



February 12, 2026

Company name: Toagosei Co., Ltd.

Code number : 4045

Representative : Hidenori Kobuchi, President, COO and
Representative Director

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Notice Concerning the Disposal of Treasury Shares Accompanying the Continuation of the Employee Stock Compensation Plan

Toagosei Co., Ltd. (the “Company”) hereby announces that it resolved at the meeting of its Board of Directors held today to dispose of treasury shares (the “Treasury Share Disposal”) as stock compensation as described below.

1. Overview of the Disposal

(1) Date of the disposal	March 3, 2026
(2) Type and number of shares to be disposed	The Company’s common stock: 198,000 shares
(3) Disposal price	1,878 yen per share
(4) Total disposal amount	371,844,000 yen
(5) Intended transferee	Sumitomo Mitsui Trust Bank, Limited (trust account) (Re-trustee: Custody Bank of Japan, Ltd. (trust account))
(6) Other	The Treasury Share Disposal is subject to the validity of the notification under the Financial Instruments and Exchange Act.

2. Purpose and Reason for the Disposal

The Board of Directors of the Company resolved at its meeting held on January 31, 2023 to adopt a stock compensation plan for its employees (the “Employees”) (the “Plan”). Following approval of the details of the Plan at its meeting held on March 31, 2023, the Company has since implemented the Plan. The Plan is intended to increase employees’ awareness of the Company’s business performance and share price, thereby encouraging improved business performance and enhancing the Company’s medium- to long-term corporate value, as well as employee welfare and benefits.

Please refer to the [“Toagosei Co., Ltd. Announces Introduction of Employee Stock Compensation Plan”](#) dated March 30, 2023 for an overview of the Plan.

The Company will perform the Treasury Share Disposal for Sumitomo Mitsui Trust Bank, Limited (trust account) (re-trustee: Custody Bank of Japan, Ltd. (trust account)), which is the trustee of the trust established to introduce the Plan (the “Trust”).

The volume of shares to be disposed is equivalent to the number of shares expected to be granted to the Employees upon taking into consideration the positions and responsibilities of the Employees during the extended period of the Trust based on the Share Granting Regulations that the Company enacted upon introducing the Plan. The degree of share dilution due to the Treasury Share Disposal will be 0.18% with respect to 108,000,000 shares, which is the total number of outstanding shares of the Company as of December 31, 2025 (0.18% with respect to 1,071,335 voting rights, which is the total number of voting rights as of December 31, 2025, both of these rates are rounded to two decimal places).

The Company believes that the Plan will lead to an enhancement of its medium- to long-term corporate value, and that the impact on the secondary market will be minor since the volume of shares to be disposed and the degree of share dilution due to the Treasury Share Disposal are reasonable.

Reference: Overview of the Trust Contract

Settlor	Toagosei Co., Ltd.
Trustee	Sumitomo Mitsui Trust Bank, Limited (Re-trustee: Custody Bank of Japan, Ltd.)
Beneficiaries	Employees satisfying the beneficiary requirements
Trust administrator	Third party independent from the Company and its officers
Exercising of voting rights	The re-trustee will exercise voting rights throughout the period of the Trust based on instructions from the trust administrator
Type of trust	Pecuniary trust other than monetary trust (third-party trust)
Trust contract date	April 18, 2023
Period of the Trust	April 18, 2023 to March 31, 2029 (planned)
Purpose of the Trust	To grant shares of the Company to the beneficiaries based on the Share Granting Regulations

3. Disposal Price and Basis for Calculation

In light of recent share price movements and in order to avoid arbitrariness, the Company has set the disposal price at 1,878 yen, which is the closing price on the Tokyo Stock Exchange on February 10, 2026 (the business day immediately before the date of the resolution by the Board of Directors). The reason for adopting the closing price on the business day immediately before the date of the resolution by the Board of Directors is that this is the market value immediately before the date of the resolution and highly objective and reasonable as a basis for the calculation.