



(TRANSLATION FOR REFERENCE ONLY)

October 7, 2022

To Our Shareholders

Corporate Name: PROTO CORPORATION

Representative: Kenji Kamiya, President

Securities Code: 4298

(TSE Prime, NSE Premier)

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## Notice Regarding Completion of Payment for Disposal of Treasury Stock and Partial Forfeiture

The payment procedure for the disposal of treasury stock to the Employee Stock Ownership Plan, which was resolved at the Board of Directors meeting held on August 18, 2022, was completed today. The number of shares to be disposed of and the total amount of the disposal price originally planned have been changed due to the partial forfeiture of the rights. Therefore, we would like to inform you of the following. For details of this matter, please refer to the "Notice Regarding Disposal of Treasury Stock by Third-Party Allotment " dated August 18, 2022.

Summary of disposition (changes are underlined)

|  | After change  | Before change   |
|--|---|---|
| (1) Disposition date                         | October 7, 2022                                       | October 7, 2022   |
| (2) Type and number of shares to be disposed | <u>25,930</u> shares of common stock of the Company   | <u>31,430</u> shares of common stock of the Company (Note)  |
| (3) Disposal value                           | 1,200yen per share                                    | 1,200yen per share  |
| (4) Total amount disposed of                 | <u>31,116,000</u> yen                                 | <u>37,716,000</u> yen (Note)  |
| (5) Method of Disposition                    | Disposition by way of third-party allocation          | Disposition by way of third-party allocation  |
| (6) Scheduled to be disposed of to           | PROTO CORPORATION's Employee Shareholding Association | PROTO CORPORATION's Employee Shareholding Association   |
|  | <u>deletion</u>                                       | <u>(Note) The Shareholding Association will conduct a membership promotion to the Company's employees (Hereinafter referred to as the "Employees") with sufficient notice period after the resolution of the Board of Directors of the Shareholding Association to be held today, and invite applicants to join the Shareholding Association.</u> |

### 1. Reason for change

The change in the number of shares disposed of and the total amount of the disposal price is due to the completion of the enrollment promotion for employees and the determination of the number of members of the Shareholding Association.

### 2. Future Outlook

The impact of this third-party allotment on our consolidated business results for the fiscal year ending March 31, 2023 is expected to be negligible, but we will promptly announce the necessity of revising our business forecast and other matters to be announced if they arise in the future.