



August 8, 2025

Company name: SANKI ENGINEERING CO., LTD.
Name of representative: Hirokazu Ishida, President and
Representative Director
(Securities code: 1961; Prime Market
of the Tokyo Stock Exchange)
Inquiries: Yoshio Kawabe, Director,
Senior Executive Officer,
General Manager of the Accounting
Division
(TEL: +81-3-6367-7041)

Notice Concerning Determination of Matters Related to Acquisition of Own Shares and Cancellation of Own Shares

(Acquisition of own shares under the provisions of the Articles of Incorporation pursuant to the provisions of
Article 165, paragraph (2) of the Companies Act, and cancellation of own shares under the provisions of
Article 178 of the same Act)

Sanki Engineering Co., Ltd. (“the Company”) hereby announces that it has resolved, at the meeting of the Board of Directors held on August 8, 2025, the matters concerning acquisition of own shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, paragraph (3) of the same Act, and cancellation of own shares pursuant to the provisions of Article 178 of the same Act.

1. Reasons for acquisition and cancellation of own shares

In the financial and capital strategy set forth in the Medium-Term Management Plan 2027, the Company seeks to balance growth investments and shareholder returns. With respect to shareholder returns, the Company has adopted the policy of making dividend payments with a target DOE of at least 5% for stable and sustainable distributions, and flexibly acquiring approximately 4 million shares of the Company’s own stock over three years.

During the current fiscal year, which is the first year of the Medium-Term Management Plan 2027, the Company will acquire 1 million shares of its own stock. Cancellation of treasury shares shall be conducted pursuant to the policy on holding treasury shares.

2. Details of matters related to the acquisition

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| (1) Class of shares to be acquired | Common stock of the Company |
| (2) Total number of shares to be acquired | Up to 1,000,000 shares
(1.93 % of total number of issued shares (excluding
treasury shares)) |
| (3) Total amount of share acquisition costs | Up to 5,000 million yen |
| (4) Acquisition period | From August 12, 2025 to March 31, 2026 |
| (5) Acquisition method | Market purchases on the Tokyo Stock Exchange |

3. Details of cancellation

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|------------------------------------|-----------------------------|
| (1) Class of shares to be canceled | Common stock of the Company |
|------------------------------------|-----------------------------|

- | | |
|--|---|
| (2) Number of shares to be canceled | 1,000,000 shares
(1.83% of total number of issued shares before
cancellation) |
| (3) Scheduled date of cancellation | August 18, 2025 |
| (4) Total number of issued shares after cancellation | 53,661,156 shares |

(Reference)

1. Policy on holding treasury shares

The Company has established the policy on holding treasury shares, as follows.

- (1) The Company will use the treasury shares that it holds for restricted stock remuneration to directors and other eligible officers, and will also consider using them for M&A deals in the future.
- (2) The Company will limit the treasury shares in its holding to approximately 5% of the total number of issued shares and will, in principle, cancel any treasury shares held in excess of this limit.

2. Status of treasury shares held as of June 30, 2025

Total number of issued shares (excluding treasury shares)	51,782,982 shares
Number of treasury shares	2,878,174 shares

Note that on July 25, 2025, the Company disposed of 69,000 shares of treasury stock for restricted stock remuneration. For details, please refer to the “Notice Concerning Completion of Payment for Disposal of Treasury Shares as Restricted Stock Remuneration” dated July 25, 2025.

Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.
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