

May 13, 2024

To whom it may concern:

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Market of Tokyo Stock Exchange)  
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### **Notice Regarding Introduction of Post Issuance-Type Restricted Stock Granting Plan for Executive Officers, Etc.**

TAIYO HOLDINGS CO., LTD. (hereinafter, “Taiyo Holdings”) hereby announces that its Board of Directors resolved at a meeting held today to introduce a post issuance-type restricted stock granting plan hereinafter the “Plan”) for Executive Officers (excludes Senior Corporate Executive Officers; includes employees of Taiyo Holdings treated as Executive Officers who have executed a contract of mandate with Taiyo Holdings; hereinafter “Executive Officers, Etc.”).

#### *Particulars*

#### 1. Purpose of the Introduction of the Plan

The purpose of the Plan is to issue common shares of Taiyo Holdings (hereinafter “Shares”) based on the Plan to Executive Officers, Etc. and, in doing so, foster a sense of belonging in those Executive Officers, Etc. and awareness of their participation in management, help elevate their motivation and morale with respect to the improvement of the business performance of Taiyo Holdings and rise in its stock price over the long term and promote the further sharing of value with shareholders.

#### 2. Overview of the Plan

Under the Plan, persons who were Executive Officers, Etc. of Taiyo Holdings during the compensation period set in advance by Taiyo Holdings receive monetary claims for the granting of Shares after the expiration of that compensation period, and said persons who received those monetary claims have Shares newly issued or disposed of (hereinafter “Allotment”) in exchange for paying in all said monetary compensation claims as property contributed in kind.

Please note that Executive Officers, Etc. who are non-residents of Japan upon the date of the Allotment will be paid cash in place of the granting of Shares.

##### (1) Number of Shares that Executive Officers, Etc. Will Have Issued or Disposed Of

The number of Shares that Executive Officers, Etc. will have newly issued or disposed of based on the Plan will be determined by the Board of Directors of Taiyo Holdings in accordance with the position of those Executive Officers, Etc.

##### (2) Execution of Post Issuance-Type Restricted Stock Allotment Agreement

Upon the issuance or disposal of Shares under the Plan, Taiyo Holdings and Executive Officers, Etc. shall execute a post issuance-type restricted stock allotment agreement that includes the below contents.

- 1) Transfers to a third party, establishment of security rights or any other disposal with respect to the Shares is prohibited for a certain period of time.
- 2) In cases where certain events arise, Taiyo Holdings will acquire or all or part of the Shares without consideration.

(3) Pay-In Amount for Restricted Stock

The Board of Directors determines the pay-in amount for each of the Shares allotted based on the Plan. Generally, the amount will be the closing price that the common shares of Taiyo Holdings fetch on the Tokyo Stock Exchange as of the business day preceding the date of the resolution by the Board of Directors pertaining to the issuance or disposal of the Shares (if no trading is reported on that day, the closing price on the trading day immediately preceding that). The amount must remain within a range that gives no artificial advantage to the Executive Officers, Etc.

3. Timing of the Introduction of the Plan

The Plan is scheduled to be introduced on July 1, 2024. The initial allotment of Shares based on the Plan is scheduled for around July 2025 with the period from July 1, 2024 to June 30, 2025 as the initial compensation period.

(Reference)

Taiyo Holdings intends on requesting the approval of agenda pertaining to the establishment of a performance-linked cash bonus plan, performance-linked stock bonus plan and restricted stock compensation plan for executive directors of Taiyo Holdings (hereinafter “Director Compensation Plans”) at the Ordinary General Shareholders Meeting scheduled to be held on June 15, 2024. Should these agenda be approved in accordance with the original proposals, Taiyo Holdings intends to introduce a performance-linked cash bonus plan, performance-linked stock bonus plan and restricted stock compensation plan, which will be similar to the Director Compensation Plans, for Senior Corporate Executive Officers.