

May 13, 2025
News Release

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(Shares listed on Prime Market, Tokyo Stock Exchange, code: 3360)
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Notice Concerning the Adoption of a Restricted Stock Compensation Plan

Notice is hereby given that SHIP HEALTHCARE HOLDINGS, INC.(the "Company"), at the meeting of its Board of Directors held on May 13, 2025, reviewed its compensation system for directors and corporate officers and resolved to adopt a restricted stock compensation plan (the "Plan") and to submit a proposition concerning the Plan (the "Proposition") to the 33rd Ordinary General Meeting of Shareholders to be held on June 27, 2025 (the "General Meeting of Shareholders"), as described below:

1. Purpose and conditions of adopting the Plan

(1) Purpose of adopting the Plan

The Plan is a compensation plan to allot restricted stock to the Company's Directors (excluding Outside Directors, hereinafter "Eligible Directors"), intended to incentivize them to improve the Company's corporate value in a sustainable manner as well as raise the degree they share value with shareholders.

(2) Conditions for adopting the Plan

The Plan involves granting restricted stocks to Eligible Directors as part of their compensation, or providing monetary compensation claims for purpose of granting such restricted stocks. Accordingly, the adoption of the Plan is subject to approval of shareholders at the General Meeting of Shareholders regarding the provision of such compensation.

The total amount of compensation for the Company's Directors was approved at the 29th Ordinary General Meeting of Shareholders held June 29, 2021, to be up to ¥600 million per year (including up to ¥60 million per year for Outside Directors; excluding salaries for directors who also serve as employees). However, at this General Meeting of Shareholders, the Company plans to seek shareholders' approval to establish a separate compensation framework under this plan for the Eligible Directors, in addition to the aforementioned compensation limit.

2. Overview of the Plan

Under the Plan, Granting restricted stocks shall be conducted by one of the following methods:

- (1) Issuance or disposal of the Company's common stock without requiring payment of cash or provision of assets from the Eligible Directors as compensation; or
- (2) Payment of monetary compensation receivables to Eligible Directors, who will then make an in kind contribution of those receivables in exchange for the issuance or disposal of the Company's common stock.

The total amount of common stocks issued or disposed under the Plan shall be 35,000 shares or less per year, and the total amount of compensation shall be ¥60 million or less per year, separate from the existing monetary compensation. (The upper limit of the total number of stocks shall be adjusted in proportion to the ratio of the reverse stock consolidation or stock split (including gratis allotment)).

The Board of Directors shall determine the amount to be paid in per share 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 resolution of the Board of Directors meeting regarding issuance or disposal of common stocks (or the most recent closing price if no transaction took place on that day) to the extent not particularly favorable to the Eligible Directors when issuing or disposing common stocks by way of (2).

The restricted period shall be from the date of delivery of the restricted stocks to the date of resignation or retirement from directors or other positions the board of directors determines in order to realize one of the purposes which raise the degree Eligible Directors share value with shareholders.

Furthermore, when granting restricted stock under this Plan, the Company shall enter a Restricted Stock Allotment (the "Allotment Agreement") with each Eligible Director which shall include the following key terms.

- (1) The Eligible Director may not transfer, pledge or otherwise disposal of the restricted stock during the period from the date of delivery until the date of resignation or retirement from directors or other role designated by the Board.
- (2) The Company shall rightfully acquire the stock without payment if the director violates laws, internal regulations, or the terms of the Allotment Agreement, or other cases apply to the case the Board of Directors determines to acquire the stocks without compensation.