

At the Board of Directors meeting held on May 7, 2025, the Company resolved to introduce a restricted stock compensation system (the “System”) as a new compensation system for Members of the Board (excluding Outside Directors) of the Company; the “Eligible Members of the Board”). The System is intended to provide the Eligible Members of the Board with an incentive to contribute to the sustainable enhancement of the Company’s corporate value and further promote value sharing with shareholders. At the 80th Annual General Meeting of Shareholders held on June 24, 2025, approval was given to the proposals that under the System, the Eligible Members of the Board shall receive, within the existing monetary compensation framework for

Members of the Board, a maximum of ¥0.1 billion in monetary compensation claims per year as property contributed in kind pertinent to the provision of restricted stock; that the total number of common shares of the Company to be issued or disposed of under the System shall be no more than 40,000 shares per year; and that the transfer restriction period for the restricted stock shall be from the date of grant of the restricted stock until the date when an Eligible Member of the Board loses the position as a Member of the Board of the Company or other position designated by the Company's Board of Directors.

Subject to the approval of the determination of compensation to grant restricted stock to the Eligible Members of the Board at the General Meeting of Shareholders as mentioned above, a restricted stock granting system similar to the System has also been introduced for the Company's Corporate Officers (collectively, the "Eligible Officers," including the Eligible Members of the Board).

An overview of the System is as follows.

<Overview of the System>

The Eligible Officers will receive an issuance or disposal of the Company's common shares by contributing, as property contributed in kind, all of the monetary compensation claims (or the monetary claims if the Eligible Officer is an Corporate Officer; hereinafter the same applies) provided by the Company under the System.

The total number of common shares of the Company to be issued or disposed of to the Eligible Members of the Board under the System shall be no more than 40,000 shares per year. The payment amount per share shall be determined by the Board of Directors within a range that is not particularly favorable to the Eligible Officers receiving the allotment, based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day preceding the date of each Board of Directors resolution (if no trading occurs on that day, the closing price on the most recent trading day prior to that).

Prior to the issuance or disposal of the Company's common shares under the System, a restricted stock allocation agreement shall be concluded between the Company and the Eligible Officers receiving the allotment, which shall include the following provisions:

- (i) The Eligible Officers shall not transfer, grant a security interest in, or otherwise dispose of the Company's common shares allocated for a predetermined period;
- (ii) The Company may acquire such common shares without compensation under certain circumstances.

Taking into consideration the purpose of the System, the Company's performance, the scope of responsibility of each Eligible Officer, and other various factors, the Company has resolved to provide a total of 16,787 shares of the Company's common shares (the "Allocated Shares") to eight Members of the Board and eight Corporate Officers for in-kind contribution of a total of ¥ 68,490,960 in monetary compensation claims to the Company that are to be granted to them in accordance with the resolution at the Board of Directors meeting held today (where the amount of monetary compensation claims to be contributed per share in the offering is ¥ 4,080).

<Overview of the Restricted Stock Allocation Agreement>

The Company will conclude a restricted stock allocation agreement with each Eligible Officer separately. An

overview of the allocation agreement is as follows.

(1) Transfer Restriction Period

The Eligible Officers may not transfer, grant a security interest in, or otherwise dispose of the Allocated Shares from July 24, 2025 (the due date of payment) until the date when they lose the position of Member of the Board, Audit & Supervisory Board Member or Corporate Officer of the Company, or Member of the Board, Audit & Supervisory Board Member or Corporate Officer of the Company's subsidiaries (or if the Eligible Officer is an Corporate Officer, until the date when he or she loses all of the positions of Corporate Officer, Member of the Board or Audit & Supervisory Board Member of the Company, or Member of the Board, Audit & Supervisory Board Member or Corporate Officer of the Company's subsidiaries).

(2) Conditions for Lifting the Transfer Restriction

Transfer restriction on all of the Allocated Shares will be lifted upon the expiration of the transfer restriction period on condition that the Eligible Officer remains in the position of Member of the Board of the Company (or the position of officer or employee of the Company if the Eligible Officer is an Corporate Officer) (the "Position") continuously from July 24, 2025 (the due date of payment) until the closing of the Annual General Meeting of Shareholders for the fiscal year ending March 31, 2026 (the "Service Provision Period"). However, if an Eligible Officer loses the Position during the Service Provision Period due to death or other reasons deemed justifiable by the Board of Directors of the Company, transfer restriction will be lifted upon the expiration of the transfer restriction period on an adjusted number of Allocated Shares, which is calculated by dividing the number of months between July 2025 and the month that includes the date of such loss by 12 (however, if the resulting number exceeds 1, it shall be rounded to 1) and multiplying the result by the number of the Allocated Shares (with any fractions of less than one share resulting from the calculation being disregarded).

(3) Acquisition by the Company without Compensation

The Company will automatically acquire, without compensation, the Allocated Shares for which transfer restriction has not been lifted at the time of expiration of the transfer restriction period or other times set forth in the agreement.

(4) Management of Shares

During the transfer restriction period, the Allocated Shares will be managed in an exclusive account for the restricted stock opened by each Eligible Officers with Daiwa Securities Co. Ltd., to prevent the transfer, granting a security interest in, or any other disposition during the period.

(5) Treatment in Organizational Restructuring, etc.

In the event that a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or any other matter related to reorganization, etc. is approved at the Company's General Meeting of Shareholders (or at the Company's Board of Directors in cases where approval by the Company's General Meeting of Shareholders is not required for such reorganization) during the transfer restriction period, the Company shall, by the Board of Directors' resolution, lift the transfer restriction on an adjusted number

of Allocated Shares immediately before the business day preceding the effective date of the organizational restructuring or the like. The adjusted number shall be calculated by dividing the number of months between July 2025 and the month that includes the effective date of the organizational restructuring or the like by 12 (however, if the resulting number exceeds 1, it shall be rounded to 1) and multiplying the result by the number of the Allocated Shares (with any fractions of less than one share resulting from the calculation being disregarded).

3. Basis of Calculation and Specific Details of the Payment Amount

The Treasury Shares Disposal is conducted through contribution of monetary compensation claims granted to the scheduled allottees under the System. The payment amount is set at ¥ 4,080, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on June 23, 2025 (the business day preceding the date of the Board of Directors' resolution), to eliminate any arbitrariness in determining the amount. As this amount is the market share price immediately before the date of the Board of Directors' resolution, the Company considers it reasonable, adequately reflecting the Company's corporate value, and not particularly favorable to the Eligible Officers unless there are any exceptional circumstances indicating that the Company cannot rely on the most recent share price.

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