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For Immediate Release

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Notice Regarding Disposal of Treasury Shares as Restricted Stock Compensation

Sanyo Trading Co., Ltd. (the “Company”) hereby announces that, at a meeting of its Board of Directors held on January 16, 2026, it resolved to dispose of its treasury shares (the “Disposal of Treasury Shares” or “Disposal”) as restricted stock compensation. Details are as follows.

Details

1. Outline of the Disposal

(1) Date of Disposal	February 13, 2026
(2) Type and number of shares to be disposed of	14,500 shares of the Company’s common stock
(3) Disposal value	1,560 yen per share
(4) Total disposal value	22,620,000 yen
(5) Allottee	Directors (excluding Outside Directors and Directors who are Audit & Supervisory Committee Members) of the Company 4 persons 8,200 shares Executive Officers of the Company 8 persons 6,300 shares
(6) Other	The Company submitted a written notice of securities regarding the Disposal of Treasury Shares in accordance with the Financial Instruments and Exchange Act on January 16th.

2. Purpose and reason of the Disposal

At a meeting of its Board of Directors held on November 8, 2022, the Company resolved to introduce a restricted stock compensation plan (the “Plan”), which contains provisions regarding certain transfer restriction period and reasons for the Company’s acquisition of the restricted common stock without consideration, as a new compensation plan for the Company’s Directors (excluding Outside Directors and Directors who are Audit & Supervisory Committee Members; the “Eligible Directors”), with the aim of providing the Eligible Directors with incentives for the sustained increase in the Company’s corporate value and to encourage them to further share value with shareholders.

In addition, at the 76th Annual General Meeting of Shareholders held on December 22, 2022 (the “General Meeting of Shareholders”), the shareholders approved the proposal to provide the Eligible Directors with monetary compensation claims of a maximum of 20 million yen per year as monetary compensation for the acquisition of restricted stock under the Plan, separately from the 250 million yen per year provided to the Eligible Directors. The shareholders also approved the transfer restriction period for this restricted stock, which is from the day the Eligible Director receives the allotment of restricted stock until they resign from their positions as a Director or Executive Officer of the Company.

The following is an overview of the Plan.

[Overview of the Plan]

The Eligible Directors shall make in-kind contributions of all the monetary compensation claims granted by the Company under the Plan and in return shall receive restricted stocks that will be issued or disposed of by the Company.

The total amount of compensation to be provided annually to the Eligible Directors under the Plan, separately from existing compensation, shall be no more than 20 million yen and the total number of shares of the Company's common stock to be issued or disposed of annually under the Plan shall be no more than 20,000 shares.

The amount paid per share for the restricted stocks that will be issued or disposed of under the Plan shall be determined by the Board of Directors of the Company based on the closing price of the Company's common stocks at the Tokyo Stock Exchange on the business day immediately before the day on which resolutions are made at a meeting of the Board of Directors (or the closing price on the immediately preceding day if no trades are made on this day), to the extent that the amount is not particularly advantageous to the Eligible Directors who will subscribe for the restricted stocks .

In addition, when restricted stock is issued or disposed of based on the Plan, a restricted stock allotment agreement (the "Allotment Agreement") which shall contain the following matters shall be concluded between the Company and the Eligible Directors.

- (i) The Eligible Directors shall not transfer, create a security interest or otherwise dispose of the restricted stock allotted in line with the Allotment Agreement for a specified period of time.
- (ii) If certain circumstances have arisen, the Company shall acquire the restricted stock without consideration.

In addition, after the shareholders resolved to approve the restricted stock compensation plan for the Eligible Directors at the General Meeting of Shareholders, the Company's Board of Directors has decided to introduce a similar plan for its Executive Officers (Eligible Directors and the Company's Executive Officers shall be collectively called "Eligible Director(s), etc.")

At a meeting of its Board of Directors held today, the Company resolved to provide monetary compensation claims ("Monetary Compensation Claims") totaling 22,620,000 yen to four Eligible Directors and eight Executive Officers who are scheduled allottees as restricted stock compensation for the period between this General Meeting of Shareholders and the Annual General Meeting of Shareholders to be convened in the next year and to allocate 14,500 shares of the Company's common stock as restricted stock to the Eligible Directors, etc. to enable them to make in-kind contributions of all the Monetary Compensation Claims to receive the restricted stock. The amounts of the monetary compensation claims for the Eligible Directors, etc. have been determined after comprehensive consideration of the Company's business performance, the job responsibilities of each of the Eligible Directors, etc. and various other factors. Moreover, the Monetary Compensation Claims shall be provided to the Eligible Directors, etc. on the condition that they conclude the Allotment Agreement with the Company that contains the following matters.

3. Overview of the Allotment Agreement

(i) Transfer restriction period

The period from February 13, 2026 until the Eligible Director, etc. resigns from their positions as a Director or Executive Officer of the Company.

During the restricted period of transfer specified above (the "Transfer Restriction Period"), an Eligible Director etc. shall not transfer, pledge, offer as security of transfer, donate before death, bequeath or otherwise dispose of the restricted stock allotted to them (the "Allotted Shares") to a third party (the "Transfer Restriction").

(ii) Termination of the Transfer Restriction

The Company shall terminate the Transfer Restriction on all of the Allotted Shares to the Eligible Directors, etc. when the Transfer Restriction Period expires on the condition that they continuously held a position as either a Director or Executive Officer of the Company during the period from the General Shareholder Meeting to the Annual General Meeting of Shareholders to be convened in the next year (the

“Service Provision Period”), Provided, however, that if an Eligible Director, etc. resigns from their positions as a Director or Executive Officer of the Company during the Service Provision Period for reasons that the Company’s Board of Directors finds justifiable, the number of Allotted Shares for which the Transfer Restriction will be terminated and the time of the terminating the Transfer Restriction shall be reasonably adjusted.

(iii) Acquisition of restricted stock without considerations

If an Eligible Director, etc. connected to restricted stocks resigns from their positions as a Director or Executive Officer of the Company before the expiration of the Transfer Restriction Period, the Company shall automatically acquire the Allotted Shares without consideration, except in cases in which the Company’s Board of Directors deems the reasons for resigning to be justifiable. In addition, if there are any of the Allotted Shares for which the Transfer Restriction has not been terminated based on the provisions on the reasons for the termination of Transfer Restriction set forth in the Overview of the Allotment Agreement (ii) above when the Transfer Restriction Period set forth in the Overview of the Allotment Agreement (i) above has expired, the Company shall naturally acquire such shares without consideration.

(iv) Handling in the event of organizational restructuring, etc.

If a merger agreement in which the Company will become the merged company, a share exchange agreement or a share transfer plan in which the Company will become a wholly owned subsidiary or any other matter concerning organizational restructuring, etc. is approved at a General Meeting of Shareholders of the Company (or, if approval at a General Meeting of Shareholders of the Company is not necessary, approved by the Board of Directors of the Company) during the Transfer Restriction Period the Allotted Shares shall be terminated before the effective date of the organizational restructuring by resolution of the Board of Directors for the number of Allotted Shares obtained by (1) dividing the number of months from the next month of the month that includes the first day of the Service Provision Period to the month that includes the day of the approval by 12 (if the result of the division exceeds 1, the result shall be deemed to be 1), and then by (2) multiplying the result by the number of the Allotted Shares (any fractional shares arising from the calculation shall be rounded down). In the case provided for above, the Company shall naturally acquire the Allotted Shares on which the Transfer Restriction has not yet been terminated without consideration, immediately after the Transfer Restriction has been terminated.

(v) Management of the Allotted Shares

To ensure that the Allotted Shares cannot be transferred, a security interest in the Allotted Shares cannot be created, and that the Allotted Shares cannot otherwise be disposed of during the Transfer Restriction Period, the Eligible Directors, etc. shall open an exclusive account at a financial instruments business operator (Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.) designated by the Company. The shares will be managed in that account until the Transfer Restriction is lifted.

4. Basis for calculating the disposal value and relevant details

The disposal value is set at 1,560 yen, which is the closing price of the Company’s common stock in the Tokyo Stock Exchange on January 15, 2026 (business day preceding the date of resolution of the Board of Directors), to make the disposal value a value that eliminates arbitrariness. This is the market price immediately before the date of resolution in the Board of Directors meeting, which we believe is reasonable and is not deemed an advantageous price.