[Translation]

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Notice Concerning Disposal of Treasury Shares as Restricted Stock Incentives for the Employee Shareholding Association

SAN-AI OBBLI CO., LTD. (the "Company") hereby announces that, at the meeting of the Board of Directors held today, the Company resolved to dispose of the Company's treasury shares as restricted shares (the "Treasury Share Disposal" or the "Disposal") under the Employee Shareholding Association Restricted Stock Incentive Plan (the "Plan"), with the SAN-AI OBBLI Employee Shareholding Association (the "ESA") as the scheduled allottee, as outlined below.

1. Overview of the Disposal

(1) Date of Disposal	June 25, 2027
(2) Class and Number of Shares to be Disposed	227,200 common shares of the Company (Note)
(3) Disposal Price	2,283 yen per share
(4) Total Disposal Value	518,697,600 yen (Note)
(5) Method of Disposal (Scheduled Allottee)	The number of subscription shares determined by the ESA within the scope of the number of shares stated in (2) above shall be allotted to the ESA on the condition that the ESA applies for subscription by way of third-party allotment (the number allotted shall be the "number of shares to be disposed"). (SAN-AI OBBLI Employee Shareholding Association, 227,200 shares) Partial applications by individual Eligible Employees (as defined below) for only a portion of the shares to be granted will not be accepted.
(6) Other Matters	An Extraordinary Report has been submitted for the Treasury Share Disposal in accordance with the Financial Instruments and Exchange Act.

Note: The "number of shares to be disposed" and the "total disposal value" are calculated on the assumption that 100 common shares of the Company will be granted as restricted shares to each of the 2,272 employees of the Company and its subsidiaries who represent the maximum number of employees potentially eligible under the Plan. The actual number of shares and the total disposal value will be determined according to the number of employees of the Company and its subsidiaries who agree to the Plan (the "Eligible Employees"; up to 2,272), after promotional activities for non-members of the ESA and confirmation of consent among ESA members have been completed.

Specifically, as stated in (5) above, the number of shares for which the ESA applies shall constitute the "number of shares to be disposed," and the amount obtained by multiplying such number by the per-share disposal price shall constitute the "total disposal value."

The Company or its subsidiaries will grant each Eligible Employee a monetary claim of 228,300 yen, and the Company will allot 100 shares uniformly to each Eligible Employee through the ESA.

2. Purpose and Reason for the Disposal

At today's meeting of the Board of Directors, the Company resolved to introduce the Plan to provide Eligible Employees who are members of the ESA and are employed by the Company or its subsidiaries with an opportunity to acquire the Company's common shares as restricted shares through the ESA.

The Plan will be implemented in conjunction with the 75th anniversary of the Company's founding. Its purpose is to enhance Eligible Employees' engagement by expanding employee welfare benefits, promote value sharing with the Company's shareholders, and increase Eligible Employees' motivation to achieve the targets of the medium-term management plan.

An outline of the Plan is provided below.

[Overview of the Plan]

Under the Plan, the Company or its subsidiaries will grant Eligible Employees monetary claims as a special incentive for the grant of restricted shares (the "Special Incentive"). Eligible Employees will contribute the Special Incentive to the ESA.

The ESA will then contribute the Special Incentive contributed by the Eligible Employees to the Company as a contribution in kind and, in return, will receive the issue or disposal of the Company's common shares as restricted shares.

When the Company newly issues or disposes of common shares under the Plan, the per-share payment amount will be determined by resolution of the Board of Directors, within a scope that is not particularly advantageous to the ESA (and, by extension, to the Eligible Employees), 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 relevant Board resolution (or, if no transaction is made on such business day, the closing price on the most recent prior trading day).

In connection with an issuance or disposal under the Plan, the Company and the ESA will enter into a restricted share allotment agreement providing, among other matters, that (i) the transfer, creation of a security interest in, or

other disposal of the allotted shares to a third party will be prohibited for a certain period (the "Transfer Restrictions"), and (ii) the Company will acquire the allotted shares without consideration if certain events occur.

Payment of the Special Incentive to Eligible Employees will be conditional upon execution of the restricted share allotment agreement between the Company and the ESA.

Until the Transfer Restrictions are lifted, pursuant to the ESA's rules and operating bylaws (the "ESA Rules, etc."), Eligible Employees will be restricted from withdrawing their member equity interests pertaining to the restricted shares held in proportion to the monetary claims contributed to the ESA (the "Restricted Share Equity Interests" or "RS Equity Interests").

Note: Promptly after the Board resolution for the Treasury Share Disposal, the ESA intends to resolve amendments to the ESA Rules, etc. at a meeting of its board of directors before accepting the Treasury Share Disposal. The amendments are scheduled to become effective after two weeks have elapsed from the issuance of notice to ESA members in accordance with the ESA Rules, etc. following the relevant board resolution, provided that objections are received from less than one-third of all ESA members.

In the Treasury Share Disposal, the ESA, as the scheduled allottee, will make payment by way of in-kind contribution of the entire Special Incentive contributed by Eligible Employees, and the Company will dispose of its common shares to the ESA (the "Allotted Shares").

The overview of the restricted share allotment agreement to be executed between the Company and the ESA (the "Allotment Agreement") is described in Section 3 below.

As stated in the Note to Section 1 above, the number of shares to be disposed of in the Treasury Share Disposal will be determined at a later date. Assuming that all 2,272 employees of the Company and its subsidiaries who are potentially eligible under the Plan join the ESA and consent to the Plan, the number of shares to be disposed will be 227,200.

On this basis, the scale of dilution will be 0.36% of the total number of issued shares (63,000,000 shares as of September 30, 2026; percentages are rounded to the nearest two decimal places, and the same applies below) and 0.37% of the total number of voting rights (614,555 voting rights as of September 30, 2026).

The Plan is intended to assist Eligible Employees in building assets by providing them, as an employee welfare enhancement measure, with an opportunity to acquire the Company's common shares as restricted shares through the ESA. The Plan also aims to provide Eligible Employees with an incentive to contribute to the sustainable enhancement of the Company's corporate value and to promote greater value sharing with the Company's shareholders. The Company therefore believes that the Plan will contribute to increasing the corporate value of the Group, that the number of shares to be disposed and the scale of dilution are reasonable, and that the impact on the market will be minor even after taking such dilution into account.

The Treasury Share Disposal is conditional upon the amended ESA Rules, etc. becoming effective by the day preceding the disposal date and upon execution of the Allotment Agreement between the Company and the ESA within the prescribed period.

3. Overview of the Allotment Agreement

(1) Transfer Restriction Period

From June 25, 2027 to May 31, 2032.

(2) Conditions for Lifting the Transfer Restrictions

Provided that an Eligible Employee has remained a member of the ESA on a continuing basis throughout the transfer restriction period, the Transfer Restrictions will be lifted, upon expiration of such period, for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee who satisfies the foregoing condition.

(3) Treatment upon Terminating ESA Membership

If an Eligible Employee terminates ESA membership during the transfer restriction period due to retirement upon reaching mandatory retirement age, retirement upon expiration of a continued employment period after mandatory retirement age, transfer to a group company to which the ESA Rules, etc. do not apply, appointment as an officer, or any other justifiable reason (meaning loss of membership qualification or submission of an application for withdrawal, and including termination due to death), the Company will lift the Transfer Restrictions, effective on the date on which the ESA receives the Eligible Employee's application for withdrawal (or, in the case of loss of membership qualification, the date of such loss, and in the case of death, the date of death; the "Withdrawal Application Acceptance Date"), for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee as of that date.

(4) Treatment upon Becoming a Non-resident

If the Company or its subsidiaries determines that an Eligible Employee will become a non-resident during the transfer restriction period due to an overseas transfer or otherwise, the Company will lift the Transfer Restrictions, effective on the date of such determination (the "Overseas Transfer Determination Date"), for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee on that date.

(5) Acquisition without Consideration by the Company

If an Eligible Employee commits an act in violation of laws or regulations during the transfer restriction period or falls under any other event prescribed in the Allotment Agreement, the Company will, as a matter of course, acquire without consideration all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employee at such time.

The Company will also, as a matter of course, acquire without consideration any Allotted Shares for which the Transfer Restrictions are not lifted upon expiration of the transfer restriction period or at the time of lifting under (3) or (4) above.

(6) Administration of Shares

During the transfer restriction period, the Allotted Shares will be administered in a dedicated account opened by the ESA with Nomura Securities Co., Ltd. so that the Allotted Shares cannot be transferred, pledged, or otherwise disposed of.

In addition, pursuant to the ESA Rules, etc., the ESA will register and administer the Restricted Share Equity Interests separately from the other member equity interests held by Eligible Employees (the "Ordinary Equity Interests").

(7) Treatment upon Reorganization, etc.

If, during the transfer restriction period, matters relating to a merger agreement under which the Company will become the disappearing company, a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary, or any other reorganization, etc. are approved at the Company's general meeting of shareholders (or, where such approval is not required, at a meeting of the Board of Directors), the Company will, by resolution of the Board of Directors, lift the Transfer Restrictions, as of the time immediately preceding the business day before the effective date of such reorganization, etc., for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by Eligible Employees among the Allotted Shares held by the ESA as of the date of such approval.

4. Basis of Calculation and Specifics of the Disposal Price

The Treasury Share Disposal to the ESA as the scheduled allottee will be conducted through Eligible Employees' contribution to the ESA of the Special Incentive granted to them for the grant of restricted shares, with such Special Incentive serving as the contributed property.

To eliminate arbitrariness, the disposal price has been set at 2,283 yen, which is the closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market on November 9, 2026, the business day immediately preceding the date of the Board resolution.

As this is the market price immediately prior to the Board resolution, the Company believes that the price is reasonable and does not constitute a particularly advantageous amount.

The deviation rates of this disposal price from the average closing prices of the Company's common shares on the Tokyo Stock Exchange Prime Market are as follows. Percentages are rounded to the nearest two decimal places.

Period	Average closing price (amounts less than 1 yen rounded down)	Deviation rate
One month (October 13, 2026 to November 9, 2026)	2,445 yen	-6.63%
Three months (August 10, 2026 to November 9, 2026)	2,423 yen	-5.78%
Six months (May 11, 2026 to November 9, 2026)	2,292 yen	-0.39%

All five Audit & Supervisory Board Members who attended today's meeting of the Board of Directors, including three outside Audit & Supervisory Board Members, have expressed the opinion that, in light of the purpose of the Treasury Share Disposal, namely the introduction of the Plan, and the fact that the disposal price is the closing price of the Company's common shares on the Tokyo Stock Exchange Prime Market on the business day immediately

preceding the date of the Board resolution, the foregoing price is not particularly advantageous to the scheduled allottee and is lawful.

5. Matters Related to Procedures under the Code of Corporate Conduct

Given that (i) the dilution ratio is less than 25% and (ii) the Treasury Share Disposal does not involve a change in the controlling shareholder, the procedures to obtain an opinion from an independent third party and to confirm the intention of shareholders, as set forth in Rule 432 of the Securities Listing Regulations prescribed by the Tokyo Stock Exchange, are not required.

(Reference) Scheme of the Plan

(i) The Company or its subsidiaries grants monetary claims to Eligible Employees as the Special Incentive for the grant of restricted shares.

(ii) Eligible Employees contribute the monetary claims described in (i) above to the ESA.

(iii) The ESA aggregates and contributes to the Company the monetary claims described in (ii) above.

(iv) The Company allots the Allotted Shares to the ESA as restricted shares ("RS" in the figure below).

(v) The Allotted Shares are deposited, through Nomura Securities Co., Ltd., into a dedicated account opened by the ESA, and withdrawals are restricted during the transfer restriction period.

(vi) After the Transfer Restrictions are lifted, the Allotted Shares are transferred to the Ordinary Equity Interests or to securities accounts in the names of the Eligible Employees.

