



November 26, 2025

To whom it may concern

Company name FUKUDA CORPORATION
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Notice Regarding Disposal of Treasury Shares
and Additional Contributions to the Stock Benefit Trust (BBT and J-ESOP)

At a meeting of the Board of Directors held today, the Company resolved to dispose of treasury shares in connection with additional contributions to the Board Benefit Trust (“BBT”) and the J-ESOP Trust (collectively, the “Trusts”), as outlined below.

1. Outline of the Disposal

(1)	Date of disposal	December 18, 2025
(2)	Class and number of shares	12,000 shares of common stock
(3)	Disposal price	¥6,825 per share
(4)	Total value of shares to be disposed	¥81,900,000
(5)	Scheduled allottees	Custody Bank of Japan, Ltd. (Trust Account E)

Details regarding the allottee and purpose of disposal:

The scheduled allottee, Custody Bank of Japan, Ltd. (Trust Account E), is the trust account established under a trust agreement (hereinafter referred to as the “Trust Agreement”) concluded between the Company and Mizuho Trust & Banking Co., Ltd., with the Company as the trustor and Mizuho Trust & Banking Co., Ltd. as the trustee (and Custody Bank of Japan, Ltd. as the re-trustee). The trust established under the Trust Agreement for the BBT plan is referred to as the “BBT Trust,” and the trust established under the Trust Agreement for the J-ESOP plan is referred to as the “J-ESOP Trust.”

The disposal of treasury shares will be conducted for the purpose of providing benefits under the BBT plan to the Company’s Directors (excluding Outside Directors and Directors serving concurrently as Audit & Supervisory Committee Members) and Executive Officers (collectively referred to as “Directors, etc.”), and under the J-ESOP plan to the Company’s employees. This is substantially equivalent to allotting shares to Directors, etc. and employees as consideration for services rendered to the Company.

2. Purpose and Reason for the Disposal

The Company introduced the BBT Plan in February 2016 and the J-ESOP Plan in November 2015. To ensure the continuation of these plans and secure shares required for future allocations, the Company will make additional monetary contributions to the Trusts and dispose of treasury shares for this purpose.

The number of shares to be disposed of reflects the shares expected to be granted under the stock benefit regulations during the trust period:

For Directors and Executive Officers: 6,000 shares (covering three fiscal years ending December 2025 through December 2027)

For employees: 6,000 shares (covering the fiscal year ending December 2025)

This represents approximately 0.13% of the total issued shares (8,988,111 shares as of June 30, 2025) and approximately 0.14% of the total voting rights (83,403 rights as of June 30, 2025). The Company believes that the level of dilution is reasonable given the purpose of the Plans.

Outline of Additional Trust Contributions

BBT Trust

(1) Date: December 18, 2025

(2) Amount: ¥40,950,000

(3) Shares to be acquired: 6,000 shares of common stock

(4) Method: Acquisition through disposal of treasury shares by the Company

(Note) The trust will acquire additional shares of the Company using the additional trust amount (¥40,950,000) as the source of funds.

J-ESOP Trust

(1) Date: December 18, 2025

(2) Amount: ¥40,950,000

(3) Shares to be acquired: 6,000 shares of common stock

(4) Method: Acquisition through disposal of treasury shares by the Company

(Note) The trust will acquire additional shares of the Company using the additional trust amount (¥40,950,000) as the source of funds.

3. Basis for Calculating the Disposal Price

As for the disposal price, it was set at ¥6,825, which is the average closing price of the Company's common stock on the Tokyo Stock Exchange for the three-month period from August 26, 2025 to November 25, 2025, rounded down to the nearest yen.

The reason for adopting the three-month average closing price rather than a single day's price is that using an average over a certain period provides a more normalized value, eliminating the impact of temporary fluctuations and other special factors, thereby ensuring greater objectivity and reasonableness as the basis for calculation. In addition, this approach was deemed appropriate to maintain consistency with the disposal conditions applied when treasury shares were previously disposed of to Trust Account E upon the introduction of the J-ESOP and BBT plans.