

February 13, 2024

To Whom It May Concern:

Company Name: AIDA ENGINEERING, LTD.  
 Representative: Toshihiko Suzuki,  
 Representative Director and President  
 (CEO)  
 (Securities Code: 6118  
 Tokyo Stock Exchange, Prime)

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**Notice of Disposition of Treasury Stock Through Third-Party Allotment in Connection with  
 Additional Contribution to Board Benefit Trust (BBT)**

AIDA ENGINEERING, LTD. (the “Company”) hereby announces that, at the Board of Directors’ meeting held today, the Company resolved to dispose of its treasury stock by way of third-party allotment (the “Disposition of Treasury Stock”), as described below.

**1. Outline of Disposition**

(1) Date of disposition:	Friday, March 1, 2024
(2) Class and number of shares subject to disposition:	84,600 shares of common stock
(3) Disposition price:	847 yen per share
(4) Amount of proceeds:	71,656,200 yen
(5) Subscriber:	Custody Bank of Japan, Ltd. (Trust E Account)
(6) Others	A securities notice in relation to the Disposition of Treasury Stock has been submitted in accordance with the Financial Instruments and Exchange Act.

**2. Purpose and Reason for Disposition**

In accordance with a resolution of the 82nd Annual General Shareholders’ Meeting held on June 19, 2017, the Company introduced a “Board Benefit Trust (BBT)” (the “Plan”; the trust established in accordance with the trust agreement concluded with Mizuho Trust & Banking Co., Ltd. under the Plan is referred to below as the “Trust”), which was announced on May 12, 2017.

The purpose of the Plan is to make it transparent the link between the compensation of directors (excluding outside directors; “Directors”) and the Company’s share price and have Directors share with shareholders not only the benefit of rising the Company’s share prices, but also the risk of falling the Company’s share prices, and thereby raise awareness of contributing to the medium- to long-term enhancement of business performance and increase in corporate value of the Company. For an overview of the Plan, please refer to “Notice Concerning the Introduction of Share-Based Compensation Plan” dated May 12, 2017.

The Company has decided to (i) make an additional contribution of cash to the Trust (the “Additional Trust”) in order for the Trust to acquire shares expected to be required for future benefits in maintaining the Plan, and (ii) to make a Disposition of Treasury Stock to the Trust E account created by Custody Bank of Japan, Ltd., the re-trustee that has been re-entrusted by Mizuho Trust & Banking Co., Ltd., the trustee of the Trust, in order to hold and dispose of the Company shares in administering the Plan.

The number of shares to be disposed is equivalent to the number of shares that are expected to be granted to Directors during the trust period, that is, the period from the fiscal year ending March 31, 2025, until the end of the fiscal year ending March 31, 2026 (two fiscal years), pursuant to the officer stock benefit rules. Such number accounts for 0.12% of 69,448,421, the total number of the outstanding shares as of September 30, 2023 (0.13% of 639,778, the total number of voting rights as of September 30, 2023) (rounded to the second decimal place).

[Outline of Additional Trust]

Date of Additional Trust:	March 1, 2024 (tentative)
Amount of Additional Trust:	71,656,200 yen (tentative)
Type of shares to be acquired:	Common stock of the Company
Number of shares to be acquired:	84,600 shares
Date of acquisition of shares:	March 1, 2024 (tentative)
Method of acquisition of shares:	Acquisition by subscription of treasury stock to be disposed of through the Disposition of Treasury Stock

### 3. Basis of Calculation of Disposition Price and Details Thereof

The disposition price has been fixed at 847 yen per share, which is the average closing price of the Company's common stock on the Tokyo Stock Exchange, Inc. for the one-month period (January 10, 2024 to February 9, 2024) prior to the business day immediately preceding the date on which the resolution for the Disposition of Treasury Stock was passed at the Board of Directors' meeting (rounded down to the nearest yen).

The average of the closing price of the Company's common stock for the one-month period prior to the business day immediately preceding the date of the resolution of the Board of Directors' meeting was selected as the basis of calculation of the disposition price because the Company believes that using the leveled value of the average stock price for a certain period rather than the stock price at a specific point in time eliminates the influence of special factors such as temporary stock price fluctuations, and that it is a highly objective and reasonable basis of calculation. In addition, the calculation period was set at one month as the Company believes that it is reasonable to use a certain period closest to the most recent market price compared to the last three months or the last six months.

The disposition price of 847 yen is the amount obtained by multiplying the closing price of the Company's common stock of 846 yen on the business day immediately preceding the date of the resolution by 100.12%, or the amount obtained by multiplying the average closing price of the Company's common stock of 851 yen (rounded down to the nearest yen) for the three-month period prior to the business day immediately preceding the date of the resolution of the Board of Directors' meeting by 99.53%, or the amount obtained by multiplying the average closing price of the Company's common stock of 911 yen (rounded down to the nearest yen) for the six-month period prior to the business day immediately preceding the date of the resolution of the Board of Directors' meeting multiplied by 92.97%.

As a result of considering the aforementioned matters, the Company has determined that the disposition price in the Disposition of Treasury Stock is not particularly favorable, but is reasonable.

All three statutory auditors, all of whom are outside statutory auditors, who attended the Board of Directors' meeting, expressed their opinion that the disposition price above is not particularly favorable and is lawful.

### 4. Matters Concerning Procedures Under the Code of Corporate Conduct

The Disposition of Treasury Stock neither requires an opinion from an independent third party nor procedures for confirming the intent of shareholders, which are provided under Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc., because (i) the dilution ratio is less than 25%, and (ii) the disposition does not involve a change in controlling shareholders.

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