

(Translation)

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April 11, 2023

To whom it may concern,

Company EBARA CORPORATION  
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(Securities code: 6361, TSE Prime Market)  
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## Notice of Issuance of New Shares as Restricted Stock Compensation

EBARA CORPORATION (hereinafter referred to as the “Company”) hereby announces that the Board of Directors resolved today to issue the following new shares as stock-based compensation with transfer restriction (hereinafter referred to as the “Issuance of New Shares”).

### 1. Summary of Issuance of New Shares

(1)	Payment date	May 10, 2023	
(2)	Class and number of shares to be issued	Common stock of the Company 35,667 shares	
(3)	Issue Price	5,860 yen per share	
(4)	Total issue price	209,008,620 yen	
(5)	Allotees etc.	Directors (*1)	10 persons 10,071 shares
		Executive Officers (*2)	13 persons 13,642 shares
		Employees in certain positions	20 persons 7,566 shares
		Directors of the Company’s subsidiaries	8 persons 3,615 shares
		Employees in certain positions at the Company’s subsidiaries	2 persons 773 shares
(6)	Other	The Issuance of New Shares is conditional upon the Securities Registration Statement becoming effective in accordance with the Financial Instruments and Exchange Act.	

\*1 Includes Outside Directors

\*2 Includes Executive Officers who also serve as Directors

## 2. Objectives and reasons

The Company has established the restricted stock compensation plan (hereinafter referred to as the “Plan”) and the performance-linked stock compensation plan as compensation plans to provide medium- to long-term incentives and share shareholder value to Directors, Executive Officers, and employees in positions of a certain grade or higher at of the Company or its subsidiaries (hereinafter referred to as the “Subject Officers, etc.”).

The purpose of the Issuance of New Shares is to grant the restricted stock to the Subject Officers, etc. in accordance with the Plan.

The Compensation Committee of the Company and the Board of Directors of the Company’s subsidiaries held today resolved to grant monetary remuneration claims to the Subject Officers, etc. as the property to be contributed in kind for the Issuance of New Shares.

The summary of the Plan and other details are the following.

[Summary of the Plan]

The Subject Officers, etc. shall pay all the monetary remuneration claims paid by the Company and its subsidiaries (hereinafter collectively referred to as the “Subject Company”) under the Plan as the property contributed in kind and receive the issuance or disposal of shares of the Company’s common stock.

The payment amount per share of the Company’s common stock to be issued or disposed by the Company to the Subject Officers, etc. under the Plan shall be the closing price of the Company’s common stock on the Prime Market of the Tokyo Stock Exchange on the business day prior to the day of the Board of Directors’ meeting of the Company to resolve the offering of such shares (or, if no trading is conducted on the same day, the closing price of the immediately preceding business day).

In issuance or disposal of shares of the Company’s common stock under the Plan, the Company shall conclude an allotment agreement of restricted stock (hereinafter referred to as the “Allotment Agreement”) with the Subject Officers, etc. The details of the Allotment Agreement shall include (i) that the Subject Officers, etc. shall not transfer the ownership, grant of security interest, or dispose of the shares allotted under the Allotment Agreement for a certain period of time, and (ii) that the Company shall retrieve such shares at nil cost in the case that certain events occur.

Considering such factors as the need to provide incentives to improve business performance and to further share value with shareholders by raising the awareness of each of the Subject Officers, etc. with respect to the stock price, and the scope of responsibilities of each Subject Officers, etc. and the ratio of stock-based remuneration to total remuneration for the Subject Officers, etc., the Company has decided to grant a total of 209,008,620 yen in monetary remuneration claims (hereinafter referred to as the “Monetary Remuneration Claims”) and 35,667 shares of the Company’s common stock to the Subject Officers, etc..

In the Issuance of New Shares, fifty-three (53) Subject Officers, etc., who are the scheduled allottees, shall pay all the Monetary Remuneration Claims granted by each Subject Company as contribution in kind and receive the issuance of the Company’s common shares (hereinafter referred to as the “Allotted Shares”) in accordance with the Plan. The summary of the Allotment Agreement is as described in section

3.

### 3. Summary of the Allotment Agreement

#### (1) Period of the transfer restriction

- (i) Subject Officers, etc. to be allotted as Directors of the Company or its subsidiaries or Executive Officers of the Company

From May 10, 2023 (payment date), to the time immediately following the resignation from both the Director and the Executive Officer of the Company and its subsidiaries

- (ii) Subject Officers, etc. to be allotted as employees of the Company or its subsidiaries

From May 10, 2023 (the payment date) to the time immediately following the retirement from employment with the Company and its subsidiaries (including retirement due to the appointment as officers and retirement at the mandatory retirement age for those under sixty (60) years of age on the payment date).

#### (2) Conditions releasing the transfer restriction

Transfer restriction of all the Allotted Shares shall be released upon the expiration of the restriction period on the condition that the Subject Officers, etc. continuously hold the position of a Director or an Executive Officer of the Company or its subsidiaries, or the position of employee at the Company or its subsidiaries in a certain grade or higher that was held at the time of this Agreement (hereinafter referred to as the "Entitlement") during the Period of Execution of Duties (from the annual general meeting of shareholders to be held on March 29, 2023, to the conclusion of the annual general meeting of shareholders to be held in March 2024 (from January 1, 2023, to the end of December of the same year for employees of the Company or its subsidiaries).

#### (3) Forfeiture of Entitlement due to the expiration of term of office, retirement age, or other justifiable reasons

- (i) Time of release of the restriction on transfer

In case the Subject Officers, etc. forfeits the Entitlement due to the expiration of the term of office, retirement age, or other justifiable reasons, the restriction on transfer shall be released, in principle, at the time of expiration of the restriction period.

- (ii) Number of shares subject to the release of the restriction on transfer

The number of shares subject to the release of the restriction shall be the number obtained by multiplying the number of the Allotted Shares held at the time of the forfeiture of Entitlement by the number obtained by dividing the period of service (in months) of the Subject Officers, etc. in relation to the Period of Execution of Duties by the number of months (12) (provided; however, that the number shall be one (1) in case the number obtained by the division exceeds one (1), and any fraction less than one (1) share resulting from the calculation shall be rounded down).

#### (4) Retrieval of the Allotted Shares at Nil Cost

At the time of expiration of the restriction period or at the time of the release of the restriction on transfer set forth in (3) above, the Company shall automatically retrieve from the Subject Officers, etc. all the allotted but unreleased shares at nil cost.

(5) Control of shares

The Allotted Shares shall be managed in a dedicated account opened by each of the Subject Officers, etc. at a securities company during the restriction period so that they may not be transferred, grant a security interest, or otherwise disposed of during the restriction period. The Company has entered into an agreement with a securities company in relation to the management of the account of the Allotted Shares held by each of the Subject Officers, etc. in order to ensure the effectiveness of the restriction on transfer. The Subject Officers, etc. shall agree to the details of the management of the account.

(6) Reorganization

In the event during the restriction period that the Company's General Meeting of Shareholders (or Board of Directors meeting, unless approval at the General Meeting of Shareholders is required) approves a merger agreement in which the Company becomes a dissolving company, or other reorganization proposals which makes the Company a wholly-owned subsidiary, such as a share exchange agreement or share transfer plan, the restriction on transfer shall be released for the number of shares obtained by multiplying the number of the Allotted Shares held at that time by the number obtained by dividing the number of months from the month including the first day of the Period of Execution of Duties to the month including the date of such approval by twelve (12) (provided, however, that the number shall be one (1) in case the number obtained by the division exceeds one (1), and any fraction less than one (1) share resulting from the calculation shall be rounded down) immediately before the commencement of the business day before the day such reorganization becomes effective.

4. Basis of calculation and specific details for the payment amount

The Issuance of New Shares to the scheduled allottees shall be conducted using the Monetary Remuneration Claims paid as the Subject Company's fiscal 2023 restricted stock compensation under the Plan as the property contributed in kind. The issue price is set at the closing price of 5,860yen on April 10, 2023 (the business day prior to the day of resolution by the Board of Directors) for the shares of the Company's common stock on the Prime Market of the Tokyo Stock Exchange in order to eliminate arbitrariness. We believe that it is reasonable and does not constitute a particularly favorable price.

(Reference)

For non-resident Subject Officers, etc., for whom the grant of restricted stock is difficult, cash remuneration linked to the Company's stock price and the like (Phantom Stock), which has the same economic value as restricted stock, shall be granted instead.

END of the News Release