



November 14, 2025

Company name: TOKYO SANGYO CO., LTD.  
Name of representative: Minoru Kambara, President and Representative Director  
(Securities code: 8070, TSE Prime Market)  
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### **Notice Regarding Disposal of Treasury Shares Associated with the Additional Contribution to the Stock Grant ESOP Trust**

TOKYO SANGYO CO., LTD. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on November 14, 2025, to dispose of treasury shares as share-based compensation in order to make an additional contribution to the Stock Grant ESOP Trust (the “Disposal of Treasury Shares”) as described below.

#### **1. Overview of disposal**

(1) Date of disposal	December 4, 2025
(2) Class and number of shares for disposal	175,000 common shares
(3) Disposal price	966 yen per share
(4) Total amount of disposal	169,050,000 yen
(5) Scheduled disposal recipient	The Master Trust Bank of Japan, Ltd. (Stock Grant ESOP Trust account)
(6) Other matters	The Company has submitted the extraordinary report as required by the Financial Instruments and Exchange Act in connection with the Disposal of Treasury Shares.

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

The Company has introduced the Stock Grant ESOP Trust (the “ESOP Trust”) with the aim of enhancing its employees’ commitment to improving the Company’s medium- to long-term performance and corporate value, and of expanding the employee compensation system utilizing the Company’s shares.

The Disposal of Treasury Shares is being conducted in connection with the continuation of the ESOP Trust, whereby the Company will dispose of its treasury shares to The Master Trust Bank of Japan, Ltd. (Stock Grant ESOP Trust account), the co-trustee of the ESOP Trust agreement that the Company will enter into with Mitsubishi UFJ Trust and Banking Corporation (the “Trust Agreement,” and the trust established pursuant to the Trust Agreement is referred to as the “Trust”).

The number of shares for disposal represents the number of shares expected to be granted to eligible employees during the trust period in accordance with the Share Grant Regulations. The scale of dilution will

be 0.61% (rounded to the nearest hundredth) of the total number of issued shares of 28,678,486 shares. In terms of voting rights, it will represent 0.66% of the total number of voting rights of 264,350 as of September 30, 2025.

The shares of the Company allocated through the Disposal of Treasury Shares will be granted to the eligible employees in accordance with the Share Grant Regulations. Since it is not anticipated that all of these shares will be released into the stock market at once, the Company believes that the impact on the stock market will be minimal, and that the number of shares for disposal and the scale of dilution are reasonable.

[Content of the Trust Agreement]

Type of trust	Trust of money other than money trusts for specific individual management (third-party-benefit trust)
Purpose of trust	To grant incentives to employees
Settlor	The Company
Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
Beneficiary	Employees who meet the beneficiary requirements
Trust administrator	A third party who is a professional practitioner and has no conflict of interest with the Company
Trust agreement date	March 11, 2015 (The Trust Agreement will be amended on December 1, 2025.)
Trust period	March 11, 2015 to December 31, 2030
Exercise of voting rights	The trustee shall exercise the voting rights of the Company's shares in accordance with the instructions of the trust administrator, reflecting the wishes of the beneficiary candidates.

### 3. Basis of calculation and specific details of the disposal price

In light of recent stock price trends and to eliminate arbitrariness, the disposal price has been set at 966 yen, which is the closing price of the Company's shares on Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange") on the business day preceding the date of the Board of Directors' resolution concerning the Disposal of Treasury Shares (November 13, 2025). The price was adopted because it represented the market price immediately prior to the Board of Directors' resolution and was deemed highly objective and reasonable as a basis for calculation.

All Audit and Supervisory Committee Members (consisting of three members, including two Outside Directors) who attended the Board of Directors meeting expressed the opinion that the basis for calculating the disposal price is reasonable, and that it is not an arbitrarily favorable price and is therefore lawful.

### 4. Procedure required by the corporate code of conduct

The Disposal of Treasury Shares does not require the procurement of an opinion from an independent third party or require procedures for confirming the intent of shareholders, which are provided for under Rule 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, because the dilution ratio is less than 25% and this disposal does not involve a change in controlling shareholder.