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CELSYS, Inc.

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(Securities code: 3663, Tokyo Stock Exchange,
Prime Market)

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Notice Regarding Disposal of Treasury Shares as Restricted Stock Compensation

CELSYS, Inc. (the “Company”) hereby announces that it has resolved, at the Board of Directors meeting held today, to dispose of treasury shares (hereinafter the “Disposal of Treasury Shares” or the “Disposal”). The details are described below.

1. Outline of the Disposal

(1) Disposal date	April 25, 2025
(2) Class and number of shares to be disposed	18,000 shares of the Company’s common stock
(3) Disposal price	¥1,239 per share
(4) Total disposal amount	¥22,302,000
(5) Allottees, number of allottees, and number of shares to be disposed	Directors (excluding Directors serving as Audit and Supervisory Committee Members and Outside Directors) of the Company: 6 persons, 16,000 shares Employees of the Company: 4 persons, 2,000 shares

2. Purpose and reason for the Disposal

At the Board of Directors meeting held on February 9, 2024, the Company resolved to introduce a new compensation system, the Restricted Stock Compensation Plan (hereinafter the “Plan”), for the Company’s Directors (excluding Directors serving as Audit and Supervisory Committee Members and Outside Directors; hereinafter the “Eligible Directors”) with the objectives of offering incentives to the Eligible Directors to achieve sustained enhancement of the corporate value of the Company and sharing more of that value with our shareholders. Furthermore, at the 12th Annual General Meeting of Shareholders held on March 28, 2024, the following were approved: under the Plan, a monetary claim of 140 million yen or less per year shall be paid to the Eligible Directors as compensation for granting restricted stock (hereinafter the “Restricted Stock Compensation”); 140,000 shares or less of the Company’s common stock shall be issued or disposed of annually; and the transfer restriction period for restricted stock shall be the period stipulated by the Board of Directors of the Company that is between three and fifty years.

At the Board of Directors meeting held [today], the Company also resolved to introduce the Plan for [certain] employees of the Company (hereinafter the “Eligible Employees” and, collectively with the Eligible Directors, the “Eligible Directors, etc.”).

The outline of the Plan, etc. is as follows.

[Outline of the Plan, etc.]

The Eligible Directors, etc. shall make in-kind contribution of all monetary claims paid by the Company under the Plan and shall, in return, receive the issuance or disposal of common shares of the Company. The amount paid in per share shall be determined by the Board of Directors within the scope that is not an amount that is particularly advantageous to the Eligible Directors, etc. who underwrite said common shares, based on the closing price of the common shares of the Company in the Tokyo Stock Exchange on the business day immediately prior to the date of each resolution of the Board of Directors (in the case that the transaction has not been established on that day, the closing price on the most recent trading day preceding that day).

Furthermore, when issuing or disposing of common shares of the Company under the Plan, a contract for allocation of restricted stock shall be concluded between the Company and the Eligible Directors, etc. The contract shall include the following provisions: (i) the Eligible Directors, etc. shall be prohibited from transferring to a third party, creating a security interest on, or otherwise disposing of the common shares of the Company for which allocation is received under the contract for allocation of restricted stock for a specified period; and (ii) in certain circumstances, the Company shall acquire said common shares at no cost.

Considering the purpose of the Plan, the Company's business conditions, the scope of responsibilities of each of the Eligible Directors, etc., and other relevant factors, the Company has decided to pay a total monetary claim of 22,302,000 yen (hereinafter the "Monetary Claim") and allocate 18,000 shares of common stock to further enhance the motivation of the Eligible Directors, etc. To achieve the purpose of introducing the Plan, which is the sharing of shareholder value, over the medium-to-long term, the transfer restriction period is set at 50 years for the Eligible Directors and five years for the Eligible Employees under this allocation.

In the Disposal of Treasury Shares, 10 Eligible Directors, etc., who are the planned allottees, are scheduled to make in-kind contribution of all the Monetary Claim against the Company to receive the disposal of common shares of the Company (hereinafter the "Allocated Shares") under the Plan. The outline of the contract for allocation of restricted stock (hereinafter the "Allocation Contract") to be concluded between the Company and the Eligible Directors, etc. is detailed in 3. below.

3. Outline of the Allocation Contract

<For the Eligible Directors>

(1) Transfer restriction period

From April 25, 2025 (hereinafter the "Disposal Date") to April 24, 2075

(2) Conditions for cancellation of transfer restrictions

The transfer restrictions for all of the Allocated Shares shall be cancelled as of the time when the transfer restriction period expires, on the condition that the Eligible Directors have continuously maintained a position as a director, executive officer, corporate officer not concurrently serving as a director, corporate auditor, advisor, consultant, employee, or any equivalent position at the Company or a subsidiary of the Company during the transfer restriction period.

(3) Treatment in the event that an Eligible Director resigns or retires during the transfer restriction period due to the expiration of term of office, mandatory retirement, or any other legitimate reason

(i) Timing of the cancellation of the transfer restrictions

In the event that an Eligible Director resigns or retires from a position as a director, executive officer, corporate officer not concurrently serving as a director, corporate auditor, advisor, consultant, employee, or any equivalent position at the Company or a subsidiary of the Company due to the expiration of term of office, mandatory retirement, or any other legitimate reason (including resignation or retirement due to death), the transfer restrictions shall be cancelled immediately upon his/her resignation or retirement.

(ii) Number of shares subject to the cancellation of the transfer restrictions

The number of shares for which the transfer restrictions are cancelled shall be calculated by multiplying the number of Allocated Shares held by the Eligible Director at the time of resignation or retirement referred to in

(i) by the value obtained by dividing the number of months from the month including the Disposal Date to the month including his/her resignation or retirement date by 12 (if the value exceeds 1, it shall be capped at 1).

However, any fractional shares less than one unit resulting from this calculation shall be rounded down.

(4) Acquisition by the Company at no cost

If an Eligible Director commits a legal violation or falls under any other circumstances set forth in the Allocation Contract during the transfer restriction period, the Company shall automatically acquire at no cost all Allocated Shares held by the Eligible Director at that time. Additionally, the Company shall immediately and automatically acquire at no cost any Allocated Shares for which the transfer restrictions have not been cancelled at the expiration of the transfer restriction period or at the time of cancellation of the transfer restrictions specified in (3) above.

(5) Treatment in the event of organizational restructuring, etc.

In the case that matters regarding merger contracts under which the Company becomes the disappearing company, share exchange agreements or share transfer plans under which the Company becomes a wholly-owned subsidiary of another company, or any other organizational restructuring, etc. are approved at the General Meeting of Shareholders of the Company (or at a Board of Directors meeting of the Company in the case that approval by the General Meeting of Shareholders of the Company is not required regarding the said organizational restructuring, etc.) during the transfer restriction period, the Company shall cancel, based on the resolution of the Board of Directors of the Company, the transfer restrictions on a portion of the Allocated Shares at the time immediately before the business day preceding the effective date of the said organizational restructuring, etc. The number of shares for which the transfer restrictions are cancelled shall be calculated by multiplying the number of Allocated Shares held at that time by the value obtained by dividing the number of months from the month including the Disposal Date to the month including the approval date by 12 (if the value exceeds 1, it shall be capped at 1). However, any fractional shares less than one unit resulting from this calculation shall be rounded down. Additionally, the Company shall automatically acquire at no cost any Allocated Shares for which the transfer restrictions have not been cancelled as of the business day preceding the effective date of the said organizational restructuring, etc.

(6) Management of shares

To prevent transferring to a third party, creating a security interest on, or otherwise disposing of the Allocated Shares during the transfer restriction period, the Allocated Shares shall be managed in dedicated accounts opened by the Eligible Directors at Nomura Securities Co., Ltd. during the transfer restriction period. The Company has entered into an agreement with Nomura Securities Co., Ltd. regarding the management of the accounts holding the Allocated Shares owned by the Eligible Directors to ensure the effectiveness of the transfer restrictions, etc. related to the Allocated Shares. The Eligible Directors shall agree to the terms of the

management of these accounts.

<For the Eligible Employees>

(1) Transfer restriction period

From the Disposal Date to April 24, 2030

(2) Conditions for cancellation of transfer restrictions

The transfer restrictions for all of the Allocated Shares shall be cancelled as of the time when the transfer restriction period expires, on the condition that the Eligible Employees have continuously maintained a position as a director, executive officer, corporate officer not concurrently serving as a director, corporate auditor, advisor, consultant, employee, or any equivalent position at the Company or a subsidiary of the Company during the transfer restriction period.

(3) Treatment in the event that an Eligible Employee resigns or retires during the transfer restriction period due to death or any other legitimate reason

In the event that an Eligible Employee resigns or retires from a position as a director, executive officer, corporate officer not concurrently serving as a director, corporate auditor, advisor, consultant, employee, or any equivalent position at the Company or a subsidiary of the Company due to death or any other legitimate reason, the transfer restrictions on all Allocated Shares held by the Eligible Employee at the time of resignation or retirement shall be cancelled immediately upon his/her resignation or retirement.

(4) Treatment in the event that an Eligible Employee becomes a non-resident during the transfer restriction period

In the event that an internal decision is made that an Eligible Employee will be classified as a non-resident due to an overseas transfer, etc. during the transfer restriction period, the transfer restrictions on all Allocated Shares held by the Eligible Employee as of the date of said decision (hereinafter the “Overseas Transfer Decision Date”) shall be cancelled as of the Overseas Transfer Decision Date.

(5) Acquisition by the Company at no cost

If an Eligible Employee commits a legal violation or falls under any other circumstances set forth in the Allocation Contract during the transfer restriction period, the Company shall automatically acquire at no cost all Allocated Shares held by the Eligible Employee at that time. Additionally, the Company shall immediately and automatically acquire at no cost any Allocated Shares for which the transfer restrictions have not been cancelled at the expiration of the transfer restriction period or at the time of cancellation of the transfer restrictions specified in (3) above.

(6) Treatment in the event of organizational restructuring, etc.

In the case that matters regarding merger contracts under which the Company becomes the disappearing company, share exchange agreements or share transfer plans under which the Company becomes a wholly-owned subsidiary of another company, or any other organizational restructuring, etc. are approved at the General Meeting of Shareholders of the Company (or at a Board of Directors meeting of the Company in the case that approval by the General Meeting of Shareholders of the Company is not required regarding the said organizational restructuring, etc.) during the transfer restriction period, the Company shall cancel, based on the resolution of the Board of Directors of the Company, the transfer restrictions on all Allocated Shares held at that time at the time immediately before the business day preceding the effective date of the said organizational restructuring, etc. Additionally, the Company shall automatically acquire at no cost any Allocated Shares for

which the transfer restrictions have not been cancelled as of the business day preceding the effective date of the said organizational restructuring, etc.

(7) Management of shares

To prevent transferring to a third party, creating a security interest on, or otherwise disposing of the Allocated Shares during the transfer restriction period, the Allocated Shares shall be managed in dedicated accounts opened by the Eligible Employees at Nomura Securities Co., Ltd. during the transfer restriction period. The Company has entered into an agreement with Nomura Securities Co., Ltd. regarding the management of the accounts holding the Allocated Shares owned by the Eligible Employees to ensure the effectiveness of the transfer restrictions, etc. related to the Allocated Shares. The Eligible Employees shall agree to the terms of the management of these accounts.

4. Basis for the calculation of the paid-in amount and its specific details

[The Disposal of Treasury Shares is conducted as in-kind contribution of monetary claims paid as Restricted Stock Compensation under the Plan. / The Disposal of Treasury Shares is conducted as in-kind contribution of monetary claims paid as Restricted Stock Compensation for the Company's 14th fiscal year under the Plan.] To ensure that the disposal price is free from arbitrariness, it has been set at 1,239 yen, which is the closing price of the common shares of the Company on the Prime Market of the Tokyo Stock Exchange on March 27, 2025 (the business day preceding the Board of Directors' resolution date). As this price is the most recent market share value before the Board of Directors' resolution date, it is considered reasonable and does not constitute a particularly advantageous amount.