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SUMINOE GROUP

August 28, 2026

For Immediate Release

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Notice Regarding the Disposal of Treasury Shares as Restricted Stock Compensation

SUMINOE Co., Ltd. (hereinafter, "the Company") hereby announces that at the Board of Directors meeting held on August 28, 2026, the Company resolved to carry out the disposal of treasury shares (hereinafter, the "Disposal of Treasury Shares" or "Disposal") as set forth below.

Details

1. Overview of the disposal

(1) Disposal date	September 25, 2026
(2) Class and number of shares to be disposed	The Company's common shares, 23,800 shares
(3) Disposal price	1,192 yen per share
(4) Total amount of disposal	28,369,600 yen
(5) Allottees and numbers of allottees and shares	Directors of the Company (excluding outside directors), 4 directors, 12,400 shares Operating officers of the Company, 9 operating officers, 11,400 shares
(6) Other	The Company has submitted an Extraordinary Report as stipulated in the Financial Instruments and Exchange Act with regard to the Disposal of Treasury Shares.

2. Purpose and reasons for the disposal

At the Board of Directors meeting held on July 25, 2019, the Company resolved to introduce a restricted stock compensation plan (hereinafter, the "Plan") as a new compensation plan for the Company's directors excluding outside directors (hereinafter, "Eligible Directors") and the Company's operating officers (collectively, "Eligible Directors, etc."), with the aim of providing Eligible Directors with a medium- to long-term incentive and aligning their interests with shareholder value. At the 130th Annual General Meeting of Shareholders held on August 29, 2019, shareholders approved the grant to Eligible Directors of monetary compensation claims of up to 30 million yen per year as compensation to be contributed in kind for the acquisition of restricted stock (hereinafter, "Restricted Stock Compensation") under the Plan and also approved that the transfer restriction period for such restricted stock shall be the period from the date of allotment under the allotment agreement specified below until immediately after the time when each Eligible Director resigns or retires from all positions as a director of the Company excluding outside director, operating officer not concurrently serving as a director, corporate auditor, or any other equivalent position.

The outline of the Plan is as follows:

【Outline of the Plan】

Eligible Directors, etc. will make an in-kind contribution of the full amount of the monetary compensation claims granted by the Company under the Plan and, in return, will receive the Company’s common shares through the issuance of new shares or the disposal of treasury shares. The total number of common shares to be issued or disposed of by the Company to Eligible Directors under the Plan shall be limited to 30,000 shares per year, and the amount to be paid in per share shall be determined by the Board of Directors based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board resolution relating to such issuance or disposal (or, if no trading took place on that day, the closing price on the most recent preceding trading day), within a range that is not considered particularly favorable to the Eligible Directors, etc. subscribing for such common shares.

In addition, in issuing or disposing of the Company's common shares under the Plan, the Company shall enter into a restricted stock allotment agreement with each Eligible Director, etc. The agreement shall provide, among other things, that (i) for a specified period, the Eligible Director, etc. may not transfer, create a security interest in, or otherwise dispose of the Company's common shares allotted under the restricted stock allotment agreement and (ii) upon the occurrence of certain events, the Company will acquire such common shares without consideration.

In light of the purpose of the Plan, the Company’s current business performance, the scope of responsibilities of each Eligible Director, etc., and other relevant circumstances, and with the aim of appointing and retaining highly capable personnel as officers and employees while further enhancing the motivation of each Eligible Director, etc., we have decided to grant monetary compensation claims totaling 28,369,600 yen (hereinafter, the “Monetary Compensation Claims”) and 23,800 shares of common stock. The transfer restriction period shall run from September 25, 2026, until immediately after the time when each Eligible Director, etc. resigns or retires from all positions as a director of the Company excluding outside director, operating officer not concurrently serving as a director, corporate auditor, or any other equivalent position.

In the Disposal of Treasury Shares, 13 Eligible Directors, etc. who are intended allottees will make an in-kind contribution to the Company by contributing the entirety of their Monetary Compensation Claims under the Plan and, in return, will receive the Company’s common shares (hereinafter, the “Allotted Shares”). In connection with the Disposal of Treasury Shares, a restricted stock allotment agreement (hereinafter, the “Allotment Agreement”) will be entered into by and between the Company and each Eligible Director, etc., and its outline is as described in 3. below.

3. Outline of the Allotment Agreement

(1) Transfer restriction period

From September 25, 2026, until immediately after the date on which each Eligible Director, etc. resigns or retires from all positions as a director of the Company excluding outside director, operating officer not concurrently serving as a director, corporate auditor, or any other equivalent position.

(2) Conditions for lifting transfer restrictions

The transfer restrictions on all of the Allotted Shares shall be lifted upon expiration of the transfer restriction period, provided that the Eligible Director, etc. has continuously held any of the following positions during the transfer restriction period: a director of the Company other than an outside director, operating officer who does not concurrently serve as a director, corporate auditor, or any other equivalent position.

(3) Treatment of resignation or retirement of an Eligible Director, etc. during the transfer restriction period due to expiration of term of office, mandatory retirement, or other justifiable reasons

(i) Timing of the lifting of transfer restrictions

If an Eligible Director, etc. retires or resigns from all positions as a director of the Company excluding outside director, operating officer not concurrently serving as a director, corporate auditor, or any other equivalent position due to expiration of term, mandatory retirement, or any other justifiable reasons (including retirement or resignation due to death), the transfer restrictions shall be lifted immediately upon such retirement or resignation.

(ii) Number of shares subject to the lifting of transfer restrictions

The number of shares subject to the lifting of transfer restrictions shall be the number obtained by multiplying the number of Allotted Shares held as of the time immediately after such resignation or retirement as specified in (i) above by a fraction equal to the number of months from the month following the month that includes the date of the Annual General Meeting of Shareholders for the 137th fiscal year to the month that includes the date of such resignation or retirement, divided by 12 (provided that if such fraction exceeds 1, it shall be deemed to be 1); provided, however, that any fraction of less than one share resulting from the calculation shall be rounded down.

(4) 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 immediately after the point in time when the transfer restrictions are lifted.

(5) Treatment in the case of organizational restructuring, etc.

If, during the transfer restriction period, a merger agreement under which the Company becomes the disappearing company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other matter relating to organizational restructuring, etc. is approved by the Company's General Meeting of Shareholders (or, where approval of the Company's General Meeting of Shareholders is not required for such organizational restructuring, etc., by the Company's Board of Directors), the Board of Directors shall, by resolution, lift the transfer restrictions effective immediately before the business day preceding the effective date of such organizational restructuring on such number of shares as obtained by multiplying the number of Allotted Shares held as of the time of the approval by a fraction equal to the number of months from the month following the month that includes the date of the Annual General Meeting of Shareholders for the 137th fiscal year to the month that includes the date of such approval, divided by 12 (provided that if such fraction exceeds 1, it shall be deemed to be 1); provided, however, that any fraction of less than one share resulting from the calculation shall be rounded down. Immediately after the transfer restrictions are lifted, the Company shall automatically acquire without consideration all of the Allocated Shares that remain subject to transfer restrictions.

(6) Share administration

The Allotted Shares will be held in a dedicated account opened by each Eligible Director, etc. with Nomura Securities Co., Ltd. during the transfer restriction period so that they may not be transferred, pledged as collateral, or otherwise disposed of during such period. To ensure the effectiveness of the transfer restrictions and other conditions applicable to the Allotted Shares, the Company has entered into an agreement with Nomura Securities Co., Ltd. regarding the administration of the account in which each Eligible Director, etc. holds their Allotted Shares. Each Eligible Director, etc. shall also be deemed to have consented to the terms and conditions governing the administration of such account.

4. Basis of calculation of the payment amount and the details thereof

The Disposal of Treasury Shares to the intended allottees will be made by way of in-kind contribution of monetary compensation claims granted under the Plan as Restricted Stock Compensation for the Company's 138th fiscal year. In order to eliminate arbitrariness in the disposal price, we have set it at 1,192 yen, the closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market on August 27, 2026 (the business day immediately preceding the Board of Directors' resolution date). The disposal price represents the market price immediately before the Board of Directors' resolution date, and we believe that it is reasonably determined and does not constitute a particularly favorable price.