

[Translation]

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June 26, 2025

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Notice Concerning the Disposition of Treasury Stock under the Restricted Stock Remuneration Plan

SAN-AI OBBLI CO., LTD (the Company) announce that it has resolved to dispose of treasury stock under the restricted stock remuneration plan as follows at the Board of Directors held today.

1. Summary of the disposition

(1) Payment date	July 24, 2025		
(2) Class and number of shares to be disposed	7,249 shares of common stock of the Company		
(3) Disposal price	1,793 yen per share		
(4) Total value of the disposal	12,997,457 yen		
(5) Number of shares to be disposed of and number of shares to be disposed of (allottees of shares)		Number of allottees	Number of shares
	Directors (excluding the Chairman of the Board and outside directors)	4	4,461 shares
	Executive Officers who do not serve as directors	4	2,788 shares

2. Purposes and Reasons of the Disposal

The Company resolved to introduce a restricted stock remuneration plan (the “Plan”) as a new remuneration plan to provide incentives to its directors (excluding outside directors) and executive officers who do not concurrently serve as directors (the “Subject Directors, etc.”) to continuously improve the Company's corporate value and to further promote value sharing with its shareholders at the Board of Directors held on May 14, 2020. The Company also resolved to introduce the “Share Remuneration System with Transfer Restrictions” as a monetary remuneration of up to 12 million yen per year to be used as assets to be contributed for the acquisition of shares with transfer restrictions (“Share Remuneration with Transfer

Restrictions”) based on the Plan and for setting the period of restricted stock transfer as 30 years at the 89th Annual General Meeting of Shareholders held on June 26, 2020.

The summary of the Plan is as follows.

[The summary of the Plan]

The Subject Directors, etc. shall pay all of the monetary remuneration claims paid by the Company under the Plan as assets contributed in kind and will be issued or disposed of shares of common stock of the Company. The Company determines the total number of shares of common stock to be issued or disposed of by the Company to the Subject Directors under the Plan shall be 40,000 shares or less per year, and the amount to be paid per share shall be calculated based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board resolution (if no transaction is effected on that date, the closing price on the immediately preceding business day) to the extent that such amount is not particularly favorable to the Subject Directors who will subscribe for such common stock.

In addition, upon the issuance or disposal of shares of common stock of the Company under the Plan, a Restricted Share Allotment Agreement shall be executed between the Company and the Subject Directors, etc. The terms of the Agreement shall include, among others, (i) the Subject Directors, etc. shall not transfer, create security interests in, or otherwise dispose of the shares of common stock of the Company allotted under the Agreement for a certain period of time, and (ii) the Company shall acquire such shares of common stock without consideration upon the occurrence of certain events.

This time, taking into consideration the purpose of this plan, the Company's business conditions, the scope of responsibilities of each Subject Director, etc., and various circumstances, and with the aim of further motivating each Subject Director, etc., the Company decided to grant a total of 12,997,457 yen in monetary compensation claims (“Monetary Compensation Claims”) and 7,249 shares of common stock to Subject Director, etc. The 8 Subject Directors, etc., who are the allottees, will pay all of the monetary remuneration claims to the Company as assets contributed in kind and will receive the common shares of the Company (the “Allotted Shares”) in the treasury shares disposal. The summary of the restricted stock allotment agreement (the “Allotment Agreement”) to be concluded between the Company and the Subject Directors, etc., in the disposal of treasury shares is as described in 3. below.

3. The summary of the restricted stock allotment

(1) Transfer restriction period

From July 24, 2025 to July 23, 2055

(2) Conditions for removal of transfer restrictions

All restrictions on the allotted shares held by the Subject Directors etc. will be lifted, provided they continue to serve as a Director, Executive Officer who do not serve as directors, Audit & Supervisory of Board Member, employee, full-time advisor, or in an equivalent position at the Company or its subsidiary during the transfer restriction period.

(3) Treatment in the case that the Subject Directors, etc. resign or retire due to the expiration of their term of

office, mandatory retirement age or other justifiable reasons during the transfer restriction period

1) Time of removal of transfer restrictions

In the case that the Subject Director, etc. resigns from any of the positions of Director, Executive Officer not concurrently serving as director, Audit & Supervisory of the Board Member, employee, full-time advisor or any other equivalent position at the Company or its subsidiary (including the case of death) due to expiration of term of office, mandatory retirement age or any other justifiable reason, the transfer restriction shall be lifted immediately after resignation or retirement.

2) Number of shares subject to removal of transfer restrictions

The number of the allotted shares held at the time of resignation or retirement as set forth in 1) above, divided by the number of months from the month that includes the date of disposal of the allotted shares (however, if the Subject Director, etc. is an Executive Officer who does not concurrently serve as a director, the month shall be deemed to be the beginning of the 95th fiscal year) to the month that includes the date of resignation or retirement; and the number of shares obtained by dividing the number of months from the month including the date of resignation by 12 (if the number exceeds 1, the number shall be 1). The number of shares to be issued shall be the number of shares obtained by multiplying the number of shares of common stock of the Company (excluding treasury shares) by 12 (if the number exceeds 1, 1 shall be rounded down).

(4) Acquisition by the Company at no charge

In the case that the Subject Director, etc. commits an act in violation of laws and regulations during the restricted transfer period, or in the case that certain events specified in the allotment agreement occur, the Company shall naturally acquire all of the allotted shares without consideration at the time of such violation. In addition, at the expiration of the transfer restriction period or at the time of removal of the transfer restriction stipulated in (3) above, the Company shall naturally acquire the allotted shares for no consideration if the transfer restriction is not cancelled.

(5) Share management

The allotted shares shall be managed in an exclusive account opened by the Subject Directors, etc. with Nomura Securities Co., Ltd. during the restricted period so that the allotted shares may not be transferred, created as a security interest or otherwise disposed of during the restricted period. In order to ensure the effectiveness of the restrictions on transfer, etc. of the allotted shares, the Company has entered into a contract with Nomura Securities Co. The Subject Directors, etc. shall agree to the details of the management of their accounts.

(6) Treatment in Organizational Restructuring, etc.

If, during the restriction period, a merger agreement under which the Company becomes a defunct company, a share exchange agreement under which the Company becomes a wholly owned subsidiary, a share transfer plan, or any other matters relating to organizational restructuring are approved at the general meeting of shareholders (however, if approval at the general meeting of shareholders is not required for such organizational restructuring, the Board of Directors), the Board of Directors may increase the number of the allotted shares by the amount obtained by multiplying the number of the allotted shares to be disposed of by the number of shares of common stock held by the Company at that time by the number of shares of common stock held by the Company at the end of the month including

the date of the disposal of the allotted shares (however, if the Subject Directors, etc. are executive officers not serving as Directors, the month shall be deemed to be the beginning of the 95th fiscal year). The number of shares obtained by dividing the number of months from the month including the date of disposal of the Allotted Shares (if the number exceeds 1, the number shall be 1) by 12 (if the number exceeds 1, the number shall be 1); and), the restriction on transfer shall be cancelled as of the time immediately preceding the business day immediately preceding the effective date of the reorganization. In addition, the Company shall naturally acquire without consideration all of the allotted shares for which the restriction on transfer has not been cancelled as of the time immediately following the cancellation of the restriction on transfer.

4. Basis for calculation of the amount to be paid in and specific details thereof

This disposition of treasury shares to the scheduled subscriber will be made with the monetary remuneration claims paid as restricted stock remuneration for the Company's 95th fiscal year under the Plan as the assets to be contributed. The disposal price is set at 1,793 yen, which is the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on June 25, 2025 (the business day immediately preceding the date of the Board of Directors' resolution), in order to eliminate arbitrariness. This is the market share price immediately prior to the Board of Directors' resolution, and the Company judges that it is reasonable and does not constitute a particularly favorable price.