

May 22, 2023

Company name: Amvis Holdings, Inc.
Name of representative: Keiichi Shibahara, Representative Director and CEO
Securities code: 7071; Tokyo Stock Exchange Prime
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Notice of Issuance of New Restricted Shares to Employees

Amvis Holdings, Inc. (Chuo-ku, Tokyo; Representative Director and CEO: Keiichi Shibahara, hereinafter, the “Company”) announces that the Company has resolved, at a Board of Directors meeting held today, to issue new restricted shares (hereinafter, the “New Share Issuance”).

Overview of the Share Issuance

(1) Pay-in date	June 30, 2023
(2) Type and number of shares to be issued	11,000 common shares
(3) Issue price of shares	3,030 yen per share
(4) Total issue price	33,330,000 yen
(5) Allottees	11 employees of the Company 9,800 shares 1 employee of its subsidiary 1,200 shares

Purpose and Reasons of the New Share Issuance

The Company resolved to grant 11,000 of its common shares (hereinafter, the “Allocated Shares”) to 12 employees of the Company and its subsidiaries (hereinafter, the “Eligible Employees”) as restricted shares by having the Company and its subsidiaries (hereinafter, the “Group”) pay total monetary claims of 33,330,000 yen to the Eligible Employees, which will be contributed in kind. The purpose of the New Share Issuance is to provide incentives to continuously improve the corporate value of the Group and to further promote value sharing with shareholders. Employees will be granted between 500 (5 units) and 1,200 (12 units) shares of the Company depending on each employee’s position. From the viewpoint of encouraging medium- to long-term and continuous service, the Company decided to place a restriction on the transfer of the Allocated Shares and set the period at approximately 3 years and 3 months.

The Eligible Employees will subscribe for the common shares to be allotted through the New Share Issuance by paying all of the monetary claims provided as assets contributed in kind. In conjunction with this New Share Issuance, the Company will enter into a Restricted Share Allocation Agreement with the Eligible Employees, which will include the following summary.

Note that the Allocated Shares will be allocated only to the Eligible Employees who wish to accept the share subscription.

Overview of the Restricted Share Allocation Agreement

(1) Transfer restriction period

The Eligible Employees will not transfer, create a security interest in, or otherwise dispose of the Allocated Shares during the period of June 30, 2023 (pay-in date) to September 15, 2026.

(2) Conditions for cancellation of restrictions on transfer

The transfer restriction of the Allocated Shares will be cancelled as of expiration of the transfer restriction period upon condition that the Eligible Employees continue to serve as employees of the Company or as officers or employees of its subsidiaries during the period. However, if the Eligible Employees take a leave of absence (excluding a leave of absence for reasons deemed justifiable by the Board of Directors of the Company; hereinafter, the same will apply) or are absent from work for 14 or more consecutive days based on the business days of the Company (excluding an absence for reasons deemed justifiable by the Board of Directors of the Company; hereinafter, together with the leave of absence, “Leave of Absence and others”), the restriction on transfer will be cancelled on the following number of shares:

The product of 39 minus the number of months from the month including the start date of the Leave of Absence and others (July 2023 if the start date of the Leave of Absence and others is on or before

the pay-in date; hereinafter, the same will apply) to the month including the end date or the expiration date of the transfer restriction period (if the month that includes the start date and the month that includes the end date or the expiration date, whichever comes earlier, are the same, the number of such months will be 1, and in the case of multiple Leave of Absence and others periods, all periods will be combined), whichever comes earlier, and then dividing by 39 and multiplying the number of the Allocated Shares.

If the Eligible Employees lose their positions as employees of the Company or as officers or employees of its subsidiaries due to the expiration of their employment period (if the employees are rehired after retirement, the expiration of their rehired period), death, or other reasons deemed justifiable by the Board of Directors of the Company during the transfer restriction period, the restriction on transfer will be cancelled on the following number of shares:

As of the time immediately following such loss (if the loss occurs before the expiration of 3 months after the fiscal year that includes the date of delivery of the the Allocated Shares, January 4, 2024), the product of the number of months from the month following the month containing the pay-in date to the month containing the date of loss of the position (if the Eligible Employees take a Leave of Absence and others during the period from the pay-in date to the date of loss of the position, the number of months from the month including the start date to the month including the end date (if the month that includes the start date and the month that includes the end date are the same, the number of such months will be 1, and in the case of multiple Leave of Absence and others periods, all periods will be combined) will be deducted), divided by 39 and then multiplying the number of the Allocated Shares.

Any fraction less than 1 share resulting from the calculation will be rounded down.

(3) Uncompensated acquisition by the Company

At the time of expiration of the transfer restriction period or immediately after the Eligible Employees lose their positions as employees of the Company or as officers or employees of its subsidiaries during the transfer restriction period, the Company acquires without consideration the Allocated Shares for which the restriction on transfer has not been cancelled (in the case of (2) above, if the loss occurs before the expiration of 3 months after the fiscal year that includes the date of delivery of the Allocated Shares, January 4, 2024).

(4) Management of shares

In order to prevent the transfer, creation of security interests, or other disposal of the Allocated Shares during transfer restriction period, the Allocated Shares will be managed in a dedicated account for restricted shares opened by the Eligible Employees at Daiwa Securities Co., Ltd.

(5) Reorganizations

In the event that, during transfer restriction period, a merger agreement under which the Company is dissolved, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other matters related to reorganization and others are approved at a general meeting of shareholders of the Company (or, in cases where said reorganization and others does not require the approval of a general meeting of shareholders, approved by the Board of Directors of the Company), the restrictions on the transfer of the Allocated Shares (the product of the number of months from the month following the month containing the pay-in date to the month containing the date of approval of the reorganization and others (if the Eligible Employees take a Leave of Absence and others during the period from the pay-in date to the date of approval, the number of months from the month including the start date to the month including the date of approval (if the month that includes the start date and the month that includes the date of approval, whichever comes earlier, are the same, the number of such months will be 1, and in the case of multiple Leave of Absence and others periods, all periods will be combined) will be deducted), divided by 39 and multiplying the number of the Allocated Shares held as of the relevant date) not yet cancelled as of the date of approval will be cancelled by a resolution of the Board of Directors as of the business day immediately preceding the effective date of the reorganization and others. Any fraction less than 1 share resulting from the calculation will be rounded down. However, if the business day immediately preceding the effective date of the reorganization and others falls on or before December 31, 2023, the Company acquires all of the Allocated Shares without consideration.

Basis and Details of Calculation of the Pay-in Amount

The New Share Issuance will be funded by monetary claims provided to the allottees as property contributed in kind. In order to exclude arbitrariness with regard to the pay-in amount, the closing price of the common shares of the Company on Tokyo Stock Exchange on May 19, 2023 (the business day before the resolution at the Board of Directors), which is 3,030 yen, is taken as the pay-in amount. The amount is the market price immediately prior to the date of the Board of Directors meeting resolution and the Company believes it appropriately and reasonably reflects its corporate value and is not a price particularly favorable to the Eligible Employees unless there is any special circumstance suggesting that dependence on the latest share price is inappropriate.