July 10, 2026

Company Name: Tosoh Corporation (Securities Code: 4042, TSE Prime Market)
Representative: Mamoru Kuwada, Representative Director, President
Inquiries: Nobuyuki Nagamasu, General Manager, Corporate Communications & Investor Relations, Tel.: +81 3 6636 3712

Notice Concerning the Disposal of Treasury Stock as Restricted Stock Compensation

Tosoh Corporation (below "the Company") announces that its Board of Directors resolved at a meeting today, July 10, 2026, to dispose of treasury shares as restricted stock compensation (below "this Disposal of Treasury Shares").

1. Overview of disposal

1)	Disposal date	August 4, 2026
2)	Class and number of shares for disposal	93,319 shares of common stock
3)	Disposal price	2,708.5 yen per share
4)	Total value of shares for disposal	252,754,512 yen
5)	Disposal allottees	Five directors of the Company: 21,127 shares Thirty-one executive officers of the company (excluding external directors): 72,192 shares
6)	Other	The Company has submitted an extraordinary report concerning this Disposal of Treasury Stock based on Japan's Financial Instruments and Exchange Act.

2. Purpose and reason for the disposal of treasury shares

At its 121st ordinary general meeting of shareholders held on June 25, 2020, the Company resolved to introduce a stock compensation plan (below "the Plan") that grants restricted stock to its eligible directors, excluding external directors. The purpose of the Plan is to motivate eligible directors to share the benefits and risks of stock price fluctuations with shareholders and to further help boost the Company's stock price and corporate value.

At that same meeting, shareholders approved allotting to eligible directors a total number of restricted shares each fiscal year not exceeding 170,000 shares. Shareholders also approved designating the transfer restriction period from the date an eligible director delivers restricted shares to the date that eligible director resigns or retires from the Company. Shareholders at the Company's June 21, 2024, 125th ordinary general meeting of shareholders subsequently approved limiting the total amount of monetary compensation paid to eligible directors for shares subject to transfer restrictions to a maximum 80 million yen annually within the yearly overall director compensation limit of 670 million yen.

The Board of Directors today resolved to allot 252,754,512 yen in restricted stock compensation to five directors, excluding external directors, and 31 executive officers (below, “Allottees”) for the period from the 127th to the 128th ordinary general meeting of shareholders, scheduled for June 2026 and June 2027, respectively. The Allottees will receive, as restricted stock, 93,319 shares of the Company’s common stock that they will contribute in kind for the entire amount of the monetary compensation.

The monetary compensation payable to each Allottee was comprehensively determined based on various factors, including an Allottee’s contribution to the Company. Compensation, moreover, will be paid on the condition that each Allottees signs a restricted stock allocation agreement (below “the Allocation Agreement”) with the Company containing the following terms:

3. Overview of the Allocation Agreement
   a. Determination of transfer restriction period
   The transfer restriction period (below “the Transfer Restriction Period”) extends from August 4, 2026, to the date the Allottee resigns or retires as a company director or executive officer. During that period, Allottees are prohibited from transferring, pledging, granting a transfer security interest, making a lifetime gift, bequeathing, or otherwise disposing of the restricted shares allotted (below “the Allotted Shares”) to any third party (below “transfer restriction”).

   b. Acquisition of shares subject to transfer restrictions without compensation
   If an Allottee resigns or retires as a director or executive officer on or before the day preceding the Company’s first ordinary general meeting of shareholders after the start of the Transfer Restriction Period, the Company will automatically repurchase the Allotted Shares without compensation as of the date of the resignation or retirement. The exception is if the Board of Directors deems there are valid reasons for not doing so.

   Similarly, if any of the Allotted Shares remain subject to transfer restriction when the Transfer Restriction Period expires and in accordance with the provisions of *c* below, the Company will automatically acquire the shares without compensation immediately after the expiration date.

   c. Cancellation of transfer restrictions
   The Company will lift transfer restrictions on all of an Allottee’s shares when the Transfer Restriction Period expires provided the Allottee has continuously been a director or executive officer from the start of the Transfer Restriction Period to the first ordinary general meeting of shareholders during that period. If, however, the Allottee resigns or retires as a director or executive officer on or before the day preceding that first ordinary general meeting of shareholders for reasons validated by the Board of Directors, the Company will cancel the transfer restriction on a portion of the Allotted Shares immediately after the resignation or retirement. The portion will be calculated by dividing by 12 the number of months from July 2026 to the date the Allottee resigns or retires, multiplied by the number of shares held by the Allottee and rounding up fractional shares.

d. Provisions of share management

Each Allottee must open an account with SMBC Nikko Securities Inc. as specified by the Company to register the Allotted Shares and must hold them in that account until the transfer restrictions are lifted.

e. Treatment of transfer restrictions amid organizational restructuring

If during the transfer restriction period a merger agreement that dissolves the Company, a stock exchange agreement or share transfer plan that makes the Company a wholly owned subsidiary, or an organizational restructuring of another kind is approved at the ordinary general meeting of shareholders or by the Board of Directors if shareholder approval is not required, the Board of Directors may lift the transfer restriction on a portion of the Allotted Shares held by Allottees at the time. The portion will be calculated by multiplying the number of Allotted Shares on the date restructuring is approved by the number of months from July 2026 to that date of approval, divided by 12, capping the result at one and rounding up any fractional shares.

The Company will lift the transfer restriction before the close of business on the business day immediately preceding the effective restructuring date. On that day, the Company will also automatically repurchase, without compensation, any remaining allocated shares for which the transfer restriction has not been lifted.

4. Basis for calculating the payment amount and related details

To avoid arbitrary pricing, the disposal price for this Disposal of Treasury Stock is 2,708.5 yen per share. This represents the closing price of Tosoh’s common stock on the Tokyo Stock Exchange on July 9, 2026, the business day prior to the Board of Directors’ resolution to dispose of the Company’s treasury stock. It is not considered to be a particularly favorable or advantageous price.