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For Immediate Release

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Notice of Disposal of Treasury Shares for Restricted Share-Based Remuneration

Sintokogio, Ltd. (hereinafter, the “Company”) has resolved at its Board of Directors meeting held on July 7, 2025 (hereinafter, the “Allotment Resolution Date”) to dispose of its treasury shares (hereinafter, the “Treasury Share Disposal” or “Disposal”) as detailed below.

1. Outline of Disposal

(1)	Date of disposal	August 5, 2025
(2)	Class and number of shares to be disposed of	63,280 shares of the Company’s common stock
(3)	Disposal price	869 yen per share (closing price on July 4)
(4)	Total amount to be disposed	54,990,320 yen
(5)	Target of Disposal, number of persons, and number of shares to be disposed of	The Company’s directors (excluding external directors) 6 persons, 28,420 shares The Company’s executive officers (excluding part-time executive officers) 13 persons, 34,860 shares
(6)	Other	A securities registration statement has not been filed, as the Treasury Share Disposal falls under the category of an offering of securities not requiring a notification for offering or secondary distribution as provided for in Article 2-12, item (i) of the Order for Enforcement of the Financial Instruments and Exchange Act.

2. Purpose and Reasons for Disposal

At its Board of Directors meeting on May 23, 2022, the Company resolved to adopt a restricted share-based remuneration program (hereinafter, the “Program”) as a new compensation program for its directors (excluding external directors) (hereinafter, the “Eligible Directors”) in order to provide an incentive to sustainably increase the Company’s corporate value and to further promote shared value between shareholders and directors. In addition, the following were approved at the 125th Ordinary General Meeting of Shareholders held on June 21, 2022: 1) To pay monetary claims of up to 80 million yen per year to the Eligible Directors as remuneration to be used as assets to be contributed for the acquisition of restricted shares under the Program (hereinafter, the “Restricted Share-Based Remuneration”); 2) To issue or dispose of up to 110,000 shares of the Company’s common stock per year; and 3) That the transfer restriction period for the restricted shares will be from the date the Company’s common shares are allotted under the allotment agreement for restricted shares between the Company and the Eligible Directors until the time immediately after the Eligible Director resigns or retires from the position of officer or employee of the Company or its subsidiaries, as predetermined by the Board of Directors (provided, however, that if said time immediately after resignation or retirement occurs before the date on which three months have passed after the end of the fiscal year in which the allotment date of the Company’s common shares falls, the end of the transfer restriction period may be adjusted within reasonable limits). At the Board of Directors meeting on September 7, 2023, a resolution was passed to pay Restricted Share-Based Remuneration to the Company’s executive officers (excluding part-time executive officers) (hereinafter, the “Eligible Executive Officers”) for the same purpose and under the same terms as this scheme.

The outline of the Program is as follows.

[Outline of the Program]

The Eligible Directors and Eligible Executive Officers (hereinafter, the “Eligible Directors, etc.”) will pay all monetary claims provided by the Company under the Program as assets contributed in kind and will receive the issuance or disposal of the Company’s common shares. The amount to be paid per share will be determined by the Board of Directors based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board resolution (if there is no closing price on that date, the amount will be based on the closing price of the closest preceding trading day), so that the amount is not be particularly advantageous to the Eligible Directors, etc. who subscribe to the common shares.

Upon the issuance or disposal of the Company’s common shares under the Program, an allotment agreement for restricted shares will be concluded between the Company and the Eligible Directors, etc. that includes the following: 1) The Eligible Directors may not transfer, establish collateral rights to, or otherwise dispose of the Company’s common shares allotted under the agreement for a certain period; and 2) The Company will acquire the common shares at no cost if certain events occur.

In consideration of the Company’s business, the scope of responsibilities of each Eligible Director, etc., and other circumstances, the Company has decided to grant monetary claims of 54,990,320 yen in total (hereinafter, the “Monetary Claims”) and 63,280 shares of common stock to further enhance the motivation of each Eligible Director, etc.

Upon the Treasury Share Disposal, the 19 Eligible Directors, etc., who are the scheduled allottees, will pay all Monetary Claims to the Company as assets contributed in kind under the Program and receive the disposal of the Company’s common shares (hereinafter, the “Allotted Shares”). The outline of the allotment agreement for restricted shares, to be concluded between the Company and the Eligible Directors, etc. (hereinafter, the “Allotment Agreement”) upon the Treasury Share Disposal, is described in 3 below.

3. Outline of Allotment Agreement

(1) Transfer restriction period

From August 5, 2025 until the time immediately following resignation or retirement as a director, executive officer not concurrently serving as a director, officer, or auditor of the Company or July 1, 2026, whichever comes later.

(2) Conditions for lifting transfer restrictions

The Company shall lift the transfer restrictions on all Allotted Shares upon expiration of the transfer restriction period on the condition that the Eligible Director, etc. has remained in a position as a director, executive officer not concurrently serving as a director, officer, or auditor of the Company throughout the period from the date of commencement of execution of duties until the time immediately before the conclusion of the first Ordinary General Meeting of Shareholders thereafter (provided, however, that if the subject of the allotment is an executive officer not concurrently serving as a director and the commencement date of the performance of duties is the start of the fiscal year, the period shall be read as the period from the start of the fiscal year in which the date of the Ordinary General Meeting of Shareholders falls to the end of that fiscal year) (hereinafter, the “Service Period”).

(3) Treatment in the event that Eligible Directors, etc. resign or retire due to expiration of term of office or for other justifiable reasons during Service Period or after Service Period but before expiration of transfer restriction period

(i) Timing of lifting transfer restrictions

The Company shall lift the transfer restrictions immediately after an Eligible Director’s, etc. resignation or retirement if he/she resigns or retires from a position as a director, executive officer not concurrently serving as a director, officer, or auditor of the Company due to the expiration of his/her term of office or for other justifiable reasons (including resignation or retirement due to death).

(ii) Number of shares subject to lifting of transfer restrictions

This shall be the number of Allotted Shares held at the time of resignation or retirement, as specified in (i), multiplied by the number of months from the month in which the Allotment Resolution Date falls until the month in which the date of resignation or retirement of the Eligible Director, etc. falls, divided by the number of months (12) for the Service Period (if the result is greater than one, one shall be used). (However, if the calculation results in a fraction of less than one share, the fraction shall be rounded down.)

(4) Acquisition by the Company without consideration

If an Eligible Director, etc. commits an act in violation of laws and regulations during the transfer restriction period, or if he/she commits an act that falls under other certain events stipulated in the Allotment Agreement, the Company shall automatically acquire all of the Allotted Shares held by said Eligible Director, etc. at that time, without consideration. In addition, the Company shall automatically acquire without consideration the Allotted Shares for which transfer restrictions have not been lifted at the expiration of the transfer restriction period or at the time of lifting the transfer restrictions stipulated in (3) above.

(5) Treatment upon reorganization, etc.

During the transfer restriction period, if matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other forms of reorganization are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors, if approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.), then, as of the time immediately preceding the business day immediately prior to the effective date of said reorganization, the Company shall, by resolution of the Board of Directors, lift the transfer restrictions on the number of Allotted Shares held at that time multiplied by the number of months from the month in which the Allotment Resolution Date falls until the month in which the date of said approval falls, divided by the number of months (12) for the Service Period (if the result is greater than one, one shall be used). (However, if the calculation results in a fraction of less than one share, the fraction shall be rounded down.) Moreover, at the time immediately following the lifting of such transfer restrictions, the Company shall automatically acquire without consideration all of the Allotted Shares for which transfer restrictions have not been lifted.

(6) Management of shares

The Allotted Shares shall be managed in a dedicated account opened by the Eligible Directors, etc. at Nomura Securities Co., Ltd. during the transfer restriction period to ensure that the Allotted Shares cannot be transferred, have collateral rights established to, or otherwise disposed of during this period. In order to ensure the effectiveness of the transfer restrictions pertaining to the Allotted Shares, the Company has entered into an agreement with Nomura Securities Co., Ltd. in relation to the management of the account for the Allotted Shares held by each Eligible Director, etc. In addition, the Eligible Directors, etc. shall agree to the details of the management of such account.

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

The Treasury Share Disposal to the scheduled allottees will be made with the monetary claims paid as Restricted Share-Based Remuneration for the Company's 129th fiscal year under the Program as the contributed assets. The disposal price is set at 869 yen, which is the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on July 4, 2025 (the business day preceding the date of the Board resolution), in order to eliminate arbitrariness. This is the market share price immediately prior to the date of the Board resolution, which we believe is reasonable and does not constitute a particularly advantageous price.