

News Release

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Stock Listing	TSE Prime Market 4917
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**Notice Concerning the Excess of Restricted Stock Compensation over the Maximum Number of Shares Resolved at the General Meeting of Shareholders, and Acquisition of Treasury Shares without Consideration**

Mandom Corporation (hereinafter, the “Company”) hereby announces that, as informed in “Notice Concerning Disposal of Treasury Shares as Restricted Stock Compensation” dated July 27, 2021 and “Completion of Disposal of Treasury Shares as Restricted Stock Compensation” dated August 26, 2021, the Company disposed of treasury shares as restricted stock compensation for the Company’s Directors excluding External Directors (hereinafter, the “Eligible Directors”); however, it was found that the number of shares that were disposed of based on the procedures exceeded the maximum number of shares resolved at the Company’s general meeting of shareholders concerning restricted stock compensation for the Eligible Directors. Accordingly, at the meeting of its Board of Directors held on June 23, 2022, the Company resolved to acquire shares in excess of the maximum number of shares resolved at the general meeting of shareholders as treasury shares without consideration.

**Note**

**1. Provision of restricted stock compensation in excess of the maximum number of shares resolved at the General Meeting of Shareholders**

At the 101st Ordinary General Meeting of Shareholders held on June 22, 2018, based on the Restricted Stock Compensation Plan for Eligible Directors, as monetary compensation to serve as contributed property to acquire the restricted stocks, the Company received approval to provide the Eligible Directors with monetary compensation claims that shall be 150 million yen or less per year and to determine the total number of the Company’s common stocks to be issued or disposed of for the Eligible Directors to be 39,000 shares or less per year based on the stock price at that time.

Subsequently, at the meeting of its Board of Directors held on July 27, 2021, the Company resolved to dispose of its treasury shares, which are common stocks of the Company, for the Eligible Directors, etc. as restricted stock compensation. On August 26, 2021, the Company disposed of 57,300 shares of common stocks for four Eligible Directors. However, at this time, it was found that the number of shares disposed of for the Eligible Directors according to the procedures exceeded the maximum number of shares resolved at the 101st Ordinary General Meeting of Shareholders.

With respect to the restricted stock compensation for the Eligible Directors, the maximum number of shares and the maximum amount of monetary compensation claims resolved at the General Meeting of Shareholders, as well as the number of shares disposed of for the Eligible Directors on August 26, 2021 and the total disposal value are as follows.

Details of restricted stock compensation for the Eligible Directors resolved at the 101st Ordinary General Meeting of Shareholders held on June 22, 2018	Maximum number of shares	39,000 shares of common stocks per year
	Maximum amount of monetary compensation claims	150,000,000 yen per year
Number of treasury shares disposed of for the four Eligible Directors on August 26, 2021, and the total amount of the disposal value	Number of shares disposed of	57,300 shares of common stocks
	Total disposal value	110,531,700 yen
Number of shares in excess of the maximum number of shares resolved at the general meeting of shareholders (*)		18,300 shares of common stocks

\* With respect to the amount of monetary compensation claims paid to the four Eligible Directors through the disposal of treasury shares, there was no excess over the maximum number of shares resolved at the general meeting of shareholders.

## 2. Acquisition of Treasury Stock without Consideration

As described in 1. above, the number of shares of the Company's common stocks, which were disposed of for the four Eligible Directors as restricted stock compensation, exceeded the maximum number of shares resolved at the 101st Ordinary General Meeting of Shareholders by 18,300 shares. At the meeting of its Board of Directors held on June 23, 2022, the Company resolved to acquire 18,300 shares of the Company's common stocks without consideration from the four Eligible Directors pursuant to the provisions of Article 155, item (xiii) of the Companies Act and Article 27, item (i) of the Regulation for Enforcement of the Companies Act. Details of the resolution are stated below.

i. Type of shares to be acquired	Common stocks of the Company
ii. Total number of shares to be acquired	18,300 shares Ratio of the total number of issued shares (Excluding treasury shares): 0.04%
iii. Acquisition price of the shares	Free
iv. Scheduled date of acquisition of shares	June 30, 2022
v. To be acquired from:	4 Directors (All of them are the Directors of the Company)

### **3. Future Outlook**

- (1) It is determined to return the portion of treasury stocks in excess of the maximum number of shares resolved at the general meeting of shareholders out of shares disposed of for the four Eligible Directors on August 26, 2021 by the method of acquisition of common stocks without consideration as stated in 2. above. In addition, it is also determined that the full amount equivalent to dividends of the common stocks in excess of the maximum number of shares that the four Eligible Directors received will also be returned and the Company has received the consent of the four Eligible Directors for this decision.
- (2) The Company will engage in strengthening its internal system to prevent recurrence.
- (3) The impact of this decision on business performance is expected to be minor.

END OF NEWS RELEASE