

May 13, 2025

For Immediate Release

Company name: Hibiya Engineering, Ltd.
 Representative: Hidetaka Nakagita, President and CEO
 (Tokyo Stock Exchange, Prime Market, Stock code: 1982)
 Person to contact: Akira Domon, Executive Officer, Manager of
 IR and PR Office, Administration Division
 (Phone: +81-(0)3-3454-2720)

Notice of Additional Contribution to the Board Incentive Plan Trust

Hibiya Engineering, Ltd. (the “Company”) has adopted by its performance-linked stock compensation plan (the “Plan”) for directors and executive officers (excluding outside directors and non-residents of Japan) (“Directors etc.”) that has been established since FY3/2018.

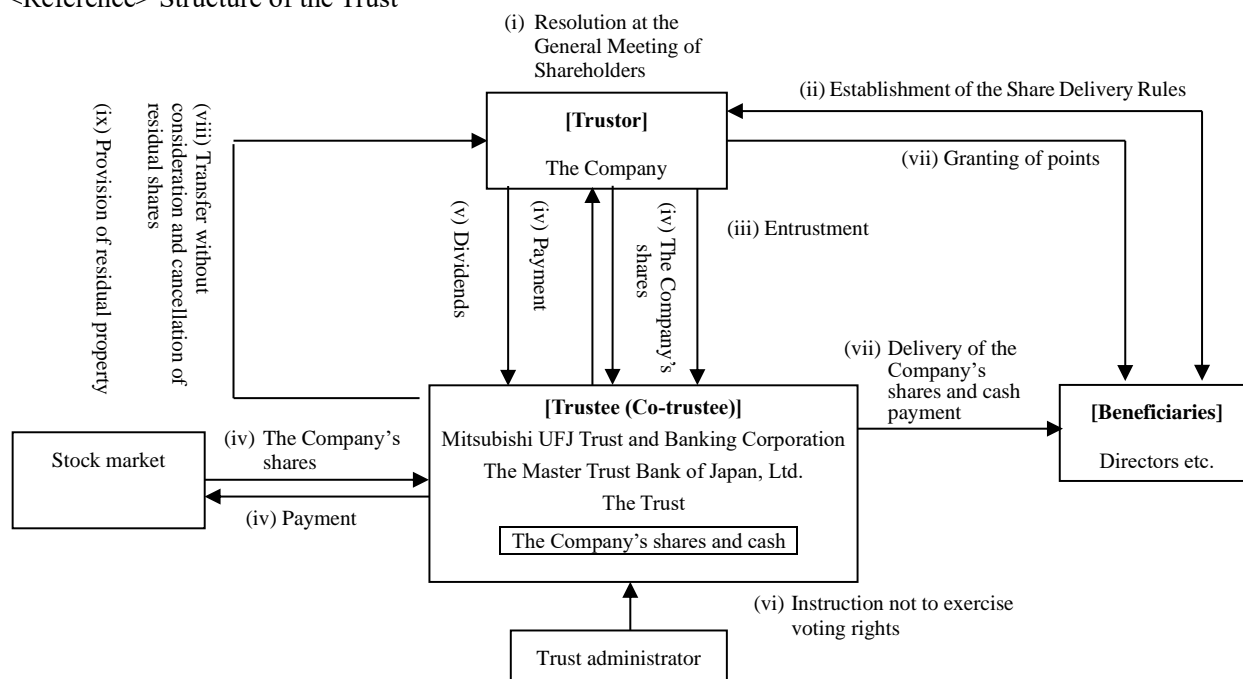
The Company announces that it has decided to make an additional contribution to the Board Incentive Plan Trust (the “Trust”). The BIP Trust is based on the trust agreement concluded by the Company with Mitsubishi UFJ Trust and Banking Corporation as trustee (co-trustee: The Master Trust Bank of Japan, Ltd.). Details are as follows.

1. Outline of additional shares to be acquired

In conjunction with the introduction of the Plan, the Company has established the Trust since August 2017. Now the Company makes an additional cash contribution to prepare for the delivery of shares to Directors etc. who fulfil the beneficiary requirements. In response to this, the Trust will acquire shares. The details of the additional acquisition of shares are as follows.

Total amount of acquisition cost of additional shares	¥161 million
Class of shares to be acquired	Common shares of the Company
Acquisition period	From May 21, 2025 to June 23, 2025 (scheduled)
Share acquisition method	Acquisition from the stock market

<Reference> Structure of the Trust



- (i) The Company has obtained a resolution of the introduction of the Plan at the General Meeting of Shareholders.
- (ii) The Company has established the Share Delivery Rules governing the content of the Plan.
- (iii) The Company has established the Trust to which cash contribution has been made as the source of funds of compensation for Directors etc. of the Company with the range approved by the resolution of the General Meeting of Shareholders in (i) and in which Directors etc. fulfilling beneficiary requirements have been beneficiaries.
- (iv) The Trust acquires the Company's shares from the Company (disposition of treasury shares) or the stock market with the cash contributed in (iii) as the source of funds, in accordance with the instructions of the trust administrator. The number of shares to be acquired by the Trust is within the range of the resolution approved by the General Meeting of Shareholders in (i).
- (v) Dividends on the Company's shares held by the Trust are paid in the same manner as for the other Company's shares.
- (vi) Voting rights of the Company's shares held by the Trust shall not be exercised throughout the trust period.
- (vii) During the trust period, Directors etc. are granted a certain number of points each year according to the degree of achievement of performance targets under the Medium-term Management Plan and their position. Moreover, Directors etc. who fulfil the beneficiary requirements to a certain level receive delivery of the Company's shares equivalent to a certain percentage of the points they have been granted each year and the cash equivalent to the conversion amount of the Company's shares corresponding to the remaining points, after conversion into cash within the Trust. Directors etc. enter into an agreement with the Company, stating that they continue to hold the Company's shares delivered through the Plan until one year elapses after their retirement from office.
- (viii) Any residual shares arising on expiry of the trust period due to non-attainment of performance targets etc. are used for renewal of the Trust as a new stock-based compensation plan through amendment of the trust agreement and exercise of the additional trust or alternatively the Trust transfers such residual shares to the Company without consideration. The Company acquires such residual shares without consideration to cancel such shares based on a resolution of the Board of the Directors.
- (ix) On termination of the Trust, residual property that can be received by the Company, which is the holder of vested rights, after distribution to beneficiaries, is within the limit of the trust expense reserve calculated by deducting the cost for acquiring the shares from the Trust from trust money.

(Note) If the Company's shares are no longer in the trust due to the delivery etc. of the Company's shares etc. to Directors etc. who fulfil the beneficiary requirements, the trust terminates before the termination of the trust period. The Company may additionally entrust cash to the Trust as funds for acquisition of the Company's shares within the range approved by the resolution of the General Meeting of Shareholders.