

April 1, 2026

News Release

Listed company name Sanwa Holdings Corporation
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Notice Regarding Disposal of Treasury Stock as the Grant of Shares via the Employee Shareholding Association

Sanwa Holdings Corporation (the "Company") announces that we decided to adopt the grant of shares (the "System") to employees of the Company and the Company's subsidiaries via the employee shareholding association at the meeting of the Board of Directors held on the date hereof and resolved the disposal of treasury stock with the Sanwa Holdings Employee Shareholding Association (the "Shareholding Association", whose members are employees of the Company and the Company's subsidiaries) being the counterparty to the allocation (the "Disposal of Treasury Stock" or the "Disposal") as third-party allocation of shares as follows.

1. Overview of Disposal

(1)	Date of disposal	November 20, 2026
(2)	Class and number of shares to be disposed of	53,500 shares of common stock of the Company
(3)	Disposal value	¥3,537 per share
(4)	Total disposal value	¥189,229,500
(5)	Allotted persons	The Sanwa Holdings Employee Shareholding Association: 53,500 shares
(6)	Disposal method	Third-party allocation of shares
(7)	Others	With respect to the Disposal of Treasury Stock, the Extraordinary Report set forth in the Japanese Financial Instruments and Exchange Act is to be submitted.

(Note) The number of shares to be disposed of and the total disposal value are based on the assumption that 10 shares of the common stock of the company will be granted to each of up to 5,350

employees of the companies and its subsidiaries qualified for the System (the "Qualified Employees"). The number of shares to be actually disposed of and the total disposal value are determined according to the number of members of the Shareholding Association, the Qualified Employees after the end of the participation promotion for nonparticipants of the Shareholding Association (the "Qualified Members"). The number of shares subject to the application, which is determined by the Shareholding Association, is the number of shares to be disposed of, and the relevant number multiplied by the disposal value per share is the total disposal value. The company and its subsidiaries will pay 35,370 yen equally to each Qualified Member. The company will allocate 10 shares equally to each Qualified Member via the Shareholding Association.

2. Purposes of and reasons for the Disposal

The Company worked to strengthen efforts in "People" with a particular emphasis on the promotion of human capital management as well as the promotion of the business, and promoted the maximization of human capital through a cycle of individual and organizational growth.

As a part of such efforts, on the occasion of our 70th anniversary in 2026, the company and its subsidiaries decided to adopt the System for the purpose of giving the Qualified Employees incentives for a continuous increase in the enterprise value of the company and further sharing value with our shareholders.

Under the System, special incentives necessary to grant 10 shares of our stock per Qualified Member are granted to each Qualified Member and the contribution of these special incentives result in the Disposal of Treasury Stock to the Shareholding Association. The number of shares to be disposed of is subsequently determined as stated in the note of item 1: Overview of Disposal, and up to 53,500 shares will be disposed of to the Shareholding Association. The special incentives are granted to Qualified Members not in a monetary claim but in money. Excluding the contribution of special incentives to be granted, there is no monetary contribution to be made by Qualified Members.

In case all of up to 5,350 Qualified Employees of the System participate in the Shareholding Association, 53,500 shares will be disposed of.

The dilution of shares resulting from the Disposal of Treasury Stock would be 0.024 % of the 221,000,000 shares of the total shares issued as of September 30, 2025, and 0.025 % of the 2,122,819 units of total voting rights as of September 30, 2025 (these figures are rounded to two decimal places).

The adoption of the System is intended to contribute to the enhancement of the corporate value of our group. Accordingly, the number of shares to be disposed of and the dilution of shares in the Disposal of Treasury Stock are rational, and even given the scale of dilution, the Disposal has an insignificant impact on the market.

3. Basis for calculating the disposal value and its concrete details

The Disposal of Treasury Stock to the Shareholding Association, the counterparty to the allocation,

is conducted through the Qualified Members' contribution of the special incentives, which are paid to Qualified Members for granting shares via the Shareholding Association, to the Shareholding Association. The disposal value is set at 3,537 yen, the closing price of the common stock of the company at the Tokyo Stock Exchange Prime Market on March 31, 2026 (the business day immediately before the resolution date of the board of directors) to eliminate arbitrariness. The amount is the market price immediately before the resolution date of the board of directors, and we think it reasonable and not particularly favorable.

The deviation rate of the disposal value from the average closing price of the common stock of the company at the Tokyo Stock Exchange Prime Market (rounded off to two decimal places) is as follows:

Period	Average closing price (any fraction less than a yen is rounded off to the nearest whole yen)	Deviation rate
One month (March 1, 2026 to March 31, 2026)	3,737 yen	-5.36 %
Three months (January 1, 2026 to March 31, 2026)	3,897 yen	-9.24 %
Six months (October 1, 2025 to March 31, 2026)	4,001 yen	-11.60 %

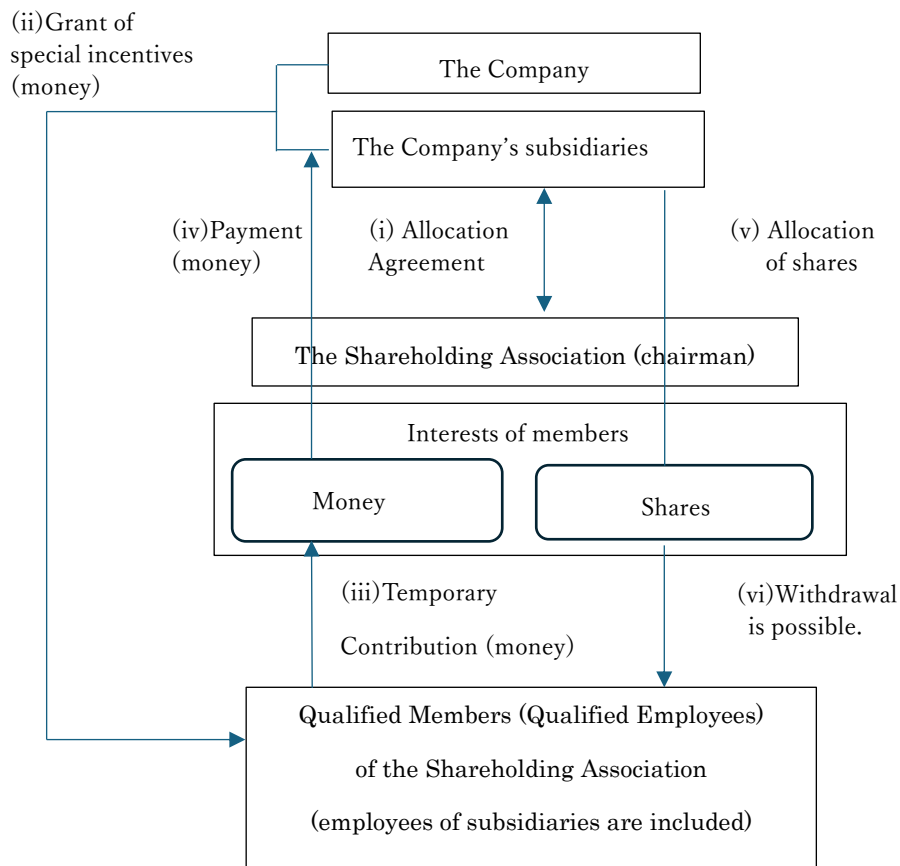
With respect to the above disposal value, all four audit and supervisory committee members present at the board of directors' meeting held on the date hereof (among them, three are outside directors) expressed the opinion that the process is reasonable in which the Company determined that the disposal value is not particularly favorable to the Shareholding Association, a counterparty to the allocation, given that the Disposal of Treasury Stock is designed to adopt the System and the disposal value is a closing price on the business day immediately before the resolution date of the board of directors, and such decision is legal.

4. Matters concerning the procedure under the corporate code of conduct

The Disposal of Treasury Stock does not require the acquisition of opinions from independent third parties and the procedure for confirming the willingness of shareholders stipulated in Article 432 of the Securities Listing Regulations, which is provided by the Tokyo Stock Exchange because of (i) a dilution rate of less than 25% and (ii) no change in the controlling shareholders resulting from the Disposal.

(Reference)

[Structure of the System]



- (i) The company will enter into the agreement upon the disposal and allocation of treasury stock with the Shareholding Association.
- (ii) The company and its subsidiaries will pay special incentives for the granting of the shares of the company to the Qualified Members.
- (iii) The Qualified Members will temporarily contribute the special incentives to be received to the Shareholding Association.
- (iv) The Shareholding Association will collect special incentives to be contributed by the qualified members to make payments for the allocation to a third party.
- (v) The company will dispose of the treasury stock to the Shareholding Association.
- (vi) The Qualified Members can voluntarily withdraw shares of the company to be allocated to the brokerage account in their name. Please note that the actual monetary payments related to items (iii) and (iv) above will be made by direct bank transfer from our company to the designated deposit account of the Shareholding Association.