



April 24, 2023

(Translated from the Japanese original)

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**Notice Regarding Completion of Payment on Disposal of Treasury Stock
 as Restricted Stock Incentive for Employee Shareholding Association,
 and partial loss of rights**

Rinnai (hereafter, “Rinnai” or the “Corporation”) hereby announces that payment procedures were completed today on disposal of treasury stock as a restricted stock incentive for Rinnai Employee Shareholding Association (hereafter, the “Shareholding Association”), as approved by the Board of Directors on February 8, 2023. Details are provided below.

Note that the number of shares disposed of as well as total disposition value are different from the amounts initially expected, owing to partial loss of rights, and the Company takes this opportunity to provide information regarding such differences.

For details on the disposal of treasury stock under a restricted stock incentive plan for the Employee Shareholding Association, please refer to the news release “Notice Regarding Disposal of Treasury Stock as Restricted Stock Incentive for Employee Shareholding Association,” dated February 8, 2023.

1. Outline of Disposal of Treasury Stock (Changes are underlined.)

		After change	Before change *1
(1)	Date of disposal	April 24, 2023	April 24, 2023
(2)	Class and number of shares to be disposed of	<u>191,220</u> shares of common stock	<u>231,000</u> shares of common stock
(3)	Disposal price	¥ <u>3,294</u> per share	¥ <u>3,294</u> per share *2
(4)	Total disposal value	¥ <u>629,878,680</u>	¥ <u>760,914,000</u> *2
(5)	Disposal method (Planned allottee)	By third-party allocation (Rinnai Employee Shareholding Association: <u>191,220</u> shares)	By third-party allocation (Rinnai Employee Shareholding Association: <u>231,000</u> shares)

*1 As of April 1, 2023, Rinnai has made a three-for-one split of shares of common stock. The number of shares, the disposal price and the total disposal value before the effective date of the stock split is, 77,000, ¥9,880 and ¥760,760,000, respectively.

*2 The disposal price is the adjusted stock price after the aforementioned stock split and any resulting fraction less than ¥1 arising from the adjustment has been rounded up. The total disposed value is calculated by multiplying the disposal price by the number of shares to be disposed of.

2. Reason for changes

The changes in the number of shares disposed of and total disposal value reflect confirmation of the actual number of members committing to the restricted stock incentive plan for the Shareholding Association.

END