August 21, 2026

Company Name: Hakuto Co., Ltd.
Representative: Tamaki Miyashita
President & Chief Executive Officer
(Securities code: 7433, Prime Market)
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Notice Regarding the Disposal of Treasury Shares as Stock-Based Compensation

At a meeting of its Board of Directors held on August 21, 2026, the Company resolved to dispose of treasury shares as stock-based compensation (the “Disposal of Treasury Shares”) and hereby announces the details as follows.

1. Overview of the Disposal

(1) Disposal Date	September 9, 2026＊
(2) Type and Number of Shares to Be Disposed of	Common shares: 31,700 shares
(3) Disposal Price per Share	5,050 yen per share
(4) Total Disposal Amount	160,085,000 yen
(5) Intended Recipients of the Shares to Be Disposed of	The Master Trust Bank of Japan, Ltd. (Officer Compensation BIP Trust Account)
(6) Other Matters	An Extraordinary Report has been filed in connection with this disposal of treasury shares pursuant to the Financial Instruments and Exchange Act.

＊This disposal of treasury shares will be conducted prior to the stock split, which is scheduled to take effect on October 1, 2026. For details of the stock split, please refer to the “Notice Regarding Stock Split and Partial Amendments to the Articles of Incorporation in Connection with the Stock Split” disclosed on July 29, 2026.

2. Purpose and Rationale of the Disposal

The Company obtained approval at the 74th Annual General Meeting of Shareholders held on June 24, 2026, to introduce a performance-linked stock compensation system for officers utilizing an “Officer Compensation BIP Trust” (the “BIP Trust”) for the Company’s directors (excluding non-executive directors, including outside directors, directors who are Audit and Supervisory Committee Members, and directors who are non-residents of Japan) and delegated executive officers (excluding those who are non-residents of Japan; collectively with the directors, the "Eligible Directors, etc.").

The purpose of this system is to clarify the linkage between the compensation of the Eligible Directors, etc. and the Company's performance and share value, enable the Eligible Directors, etc. to share corporate value with shareholders, and enhance their motivation to contribute to improving medium- to long-term performance and increasing corporate value. For an overview of the BIP Trust, please refer to the "Notice Regarding the Introduction of a Performance-Linked Stock Compensation System" disclosed on May 19, 2026.

This disposal of treasury shares is being conducted in connection with the introduction of the BIP Trust by disposing of treasury shares to The Master Trust Bank of Japan, Ltd. (Officer Compensation BIP Trust Account), the co-trustee under the Officer Compensation BIP Trust Agreement (the "Trust Agreement") to be entered into between the Company and Mitsubishi UFJ Trust and Banking Corporation. The trust established pursuant to the Trust Agreement is referred to as the "Trust."

The number of shares to be disposed of represents the number of shares expected to be delivered to the Eligible Directors, etc. during the Trust Term pursuant to the Share Delivery Regulations. The resulting dilution will be 0.15% of the total number of issued shares, equivalent to 0.17% of the total number of voting rights as of March 31, 2026, totaling 187,184 voting rights. Both figures have been rounded to the nearest second decimal place.

The shares allotted through this disposal of treasury shares will be delivered to the Eligible Directors, etc. in accordance with the Share Delivery Regulations. Since the shares disposed of through this transaction are not expected to be released into the stock market at once, the impact on the stock market is expected to be limited. Accordingly, the Company has determined that the number of shares to be disposed of and the extent of dilution are reasonable.

【Overview of the Trust Agreement】

① Type of Trust　A money trust other than a specified individually managed money trust (trust for the benefit of a third party)

② Purpose of the Trust　To provide incentiveffs to the Eligible Directors.

③ Settlor　The Company

④ Trustee　Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)

⑤ Beneficiaries　Those eligible among the Eligible Directors as beneficiaries.

⑥ Trust Administrator　A third party independent of the Company (certified public accountant)

⑦ Date of the Trust Agreement　September 4, 2026 (scheduled)

⑧ Trust Term　September 4, 2026 – August 31, 2029 (scheduled)

⑨ Program Launch Date　September 4, 2026 (scheduled)

⑩ Exercise of Voting Rights　Will not be exercised

⑪ Type of Shares Acquired　Our common shares

３．Basis and Specific Details for Calculating the Disposal Price

The disposal price has been set at 5,050 yen, which is the closing price of our shares on the Tokyo Stock Exchange (the “Tokyo Stock Exchange”) on the business day preceding the date of the Board of Directors’ resolution regarding this disposal of treasury shares (August 20, 2026), in light of recent share price trends and to eliminate arbitrariness. This price was adopted because it represents the market price immediately preceding the Board of Directors’ resolution and was deemed highly objective and reasonable as a basis for calculation.

All three Audit and Supervisory Committee Members in attendance at the Board of Directors’ meeting, including two Outside Directors, expressed the opinion that the basis for calculating the disposal price was reasonable and that the disposal price did not constitute a particularly favorable price.

４．Procedures under the Corporate Code of Conduct

As the dilution rate resulting from this disposal of treasury shares is less than 25% and there will be no change in the controlling shareholder, neither obtaining an opinion from an independent third party nor conducting procedures to confirm shareholders’ intentions, as stipulated in Article 432 of the Securities Listing Regulations prescribed by the Tokyo Stock Exchange, is required.