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May 23, 2025

Tokyo Stock Exchange Prime Market

Company name: SFP Holdings Co., Ltd.

Securities code: 3198

Representative: Makoto Sato, Representative Director and President

Inquiries: Yasuyuki Nakai, Executive Officer,

General Manager of Human Resources and General Affairs Division

(Telephone: +81-3-5491-5869)

### **Notice regarding disposal of treasury stock as restricted stock**

We hereby announce that at the board of directors meeting held today, we resolved to dispose of treasury stock as restricted stock (hereinafter referred to as the "Treasury Stock Disposal") as follows.

#### **1. Overview of the Disposal**

(1) Payment date: June 11, 2025

(2) Type and total number of shares to be disposed of: 3,200 shares of our common stock

(3) Disposal price: 2,109 yen per share

(4) Total disposal amount: 6,748,800 yen

(5) Expected allottees: 4 employees of our company, 3,200 shares

#### **2. Purpose and reason for disposal**

As stated in the "Notice regarding the introduction of a restricted stock compensation plan" dated April 25, 2024, the Company resolved at the Board of Directors meeting held on April 25, 2024 to introduce a restricted stock compensation plan (hereinafter referred to as the "Plan") with the aim of providing an incentive to the Company's directors (excluding outside directors and directors who are audit and supervisory committee members) and employees to sustainably improve the Company's corporate value and to further promote value sharing with shareholders.

In light of this, the Company resolved at the Board of Directors meeting held today, taking into consideration the purpose of the Plan and other circumstances, to pay monetary claims totaling

6,748,800 yen (hereinafter referred to as the "Monetary Claims") to four employees (collectively referred to as the "Target Persons") who meet certain requirements of the Company, and resolved to dispose of 3,200 common shares of the Company (hereinafter referred to as the "Allocated Shares") to the Target Persons by having the Target Persons contribute all of the Monetary Claims as in-kind assets. In order to achieve the purpose of the introduction of this system, which is to continuously improve corporate value and share value with shareholders over the medium to long term, the transfer restriction period is set at three years.

#### <Outline of the stock allocation agreement>

The Company will enter into a restricted stock allocation agreement with each Eligible Person individually, the outline of which is as follows.

##### (1) Transfer restriction period

From June 11, 2025 to June 10, 2028

The Eligible Person shall not transfer, establish a security interest on, gift during his/her lifetime, or otherwise dispose of the Allocated Shares during the transfer restriction period set forth above (hereinafter referred to as the "Transfer Restriction Period").

##### (2) Conditions for lifting the transfer restriction

The transfer restriction will be lifted for all of the Allocated Shares upon the expiration of the Transfer Restriction Period, provided that the Eligible Person has continuously held the position of director, executive officer, or employee of the Company or its subsidiaries during the Transfer Restriction Period.

##### (3) Reasons for Acquisition without Compensation

If there are any Allocated Shares for which the transfer restrictions have not been lifted at the time of the lifting of the transfer restrictions as specified in (2) above, the Company will naturally acquire them without compensation.

##### (4) Treatment in the event of organizational restructuring, etc.

Notwithstanding the provisions of (1) above, if a merger agreement in which the Company will be the disappearing company, a share exchange agreement or share transfer plan in which the Company will be a wholly owned subsidiary, or other matters related to organizational restructuring, etc. are approved at the Company's General Meeting of Shareholders (or at the Company's Board of Directors meeting in cases where approval at the Company's General Meeting of Shareholders is not required for the organizational restructuring, etc.), the Company will, by resolution of the Company's Board of Directors, lift the transfer restrictions immediately before the business day preceding the effective date

of the organizational restructuring, etc., for the number of shares calculated by dividing the number of months from the month following the month including the payment due date to the month including the date of such approval (hereinafter referred to as the "approval date of organizational restructuring, etc.") by 36, and multiplying this number by the number of Allocated Shares held by the Target on the approval date of organizational restructuring, etc. (however, if a fraction less than one share is generated as a result of the calculation, this shall be rounded down). In that case, if there are any Allocated Shares for which the transfer restrictions have not been lifted immediately after the lifting of the transfer restrictions, the Company will naturally acquire them free of charge.

#### (5) Other matters

The Target Company will open a dedicated account at a securities company designated by the Company in a manner designated by the Company in which the Allocated Shares will be recorded and stored in the dedicated account until the transfer restrictions are lifted.

#### 3. Basis for calculation of the amount to be paid and its specific details

The disposal price for this treasury stock disposal will be set at 2,109 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the Board of Directors meeting (May 22, 2025), in order to eliminate arbitrariness. This is the market share price immediately preceding the resolution of the Board of Directors of the Company, and is considered to be reasonable and not particularly advantageous.

This concludes our announcement.