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For Immediate Release

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(Securities code: 2410, TSE Prime Market)
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Notice Regarding Revision of Restricted Stock Compensation Plan

CAREER DESIGN CENTER CO., LTD. (the “Company”) announces that, at a meeting held today, its Board of Directors resolved to revise the restricted stock compensation plan (the “Plan”) and to submit a proposal regarding the Plan to the Annual General Meeting of Shareholders (the “General Meeting of Shareholders”) scheduled to be held on December 15, 2023. Details are as follows.

1. Reasons for revision of the Plan

The 30th Annual General Meeting of Shareholders held on December 17, 2021, passed the following resolutions with the aim to provide incentives to the Eligible Directors to sustainably increase the Company’s corporate value and further promote a sense of shared value: to introduce a Restricted Share-based Remuneration Plan (the “Plan”) for the Company’s Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors; the “Eligible Directors” hereinafter); to set, under the Plan, an amount of no more than 80 million yen annually as the total amount of monetary remuneration claims to be paid to the Eligible Directors as remuneration, etc. related to restricted shares; to limit the total number of restricted shares allotted to Eligible Directors in each fiscal year to a maximum of 65,000 shares; to extend the transfer restriction period of restricted shares from the date of delivery of restricted shares to the date of retirement from the position of Director; and other matters.

However, with the introduction of the executive officer system resolved at the meeting of the Company’s Board of Directors held today, the Company’s Board of Directors plans, based on a resolution at the same meeting, to ask shareholders for their approval to make executive officers eligible under the Plan as well and to partially revise the content of the Plan for the purpose of further increasing motivation to contribute to the sustainable improvement of the Company’s corporate value and realizing the alignment of interests with shareholders for as long as possible by allowing Eligible Directors to continue holding restricted stock even after they retire from the position of Director for as long as they are Executive Officers.

2. Overview of revisions to the Plan

The transfer restriction period for the Eligible Directors under the Plan, which was set from the date of delivery of the restricted shares to the date of retirement from the position of Director of the Company, shall be revised to the period from the payment date of restricted shares to the date of retirement from the position of either Director or Executive Officer of the Company. Since the Company proposes to revise the transfer restriction period applicable to the Eligible Directors, this proposal is subject to approval by the shareholders at this Shareholders’ Meeting. Further, in connection with this change in the transfer restriction period, the Company shall also make the necessary amendments to the lifting of transfer restrictions and the treatment of the Eligible Directors upon retirement from their position, but the monetary remuneration claims to be paid to the Eligible Directors, the total number of restricted shares to be allotted to the Eligible

Directors, and other matters relating to the Eligible Directors other than those described in 3 below shall remain unchanged..

3. Details of the Plan after revision

(1) Details of transfer restriction

The Eligible Directors who have received allotment of the Restricted Shares may not transfer to any third party, create a pledge on, create a security interest on, grant as advancement before death, bequeath, or otherwise dispose of shares of the Company's common stock allotted to them under an agreement for the allotment of the Restricted Shares (the "Allotted Shares" hereinafter), during the period extending from the date on which an allotment has been received up through retirement from the position of Director and Executive Officer of the Company (the "Transfer Restriction Period" hereinafter).

(2) Lifting of transfer restrictions

The Company shall lift the transfer restrictions of all of the Allotted Shares upon expiration of the Transfer Restriction Period on the condition that an Eligible Director who has received allotment of the Restricted Shares has remained in his or her position as stipulated under (1), above, during the period stipulated by the Company's Board of Directors (the "Period of Service" hereinafter). However, the Company shall make reasonable adjustments as necessary to the number of the Restricted Shares for which transfer restrictions are to be lifted and to the timing of lifting transfer restrictions, if an Eligible Director retires from his or her position with respect to (1), above, during the Period of Service on grounds deemed legitimate by the Company's Board of Directors.

(3) Acquisition of the Restricted Shares without compensation

Upon expiration of the Transfer Restriction Period stipulated under (1), above, the Company shall automatically acquire the Allotted Shares without compensation if some of transfer restrictions have not been lifted, pursuant to the grounds for lifting the transfer restrictions stipulated under (2), above.

(4) Treatment during reorganization, etc.

If, during the Transfer Restriction Period, a merger agreement under which the Company becomes a non-surviving company, a share exchange agreement or a share transfer plan under which the Company becomes a wholly owned subsidiary of another company or any other matters related to reorganization, etc. is approved at a General Meeting of Shareholders of the Company (or otherwise at a meeting of the Board of Directors of the Company if said reorganization, etc. does not require approval of the General Meeting of Shareholders), the Company shall, prior to the effective date of said reorganization, etc., lift the transfer restrictions on a number of Allotted Shares determined in a reasonable manner per resolution of the Board of Directors based on the period extending from the date of commencement of the Period of Service to the date of approval of said reorganization, etc. In cases as prescribed above, the Company shall automatically acquire without compensation the Allotted Shares for which transfer restrictions have not been lifted immediately after the transfer restrictions have been lifted.