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## **Notice of Regarding Disposal of Treasury Stock as Restricted Stock Compensation**

Toyota Boshoku Corporation (the "Company") hereby announces that its Board of Directors, at a meeting held on June 12, 2026, has decided to dispose of its treasury stock (the "Disposal of Treasury Stock") as follows.

### 1. Outline of the Disposal

(1)	Disposal date	July 10, 2026
(2)	Class and number of shares to be disposed	23,739 shares of common stock of the Company
(3)	Disposal price	2,148 yen per share
(4)	Total value of shares to be disposal	50,991,372 yen
(5)	Allottees and numbers thereof, number of shares to be allotted	5 Members of the Directors (excluding outside members of the Directors) : 16,664 shares 3 Members of the Operating Officers who do not concurrently serve as Directors of the Company : 7,075 shares
(6)	Others	The disposal of Treasury Stock is not subject to the submission of a securities notification due to the fulfillment of special requirements for the grant of restricted stock compensation.

### 2. Purpose and reasons for disposal

At the Board of Directors meeting held on May 29, 2020, the Company has resolved to introduce a stock-based compensation plan (hereinafter referred to as the "Plan") as a new compensation system for the Company's Directors other than outside directors (hereinafter referred to as "Eligible Directors") with the aim of providing medium- to long-term incentives to Eligible Directors and sharing shareholder value. In addition, at the 95<sup>th</sup> Ordinary General Meeting of Shareholders held on June 17, 2020, the Company has received approval to pay monetary claims of up to 100 million yen per year to Eligible Directors as monetary compensation (hereinafter referred to as "Restricted Stock Compensation") for the acquisition of Restricted Stocks, and that the transfer restriction period of Restricted Stocks shall be a period from the payment date of the common shares of the Company allotted under the Restricted Stocks Allotment Agreement to be concluded between the Company and Eligible Directors to the point immediately after their retirement from the position of Director of the Company.

In addition, at the meeting of the Board of Directors held on March 30, 2026, the Company resolved to introduce the Plan for Operating Officers who do not concurrently serve as Directors of the Company (hereinafter referred to as the "Eligible Operating Officers"; collectively with the Eligible Directors, the "Eligible Directors, etc."). Furthermore, at the 101<sup>st</sup> Ordinary General Meeting of Shareholders held on June 12, 2026, the Company received approval to set the total amount of monetary

remuneration claims to be granted to the Eligible Directors for the allocation of restricted stock at an annual amount not exceeding 400 million yen, and the total number of shares of common stock of the Company to be issued or disposed of for the Eligible Directors at an annual number not exceeding 200,000 shares.

The outline of the Plan is as follows.

#### 【Outline of the Plan】

The Eligible Directors, etc. will pay in all of the monetary claims provided by the Company under this Plan as assets contributed to kind, and will receive the issuance or disposition of the Company's common stock. In addition, the total number of shares of common stock issued or disposed of by the Company to Eligible Directors under the Plan shall be up to 200,000 shares of the Company's common stock per year, and the amount to be paid per share shall be determined by the Board of Directors to the extent that the amount is not particularly advantageous to the Eligible Directors, etc. who subscribe for the common stock and to be based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day preceding the date of each Board of Directors resolution (or, if no transaction has been conducted on the same day, the closing price on the most recent trading day preceding the transaction).

In addition, when issuing or disposing of the Company's common stock under this system, the Company and the Eligible Directors, etc. shall enter into a restricted stock allotment agreement, which includes: ①Eligible Directors, etc. are prohibited from transferring to a third party, the creation of a security interest, or any other disposition of the Company's common stock that has been allocated under the restricted stock allotment agreement; and ②Upon the occurrence of certain events, the Company shall acquire the relevant common stock, free of charge.

In consideration of the purpose of this system, the Company's business performance, the scope of responsibilities of each Eligible Directors, etc. , and various other circumstances, the Company have decided to grant a total monetary compensation claim of 50,991,372 yen (hereinafter referred to as the "Monetary Compensation Claim") and 23,739 shares of common stock.

Under the Disposal of Treasury Stock, the eight Eligible Directors, etc. to whom the allotment is scheduled will pay all of the Monetary Claims against the Company as assets contributed in kind, and will receive disposal of the Company's common stock (hereinafter referred to as the "Allotted Shares"). A summary of the restricted stock allotment agreement (hereinafter referred to as the "Allotment Agreement") to be concluded between the Company and the Eligible Directors, etc. in this treasury stock disposal is set out in 3. below.

### 3. Overview of Allotment Agreement

#### (1) Transfer restriction period

From July 10, 2026(date of disposition) to immediately after retirement from the position of Director of the Company, Operating Officers who do not concurrently serve as Directors of the company.

#### (2) Conditions for canceling transfer restrictions

Eligible Director:

Provided that the Eligible Director continues to hold the position of director during the transfer restriction period, all the Allotted Shares will be released from the transfer restrictions at the expiration of the transfer restriction period.

Eligible Operating Officer:

Provided that the Eligible Operating Officer continues to hold the position of Operating Officer during the transfer restriction period, all the Allotted Shares will be released from the transfer restrictions at the expiration of the transfer restriction period.

(3) Treatment upon resignation or retirement of Eligible Directors, etc. due to expiration of term of office, retirement age, or other justifiable reason during the transfer restriction period

① Timing of the removal transfer restriction

Eligible Director:

If an Eligible Director resigns or retires from any position as a director of the Company due to expiration of term of office, retirement age, or other justifiable reason (including resignation or retirement due to death; the same shall apply hereinafter), the transfer restrictions shall be lifted immediately after such resignation or retirement.

Eligible Operating Officer:

If an Eligible Operating Officer resigns or retires from either position as a director of the Company or an Operating Officer who does not concurrently serve as a Director due to expiration of term of office, retirement age, or other justifiable reason (including resignation or retirement due to death; the same shall apply hereinafter), the transfer restrictions shall be lifted immediately after such resignation or retirement.

② Number of shares subject to cancellation of transfer restrictions

The number of Allotted Shares shall be calculated by multiplying the number of Allotted Shares held at the time of resignation specified in ① by the number obtained by dividing the term of office (in months) of the Eligible Director during the Transfer Restriction Period by 12 (if that number exceeds one, it will be rounded down to one). (Any fractional shares of less than one unit of stock resulting from the calculation shall be rounded down)

(4) Free acquisition by the Company

The Company will automatically acquire the Allotted Shares for which the transfer restrictions are not lifted at the expiration of the transfer restriction period or at the time the transfer restrictions are lifted as specified in (3) above, free of charge.

(5) Handling in organizational reorganization, etc.

In case where, during the transfer restriction period, a merger agreement wherein the Company becomes the extinct company, or a share exchange agreement or a share transfer plan wherein the Company becomes a wholly owned subsidiary, or other matters regarding organizational restructuring, etc., is approved by a general meeting of shareholders of the Company (however, in cases where such organizational restructuring, etc., does not require approval from a general meeting of shareholders of the Company, by the Board of Directors of the Company), the Company shall lift the transfer restrictions as of the time immediately before the business day prior to the effective date of said organizational restructuring, etc., for the number of the Allotted Shares calculated by multiplying the number of the Allotted Shares held at such time by the number obtained (if such number exceeds 1, the number shall be rounded down to 1) by dividing the number of months between the month when the transfer restriction period started and the month to which the date of such approval belongs by 12 (however, if any fraction less than one share arises as a result of the above calculation, the fractional share shall be discarded).

Furthermore, immediately after the transfer restrictions are lifted, the Company will automatically acquire all of the Allotted Shares for which the restrictions have not been lifted, free of charge.

(6) Stock management

During the transfer restriction period, the Allotted Shares will be managed in a dedicated account opened by the Eligible Directors, etc. at Nomura Securities Co., Ltd., so that they cannot be transferred, subjected to any security interest, or otherwise disposed of. In order to ensure the effectiveness of transfer restrictions, etc. related to the Allotted Shares, the Company has entered into an agreement with Nomura Securities Co., Ltd. regarding the management of accounts for the Allotted Shares held by each Eligible Director, etc. In addition, the Eligible Directors, etc. shall consent to the details of the management of the relevant account.

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

This disposal of Treasury Stock to the scheduled allottee will be carried out using the monetary claims provided as Restricted Stock Compensation for the Company's 102<sup>nd</sup> fiscal year under this system as capital assets. Regarding the disposal price, in order to eliminate arbitrariness, the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on June 11, 2026 (the business day before the date of the Board of Directors' resolution) was determined as 2,148 yen. This is the market share price immediately before the date of the Board of Directors' resolution, and the Company believes that this is a reasonable price and does not constitute a particularly advantageous price.