July 22, 2026

Company Name: Tokyo Cosmos Electric Co., Ltd.
Representative: Hayato Wakabayashi, Representative Director, President
(Code No.: 6772 Tokyo Stock Exchange Standard Market)
Inquiries: Ryuji Nishitateno, Director, Executive Vice President
(TEL: +81-46-253-2111)

Notice Regarding Disposal of Treasury Shares as Restricted Stock Compensation

We hereby announce that, at the meeting of its Board of Directors held today, we resolved to dispose of treasury shares as restricted stock compensation (the "Treasury Share Disposal"), as outlined below.

1. Outline of the Disposal

(1) Allotment Date	August 7, 2026
(2) Class and Number of Shares to be Disposed of	6,910 shares of the Company's common stock
(3) Allottees, Number of Persons, and Number of Shares Allotted	Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members and non-resident Directors) 4 Directors: 6,910 shares
(4) Other Matters	The Treasury Share Disposal will be implemented through a gratuitous allotment of shares as compensation for Directors and will not require any monetary contribution or payment of property (Article 202-2 of the Companies Act). The fair value of the common stock for the Treasury Share Disposal is based on the closing price of the Company's common stock on the Tokyo Stock Exchange on July 21, 2026, the business day immediately preceding the date of the Board resolution approving the Treasury Share Disposal (today), which was ¥1,071 per share. Accordingly, the total disposal value amounts to ¥7,400,610, calculated by

	multiplying such price by the number of shares to be disposed of.

2. Purpose of and Reasons for the Disposal

At meetings of the Board of Directors held on December 27, 2021 and May 27, 2022, the Company resolved to introduce a restricted stock compensation plan (the "Plan") for Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members; hereinafter referred to as the "Eligible Directors"). The purpose of the Plan is to provide incentives for the sustained enhancement of the Company's corporate value and to further align the interests of Directors with those of shareholders.

Furthermore, at the 65th Annual General Meeting of Shareholders held on June 23, 2022, shareholders approved, under the Plan, the gratuitous allotment of the Company's common stock to Directors with an annual maximum value of ¥30 million (excluding employee salaries), separate from existing monetary compensation limits. Shareholders also approved that the total number of shares issued or disposed of under the Plan shall not exceed 20,000 shares per year, and that the restricted transfer period shall be determined by the Board of Directors within a period of up to 30 years from the date of allotment.

At the Board meeting held today, the Company resolved to grant 6,910 shares of the Company's common stock (the "Allotted Shares") free of charge to four Eligible Directors, excluding non-resident Directors, as compensation for the performance of their duties. In determining the allotment, the Company took into consideration the objectives of the Plan, the Company's business performance, the scope of responsibilities of each Eligible Director, various other circumstances, and the deliberations and recommendations of the Nomination and Compensation Committee.

To provide incentives for the medium- to long-term enhancement of corporate value, the restricted transfer period has been set at 30 years.

3. Summary of the Restricted Stock Allotment Agreement

In connection with the Treasury Share Disposal, the Company and each Eligible Director will enter into an individual Restricted Stock Allotment Agreement, the principal terms of which are as follows:

(1) Restricted Transfer Period

The Eligible Directors may not transfer, create a security interest in, or otherwise dispose of the Allotted Shares during the period from August 7, 2026 (the allotment date) to August 6, 2056.

(2) Conditions for Lifting the Transfer Restrictions

Provided that an Eligible Director continuously remains in the position of Director of the Company throughout the restricted transfer period, the transfer restrictions on all of the Allotted Shares shall be lifted upon expiration of the restricted transfer period.

However, if an Eligible Director ceases to serve as a Director due to death, expiration of term of office, mandatory retirement age, or any other reason deemed justifiable by the Board of Directors, the transfer restrictions shall be lifted on a number of the Allotted Shares calculated by multiplying:

・ the number of months from the month including the allotment date through the month including

the retirement date, divided by 12 (provided that any result exceeding 1 shall be deemed to be 1); and

- the total number of Allotted Shares,

with any fraction of less than one share resulting from the calculation to be rounded down.

(3) Acquisition by the Company Without Consideration

The Company shall automatically acquire without consideration any Allotted Shares for which the transfer restrictions have not been lifted as of the expiration of the restricted transfer period or at the time the restrictions are lifted pursuant to (2) above.

(4) Management of Shares

To prevent transfer, creation of security interests, or other disposition during the restricted transfer period, the Allotted Shares will be managed during such period in a dedicated restricted stock account opened by each Eligible Director with Okasan Securities Co., Ltd.

(5) Treatment in the Event of Organizational Restructuring

If, during the restricted transfer period, a merger agreement under which the Company becomes a dissolved company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other organizational restructuring transaction is approved by the Company's General Meeting of Shareholders (or by the Board of Directors, where shareholder approval is not required), then, pursuant to a resolution of the Board of Directors, the transfer restrictions shall be lifted immediately prior to the business day preceding the effective date of such restructuring with respect to a number of Allotted Shares calculated by multiplying:

- the number of months from the month including the allotment date through the month including the date of approval of the restructuring, divided by 12 (provided that any result exceeding 1 shall be deemed to be 1), by
- the number of Allotted Shares held at that time,

with any fraction of less than one share resulting from the calculation to be rounded down.

In such event, the Company shall automatically acquire without consideration any Allotted Shares that remain subject to transfer restrictions immediately after the restrictions are lifted pursuant to the above provisions.