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December 24, 2025

To whom it may concern:

Company name: Alpen Co., Ltd.
Name of representative: Atsushi Mizuno, President

(Securities code: 3028; Tokyo
Stock
Exchange Prime Market
/Nagoya Stock
Exchange Premier Market)
Inquiries: Naoki Shimizu, Operation
Officer and
Head of Administration
(Telephone: +81-52-559-0121)

Notice Regarding the Establishment of the Impact Neutralization Trust

Alpen Co., Ltd. (the “Company”) hereby gives notice regarding the resolution at the Board of Directors meeting held on December 24, 2025 to establish the Impact Neutralization Trust (hereinafter referred to as the “Trust”).

1. Purpose and background of the establishment of the Trust

Our company embrace “Making sports more accessible” as our purpose and, in order to meet the diversifying needs of our customers, we strive to be the first to take on new challenges as an innovator in the sports industry, aiming to create a future filled with sports.

Aligned with this purpose, we view corporate governance as the pursuit of enhanced efficiency, transparency, and soundness in management and the thorough observance of compliance, achieved through appropriate engagement with our broad range of stakeholders, including employees, customers, business partners, and shareholders. To this end, we believe that promoting shareholder diversification is essential to increasing management transparency and, in turn, to enhancing our corporate value.

On this premise, we have decided to increase the number of the Company’s free float shares. To that effect, we requested that our Chairman, Taizo Mizuno—who, as of June 30, 2025, holds 17.40% of the Company’s total issued shares—sell a portion of his holdings (the “Share Sale”), and he has agreed to our request. By placing into the market shares that have been held since the Company’s founding (non-free-float shares), we expect to further diversify our shareholder base, consistently meet the Prime Market’s continued listing criteria set by the Tokyo Stock Exchange, and, through index investing by institutional investors based on free-float market capitalization (including TOPIX), improve the liquidity of our shares and the overall supply–demand balance in the market.

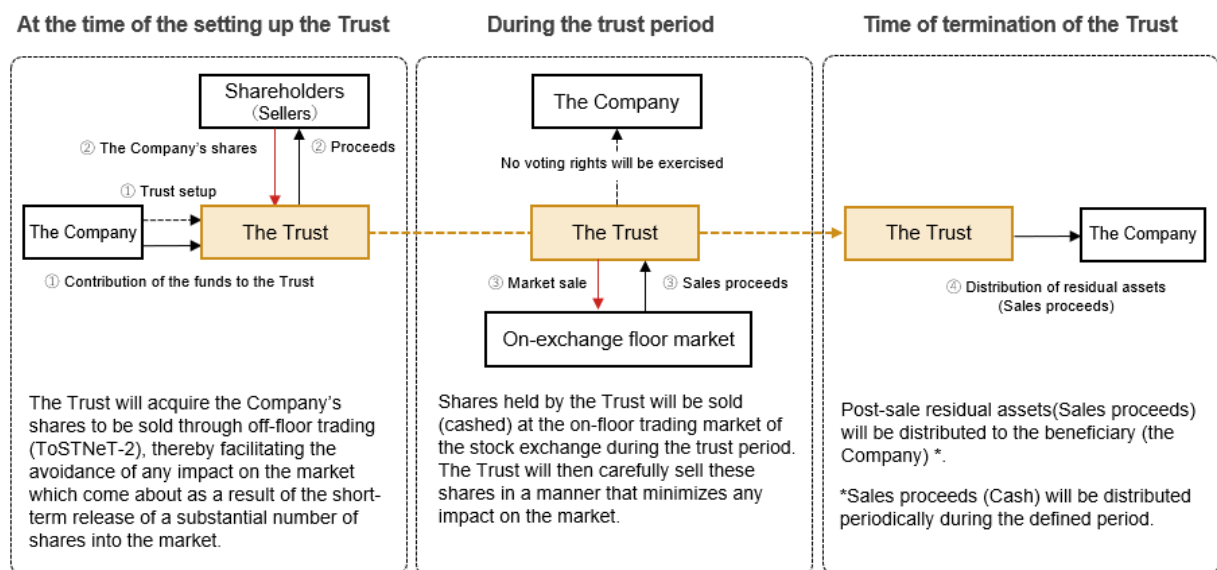
However, if too many shares are sold at once, it could have a significant impact on the market. Therefore, we decided that it would be best to sell the shares gradually, over time. After comparing various selling methods and considering the “Pros” and “Cons” described in “2. Overview of the Trust” below, we chose to use a trust structure. We believe this will minimize the impact on the market as much as possible, which is in the best interests of all our stakeholders.

2. Overview of the Trust

The Trust has been established to diversify the Company’s shareholder and enhance corporate governance, as well as to increase free float ratio of the Company’s shares. When a major

shareholder intends to sell their shares, the Company will use its own funds to purchase those shares through off-floor trading system (ToSTNeT-2) on the Tokyo Stock Exchange. The Trust will then carefully sell these shares in a manner that minimizes any impact on the market. All shares acquired by the Trust will be sold during the trust period, and the proceeds will be distributed to the Company at regular intervals in accordance with a predetermined schedule. *

*As the Trust is a self-beneficial trust with the Company as the beneficiary, it will be treated as treasury shares for accounting purposes. If the Trust generates a gain on disposal due to an increase in the share price, it will be treated as an increase in “Other capital surplus (net assets)”. The definitive accounting treatment is under review and has not yet been determined, but we expect If it generates a loss on disposal due to a fall in the share price, it will be treated as a decrease in “Other capital surplus (net assets)”. The status of sales of the Company's shares by the Trust will be disclosed monthly.



The acquisition of the Company's shares by the Trust (hereinafter referred to as the “Acquisition”), as well as the holding and sale of the acquired shares, will be carried out in a manner that takes into account the purpose and objectives of the various regulations concerning treasury shares (Articles 155 to 160, 165 and 461 of the Companies Act, etc.) and the content of the Trust, and in a manner that responds to the regulations that are considered necessary.

【Pros】

- i. By selling on the exchange market the Company shares acquired from major shareholders who hold non-free-float shares, the Company is expected to steadily increase its publicly tradable shares.
- ii. By limiting daily sale volumes (market participation rate) and carrying out the sales over a sufficient period of time, improvements in the market liquidity of the Company's shares and mitigation of the share sales' impact on market supply and demand can be expected.
- iii. In acquiring the Company's shares through the Trust, the use of the Tokyo Stock Exchange's off-floor trading (ToSTNeT-2), which is also commonly used in treasury share acquisition transactions, ensures that selling opportunities are not limited to the major shareholders who are

scheduled to sell, but are also available to other shareholders, ensuring equality of opportunity for selling.

- iv. Depending on the share price movement (share price increase) during the trust period, there is a possibility that a disposal profit will arise between the acquisition funds contributed by the Company and the proceeds received from the sale.

【Cons】

- i. Due to the sale of shares in the Company on the on-exchange floor market there is a possibility that there will be a continuous impact on the market supply and demand for the Company's shares until the sale of the Company's shares by the Trust is completed.
- ii. Depending on the share price movement (decline in share price) during the trust period, there is a possibility that a disposal loss (however, the disposal loss will be limited to the acquisition funds contributed by the Company) will occur between the acquisition funds contributed by the Company and the proceeds from the sale, and it is possible that the amount will be considerable. In addition, there is a possibility that the disposal loss will be a factor in further share price decline.

3. Details of the Trust

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| (1) Settlor: | The Company |
| (2) Trustee: | The Nomura Trust and Banking Co., Ltd. |
| (3) Beneficiary: | The Company |
| (4) Exercise of voting rights: | Voting rights shall not be exercised with respect to the Company's shares held within the Trust. |
| (5) Dividend: | Received |
| (6) Type of trust: | Trust other than a monetary trust |
| (7) Trust agreement date: | December 24, 2025 |
| (8) Period of trust: | December 24, 2025 (scheduled) to July 1, 2026 (scheduled) |
| (9) Purpose of the trust: | With the anticipated sale of the Company's shares by major shareholders who hold non-free-float shares in mind, the aim is to mitigate any deterioration in the market supply-demand balance for the Company's shares resulting from such sales and to increase the Company's publicly tradable shares. |

4. Method of acquiring the Company's shares in the Trust

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| (1) Class of shares: | The Company's common shares |
| (2) Number of shares (Upper limit): | 2,500,000 shares (6.48% of the total number of issued shares (excluding treasury shares)) |
| (3) Total Value of shares (Upper limit): | 6,250,000,000 yen |
| (4) Timing of the acquisition: | December 26, 2025 (scheduled) to January 7, 2026 (scheduled) |
| (5) Method of acquisition: | Acquisition through off-floor trading (ToSTNeT-2) on the Tokyo Stock Exchange |
| (6) Acquisition price: | The closing price on the business day prior to the acquisition date |

(7) Acquisition date:	To be disclosed on the business day prior to the acquisition date
(8) Conditions for suspension of the Acquisition:	The fulfillment of the purpose of the Trust shall be reasonably expected to take place as a result of the Acquisition
(9) Funds to be contributed for acquisition and to be placed in the trust:	6,317,375,000 yen

5. Method of selling the Company's shares in the Trust

The sale of the Company's shares in the Trust will be conducted through on-exchange floor trading, and the Company will receive the proceeds from the sale. The specific execution of sales during the trust period will be conducted based on the execution policy stipulated in the trust agreement in advance, and the Company will not give any instructions.

<Summary of the execution policy for on-exchange floor trading transactions >

- Aim to Ensure the completion of sales within the trust period while taking into consideration the dispersion of time intervals between sales. If the shares falling under the category of property in trust remain on the expiration date of the initial trust period, the expiration date of the Trust will be changed to July 1, 2027
- Taking into account elements such as stock price adjustments happening on the days on which sales take place, the sale of shares should be undertaken in a manner which serves to ensure that the number of shares sold on each business day constitutes roughly 15% of the market volume.
- In principle, sales orders shall be placed using limit orders. Orders shall not be placed using no-limit orders.
- Depending on the conditions in the stock market, the pacing of the sales may be adjusted within a certain range. In particular, sales may be suspended when there is a situation where a significant fall in the stock price is seen.
- In the event that the stock becomes designated as a stock placed on supervisory post for possible delisting or a delisted stock in accordance with the provisions stipulated by the financial instruments exchange, the prompt completion of the sales shall be facilitated regardless of the above.

6. Impact on the Company's business performance

The impact of implementing the Trust on the Company's business performance will be disclosed in the form of quarterly financial results as necessary.

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