

December 19, 2025

To Whom It May Concern

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Name of representative: Kazuya Kato,  
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## Notice Regarding Disposal of Treasury Stock as Restricted Stock to Directors

KATO SANGYO CO., LTD. (the “Company”) hereby announces that at the meeting of its Board of Directors held on December 19, 2025, it resolved to dispose of treasury stock (“Disposal of Treasury Stock”) as restricted stock without compensation. Details are as follows.

### 1. Overview of Disposal of Treasury Stock

(1) Allotment date	January 19, 2026
(2) Type and number of shares to be disposed of	Common share of the Company 1,831 shares
(3) Planned allottees	5 Directors of the Company 1,831 shares
(4) Other	* Although the Disposal of Treasury Stock will involve the delivery of shares as compensation for Directors free of charge (Article 202-2 of the Companies Act), as a fair valuation amount, the closing price of the Company’s common share on the Tokyo Stock Exchange as of the business day prior to the date of the resolution of the Board of Directors meeting held today (December 18, 2025) (6,540 yen) multiplied by the number of shares to be disposed of above (11,974,740 yen) has been established as the issuance price.

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

At a meeting of its Board of Directors held on November 10, 2023, the Company resolved to introduce a restricted stock compensation plan (the “Plan”) as a new compensation plan for its Directors, including Directors to be appointed in the future (excluding Outside Directors; “Recipients”) for the purpose of granting incentives for endeavoring to continuously improve the Company’s corporate value to Recipients as well as to further promote value sharing with its shareholders. Additionally, at the 77th Annual General Meeting of Shareholders held on December 22, 2023, it was approved that Recipients would receive the issuance or disposal of common share of the Company under the Plan, that the total number of shares of common share of the Company to be issued or disposed of thereby would be within 8,000 shares annually (provided that, on or after the date of approval of this proposal, should a stock split of common share of the Company (including a gratis allotment the common share of the Company) or reverse stock split of common share of the Company or any other event requiring adjustment of the total number of shares of common share of the Company to be issued or disposed of as restricted stock, such total number would be adjusted within reasonable limits), that the amount of compensation to be paid to Recipients would be within the current amount of cash compensation but no more than 30 million yen annually (Upon the granting of restricted stock, restricted stock would be issued or treasury stock would be disposed as compensation to Directors of the Company, and while no payment of money in exchange for the offered shares would be required, the amount of compensation to be paid to the Recipients for each share would be based on the closing price of the Company’s common share on the Tokyo Stock Exchange on the business day immediately preceding the date of resolution of the Board of Directors (If no transaction is effected on that date, the closing

price on the immediately preceding trading day)), and that the period of restriction on transfer of the restricted shares would be from the date of delivery of the restricted shares to the date on which the Recipients lose their position as a Director of the Company or any other position determined by the Board of Directors of the Company.

Taking into consideration the purpose of the Plan, the Company's business performance, the scope of duties of each Recipient, and other various circumstances, based on the resolution at the meeting of the Board of Directors meeting held today, the Company has resolved to grant without consideration a total of 1,831 shares of common share of the Company (the "Allotted Shares") to five directors as compensation for the execution of their duties as Directors.

#### <Overview of Plan>

Recipients will receive the issuance or disposal of common share of the Company under the Plan. Upon the issuance or disposal of shares of common share of the Company under the Plan, the Company and the Recipients who will receive the allotment will enter into a restricted stock allotment agreement.

#### <Overview of Restricted Stock Allotment Agreement>

The Company and the Recipients will individually enter into a restricted stock allotment agreement, an overview of which is as follows.

(1) Transfer restriction period

Recipients may not transfer, grant a security interest in, or otherwise dispose of the Allotted Shares during the period from January 19, 2026 (the allotment date) to the date on which the Recipients lose their position as a Director of the Company (the "Position").

(2) Conditions for the lifting of transfer restrictions

During the period from January 19, 2026 (the allotment date) to January 1, 2026 (the "Term of Service, etc.," of which the period from the allotment date to the conclusion of the Annual General Meeting of Shareholders for the fiscal year ending September 30, 2026 shall be the "Term of Service"), provided that the Recipients continue to be in the Position, the transfer restrictions shall be lifted for all of the Allotted Shares upon the expiration of the transfer restriction period. However, should Recipients lose the Position during the Term of Service due to death or other reasons deemed justifiable by the Board of Directors of the Company, upon the expiration of the transfer restriction period, the transfer restrictions shall be lifted for a number of Allotted Shares calculated by dividing the number of months from January 2026 to the month including the date of such loss by twelve (However, if that number exceeds 1, it shall be deemed to be 1. If the calculation results in a fraction less than one share, such fraction shall be rounded down).

(3) Acquisition without consideration by the Company

The Company shall naturally acquire without consideration Allotted Shares for which transfer restrictions have not been lifted upon the expiration of the transfer restriction period or at another time specified in the agreement.

(4) Share management

During the transfer restriction period, the Allotted Shares shall be managed in a dedicated account for restricted stock opened by Recipients at Daiwa Securities Co. Ltd. so that the Allotted Shares cannot be transferred, granted a security interest in, or otherwise disposed of during such period.

(5) Treatment in organizational restructuring, etc.

If, during the transfer restriction period, a merger agreement under which the Company is to be dissolved, a share exchange agreement or share transfer plan under which the Company is to become a wholly owned subsidiary, or other matters relating to an organizational restructuring, etc. are approved at a general meeting of shareholders of the Company (However, if approval by a general meeting of shareholders is not required for such organizational restructuring, etc., approved by the Board of Directors of the Company), by a resolution of the Board of Directors, the transfer restrictions shall be lifted for a number of Allotted Shares calculated by dividing the number of months from January 2026 to the month including the effective date of the organizational restructuring, etc. by twelve (However, if that number exceeds 1, it shall be deemed

to be 1. If the calculation results in a fraction less than one share, such fraction shall be rounded down) as of right before the close of business day immediately preceding the effective date of the organizational restructuring, etc.