

August 4, 2020

## Notice of Additional Contribution to the Board Benefit Trust (BBT)

Penta-Ocean Construction (hereinafter, the Company) had previously introduced a performance-based stock compensation program (the Program) at the 67th Ordinary General Meeting of Shareholders held on June 27, 2017. The Company has resolved to make additional contribution to the Program after the end of the originally set trust period, which was from June 27, 2017 to March 31, 2020, in order to continue the Program. The detail will be as follows:

### 1. Reason for additional contribution

In an attempt to continue the Program for three years during the target period (April 1, 2020 to March 31, 2023), the Company has decided to put additional funds (the Additional Trust) to a trust that was established based on the trust agreement concluded with Mizuho Trust & Banking Co., Ltd. (the Trust), in order to acquire the shares that are expected to be required for future benefit distribution.

### 2. Outline of Additional Trust

- (1) Additional trust date: August 19, 2020 (scheduled)
- (2) Additional trust amount: JPY 229,000,000-
- (3) Class of shares to be acquired: Common stock of the Company
- (4) The maximum number of shares to be acquired: 450,000 shares
- (5) Period for acquisition of shares: From August 19, 2020 to August 31, 2020 (scheduled)
- (6) Method of acquiring shares: Acquisition from the stock exchange transactions

### 3. Overview of the Program

The Program is a performance-based stock compensation program “Board Benefit Trust (BBT), in which the Company's shares are acquired through the Trust using the money contributed by the Company to make benefit distribution to the Members of the Board, etc. As a general rule, the Members of the Board, etc. will receive benefits of the Company's shares, etc. at the time of their retirement.

① Target employees of the Program

The Members of the Board and executive officers of the Company

② Trust period

From August 2017 to the termination of the Trust (No specific expiration date is set for the Trust, which remain in effect as long as the Program itself continues. The Program will be terminated upon delisting of the Company's shares, abolition of "Rules of the Stock Benefit Trust for Members of the Boards, etc." and such.

③ Trust amount

Every three business years, an amount not exceeding JPY 300 million (of which JPY 150 million for the Members of the Board, etc.) will be added to the Trust. However, at the time of Additional Trust, if the Trust contains the Company's shares (excluding the Company's shares equivalent to the points granted to the Members of the Board, etc. for each applicable period up to the immediately preceding period, and the benefit distributions to the Members of the Board etc. have not been completed) and cash as the remaining asset (the Remaining Shares, etc.), the total amount of the Remaining Shares, etc. (as for the Company's shares, the value will be calculated at the market price as on the last day of the immediately preceding period) and the Additional Trust shall not exceed JPY 300 million (of which JPY 150 million for the Members of the Board, etc.).

④ Acquisition method of the Company's shares

Acquisition of the Company's shares by the Trust will be carried out through the exchange market or by underwriting the Company's treasury shares, and no new shares will be issued.