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July 25, 2025

Company name: TOKYO ROPE MFG. CO., LTD.

Representative: Hideyuki Harada, President

(Securities code: 5981, Prime Market of Tokyo Stock Exchange)

Contact: Koji Kitan, Director and Managing Executive Officer;

Head of General Affairs Department

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## Notice Concerning Disposal of Treasury Stock as Restricted Stock Compensation

In accordance with a resolution of the Board of Directors on this date, the Company has decided to dispose of treasury stock as restricted stock compensation (hereinafter referred to as the "Treasury Stock Disposal") as follows. We would like to inform you that we have decided to do so.

### 1. Summary of Disposal

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|---|--|
| (1) Payment due date  | August 22, 2025  |
| (2) Type and number of shares to be disposed                                | 14,907 shares of the Company's common stock  |
| (3) Disposal price  | ¥1,354 per share   |
| (4) Total amount of disposal price  | JPY 20,184,078   |
| (5) Allottees of Shares, Number of Allottees, and Number of Shares Allotted | Directors (excluding Outside Directors): 4 persons, 10,397 shares<br>Executive Officers: 4 persons, 4,510 shares |
| (6) o t h e r   | For the disposal of treasury shares, the Company has submitted a Written Notice of Securities.                   |

### 2. Purpose and Reason for Disposal of Treasury Stock

At the Board of Directors meeting held on May 23, 2022, the Company resolved to introduce a restricted stock compensation plan (hereinafter referred to as the "Plan") for the purpose of providing an incentive for the Company's directors (excluding outside directors; hereinafter referred to as the "Eligible Directors") and executive officers (collectively referred to as the "Eligible Directors, etc.") to sustainably improve the Company's corporate value and to further promote shared value between the Directors and shareholders.

This time, taking into consideration the purpose of the System, the Company's performance, the scope of the responsibilities of each Eligible Director, etc., and various other circumstances, it was resolved to pay the Eligible Directors, etc. a total of 20,184,078 yen in monetary compensation claims on the condition that they pay the said amount as a contribution in kind for the Disposal of Treasury Stock, and to implement the Disposal of Treasury Stock to the Eligible Directors, etc. In order to achieve the purpose of introducing the System, which is to provide an incentive for the realization of sustainable improvement of corporate value and to share shareholder value, as described in 3 below, the transfer restriction period will be until the date of retirement (meaning no longer being a director or executive officer of the Company, the same applies below).

### 3. Outline of the Restricted Stock Allotment Agreement

The Company and each Eligible Director, etc. will enter into an individual restricted stock allocation agreement (the "Allocation Agreement"), the outline of which is as follows:

#### (1) Transfer Restriction Period

The transfer restriction period will be from August 22, 2025 to the date of retirement, and during the above period, the Eligible Directors, etc. will not be able to transfer, establish security interests in, or otherwise dispose of the Company's common shares that they have been allocated (hereinafter referred to as the "Allocation Shares").

#### (2) Cancellation of transfer restrictions

The Company shall lift the transfer restriction on all of the Allocation Shares (provided, however, that the remainder after the gratuitous acquisition of all or part of the Allotted Shares by the Company pursuant to (3)② below) upon expiry of the Transfer Restriction Period, provided that the resignation of the Eligible Directors, etc. is due to a reason recognized by the Company's Board of Directors.

#### (3) Acquisition of Allocation Shares free of charge

- ① The Company shall, of course, acquire the Allocation Shares for which the transfer restriction has not been lifted in accordance with the provisions of (2) above at the time of the expiration of the transfer limitation period.
- ② In addition, in the event that the Company retires within the period of execution of duties that is the subject of remuneration related to the Allocation Shares, the Company shall acquire the number of Allocation Shares proportionately for the remaining period free of charge, and in the event of a non-compliance or other occurrence that falls under certain reasons stipulated in the Allocation Agreement, the Company shall acquire all or part of the Allocation Shares free of charge.

#### (4) Management of shares

In order to prevent the Company from transferring, establishing a security interest or otherwise disposing of the Allocation Shares during the transfer restriction period, the Eligible Directors, etc. shall open and manage a dedicated account at a securities company designated by the Company. The securities company in question is scheduled to be

(5) Handling in the case of organizational restructuring, etc.

Notwithstanding the provisions of (1) above, if a merger agreement in which the Company becomes a dissolved company, a share exchange agreement in which the Company becomes a wholly owned subsidiary, a share transfer plan, or any other matter related to organizational restructuring, etc., is approved by the Company's General Meeting of Shareholders (provided, however, that the Company's Board of Directors is not required for such reorganization, etc., if approval by the Company's General Meeting of Shareholders is not required for such reorganization, etc.), the Company shall, by resolution of the Company's Board of Directors, The restriction on the transfer of the number of Shares reasonably determined in light of the period from the commencement date of the transfer limitation period to the effective date of the reorganization, etc., shall be lifted prior to the effective date of the reorganization, etc. In addition, in this case, the Company will, of course, acquire the Allocation Shares for which the transfer restriction has not been lifted immediately after the transfer restriction is lifted.

4. Basis for calculating the amount of payment and its specific details

The disposal price of the Treasury Stock Disposal to the Scheduled Allottee was set at 1,354 yen on the business day immediately preceding the date of the resolution of the Board of Directors, in order to eliminate arbitrariness. We believe that the disposal price of the Treasury Stock Disposal is not particularly advantageous to the allosignee, and that it is reasonable.