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February 24, 2026

To Whom It May Concern

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 (Securities code: 1885; TSE Prime Market and SSE)
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**Notice on Disposal of Treasury Shares by Third-Party Allotment in Connection
 with Additional Contributions to Share-Based Compensation Plans (BBT/ J-ESOP)**

TOA CORPORATION (hereinafter the “Company”) hereby announces that its Board of Directors, at a meeting held on February 24, 2026, resolved to dispose of treasury shares through a third-party allotment (hereinafter the “Disposal of Treasury Shares”) as follows. The Disposal of Treasury Shares will be formally conducted, in connection with the Board Benefit Trust (BBT) (hereinafter the “BBT Plan”), which is a performance-linked stock-based remuneration plan, and the Japanese version of Employee Stock Ownership Plan (J-ESOP) (hereinafter the “J-ESOP Plan,” together with the BBT Plan, collectively referred to as the “Plans”), with Custody Bank of Japan, Ltd. (Trust Account E), the re-trustee who has been re-entrusted by the trustee of the trusts (hereinafter, the trust regarding the BBT Plan is referred to as the “BBT Trust,” the trust regarding the J-ESOP Plan is referred to as the “J-ESOP Trust,” and the BBT Trust and the J-ESOP Trust are collectively referred to as the “Trusts.”), as the allottee. The Trusts were established under the trust agreements concluded with Mizuho Trust & Banking Co., Ltd. However, it is substantially the same as the allotment of shares to Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors who are not Audit & Supervisory Committee Members; hereinafter the same applies unless otherwise noted), Executive Officers who are not concurrently serving as Directors (Directors and Executive Officers who are not concurrently serving as Directors are hereinafter collectively referred to as “Directors, etc.”), and employees of the Company as consideration for services provided to the Company.

1. Overview of disposal

(1) Date of disposal	Wednesday, March 18, 2026
(2) Class and number of shares to be disposed of	1,700,000 shares of common stock
(3) Disposal price	¥4,070 per share
(4) Total disposal amount	¥6,919,000,000

(5) Scheduled disposal recipient	Directors and Executive Officers of the Company: 37 persons, 900,000 shares Employees of the Company: 1,866 persons, 800,000 shares (Note 1, 2)
(6) Other matters	The Company will submit an extraordinary report concerning the Disposal of Treasury Shares pursuant to the Financial Instruments and Exchange Act.

Notes: 1. The formal scheduled recipient of the Disposal of Treasury Shares is Custody Bank of Japan, Ltd. (Trust Account E). Custody Bank of Japan, Ltd. (Trust Account E) is the trust account established through the conclusion of trust agreements between the Company and Mizuho Trust & Banking Co., Ltd. with the Company as the trustor and Mizuho Trust & Banking Co., Ltd. as the trustee (and Custody Bank of Japan, Ltd. as the re-trustee). Meanwhile, the Disposal of Treasury Shares will be conducted in order to provide shares to Directors, etc. and employees based on the Plans and is substantially the same as the allotment of shares to Directors, etc. and employees as consideration for services provided to the Company. Accordingly, Directors, etc. are listed as the scheduled disposal recipient.

2. Based on the BBT Plan, Directors, etc. will be granted points based on their position, attainment of business results, and other factors. Upon obtaining the beneficiary rights after satisfying certain conditions, Directors, etc. will receive the Company's shares and cash equivalent to the amount calculated at market value of the Company's shares (hereinafter the "Company Shares, etc.") corresponding to the points granted. Accordingly, the number of shares stated above represents the maximum number, and the actual number of the Company Shares, etc. to be delivered to Directors, etc. will vary depending on their position, attainment of business results, and other factors.
- Based on the J-ESOP Plan, employees will be granted points according to their length of service and other factors. Upon obtaining the beneficiary rights after satisfying certain conditions, employees will receive the Company's shares corresponding to the points granted. Accordingly, the number of shares stated above represents the maximum number, and the actual number of the Company's shares to be delivered to employees will vary depending on their length of service and other factors.

2. Purpose and reason for disposal

The Company introduced the BBT Plan based on the resolution of the Ordinary General Meeting of Shareholders held on June 27, 2019. Thereafter, the BBT Plan has undergone partial revisions based on the resolutions of the Ordinary General Meetings of Shareholders held on June 29, 2022, and June 27, 2025. (For the overview of the BBT Plan, please refer to the "Notice Concerning Introduction of Performance-Linked Stock-Based Remuneration Plan" on May 24, 2019. For the partial revisions, please refer to Proposal No. 7 "Revision of Performance-linked Stock-based Remuneration for Directors (Excluding Directors Who are Audit & Supervisory Committee Members and Outside Directors Who are Not Audit & Supervisory Committee Members)" described in the Notice of the 135th Ordinary General Meeting of Shareholders on June 5, 2025.)

The Company also introduced the J-ESOP Plan based on the resolution of the meeting of the Board of Directors held on February 8, 2023. (For the overview of the J-ESOP Plan, please refer to the "Notice Concerning Introduction of Employee Stock Ownership Plan (J-ESOP) and Disposal of Treasury Shares Through Third-party

Allotment” on February 8, 2023.)

In continuing the Plans, the Company has resolved to make an additional monetary contribution to the Trusts (hereinafter the “Additional Trust”), thereby enabling the Trusts to acquire the number of shares expected to be required for future benefits. The Company has also resolved to dispose of its treasury shares through a third-party allotment (the Disposal of Treasury Shares) to Trust Account E, established at Custody Bank of Japan, Ltd. (the re-trustee who has been re-trusted by Mizuho Trust & Banking Co., Ltd., the trustee of the Trusts) for the purpose of holding and disposing of the Company’s shares in connection with the administration of the Plans. Although the Disposal of Treasury Shares will be formally conducted with Custody Bank of Japan, Ltd. (Trust Account E) as the allottee, it is substantially the same as the allotment of shares to Directors, etc. and employees as consideration for services provided to the Company.

The number of shares to be disposed of is the sum of the numbers corresponding to the number of shares that are expected to be delivered to Directors, etc. during the trust period in accordance with the “Executive Share Delivery Regulations” (900,000 shares for three fiscal years from the fiscal year ending March 31, 2026 through the fiscal year ending March 31, 2028) and the number of shares that are expected to be delivered to employees during the trust period in accordance with the “Share Delivery Regulations” (800,000 shares for three fiscal years from the fiscal year ending March 31, 2026 through the fiscal year ending March 31, 2028). This number represents 1.93% of the 87,978,516 total issued shares as of September 30, 2025 (2.11% of the 804,255 total voting rights as of September 30, 2025, all figures rounded to the second decimal place). In light of the purpose of the Plans as described in Proposal No. 7 “Revision of Performance-linked Stock-based Remuneration for Directors (Excluding Directors Who are Audit & Supervisory Committee Members and Outside Directors Who are Not Audit & Supervisory Committee Members)” described in the Notice of the 135th Ordinary General Meeting of Shareholders on June 5, 2025 and the “Notice Concerning Introduction of Employee Stock Ownership Plan (J-ESOP) and Disposal of Treasury Shares Through Third-party Allotment” on February 8, 2023, the Company has determined that the scale of dilution is reasonable.

*Overview of the Additional Trust to the BBT Trust

Date of Additional Trust	March 18, 2026
Amount of Additional Trust	¥3,663,000,000
Class of shares to be acquired	Common stock of the Company
Number of shares to be acquired	900,000 shares
Date of acquisition of shares	March 18, 2026
Share acquisition method	Acquisition by receiving treasury shares disposed of by the Company (the Disposal of Treasury Shares)

*Overview of the Additional Trust to the J-ESOP Trust

Date of Additional Trust	March 18, 2026
Amount of Additional Trust	¥3,056,000,000 (Note)
Class of shares to be acquired	Common stock of the Company
Number of shares to be acquired	800,000 shares
Date of acquisition of shares	March 18, 2026
Share acquisition method	Acquisition by receiving treasury shares disposed of by the Company (the Disposal of Treasury Shares)

(Note) The J-ESOP Trust will acquire additional shares of the Company using its source of funds, which is the total amount of the Additional Trust (3,056,000,000 yen) and money belonging to the trust assets (200,000,000 yen).

3. Basis of calculation and specific details of disposal price

The disposal price shall be 4,070 yen, the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately before the date of the Board of Directors' resolution regarding the Disposal of Treasury Shares.

The Company determined that using the closing price on the business day immediately before the date of the Board of Directors' resolution is reasonable, as it reflects the fair corporate value of the Company in the stock market.

The disposal price of 4,070 yen is the equivalent to 109.56% of the average closing price of 3,715 yen (rounded down to the nearest yen) for the most recent one-month period preceding the business day immediately before the date of the Board of Directors' resolution, 126.91% of the average closing price of 3,207 yen (rounded down to the nearest yen) for the most recent three-month period preceding the business day immediately before the date of the Board of Directors' resolution, and 150.30% of the average closing price of 2,708 yen (rounded down to the nearest yen) for the most recent six-month period preceding the business day immediately before the date of the Board of Directors' resolution. Taking the above into consideration, the Company has determined that the disposal price for the Disposal of Treasury Shares is not particularly advantageous and is reasonable.

The Audit & Supervisory Committee has expressed its opinion that the above disposal price does not constitute a particularly favorable disposal price.

4. Matters concerning the procedure required by the corporate code of conduct

The Disposal of Treasury Shares does not require obtaining an opinion from an independent third party or procedures to confirm shareholders' intent, as stipulated in Rule 432 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc., because (i) the dilution ratio is less than 25% and (ii) the Disposal of Treasury Shares does not involve a change in controlling shareholder.