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August 8, 2025

To whom it may concern,

Company name: TOYO KANETSU K.K.
Name of representative: President and Representative Director
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Notice Concerning Disposal of Treasury Shares through Third-Party Allotment in Connection to Performance-Based Stock Compensation Plan

TOYO KANETSU K.K. (the "Company") hereby announces that its Board of Directors resolved at a meeting held today disposal of treasury shares through third-party allotment (hereinafter referred to as the "Disposal of Treasury Shares"), as described below.

1. Outline of the disposal

(1) Date of disposal	August 25, 2025
(2) Class and number of stocks to be disposed	105,600 shares of common stock
(3) Disposal price	¥4,160 yen per share
(4) Total disposal amount	¥439,296,000
(5) Scheduled allottee	Custody Bank of Japan, Ltd. (trust account)
(6) Other	The Company has submitted an extraordinary report pursuant to the Financial Instruments and Exchange Act regarding the Disposal of Treasury Shares.

2. Purpose and reason of the disposition

Based on the resolution at the 111th Ordinary General Meeting of Shareholders held on June 27, 2019, the Company introduced a performance-based stock compensation plan (Hereinafter, it is referred to as the "Plan," and the trust agreement concluded with Resona Bank, Ltd. concerning the Plan is referred to as the "Trust Agreement."

The trust established under the Trust Agreement shall be referred to as the "Trust.") for the Company's Directors (excluding Outside Directors and Directors serving as Audit and Supervisory Committee Members) and Executive Officers (Hereinafter collectively referred to as "Directors, etc.") who are not Directors and are at the position of Managing Executive Officer or higher. Subsequently, based on resolutions at the 114th Ordinary General Meeting of Shareholders held on June 28, 2022 and the 117th Ordinary General Meeting of Shareholders held on June 26, 2025, the Plan was partially revised and continued. (For an overview of the Plan, please refer to "Notice Concerning Introduction of Performance-Based Stock Compensation Plan for Directors" announced on May 14, 2019, "Notice Concerning Partial Revision of Performance-Based Stock Compensation Plan for Directors" announced on May 13, 2022, and "Notice Concerning Partial Revision of Performance-Based Stock Compensation Plan for Directors" announced on May 14, 2025.)

At a meeting of the Board of Directors held today, the Company decided to make an additional contribution of money to the Trust (hereinafter referred to as "Additional Trust") in order for the Trust to acquire stocks of the Company that are expected to be necessary for future benefits in order to continue the Plan, and Disposal of Treasury Shares to the Custody Bank of Japan, Ltd. (trust account), which is a re-trustee of Resona Bank, Ltd., which is a trustee of the Trust, in connection with the contribution.

The number of stocks to be disposed of corresponds to the total number of stocks expected to be granted in the three fiscal years in accordance with the Regulations on Stock Benefit of Performance-Based Stock Compensation Plan for Directors (hereinafter referred to as the "Stock Benefit Regulations"), and is 1.32% against the total number of issued stocks 8,023,074 shares as of March 31, 2025 (1.37% against the total number of voting rights 77,161 as of March 31, 2025. All figures are rounded off to the second decimal place.). The Company believes that the Plan will lead to an increase in the corporate value of the Company over the medium to long term, and believes that the number of stocks to be disposed of and the scale of dilution resulting from the Disposal of Treasury Shares are reasonable and that the impact on the secondary market will be minimal.

< Overview of the Trust >

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| (i) Name | : Stock Benefit Trust for Directors |
| (ii) Settlor | : The Company |
| (iii) Trustee | : Resona Bank, Ltd.

Resona Bank, Ltd. enters into a specified comprehensive trust agreement with the Custody Bank of Japan, Ltd., and the Custody Bank of Japan, Ltd. becomes the re-trustee. |
| (iv) Beneficiary | : Directors, etc. who satisfy the beneficiary requirements specified in the Stock Benefit Regulations |
| (v) Trust administrator | : A third party that has no interest in the Company |
| (vi) Type of trust | : Money held in trust other than money trusts (third-party benefit trust) |
| (vii) Execution date of the Trust Agreement | : August 26, 2019 |
| (viii) Date of amendment agreement | : August 8, 2025 (scheduled) |
| (ix) Trust period | From August 26, 2019 to the termination of the Trust
(No specific termination date is set, and the Trust shall continue as long as the Plan continues.) |

< Overview of the Additional Trust and Acquisition of the Company's Stocks by the Trust >

- (i) Class of stocks to be acquired : The Company's common stocks
- (ii) Additional Trust Amount : ¥389,296,000
- (iii) Total number of stocks to be acquired : 105,600 shares
- (iv) Additional Trust date : August 25, 2025
- (v) Date of acquisition of stocks : August 25, 2025
- (vi) Method of stocks acquisition : Acquired by subscribing for treasury shares of the Company

(Note) The Trust will acquire additional stocks of the Company using the total amount of ¥389,296,000 related to the Additional Trust and ¥50,000,000 belonging to the trust property.