[Translation]

Jun. 27, 2025

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(Stock Code: 9401, Prime Market of the Tokyo Stock Exchange)
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Notice of Disposal of Treasury Shares Through Third-Party Allotment Accompanying Addition of Target Companies of Share-based Remuneration System (RS Trust) for Directors

TBS HOLDINGS, INC. (hereinafter the “Company”) hereby announces that at its Board of Directors meeting held today, the Company resolved to conduct a disposal of treasury shares as share-based remuneration for the Directors (hereinafter the “Treasury Share Disposal”). The details are as follows.

1. Overview of the Disposal

(1)	Date of disposal	July 18, 2025
(2)	Class and Number of shares for disposal	153,200 shares of common stock of the Company
(3)	Disposal price	¥4,855 per share
(4)	Total amount of disposal	¥743,786,000
(5)	Scheduled recipients of disposal	Sumitomo Mitsui Trust Bank, Limited (Trust Account) (Re-trust trustee: Custody Bank of Japan, Ltd. (Trust Account))
(6)	Other matters	The Company has submitted an Extraordinary Report regarding the Disposal of Treasury Stock based on the Financial Instruments and Exchange Act.

2. Purpose and reason for disposal

As announced in the "Notice Regarding Addition of Target Subsidiaries of Share-based Remuneration System (RS Trust) for Directors of Subsidiaries and Decisions on Matters Related to the Purchase of Shares in the Trust" dated June 27, 2024, some subsidiaries of the Company have introduced a Share-based Remuneration System using a trust (hereinafter the "System" and the trust already established by the Company for the purpose of introducing the System hereinafter referred to as the "Trust").

The Company resolved at the Board of Directors meeting held on May 14, 2025 to introduce the System for the Company's directors (excluding outside directors; the same applies below), which was subsequently approved at the Company's 98th Ordinary General Shareholders Meeting held today.

In addition, at the Board of Directors' meeting held today, the Company's Board of Directors also resolved to introduce the System for the Company's executive officers, and furthermore, other subsidiaries of the Company have also decided to introduce the System for their directors or executive officers(such subsidiaries are hereinafter referred to as the "New Target Subsidiaries").

The purpose of introducing the System is to further raise the awareness of contribution to the enhancement of medium- to long-term corporate value of the Group, and to clarify the link between

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executive remuneration and the corporate value of the Company, in order to deeply shared values with our stakeholders.

For an overview of the System, please refer to the "Notice Regarding Introduction of Share-based Remuneration System for Directors (RS Trust)" dated May 14, 2025.

The number of shares to be disposed of is equivalent to the number of shares expected to be delivered to the directors and executive officers of the Company and New Target Subsidiaries during the remaining trust period of approximately three years , taking into consideration the positions and composition trends of the directors and executive officers the Company and New Target Subsidiaries based on the share delivery regulations that the Company and each New Target Subsidiary will establish upon the introduction of the System, and the dilution ratio will be 0.09% of the total number of issued shares of 165,591,065 shares as of March 31, 2025 (this is equivalent to 0.09% of the total 1,636,003 voting rights existing as of March 31, 2025; both dilution ratio figures are rounded to the nearest second decimal place).

The Company believes that the System will clarify the linkage between remuneration for Directors and executive officers of the Company and New Target Subsidiaries and the share value of the Company and over the medium and long term lead to improving the corporate value of the TBS Group, and deems that the number of shares to be disposed of by the Treasury Share Disposal and the scale of dilution to be reasonable and that it will have immaterial effect on the trading market.

(Reference) Overview of the trust agreement of the Trust

Trustor	The Company
Trustee	Sumitomo Mitsui Trust Bank, Limited (Re-trust trustee: Custody Bank of Japan, Ltd.)
Beneficiaries	Among the Company and the Subsidiary Directors or executive officers, those who meet the beneficiary requirements
Trust administrator	Third party independent from the Company, the Company's officers and the Company's subsidiaries and their officers
Exercise of voting rights	The voting rights attached to the Company's shares in the Trust shall not be exercised for the duration of the trust period.
Type of trust	Trust of money other than money trust (third-party-benefit trust)
Date of trust agreement	July 21, 2023
Trust period	From July 21, 2023 to Thursday, August 31, 2028 (scheduled)
Purpose of trust	To deliver the Company's shares to beneficiaries based on the share delivery regulations

3. Grounds for calculation of disposal price and specific details

To eliminate any arbitrariness, the disposal price was set at ¥4,855, which was the closing price of the Company's shares on the Tokyo Stock Exchange on June 26, 2025 (the last business day preceding the date of the resolution by the Board of Directors). The Company deems it reasonable to set the disposal price to the closing price of the last business day preceding the date of the resolution by the Board of Directors as that is the market value immediately prior to the date of the resolution and therefore objective grounds for calculation.

In terms of rates of deviation, the disposal price deviates by positive 5.22% from average closing price for the one-month period up until the last business day preceding the date of the resolution by the Board of Directors (May 27, 2025 to June 26, 2025) of ¥4,614 (rounded down to the yen), it deviates by positive 6.28% from average closing price for the last three-month period (March 27, 2025 to June 26, 2025) of ¥4,568 (rounded down to the yen), and it deviates by positive 11.46% from average closing price for the last six-month period (December 27, 2024 to June 26, 2025) of ¥4,356 (rounded down to the yen; all rates of deviation are rounded to the nearest second decimal place).

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As a result of taking the aforementioned into consideration, the Company considers the disposal price for the Treasury Share Disposal to be reasonable and not particularly advantageous to the scheduled recipients of the disposal.

Regarding the aforementioned disposal price, the Company's Audit & Supervisory Board Members (five members, three of which are Outside Audit & Supervisory Board Members) have expressed the opinion that the grounds for calculation of the disposal price are reasonable, and that disposal price is lawful and not particularly advantageous to the scheduled recipients.

4. Matters concerning the procedure required by the corporate code of conduct

Given that the Treasury Share Disposal (i) has a dilution ratio of less than 25% and (ii) is not associated with a change in controlling shareholder, the procedures set out in Rule 432 of the Securities Listing Regulations from the Tokyo Stock Exchange in regards to seeking the opinion of an entity who has a specific degree of independence and confirming the intent of shareholders shall not be required.

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