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June 26, 2026

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Notice Concerning Disposition of Treasury Shares as Restricted Stock Compensation

Yamato Kogyo Co., Ltd. (the "Company") hereby announces that the Board of Directors held today resolved to dispose of treasury shares as restricted stock compensation (hereinafter the "Disposition of Treasury Shares"), as follows.

1. Overview of Disposition

(1)	Due date of payment	July 24, 2026
(2)	Class and number of shares to be disposed	1,576 common shares of the Company
(3)	Disposal price	12,100 yen per share
(4)	Total value of disposal	19,069,600 yen
(5)	Scheduled disposal recipients	One (1) Executive Officer of the Company*: 100 shares Four (4) Directors of the Company's subsidiaries: 1,076 shares Four (4) Executive Officers of the Company's subsidiaries:400shares *Excluding non-residents of Japan

2. Purpose and Reason for Disposition

As restricted stock compensation to one Executive Officer of the Company and four Executive Officers of the Company's subsidiaries for the period from July 1, 2026 to June 30, 2027, and as restricted stock compensation to four Directors of the Company's subsidiaries for the period from the Ordinary General Meeting of Shareholders of each relevant subsidiary held in June 2026 to the Ordinary General Meeting of Shareholders of each relevant subsidiary to be held in June 2027, the Board of Directors of the Company today resolved to grant a total amount of 19,069,600 yen in monetary compensation claims to one Executive Officer of the Company as well as four Directors and four Executive Officers of the Company's subsidiaries (hereinafter collectively the "Allottees") and to allot 1,576 shares of the Company's common shares as specified restricted stock to the Allottees by way of an in-kind contribution for the entire amount of those monetary compensation claims. The amount of monetary compensation claims to be paid to each Allottee has been determined upon comprehensive consideration of the position of each Allottee in the Company's group, the degree of their contributions, and other factors. In addition, the payment of those monetary compensation claims is conditional on the conclusion between each Allottee and the Company of a restricted stock allotment agreement (hereinafter the "Allotment Agreement"), which broadly includes the following contents.

3. Overview of Allotment Agreement

(i) Transfer restriction period

The period from the date of delivery of the restricted stock to the date of retirement or resignation from the position determined by the Board of Directors of the Company. During the aforementioned transfer restriction period (hereinafter the "Transfer Restriction Period"), the Allottee may not dispose of the restricted stock allotted to the Allottee (hereinafter the "Allotted Shares") including transfer, creation of pledge, creation of security right for transfer, gift inter vivos and bequeath (hereinafter the "Transfer Restrictions").

(ii) Gratis acquisition of restricted stock

If an Allottee retires or resigns from the position determined by the Board of Directors of the Company on or after the commencement date of the Transfer Restriction Period and before June 30, 2027 (for a Director of any of the Company's subsidiaries among the Allottees, the day before the first Ordinary General Meeting of Shareholders of the relevant subsidiary to be held on or after the commencement date of the Transfer Restriction Period; the same applies hereinafter.), the Company shall automatically acquire the Allotted Shares free of charge as of the date of such retirement or resignation, unless there is a reason recognized as valid by the Board of Directors of the Company.

In addition, if, at the time of the expiration of the Transfer Restriction Period (hereinafter the "Expiry of the Period"), the Transfer Restrictions on the Allotted Shares have not been removed in accordance with the reasons for removal of the Transfer Restrictions stated in (iii) below, the Company shall automatically acquire the Allotted Shares free of charge immediately after the Expiry of the Period.

(iii) Removal of transfer restrictions

Upon the Expiry of the Period, the Company will remove the Transfer Restrictions on all Allotted Shares held by an Allottee at that time, provided that the Allottee has continuously held the position determined by the Board of Directors of the Company from the commencement date of the Transfer Restriction Period until June 30, 2027. However, in the event that an Allottee retires or resigns from the position determined by the Board of Directors of the Company on or after the commencement date of the Transfer Restriction Period and before June 30, 2027 for a reason recognized as valid by the Board of Directors of the Company, the Company shall remove the Transfer Restrictions on a number of the Allotted Shares calculated by dividing by 12 the number of months from July 2026 to the month that includes the date on which the Allottee retires or resigns from the position determined by the Board of Directors of the Company (however, if the calculation results in a number that exceeds 1, then the number shall be 1), and then multiplying the result by the number of Allotted Shares held by the Allottee at that time (however, any fractions of less than one share that result from the calculation shall be rounded down to the nearest whole number).

(iv) Provisions on the administration of shares

The Allottees shall, in a manner specified by the Company, complete the opening of an account at a securities company specified by the Company to enter or record the Allotted Shares. The Allotted Shares shall be retained and maintained in such account until the Transfer Restrictions are removed.

(v) Treatment in the case of organizational restructuring, etc.

If, during the Transfer Restriction Period, a proposal concerning a merger agreement with the Company as the absorbed company, a share exchange agreement or a share transfer plan or any other proposal related to organizational restructuring, etc. under which the Company becomes a wholly owned subsidiary company is approved by the Company's Ordinary General Meeting of Shareholders (or by the Board of Directors of the Company in cases where approval by the Ordinary General Meeting of Shareholders is not required for the organizational restructuring, etc.), the Company shall, by resolution of the Board of Directors of the Company, remove the Transfer Restrictions pertaining to the Allotted Shares immediately prior to the business day immediately preceding the effective date of the organizational restructuring, etc. The number of the Allotted Shares for which the Transfer Restrictions are removed is calculated by dividing by 12 the number of months from July 2026 to the month that includes the date of the approval (however, if the calculation results in a number that exceeds 1, then the number shall be 1) and then multiplying the result by the number of Allotted Shares held by the Allottee as of the date of the approval (however, any fractions of less than one share that result from the calculation shall be rounded down to the nearest whole number).

In such case, based on the above provisions, the Company shall automatically acquire free of charge all of the Allotted Shares for which the Transfer Restrictions have not been removed on the business day immediately preceding the effective date of the organizational restructuring, etc.

4. Basis for Calculation of the Amount to be Paid in for Shares and Specific Details

To avoid arbitrary pricing, the disposal price for the Disposition of Treasury Shares shall be set at 12,100 yen, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on June 25, 2026, the business day immediately prior to the date of the resolution of the Company's Board of Directors. This is the market share price immediately prior to the date of the Board of Directors' resolution, and the Company believes that it is reasonable and does not constitute a particularly favorable price.