[Reference Translation]

October 13, 2026

Company Name: TAKEUCHI MFG. CO., LTD.

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(Tokyo Stock Exchange, Prime Market, Stock Code: 6432)

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Notice Regarding Disposal of Treasury Shares by Third-Party Allotment for Granting Restricted Stock via the Employee Shareholding Association

Takeuchi Mfg. Co., Ltd. (hereinafter the "Company") hereby announces that, at a meeting of the Board of Directors held on October 13, 2026, the Company resolved to grant restricted stock to employees of the Company through the TAKEUCHI MFG. Employee Shareholding Association (hereinafter the "Shareholding Association") and to dispose of treasury shares as restricted stock to the Shareholding Association as the planned allottee (hereinafter the "Disposal of Treasury Shares"), as described below.
Restricted stock will be granted only to those members of the Shareholding Association who agree to receive restricted stock through the Shareholding Association (hereinafter the "Eligible Employees").

1. Outline of the Disposal

(1) Disposal Date	February 19, 2027
(2) Class and Number of Shares to Be Disposed of	Common stock of the Company: 49,900 shares (Note 1)
(3) Disposal Price	7,280 yen per share (Note 2)
(4) Total Disposal Amount	363,272,000 yen (Note 1)
(5) Method of Disposal (Planned Allottee)	Third-party allotment (TAKEUCHI MFG. Employee Shareholding Association: 49,900 shares) (Note 1) The number of shares to be granted to each Eligible Employee will be determined by the Company, and partial applications will not be accepted.
(6) Other	The Company has filed an extraordinary report pursuant to the Financial Instruments and Exchange Act in connection with the Disposal of Treasury Shares.

(Note 1) The "number of shares to be disposed of" and the "total disposal amount" are the maximum figures as of today, calculated on the assumption that 150 shares of the Company's common stock will be granted to each of 20 employees at General Manager level or above, 100 shares to each of 83 managerial employees, and 50 shares to each of 772 non-managerial employees, representing the

maximum number of persons who may become Eligible Employees. The actual number of shares to be disposed of and the total disposal amount are expected to be finalized based on the number of Eligible Employees after promotion of membership to non-members of the Shareholding Association and confirmation of consent of members to the program.

(Note 2) The estimated amount is stated, calculating based on the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on October 9, 2026. As the Company announced today, October 13, 2026, a "Notice Regarding Determination of Matters Related to Acquisition of Own Shares," the Company will determine the disposal price on October 20, 2026 (hereinafter the "Condition Determination Date"), after taking into account stock-price fluctuations and other relevant circumstances, as the higher of (i) 7,280 yen, the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on October 9, 2026, and (ii) the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on the trading day immediately preceding the Condition Determination Date, in order to reflect the impact of such announcement on the stock price and to protect the interests of existing shareholders.

2. Purpose and Reasons for the Disposal

At a meeting of the Board of Directors held on October 13, 2026, the Company resolved to dispose of treasury shares of its common stock as restricted stock, with the Shareholding Association designated as the planned allottee, in order to enhance employee benefits and promote the Company's sustainable growth and medium to long-term corporate value by granting restricted stock to the Eligible Employees through the Shareholding Association.

The grant of restricted stock will be implemented as follows: (i) the Company will provide the Eligible Employees with monetary claims as special incentive funds for the grant of restricted stock; (ii) the Eligible Employees will contribute such monetary claims to the Shareholding Association; and (iii) the Shareholding Association will make a lump-sum contribution in kind to the Company of the monetary claims contributed by the Eligible Employees, thereby receiving the disposal of the Company's common stock as restricted stock.

The Eligible Employees will acquire interests corresponding to the restricted stock allotted to the Shareholding Association in accordance with the rules of the Shareholding Association (hereinafter the "Interests"), but may not withdraw the shares comprising the Interests during the transfer restriction period.

By the day preceding the disposal date, the Shareholding Association intends to amend its rules as necessary to receive the allotment of restricted stock. (The amendment is expected to take effect two weeks after the board of representatives of the Shareholding Association notifies the members, provided that objections are received from fewer than one-half of the members.) The Disposal of Treasury Shares will be implemented on the condition that the amendment becomes effective by the day preceding the disposal date.

In addition, upon allotment of the Company's common stock, the Company intends to enter into a restricted stock allotment agreement with the Shareholding Association (hereinafter the "Allotment Agreement") containing, in summary, the terms set forth below.

Although the number of shares to be disposed of in the Disposal of Treasury Shares is expected to be finalized at a later date as stated in Note 1 in Section 1 above, the maximum number is 49,900 shares.

Assuming such maximum, the dilution ratio would be 0.10% of the 48,999,000 issued shares as of August 31, 2026, and 0.11% of the 460,138 voting rights as of August 31, 2026 (each percentage rounded to the second decimal place).

<Overview of the Allotment Agreement>

(1) Transfer Restriction Period

From the disposal date until December 18, 2029 (hereinafter the "Transfer Restriction Period"), the Shareholding Association shall not transfer, create any security interest over, or otherwise dispose of the Company's common stock allotted under the Allotment Agreement (hereinafter the "Allotted Shares"), including withdrawal by Eligible Employees (hereinafter the "Transfer Restriction").

(2) Conditions for Lifting of the Transfer Restriction

Subject to an Eligible Employee remaining a member of the Shareholding Association throughout the Transfer Restriction Period, the Transfer Restriction shall be lifted upon expiration of the Transfer Restriction Period for all Allotted Shares corresponding to the Interests held by that Eligible Employee. However, if an Eligible Employee withdraws from the Shareholding Association during the Transfer Restriction Period due to mandatory retirement, death, promotion to an officer position, or any other reason deemed legitimate by the Company, the Transfer Restriction shall be lifted, as of the first business day of the month in which settlement associated with such withdrawal is made (hereinafter the "Settlement Release Date"), for the number of Allotted Shares corresponding to the Interests held by the Eligible Employee on the Settlement Release Date multiplied by the number obtained by dividing the number of months from the month following the month that includes the disposal date through the month including the Settlement Release Date by 34 (with any fraction of less than one share rounded up).

Upon lifting the Transfer Restriction, the Company shall notify the Shareholding Association that the restriction will be lifted and of the number of Allotted Shares for which it will be lifted. In accordance with its rules, the Shareholding Association shall transfer the portion of the relevant Eligible Employee's Interests corresponding to such Allotted Shares to the ordinary membership interests held by that Eligible Employee in relation to shares acquired through regular periodic purchases (hereinafter the "Ordinary Interests").

(3) Acquisition without Consideration by the Company

Immediately after expiration of the Transfer Restriction Period, the Company shall automatically acquire without consideration any Allotted Shares for which the Transfer Restriction has not been lifted. In the event of an acquisition without consideration, the Company shall notify the Shareholding Association that it will acquire the Allotted Shares without consideration and of the number of Allotted Shares to be acquired. In accordance with its rules, the Shareholding Association shall, at the time of receipt of such notice, deduct from the relevant Eligible Employee's Interests the portion thereof corresponding to the Allotted Shares subject to such acquisition.

(4) Management of Shares

The Allotted Shares shall be managed during the Transfer Restriction Period in a dedicated restricted stock account opened by the Shareholding Association at Daiwa Securities Co. Ltd. so that they cannot

be transferred, pledged, or otherwise disposed of during that period. In accordance with its rules, the Shareholding Association shall separately record and manage the Interests and the Ordinary Interests.

(5) Treatment in Organizational Restructuring

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 is approved at a shareholders' meeting of the Company (or by the Board of Directors where shareholder approval is not required), the Transfer Restriction shall be lifted, by resolution of the Board of Directors, for all Allotted Shares corresponding to the Interests held by the Eligible Employees as of the date of approval, at the time immediately preceding the business day before the effective date of such organizational restructuring.

3. Basis for Determination of Disposal Price and Specific Details

The Disposal of Treasury Shares will be carried out by means of an in-kind contribution by the Shareholding Association using as contributed property the monetary claims provided by the Company to the Eligible Employees as special incentive funds for the grant of restricted stock and contributed by the Eligible Employees to the Shareholding Association. To exclude arbitrariness, the disposal price will be determined as the higher of (i) 7,280 yen, the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on October 9, 2026 (the trading day immediately preceding the date of the Board of Directors' resolution), and (ii) the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on the trading day immediately preceding the Condition Determination Date.

The deviation rates of 7,280 yen, the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on October 9, 2026 (the trading day immediately preceding the date of the Board of Directors' resolution), from the average closing prices for the following periods are as follows (rounded to the second decimal place; the same applies to the deviation rates below):

Period	Average Closing Price (Rounded Down to the Nearest Yen)	Deviation Rate
1 month (September 10, 2026 – October 9, 2026)	7,314 yen	(0.46)%
3 months (July 10, 2026 – October 9, 2026)	7,432 yen	(2.05)%
6 months (April 10, 2026 – October 9, 2026)	7,276 yen	0.05%

Taking the foregoing into consideration, the Company has determined that the above disposal price is reasonable as the market price of the Company's common stock and does not constitute a particularly advantageous price for the planned allottee. The Audit and Supervisory Committee (consisting of five members, including four outside directors) has expressed the opinion that the process by which the Company determined that the disposal price does not constitute a particularly advantageous disposal price for the Shareholding Association is reasonable and that such determination is lawful, in light of the purpose of providing incentives to the Eligible Employees and the fact that the disposal price is the higher of (i) the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on October 9, 2026 (the trading day immediately preceding the date of the Board of Directors' resolution) and (ii) the

closing price on the trading day immediately preceding the Condition Determination Date.

4. Matters Concerning Procedures under the Code of Corporate Conduct

Given that the Disposal of Treasury Shares (i) will result in a dilution rate of less than 25% and (ii) does not involve a change in the controlling shareholder, neither an opinion from an independent third party nor procedures to confirm the intent of shareholders, as specified in Rule 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc., are required.