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July 17, 2025

To whom it may concern,

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(Code: 4202, Prime Market of the Tokyo Stock Exchange)
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Notice Regarding Disposal of Treasury Stock as Restricted Stock Incentive for Daicel Employee Shareholding Associations

DAICEL CORPORATION (the “Company”) hereby announces that, at the Board of Directors’ meeting held today, the Company has resolved to implement a Restricted Stock Incentive Plan (hereinafter, the “Plan”) for the Daicel Group Employee Shareholding Associations (hereinafter, the “ESA”) and to dispose of treasury stock as restricted stock (hereinafter, “Disposal of Treasury Stock” or “Disposal”) as follows by designating the ESA as the scheduled allottee.

1. Overview of the Disposal

(1) Disposal date	August 25, 2025
(2) Class and number of shares to be disposed of	The Company’s Common stock 210,360 shares (Note)
(3) Disposal value	1,249.5 yen per share
(4) Disposal value	262,844,820 yen (Note)
(5) Allottees and number thereof, number of shares to be allotted	By way of third-party allotment (The ESA: 210,360 shares)
(6) Other	An Extraordinary report will be submitted in accordance with the Financial Instruments and Exchange Act regarding this Disposal of Treasury Stock.

(Note) The figures for the “number of shares to be disposed of” and the “total value of disposal” represent the maximum amount. The actual number of shares to be disposed of and the actual total value of disposal are expected to be fixed according to the number of employees of the Company and its subsidiaries (the maximum number of 1,121) and the number of shares granted per employee prescribed in accordance with the employee grade determined by the Company and its subsidiaries (Grade 1: Maximum 449 employees and 53,880 shares, Grade 2: Maximum 310 employees and 49,600 shares, Grade 3: Maximum 264 employees and 63,360 shares, Grade 4: Maximum 86 employees and 34,400 shares, Grade 5: Maximum 12 employees and 9,120 shares), after conducting the membership promotion to employees who have not yet joined the ESA and confirming the consent of the members to the Plan.

2. Purposes and Reasons for the Disposal

In light of the long-term vision “DAICEL VISION 4.0” and the mid-term strategy “Accelerate 2025” announced on June 8, 2020, the Company has resolved to introduce the Plan as an incentive for officers and employees to work together to further increase medium- to long-term corporate value. Under the Plan, the Company provides those among employees in managerial positions in the Company and its subsidiaries who are members of the ESA and who have agreed to the Plan (hereinafter, the “Eligible Employees”) with opportunities for acquiring the restricted stock (the Company’s common stock) to be issued or disposed of by the Company through the ESA, as a measure to enhance the welfare of the Eligible Employees, ESAs to support property accumulation of the Eligible Employees, as well as to give them an incentive to sustainably improve the corporate value of the Company Group and to further promote the value sharing with the Company’s shareholders.

The outline of the Plan is as follows:

[Outline of the Plan]

In the Plan, the Company shall provide monetary claims as a special incentive for granting restricted stock (hereinafter the “Special Incentive”) to the Eligible Employees, and the Eligible Employees shall contribute their Special Incentive to the ESA. Subsequently, the ESA shall provide to the Company the Special Incentive contributed by the Eligible Employees by way of in-kind contribution, and in turn shall receive the issuance or disposal of the Company’s common stock as the restricted stock.

The amount per share to be paid for the Company’s common stock in cases where such common stock is to be newly issued or disposed of based on the Plan shall be determined by the Board of Directors to the extent that it is not particularly advantageous to the ESA (and by extension to the Eligible Employees) based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution by the Board of Directors pertaining to the issuance or disposal (or the closing price on the transaction day immediately prior thereto if no transaction is made on such business day).

In issuing or disposing of the Company’s common stock based on the Plan, the Company and the ESA shall execute a restricted stock allotment agreement that includes the following: (1) the ESA are prohibited from transferring to a third party, creating any security interest on, or otherwise disposing of the allotted shares during a certain period (hereinafter, the “Transfer Restrictions”); and (2) if certain events occur, the Company shall acquire the allotted shares without compensation. Furthermore, the Special Incentive shall

be provided to the Eligible Employees on the condition that such restricted stock allotment agreement is executed between the Company and the ESA.

Moreover, concerning one's member equity interest pertaining to the restricted stock acquired by the ESA through issuance or disposal (hereinafter, the "Restricted Stock Equity Interest" or "RS Equity Interest"), the Eligible Employees shall be restricted from withdrawing the restricted stock corresponding to the Restricted Stock Equity Interest until the Transfer Restrictions of such restricted stock are lifted based on the ESA Rules, the ESA Detailed Operation Rules and other rules of the ESA (hereinafter, the "ESA Rules, etc.").

In the Disposal of Treasury Stock, the Company's common stock (hereinafter the "Allotted Shares") shall be disposed of to the ESA as a result of the ESA as the scheduled allottee contributing to the Company all of the Special Incentive contributed from the Eligible Employees by way of in-kind contribution based on the Plan. In the Disposal of Treasury Stock, the outline of the restricted stock allotment agreement to be executed between the Company and the ESA (hereinafter, the "Allotment Agreement") is as described in "3. Outline of Allotment Agreement" below. While the number of shares to be disposed of in the Disposal of Treasury Stock is expected to become fixed at a later date as described in (Note) of 1. above, 210,360 shares are scheduled to be disposed of to the ESA as the maximum amount.

Note that the scale of dilution due to the Disposal of Treasury Stock is, when based on the foregoing maximum amount, 0.08 % (rounded off to two decimal places; hereinafter the same in the calculation of percentages) against 266,942,682 shares as the total number of issued shares as of May 22, 2025(*1). The scale of dilution due to the Disposal of Treasury Stock is 0.08 % against the total number of voting rights of 2,646,229 that the total number of voting rights of 2,644,552 (*2) as of March 31, 2025 and 1,677 voting rights increased by the treasury stock disposal of RS for Directors, which was resolved on July 17, 2025 and is scheduled to be paid on August 13, 2025, is added. In addition, the scale of dilution, including the disposal of treasury stock for RS for Directors, resolved on July 17, 2025, is 0.14 % against the total number of issued shares of 266,942,682 as of May 22, 2025. It is 0.14 % against 2,644,552 voting rights as of March 31, 2025.

The Disposal of Treasury Stock shall be implemented on the condition that the revised ESA Rules, etc. become effective by the day before the date of disposal pertaining to the Disposal of Treasury Stock.

*1: Based on the provisions of Article 178 of the Companies Act, the Company canceled 10,000,000 shares of treasury stock on May 22, 2025.

*2: The total number of voting rights that can be confirmed from the shareholder register as of the last day of the most recent fiscal year.

3. Outline of Allotment Agreement

(1) The transfer restriction period: From August 25, 2025, to the date on which each Eligible Employee has retired from the Company (If the Eligible Employee is an employee of a subsidiary of the Company, the subsidiary to which the Eligible Employee belongs as of August 25, 2025).

(2) Condition for lifting of Transfer Restrictions

On the condition that an Eligible Employee had been a member of the ESA on a continuing basis during the transfer restriction period, the Transfer Restrictions shall be lifted as of the

expiration of the transfer restriction period for all of the Allotted Shares corresponding to the Restricted Stock Equity Interest held by the Eligible Employee who satisfied such condition.

(3) Treatment upon terminating membership of the ESA

In cases where an Eligible Employee terminates membership (refers to cases where the employee loses membership qualification or applies for termination of membership, and includes termination of membership due to death) of the ESA during the transfer restriction period upon reaching retirement age or any other justifiable cause (cause due to voluntary retirement is not included), the Transfer Restrictions shall be lifted on the day of retirement for all of the Allotted Shares corresponding to the Restricted Stock Equity Interest held by the Eligible Employee on the day when the Eligible Employee retired the Company or its subsidiary.

(4) Acquisition without compensation by the Company

If an Eligible Employee commits a violation of laws and regulations during the Transfer Restriction Period or falls under any other specific event stipulated in the Allocation Agreement, the Company will automatically acquire all of the Allocated Shares in the number corresponding to the Eligible Employee's Restricted Stock Interest at that time, free of charge. In addition, the Company will automatically acquire without charge any Allocated Shares for which the Transfer Restrictions are not lifted at the time the Transfer Restriction Period expires or the time the Transfer Restrictions are lifted as stipulated in (3) above.

(5) Administration of shares

During the transfer restriction period, the Allotted Shares shall be administered in a dedicated account opened at Nomura Securities Co., Ltd. by the ESA to ensure that the ESA neither transfers, nor creates any security interest on, nor otherwise disposes of the Allotted Shares during such period. In addition, the ESA shall register and administer, pursuant to the provisions of the ESA Rules, etc., the Restricted Stock Equity Interest to be held by the Eligible Employees in relation to the Allotted Shares separately from the Ordinary Equity Interest held by the Eligible Employees in relation to the shares acquired by the ESA not based on the Plan.

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

In cases where, during the transfer restriction period, a merger agreement wherein the Company becomes the extinct company, or a share exchange agreement or a share transfer plan wherein the Company becomes a wholly owned subsidiary, or other matters regarding organizational restructuring, etc., is approved by a general meeting of shareholders of the Company (however, in cases where such organizational restructuring, etc., does not require approval from a general meeting of shareholders of the Company, by the Board of Directors of the Company), the Transfer Restrictions shall be lifted, by a resolution of the Board of Director, as of the time immediately before the business day prior to the effective date of said organizational restructuring, etc., for all of Allotted Shares corresponding to the Restricted Stock Equity Interest held by the Eligible Employees among the Allotted Shares held by the ESA on the date of such approval.

4. Basis of calculating the disposal price and other specific details

The Disposal of Treasury Stock to the ESA as the scheduled allottee is conducted by the Eligible Employees contributing to the ESA the Special Incentive provided to the Eligible Employees for the granting of restricted stock by way of in-kind contribution. The company determined the disposal price to be 1,249.5 yen, the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on July 16, 2025 (the business day prior to the date of the resolution of the Board of Directors), in order to eliminate any arbitrariness in such price. As this is the market price immediately prior to the date of the resolution of the Board of Directors, the Company believes that it is rational and not a particularly an advantageous price.

Note that the deviation rate (rounded off to two decimal places) of this price from the average closing price of the Company shares on the Prime Market of the Tokyo Stock Exchange is as follows:

Term	The average closing price of the Company shares (less than 1 yen is rounded down)	The deviation rate
One month(from June 17, 2025 to July 16, 2025)	1,210 yen	3.26 %
Three months(from April 17, 2025 to July 16, 2025)	1,206 yen	3.61 %
Six months (from January 17, 2025 to July 16, 2025)	1,259 yen	-0.75 %

All of the 4 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board Members) who attended the meeting of the Board of Directors held today have expressed their opinion that the Company's process of determining that the foregoing disposal price is not particularly advantageous to the ESA as the allottee is reasonable, and that such determination is legitimate, in considering that the purpose of the Disposal of Treasury Stock is to introduce the Plan and that the disposal price is the closing price on the day before the date of the resolution of the Board of Directors.

5. Matters related to procedures under the code of corporate conduct

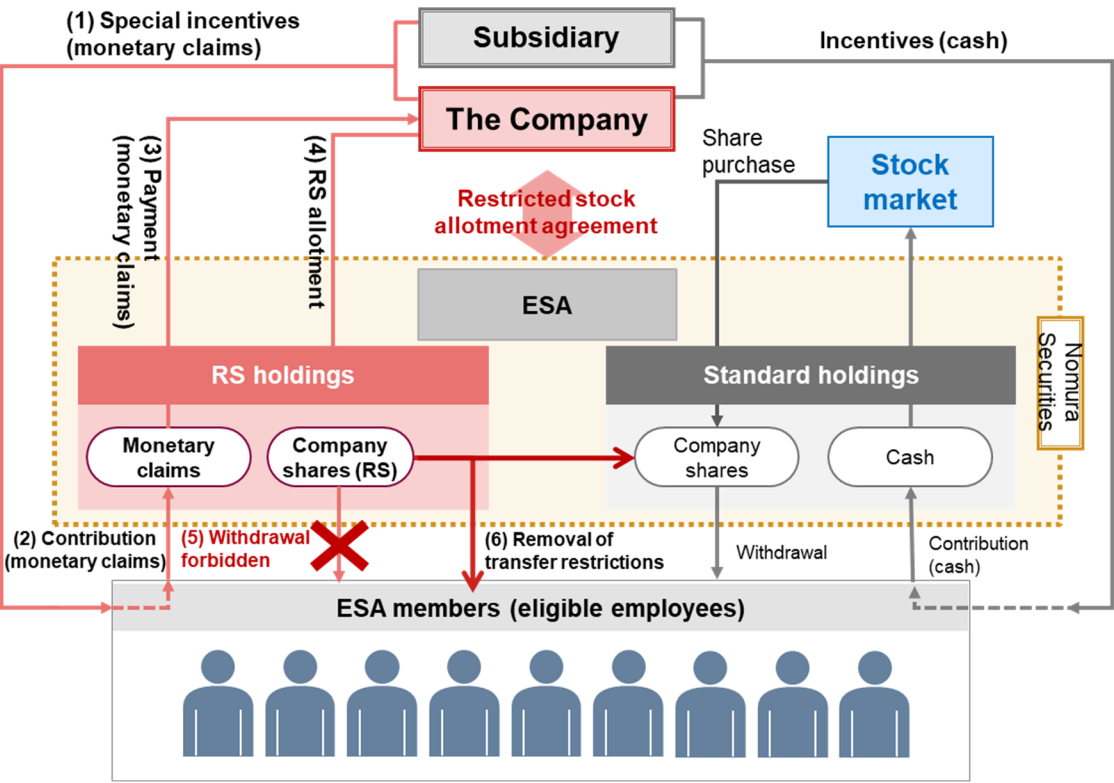
Concerning the Disposal of Treasury Stock, as (1) the dilution rate is less than 25% and (2) it does not involve the change of the controlling shareholder, there is no need to take procedures for obtaining the opinion of an independent third party and confirming the intention of shareholders as set forth in Rule 432 of the Securities Listing Regulations prescribed by the Tokyo Stock Exchange.

(Reference)

[Structure of the Plan]

- (1) The Company and its Subsidiaries awards the monetary claims to their eligible employees as special incentives
- (2) The eligible employees contribute the monetary claims to the Employee Shareholding Association (ESA)
- (3) The ESA pays the monetary claims collectively for allotment to the Company
- (4) The Company allots the Restricted Stock to the ESA
- (5) The Restricted Stocks (RSs) are held in the ESA's RS accounts managed by Nomura Securities, and withdrawal by the ESA's members will be restricted during the transfer restriction period

- (6) After removal of transfer restrictions, the RSs can be withdrawn in the same manner as that of the company shares in the ESA's or ESA members' standard accounts



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