



**TAKARA
& COMPANY**

**Tech Driven Value
for Growth**



August 28, 2026

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Notice Concerning Disposal of Treasury Shares as Restricted Stock-Based Remuneration

TAKARA & COMPANY LTD. (the “Company”) hereby announces that, at a meeting of its Board of Directors held on August 28, 2026, it resolved to dispose of treasury shares (hereafter referred to as the “Treasury Share Disposal” and “Disposal”), as described below.

1. Outline of the Disposal

(1) Date of disposal	September 25, 2026
(2) Number and class of shares disposed of	2,300 shares of common stock of the Company
(3) Disposal price	¥4,310 per share
(4) Total disposal price	¥9,913,000
(5) Allottees, number thereof, and number of shares disposed of	1,300shares for three (3) Directors (excluding Part-Time Directors and Outside Directors) 400shares for one (1) Directors of a Company subsidiary (Takara Printing Co., Ltd.) 600 shares for two (2) Presidents of Company subsidiaries (Simul International, Inc. and TOIN Corporation) Total: 2,300 shares for six (6) people

2. Purpose and Reason for the Disposal

At a meeting of its Board of Directors held on July 9, 2019, the Company resolved to introduce a restricted stock-based remuneration plan as a new remuneration plan for its Directors excluding Part-Time and Outside Directors (hereafter referred to as the “Eligible Directors”), for the purpose of providing medium- and long-term incentives and promoting the sharing of value with shareholders.

In addition, at the 82nd Annual General Meeting of Shareholders held on August 23, 2019, shareholders approved, under the relevant plan, the granting to Eligible Directors of monetary claims of up to 100 million yen per year as remuneration for the acquisition of restricted stock (hereafter referred to as “Restricted Stock-Based Remuneration”), and the establishment of a transfer restriction period for the restricted stock to be determined by the Board of Directors within a range of 20 to 30 years.

The Company also introduced the same restricted stock-based remuneration plan (hereafter referred to collectively with the above as the “Plan”) for Directors of its subsidiary Takara Printing Co., Ltd. and for Representative Directors and Presidents of consolidated subsidiaries in which the Company directly holds 100% of the shares.

Accordingly, the Treasury Share Disposal will be carried out under the Plan for the benefit of the Eligible Directors, as well as the Directors of Takara Printing Co., Ltd., and Presidents of Simul International, Inc. and TOIN Corporation, both of which are consolidated subsidiaries in which the Company directly holds 100% of the shares (hereafter referred to collectively as the “Eligible Directors, etc.”).

On this occasion, the Company decided, after consultation with the Nomination and Remuneration Committee and taking into consideration the objectives of the Plan, the Company’s business condition, the scope of responsibilities of each Eligible Directors, etc. and other relevant factors, to grant monetary claims totaling 9,913,000 yen (including 5,603,000 yen in total to be granted to three (3) eligible Directors) to six (6) Eligible Directors, etc.

An outline of the Plan is provided below.

[Outline of the Plan]

Based on the Plan, the Eligible Directors, etc. contribute in kind the full amount of the monetary claims granted to them by the Company as remuneration, in exchange for the issuance or disposal of shares of the Company's common stock. The total number of shares of common stock to be issued or disposed of by the Company to Eligible Directors, etc. under the Plan is limited to 55,000 shares per year. The payment amount per share will be determined by the Board of Directors based on the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on the business day immediately preceding the date of the relevant Board of Directors' resolution (or, if no trade is executed on that day, the closing price on the most recent trading day prior thereto), and is set at a price that is not particularly favorable to the Eligible Directors, etc. receiving such shares.

Furthermore, when issuing or disposing of the Company's common stock under the Plan, the Company will enter into a restricted stock allotment agreement with each of the Eligible Directors, etc. The agreement will include (i) a provision prohibiting the Eligible Directors, etc., for a specified period, from transferring, creating a security interest over, or otherwise disposing of the shares of the Company's common stock allotted under the agreement, and (ii) a provision allowing the Company to acquire such shares without compensation if certain events occur.

At this time, taking into consideration the objectives of the Plan, the Company's business condition, the scope of responsibilities of each Eligible Directors, etc., and other relevant factors, and with the aim of further increasing their motivation, the Company has decided to grant monetary claims totaling 9,913,000 yen (hereafter referred to as the "Monetary Claims") and to allot a total of 2,300 shares of its common stock. In order to achieve the promotion of long-term value sharing with shareholders, which is one of the objectives of introducing the Plan, the transfer restriction period for this allotment has been set at 20 years.

In the Treasury Share Disposal, the six (6) Eligible Directors, etc. who are the planned allottees will, based on the Plan, contribute in kind the full amount of the Monetary Claims to the Company, in exchange for the disposal to them of the Company's common stock (the "Allotted Shares"). The key terms of the restricted stock allotment agreement (the "Allotment Agreement") to be entered into between the Company and each of the Eligible Directors, etc. for the Treasury Share Disposal are outlined in Section 3 below.

3. Outline of the Allotment Agreement

(1) Transfer restriction period: From September 25, 2026, to September 24, 2046

(2) Conditions for lifting of the transfer restrictions

Provided that Eligible Directors, etc. continuously serve during the transfer restriction period as a Director, Corporate Auditor, employee, advisor, or other equivalent position at the Company or its subsidiaries, the transfer restrictions on all the Allotted Shares will be lifted upon the expiration of the transfer restriction period.

(3) Treatment when Eligible Directors, etc. resign or retire during the transfer restriction period due to the expiration of term of office, reaching of mandatory retirement age, or other legitimate reasons

(i) Timing of lifting of transfer restrictions

If Eligible Directors, etc. resign or retire from all the positions they serve at the Company or its subsidiaries—whether as Director, Corporate Auditor, employee, advisor, or other equivalent position—due to expiration of term of office, reaching of mandatory retirement age, or other legitimate reason (excluding resignation or retirement due to death), the transfer restrictions will be lifted immediately following such resignation or retirement. In the case of resignation or retirement due to death, the transfer restrictions will be lifted at a time separately determined by the Board of Directors after the death.

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

The number of Allotted Shares for which transfer restrictions will be lifted is calculated by multiplying the number of Allotted Shares held by the Eligible Directors, etc. at the time of resignation or retirement as specified in (i) above, by the number obtained by dividing the length of service (in months) of the Eligible Directors, etc. during the transfer restriction period by 12 (however, if the result exceeds 1, it is deemed to be 1; any fractional shares less than one trading unit arising from the calculation are rounded down).

(4) Acquisition without compensation by the Company

Upon the expiration of the transfer restriction period, or the resignation or retirement of Eligible Directors, etc. during the transfer restriction period, the Company automatically acquires without compensation any Allotted Shares for which the transfer restrictions will not be lifted.

(5) Management of shares

During the transfer restriction period, the Allotted Shares will be managed in a dedicated account opened by each of the Eligible Directors, etc. at Nomura Securities Co., Ltd., in order to ensure that the Eligible Directors, etc. cannot transfer, create a security interest over, or otherwise dispose of such shares. To secure the effectiveness of the transfer restrictions, etc. on the Allotted Shares, the Company has entered into an agreement with Nomura Securities Co., Ltd. concerning the management of the accounts in which the Allotted Shares are held. Each of the Eligible Directors, etc. is deemed to have consented to the management details of such accounts.

(6) Treatment in organizational restructuring, etc.

If, during the transfer restriction period, matters relating to a merger agreement under which the Company will cease to exist, a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary, or other organizational restructuring, etc. are approved at a general meeting of shareholders of the Company (or by a resolution of the Board of Directors if shareholder approval is not required for such organizational restructuring, etc.), then, pursuant to a resolution of the Board of Directors, the transfer restrictions will be lifted immediately prior to the effective date of such organizational restructuring, etc. with respect to the number of Allotted Shares calculated by multiplying the number of Allotted Shares held at that time by the number obtained by dividing the number of months elapsed from the commencement month of the transfer restriction period to the month including the date of such approval by 12 (if the result exceeds 1, it is deemed to be 1; any fractional shares less than one trading unit resulting from the calculation are rounded down). Immediately after the transfer restrictions are lifted, the Company will automatically acquire without compensation all Allotted Shares for which the transfer restrictions have not been lifted.

4. Basis and Specific Details of the Calculation of the Payment Amount

The treasury share disposal made to the planned allottees will be carried out as a contribution in kind, using the monetary claims granted as restricted stock-based remuneration for the Company's 90th fiscal year, based on the Plan. To eliminate arbitrariness in determining the disposal price, the price has been set at 4,310 yen, which was the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on August 27, 2026 (the business day immediately preceding the date of the Board of Directors' resolution). As this reflects the market price immediately prior to the Board of Directors' resolution, the Company considers it to be reasonable and not particularly favorable to the allottees.