

## News Release

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## TS Tech announces disposal of treasury stock as restricted stock compensation

In its meeting held on June 20, 2025, the board of directors of TS TECH Co., Ltd. (“Company” hereinafter) resolved to dispose of treasury stock (“Disposal of Treasury Stock” or “Disposal” hereinafter) as outlined below.

### 1. Overview of disposal

(1) Date of disposal	July 11, 2025
(2) Class and number of shares marked for disposal	55,620 shares of Company common stock
(3) Disposal price	1,706.0 yen/share
(4) Total disposal amount	94,887,720 yen
(5) Assignees of disposal and their number; number of shares disposed to each person	Company Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members): 4 persons, 21,120 shares Company Operating Officers not serving concurrently as Directors: 11 persons, 29,600 shares Full-time Directors of Company domestic subsidiaries: 2 persons, 1,400 shares Operating Officers not serving concurrently as Directors of Company domestic subsidiaries: 7 persons, 3,500 shares

### 2. Purpose of and reasons for disposal

At meetings held December 24, 2020 and May 21, 2021, the Company Board of Directors resolved to introduce a restricted stock compensation program (“program” hereinafter) for Company Directors other than Outside Directors and Directors who are Audit and Supervisory Committee Members (“eligible Directors” hereinafter) and Operating Officers not serving concurrently as Directors (referred to, collectively with eligible Directors, as “eligible Directors and Officers” hereinafter) to strengthen incentives to achieve sustainable growth in the Company’s corporate value and expand value-sharing with shareholders. A resolution passed at the 75th Regular General Meeting of Shareholders held June 25, 2021 approved a proposal that included payment of monetary claims of up to 150 million yen per year to eligible Directors as compensation for investments in restricted shares (“restricted stock compensation” hereinafter), the issue or disposal of up to 50,000 shares of Company common stock per year, and designation, as the period during which transfers for restricted shares are restricted, the period from the date on which shares of Company common stock are allocated under a restricted stock allotment agreement concluded with the eligible Directors and Officers to the point in time immediately after the retirement or resignation from the status specified by the Company Board of Directors in advance, among other terms and conditions, based on the program.

The Company has now decided to expand the scope of those eligible under the program by adopting a similar program for full-time Directors and Operating Officers not serving concurrently as Directors of Company domestic subsidiaries (“subsidiary Directors and Officers” hereinafter; collectively, with eligible Directors and

Officers, “eligible assignees” hereinafter).

A summary of the program is provided below.

**【Program summary, etc.】**

Eligible assignees shall make in-kind contributions of the entire amount of monetary claims to be paid by the Company or Company domestic subsidiaries under the program in return for the issue or disposal of common Company stock. The price to be paid per share shall be determined by the Board of Directors to be one not unduly advantageous to the eligible assignees, based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day before each date of the Board of Directors resolution (or the closing price on the most recent trading date, if no trades take place on that date).

With the issue or disposal of Company common stock under the program, a restricted stock allotment agreement will be concluded between the Company and the eligible assignees. The agreement will include, but is not limited to, the following provisions: (1) Eligible assignees shall be prohibited from transferring to third parties, pledging, or otherwise disposing of any common Company stock allocated under said restricted stock allotment agreement for a certain period of time; (2) under certain circumstances, the Company shall be entitled to acquire said common stock gratis.

In light of several factors, including the Company’s business status and the scope of the duties of the eligible assignees, and for the purpose of further motivating eligible assignees, the Company has determined that the total amount of compensation is to be 94,887,720 yen ( “Monetary Claims” hereinafter) and that 55,620 shares of common stock ( “allotted stocks” hereinafter) will be granted.

In this disposal of treasury stock, in accordance with the provisions of the program, the 24 eligible assignees to whom allotment is planned will make an in-kind contribution of all of their Monetary Claims against Company or Company domestic subsidiaries to receive disposal of shares of Company common stock (“Allotted Shares” hereinafter). An overview of the restricted stock allotment agreement (“allotment agreement” hereinafter) to be concluded between the Company and the eligible assignees in this disposal of treasury stock is provided under 3. below.

**3. Overview of the allotment agreement**

<For eligible Directors and Officers>

**(1) Transfer restriction period**

The transfer restriction period shall be from July 11, 2025 (“disposal date” hereinafter) until the time immediately after the retirement or resignation from the status of Company Director or Operating Officer not serving concurrently as Director.

**(2) Conditions for lifting transfer restrictions**

Provided that the eligible Director or Officer has held the status of Company Director or Operating Officer not serving concurrently as Director continuously during the transfer restriction period, transfer restrictions will be lifted upon the expiration of the transfer restriction period for all Allotted Shares. However, in the event that an eligible Director or Officer resigns or retires from the status of Company Director or Operating Officer not serving concurrently as Director for reasons other than the expiration of the term of office, upon reaching mandatory retirement age, or upon death, the Company shall duly acquire the Allotted Shares gratis.

**(3) Handling in the event that an eligible Director or Officer resigns or retires during the transfer restriction period upon the expiration of the term of office, upon reaching mandatory retirement age, or upon death**

**(i) Timing of lifting of transfer restrictions**

In the event that an eligible Director or Officer resigns or retires from the status of Company Director or Operating Officer not serving concurrently as Director upon the expiration of the term of office, upon reaching mandatory retirement age, or other valid reason (other than death), the transfer restrictions shall be lifted immediately following the resignation or retirement of the eligible Director or Officer. In the event of retirement or resignation due to death,

the transfer restrictions shall be lifted immediately following the death of the eligible Director or Officer.

(ii) Number of shares eligible for lifting of transfer restrictions

The number of shares subject to the lifting of transfer restrictions shall be the number of shares obtained by multiplying the number of Allotted Shares held as of the time of resignation or retirement under (i) above by the number of months during the period in which the eligible Director or Officer held office (rounded down to units of whole months) from the month including the Allotment Date for the transfer-restricted period for the eligible Director or Officer (or the April of the fiscal year including the Allotment Date in the case of a Company Operating Officer not serving concurrently as Director) through the month including the date of the eligible Director's or Officer's resignation or retirement, divided by 12 (any result exceeding one shall be replaced with the number one). (Any remainders of less than one share resulting from this calculation shall be rounded down.)

(4) Gratis acquisition by the Company

Immediately after the end of the transfer-restricted period or the lifting of transfer restrictions under (3) above, the Company shall duly acquire, gratis, any Allotted Shares for which transfer restrictions have not been lifted.

(5) Share management

Over the course of the transfer-restricted period, the Allotted Shares shall be managed in dedicated accounts opened by eligible Directors and Officers with Nomura Securities Co., Ltd., to ensure that they cannot be transferred, pledged, or otherwise disposed. To ensure compliance with the transfer restrictions and other provisions governing the Allotted Shares, the Company has concluded with Nomura Securities Co., Ltd. an agreement on the management of the accounts for Allotted Shares held by each of eligible Directors and Officers. Eligible Directors and Officers shall consent to the terms of management of such accounts.

(6) Handling in reorganization, etc.

In the event that over the course of the transfer-restricted period, a Company General Meeting of Shareholders (or the Company Board of Directors in the case of a reorganization not requiring the approval of a Company General Meeting of Shareholders) approves a merger agreement whereby the Company is the extinguished company, a stock swap agreement or stock transfer plan that would make the Company a wholly-owned subsidiary, or other such reorganization (referring only to contracted reorganizations, etc. with effective dates prior to the end of the transfer-restricted period), by resolution of the Company Board of Directors, restrictions on the transfer of the number of Allotted Shares held as of that time, multiplied by the number of months from the month including the Allotment Date (or the April of the fiscal year including the Allotment Date in the case of a Company Operating Officer not serving concurrently as Director) through the month including the date of such approval, divided by 12 (any result exceeding one shall be replaced with the number one) shall be released as of the time immediately before the business day immediately preceding the date on which such reorganization, etc. takes effect. (Any remainders of less than one share resulting from this calculation shall be rounded down.) In addition, the Company shall duly acquire, gratis, all Allotted Shares for which transfer restrictions have not been lifted as of the time immediately after the release of the transfer restrictions.

<For subsidiary Directors and Officers>

(1) Transfer restriction period

The transfer restriction period shall be from the disposal date until the time immediately after the retirement or resignation from the status of domestic subsidiary Director or Operating Officer not serving concurrently as Director.

(2) Conditions for lifting transfer restrictions

Provided that the subsidiary Director or Officer has held the status of domestic subsidiary Director or Operating Officer not serving concurrently as Director continuously during the transfer restriction period, transfer restrictions will be lifted upon the expiration of the transfer restriction period for all Allotted Shares. However, in the event that a subsidiary Director or Officer resigns or retires from the status of domestic subsidiary Director or Operating Officer not serving concurrently as Director for reasons other than the expiration of the term of office, upon reaching mandatory retirement age, or upon death, the Company shall duly acquire the Allotted Shares gratis.

(3) Handling in the event that a subsidiary Director or Officer resigns or retires during the transfer restriction period

upon the expiration of the term of office, upon reaching mandatory retirement age, or upon death

(i) Timing of lifting of transfer restrictions

In the event that a subsidiary Director or Officer resigns or retires from the status of domestic subsidiary Director or Operating Officer not serving concurrently as Director upon reaching mandatory retirement age or for other valid reason (other than death), the transfer restrictions shall be lifted immediately following the resignation or retirement of the subsidiary Director or Officer. In the event of retirement or resignation due to death, the transfer restrictions shall be lifted immediately following such death.

(ii) Number of shares eligible for lifting of transfer restrictions

The number of shares subject to the lifting of transfer restrictions shall be the number of shares obtained by multiplying the number of Allotted Shares held as of the time of resignation or retirement under (i) above by the number of months during the period in which the subsidiary Director or Officer held office (rounded down to units of whole months) from the month including the Allotment Date for the transfer-restricted period for the subsidiary Director or Officer (or the April of the fiscal year including the Allotment Date in the case of an Operating Officer not serving concurrently as Director of a Company domestic subsidiary) through the month including the date of the subsidiary Director or Officer's resignation or retirement, divided by 12 (any result exceeding one shall be replaced with the number one). (Any remainders of less than one share resulting from this calculation shall be rounded down.)

(4) Gratis acquisition by the Company

Immediately after the end of the transfer-restricted period or the lifting of transfer restrictions under (3) above, the Company shall duly acquire, gratis, any Allotted Shares for which transfer restrictions have not been lifted.

(5) Share management

Over the course of the transfer-restricted period, the Allotted Shares shall be managed in dedicated accounts opened by subsidiary Directors and Officers with Nomura Securities Co., Ltd., to ensure that they cannot be transferred, pledged, or otherwise disposed of during the transfer-restricted period. To ensure compliance with the transfer restrictions and other provisions governing the Allotted Shares, the Company has concluded with Nomura Securities Co., Ltd. an agreement on the management of the accounts for Allotted Shares held by each of eligible subsidiary Directors and Officers. Eligible subsidiary Directors and Officers shall consent to the terms of management of such accounts.

(6) Handling in reorganization, etc.

Over the course of the transfer-restricted period, in the event that a Company General Meeting of Shareholders (or the Company Board of Directors in the case of a reorganization not requiring the approval of a Company General Meeting of Shareholders) approves a merger agreement whereby the Company is the extinguished company, a stock swap agreement or stock transfer plan that would make the Company a wholly-owned subsidiary, or other such reorganization (referring only to contracted reorganizations, etc. with effective dates prior to the end of the transfer-restricted period), by resolution of the Company Board of Directors, restrictions on the transfer of the number of Allotted Shares held as of that time, multiplied by the number of months from the month including the Allotment Date (or the April of the fiscal year including the Allotment Date in the case of an Operating Officer not serving concurrently as Director of a Company domestic subsidiary) through the month including the date of such approval, divided by 12 (any result exceeding one shall be replaced with the number one) shall be released as of the time immediately before the business day immediately preceding the date on which such reorganization, etc. takes effect. (Any remainders of less than one share resulting from this calculation shall be rounded down.) In addition, the Company shall duly acquire, gratis, all Allotted Shares for which transfer restrictions have not been lifted as of the time immediately after the release of the transfer restrictions.

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

This disposal of treasury stock to the planned assignees will be implemented in accordance with the provisions of the program, using the monetary claims paid as restricted stock compensation for FY2025 of the Company or Company domestic subsidiaries as invested assets. To eliminate arbitrary pricing, the disposal price has been set at

1,706.0 yen, which is the closing price of a share of Company common stock on the Tokyo Stock Exchange Prime Market on June 19, 2025 (the business day before the date of the Board of Directors resolution). As the market share price immediately before the date of the Board of Directors' resolution, this may be considered a reasonable price that confers no undue pricing advantages.