



June 27,2025

News Release

Company name: Asahi Kogyosha Co., Ltd.  
Representative: Yasutomo Takasu, President and  
Representative Director  
(Securities code:1975, TSE Prime)  
Contact: Michiya Kameda  
Director, Vice President, Executive  
Officer, and General Manager of  
General Affairs Division  
(Tel.: +81-3-6452-8181)

### Notice of disposal of treasury shares as restricted share compensation

At today's meeting, the Board of Directors of Asahi Kogyosha Co., Ltd. ("Company" hereinafter) resolved to dispose of treasury shares as restricted share compensation ("disposal" hereinafter), as summarized below.

#### Details

##### 1. Overview of disposal

(1) Date of disposal	July 22,2025
(2) Class and number of shares to be disposed of	17,500 shares of Company common stock
(3) Disposal price	2,440 yen/share
(4) Total disposal amount	42,700,000 yen
(5) Assignees of disposal	Company Directors*: 6 persons, 7,600 shares * Excluding Outside Directors Company Executive Officers: 13 persons, 9,900 shares

##### 2. Purpose of and reasons for disposal

With the aim of ensuring that Company Directors (excluding Outside Directors) share with shareholders the benefits and risks associated with changing share prices and to raise motivation to contribute to growth in share prices and corporate value, the resolution(s) passed at the Company's 91st Regular General Meeting of Shareholders, held June 26, 2020, introduced a stock compensation program through the issue of restricted shares ("program" hereinafter) for Company Directors (excluding Outside Directors); set maximum total monetary compensation claims to be paid to Company Directors (excluding Outside Directors) as remuneration related to restricted shares at 45 million yen per year; and limited the total number of restricted shares to be allotted to Company Directors (excluding Outside Directors) within each fiscal year to 100,000 shares (set initially to 25,000 shares but subsequently adjusted to 100,000 shares following two-for-one splits of Company common stock on April 1, 2022, and April 1, 2024). The resolution(s) also specified, as the transfer-restricted period for the restricted shares, the period from the date of issue of the restricted shares through the date of resignation as Company Directors (excluding resignation concurrent with reappointment), among other provisions.

Today, based on a resolution proposed by the Company Board of Directors and a decision by the Company President and Representative Director as delegated by the Board of Directors, the Company chose to allot to Company Directors and Executive Officers, as restricted share remuneration for the period from the 96th Regular General Meeting of Shareholders through the 97th Regular General Meeting of Shareholders scheduled for June 2026, 17,500 shares of Company common stock as special restricted shares in exchange for in-kind payment by the planned assignees of 6 Company Directors (excluding Outside Directors) and 13 Company Executive Officers (“assignees” hereinafter) of all monetary compensation claims totaling 42,700,000 yen paid to the planned assignees. The monetary compensation claims to be paid to each assignee will be determined following a comprehensive consideration of various matters, including the contributions made by each assignee. Payment of these monetary compensation claims shall be conditional upon each assignee concluding a restricted shares allotment agreement (“allotment agreement” hereinafter) as outlined below, among other terms and conditions.

### 3. Overview of the allotment agreement

#### (i) Transfer-restricted period

The transfer restriction period shall be the period from July 22, 2025 (“disposal date” hereinafter) until the resignation date (excluding resignation concurrent with reappointment, including appointment from a Company Executive Officer to a Company Director) from the post of Company Director or Executive Officer held at the time the assignees receive their allotment of the restricted shares (“eligible post at time of allotment” hereinafter).

During the above transfer-restricted period, the assignees may not transfer to any third party, pledge as a security, transfer as inter vivos gift, bequeath, or otherwise dispose of the restricted shares allotted to them (“allotted shares” hereinafter). This restriction shall be referred to as “transfer restrictions” hereinafter.

#### (ii) Gratis acquisition of restricted shares

In the event that an assignee has resigned or retired from the eligible post at time of allotment from the first day of the transfer-restricted period through the day before the date of the first Company Regular General Meeting of Shareholders held thereafter, the Company shall duly acquire the allotted shares gratis as of the time of such resignation, unless the Company Board of Directors recognizes that there are reasonable grounds for such resignation.

In addition, allotted shares for which transfer restrictions have yet to be lifted based on the grounds for lifting of transfer restrictions under (iii) below as of the end of the transfer-restricted period (“end of period” hereinafter) shall be duly acquired gratis by the Company as of the time immediately after the end of the period.

#### (iii) Lifting of transfer restrictions

At the end of the period, the Company shall lift the transfer restrictions on all allotted shares held by an assignee as of that time, conditional on the assignee having held the eligible post at the time of allotment continually from the first day of the transfer-restricted period through the day before the date of the first Company Regular General Meeting of Shareholders held thereafter. However, should the assignee resign from the eligible post at the time of the allotment during the period from the first day of the transfer-restricted period through the day before the date of the first Company Regular General Meeting of Shareholders held thereafter for what the Company Board of Directors deems reasonable grounds, then the transfer restrictions shall be lifted as of

the time immediately after such resignation for the number of shares obtained by multiplying the number of allotted shares held by the assignee as of that time by the number of months from July 2025 through the month including the date on which the assignee resigns from the eligible post divided by 12 at time of allotment. (Any remainder of less than one share resulting from this calculation shall be rounded down.)

(iv) Share management

The assignee shall complete the steps needed to open with SMBC Nikko Securities an account to register or record the allotted shares by the Company-specified method. The allotted shares will be held and maintained in that account until the lifting of the transfer restrictions.

(v) Handling in reorganization

During the transfer-restricted period, should a Company General Meeting of Shareholders (or the Company Board of Directors, in the case of a reorganization not requiring approval at a Company General Meeting of Shareholders), approve a merger agreement in which the Company is the extinguished company, a stock swap agreement or stock transfer plan that would make the Company a wholly-owned subsidiary, or similar reorganization applying solely to such reorganizations with effective dates prior to the end of the period (“case of approval of reorganization” hereinafter), the assignee agrees to resign from the eligible post at the time of the allotment resulting from such reorganization, after which, by a resolution proposed by the Company Board of Directors, the transfer restrictions shall be lifted as of the time immediately before the business day before the effective date of such reorganization for the number of shares obtained by multiplying the number of allotted shares held by the assignee as of the date of such approval by the number of months from July 2025 through the month including the date of such approval divided by 12. (Any results exceeding one shall be replaced with the one; any remainders of less than one share resulting from this calculation shall be rounded down.)

In addition, in cases involving approval of reorganization, the Company shall duly acquire, gratis, all allotted shares for which the transfer restrictions have not been released as of the business day before the effective date of such reorganization.

4. Basis for calculating payment amount associated specifics

To eliminate the potential for arbitrary pricing, the disposal price of this disposal of treasury stock is set at 2,440 yen, the closing price of a share of Company common stock on the Tokyo Stock Exchange on the business day immediately before the date of the Board of Directors resolution (June 26, 2025). As the market share price immediately before the date of the Board of Directors' resolution, this may be deemed a reasonable price that does not constitute an unduly advantageous price.