[Translation]

February 26, 2026

To Whom It May Concern

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Notice of Disposal of Treasury Shares as Restricted Stock Remuneration

Tosei Corporation (the “Company”) hereby announces that it has resolved, at the Board of Directors' meeting held on February 26, 2025, to dispose of treasury shares (the "Disposal of Treasury Shares") as restricted stock under a performance-linked restricted stock remuneration Plan (the “Plan I”) for the Company’s Directors excluding the Outside Directors and a remuneration Plan to transfer restricted stock units (the “Plan II”) for the Outside Directors. Accordingly, the Company provides the following information.

1. Outline of the Disposal of Treasury Shares

(1) Payment date	March 25, 2026
(2) Class and number of shares to be disposed of	The Company's common stock 36,450 shares
(3) Disposal price	1,634 yen per share
(4) Total amount of disposal	59,559,300 yen
(5) Recipients of disposed shares	Six Directors (excluding Outside Directors) 35,841 shares Three Outside Directors 609 shares

2. Purpose of and reason for the Disposal of Treasury Shares

The Company resolved, at the Board of Directors' meeting held on January 25, 2024, (i) to introduce the Plan I as a new remuneration plan for the Company’s Directors excluding the Outside Directors (the “Eligible Directors”), to clarify the link between the remuneration of the Eligible Directors and the Company's performance and share value, and to provide the Eligible Directors with an incentive to continuously improve the Company's corporate value, as well as to promote further value sharing between the Eligible Directors and the shareholders; and (ii) to introduce the Plan II as a new remuneration plan for the Company's Outside Directors, to provide the Outside Directors with incentives to continuously improve the Company's corporate value and to promote further value sharing between the Outside Directors and shareholders.

Furthermore, at the 76th Ordinary General Meeting of Shareholders held on February 26, 2026, shareholders approved a proposal that the total number of the Company’s common shares to be issued or disposed of to Eligible Directors under Plan I will be no more than 400,000 shares per year and the total amount of the remuneration will be no more than ¥400 million per year, separately from the existing monetary remuneration amounts, and that the total number of the Company’s common shares to be issued or disposed of to Outside Directors under Plan II will be no more than 40,000 shares per year and the total amount of the remuneration will be no more than ¥40 million per year, separately from the existing monetary remuneration amounts.

The Company has now resolved, at the Board of Directors' meeting held on February 26, 2026, that, under Plan I, six Eligible Directors will be awarded total monetary remuneration claims of 58,564,194 yen and will be required to tender all such monetary remuneration claims as a contribution in kind to have 35,841 shares of the Company's common stock disposed of therefor and that, under Plan II, three Outside Directors will be awarded total monetary remuneration claims of 995,106 yen and will be required to tender all such monetary remuneration claims as a contribution in kind to have 609 shares of the Company's common stock disposed of therefor.

3. Outline of the Plan I

The Plan I is performance-linked share-based remuneration plan using performance share units, in which the Board of Directors sets in advance numerical targets for the performance of the Company during each financial year of the Company (the "Evaluation Period"), and the Company's common stock (the "Company's Stock I") calculated according to the degree of achievement of the numerical targets, etc. are granted. The Company's Stock I granted to the Eligible Directors are subject to transfer restrictions during a certain period.

Under Plan I, the Company determines the number of the Company's Stock I to be delivered to each of the Eligible Directors according to the position of Eligible Directors and the degree of achievement of performance targets.

The current Evaluation Period is from December 1, 2024 to November 30, 2025 and the performance indicator used for evaluation is consolidated profit before tax.

On delivery of the Company's Stock I under Plan I, the Company's Stock I are subject to transfer restrictions, which include the following matters in summary.

(1) Transfer restriction period

The Eligible Directors shall not transfer, create a security interest on or otherwise dispose of the allotted Company's Stock I (the "Allotted Company's Stock I") during the period (the "Restricted Transfer Period I") from March 25, 2026 (payment date) until the date the Eligible Directors retire or resign from their position as the Executive Director or Executive Officer of the Company (or if the end point of the period during which stock transfer is prohibited is later due to application of Article 2-12, Item (i) of the Order for Enforcement of the Financial Instruments and Exchange Act, such end point).

(2) Condition for lifting of transfer restriction

The Company shall lift the transfer restrictions on all the Allotted Company's Stock I owned by the Eligible Directors as of expiration of the Restricted Transfer Period I. However, if the Eligible Directors resign from the position of Director or Executive Officer of the Company during the Restricted Transfer Period I due to death or other reasons deemed justifiable by the Board of Directors of the Company, the restriction on transfer of all of the Allotted Company's Stock I owned by the Eligible Directors shall be lifted as of the time of such retirement.

(3) Acquisition by the Company without compensation

The Company shall acquire the Allotted Company's Stock I without compensation in the event that the Eligible Directors violate laws, regulations or internal rules or in the event that the Eligible Directors fall under matters about which the Board of Directors of the Company determines that it is appropriate to acquire such Allotted Company's Stock I without compensation.

(4) Management of shares

The Allotted Company's Stock I shall be managed in the accounts exclusively for restricted stock that are opened by the Eligible Directors at Daiwa Securities Co. Ltd. during the Restricted Transfer Period I to prevent the transfer, the establishment of security interests or other dispositions.

(5) Measures to be taken in relation to organizational restructuring, etc.

If a merger agreement in which the Company is a dissolving company, a stock exchange agreement in which the Company is a wholly owned subsidiary, a share transfer plan, or other matters related to organizational restructuring, etc. is approved at a General Meeting of Shareholders (or the Board of Directors, if there is no need to obtain approval at a General Meeting of Shareholders for organizational restructuring, etc.) during the Restricted Transfer Period I, the Company may lift the transfer restrictions related to all the Allotted Company's Stock I by resolution of the Board of Directors of the Company before the business day immediately preceding the day when the organizational restructuring, etc. takes effect.

4. Outline of the Plan II

The Plan II is a stock-based remuneration plan under which the Company's common stock (the "Company's Stock II") are granted to the Outside Directors on the condition that they continue to hold the position of Outside Director of the Company during each fiscal year of the Company (the "Subject Period"). The Company's Stock II granted to the Outside Directors are subject to transfer restrictions during a certain period. However, if the performance conditions set by the Board of Directors of the Company are not achieved, the Company's Stock II shall not be delivered for such Subject Period.

The current Subject Period is from December 1, 2024 to November 30, 2025 and the Company shall not deliver the Company's Stock II if consolidated profit before tax do not reach a certain level.

On delivery of the Company's Stock II under Plan II, the Company's Stock II are subject to transfer restrictions, which include the following matters in summary.

(1) Transfer restriction period

The Outside Directors shall not transfer, create a security interest on or otherwise dispose of the allotted Company's Stock II (the "Allotted Company's Stock II") during the period (the "Restricted Transfer Period II") from March 25, 2026 (payment date) until the date the Outside Directors retire or resign from their position as Outside Director of the Company (or if the end point of the period during which stock transfer is prohibited is later due to application of Article 2-12, item (i) of the Order for Enforcement of the Financial Instruments and Exchange Act, such end point).

(2) Condition for lifting of transfer restriction

The Company shall lift the transfer restrictions on all the Allotted Company's Stock II owned by the Outside Directors as of expiration of the Restricted Transfer Period II. However, if the Outside Directors resign from the position of Outside Director of the Company during the Restricted Transfer Period II due to death or other reasons deemed justifiable by the Board of Directors of the Company, the restriction on transfer of all of the Allotted Company's Stock II owned by the Outside Directors shall be lifted as of the time of such retirement.

(3) Acquisition by the Company without compensation

The Company shall acquire the Allotted Company's Stock II without compensation in the event that the Outside Directors violate laws, regulations or internal rules or in the event that the Outside Directors fall under matters about which the Board of Directors of the Company determined that it is appropriate to acquire the Allotted Company's Stock II without compensation.

(4) Management of shares

The Allotted Company's Stock II shall be managed in the accounts exclusively for restricted stock that are opened by the Outside Directors at Daiwa Securities Co. Ltd. during the Restricted Transfer Period II to prevent the transfer, the establishment of security interests or other dispositions.

(5) Measures to be taken in relation to organizational restructuring, etc.

If a merger agreement in which the Company is a dissolving company, a stock exchange agreement in which the Company is a wholly owned subsidiary, a share transfer plan, or other matters related to organizational restructuring, etc. is approved at a General Meeting of Shareholders (or the Board of Directors, if there is no need to obtain approval at a General Meeting of Shareholders for organizational restructuring, etc.) during the Restricted Transfer Period II, the Company may lift the transfer restrictions related to all the Allotted Company's Stock II by resolution of the Board of Directors of the Company before the business day immediately preceding the day when the organizational restructuring, etc. takes effect.

5. Basis of Calculating Payment Amount and Details

In order to eliminate arbitrariness in determining the payment amount for the Disposal of Treasury Shares to the recipients, the payment amount is set, pursuant to the Plan I and the Plan II, at 1,634 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on February 25, 2026 (the business day preceding the date of the resolution of the Board of Directors of the Company).

As this is the market price immediately preceding the date of the resolution of the Board of Directors of the Company, the Company believes that it is reasonable and does not represent a particularly favorable price to the recipients.

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