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August 3, 2026

To whom it may concern

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Name of representative: Futoshi Moriya, President (Representative Director)
(Securities code: 8081; Tokyo Stock Exchange Prime Market)
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Notice Regarding Disposal of Treasury Stock as Restricted Stock Compensation to Directors

KANADEN CORPORATION (the “Company”) announced that it has resolved to dispose of treasury stock (the "Disposal of Treasury Stock") at no charge as restricted stock compensation at a meeting of its Board of Directors held today, as described below.

1. Summary of Disposal of Shares to Directors

(1) Date of disposal	August 25, 2026
(2) Class and number of shares to be disposed of	Share of common stock of the Company: 14,494 shares Performance-based: 7,247 restricted shares Service-based: 7,247 restricted shares
(3) Disposal price	2,451 Yen per share
(4) Total disposal price	35,524,794 Yen
(5) Allottees of shares to be disposed of	Directors of the Company (excluding Outside Directors): 4 persons, 14,494 shares Performance-based: 7,247 restricted shares service-based: 7,247 shares

*The disposal of treasury stock is to be delivered free of charge as compensation, etc. for Director (Article 202-2 of the Companies Act). In order to ensure the fair disposition value, the total amount disposed of (35,524,794 Yen) is calculated by multiplying the closing price of The Company common stock on the Tokyo Stock Exchange (2,451 Yen) on the business day immediately preceding the date of resolution of the Board of Directors (July 31, 2026) by the number of shares to be disposed as described above.

2. Purpose and reason for disposal

At a meeting of the Board of Directors held on May 11, 2018, the Company resolved to introduce a restricted stock compensation plan as a compensation plan for the Company's directors (excluding outside directors) (the “Subject Directors”).

In addition, at the 168th Ordinary General Meeting of Shareholders held on June 20, 2018, the Board of Directors approved the payment of monetary compensation claims of up to 50 million yen per year to the Subject Directors, separate from the existing monetary compensation limit, as assets in kind for the grant of restricted transferable shares under this plan.

Then, at a meeting of the Board of Directors held on May 14, 2021, the Company resolved to partially revise the restricted stock compensation plan for subject directors for the purpose of further increasing the incentive for subject directors to continuously improve the corporate value of the Company and to further promote value sharing with the shareholders, and (The revised restricted stock compensation plan is hereinafter referred to as the "Plan”). The revision was approved at the 171st Ordinary General Meeting of Shareholders held on June 24, 2021.

The summary of the Plan and other related matters

[Summary of the Plan and other related matters]

Under the Plan, the Subject Directors shall receive the issuance or disposition of common shares of the Company without the need for payment of money or contribution of property in kind as remuneration, etc. for the Subject Directors. In connection with the issuance or disposition of The Company's common shares under the Plan, the Company shall enter into a contract of allotment of shares with restriction on transfer between the Company and the Subject Director to be allotted. The details of the contract shall include the following:

①The Subject Director shall not transfer, create a security interest on, or otherwise dispose of the allotted common shares of the Company for a predetermined period.

②The Company will acquire the common shares at no charge upon the occurrence of certain events.

The Company has recently resolved to grant 14,494 shares of the Company common stock to four Directors of the Company (the "Allottees") in consideration for the execution of their duties as Director in accordance with the resolution of The Board of Directors held today, taking into account the objectives of the plan, the performance of The Company, the scope of duties scheduled to be allocated by the Company and various other factors.

[Summary of the Allotment Agreement]

Following the Disposal of Treasury Shares, the Company and the Allottee individually entered into a restricted share allotment agreement (the "Allotment Agreement"), Overview of which is as follows:

(1) Performance-based Restricted Shares (the "Allotment Shares 1")

① Restriction Period on Transfer

In principle, the Allottee shall not transfer, create a security interest on, or otherwise dispose of the Allotment Shares 1 during the period from August 25, 2026 (Allotment Date) to the date of the Ordinary General Meeting of Shareholders for the Fiscal Year ending March 31, 2029 (hereinafter referred to as "Transfer Restriction 1").

② Termination Conditions of Restriction on Transfer 1

On the condition that the Allottee continuously holds the position of Director of the Company or any other position determined by the Board of Directors of the Company during the Transfer Restriction Period, Transfer Restriction 1 shall be lifted upon the expiration of the Transfer Restriction Period for the number of Allotment Shares 1 calculated in accordance with the degree of achievement of management numerical targets - such as consolidated operating profit, consolidated operating margin, ROE (return on equity), and non-financial targets - set out in the Medium-Term Management Plan (FY2026-2028).

③ Handling of resignation during the period of restriction on transfer

If the Allottee loses his/her position as Director of the Company or any other position specified by the Board of Directors during the Transfer Restriction Period due to expiration of term of office, death, or any other reason deemed justifiable by the Board of Directors, Transfer Restriction 1 shall be lifted upon the expiration of the Transfer Restriction Period for the number of shares calculated on a pro rata basis in accordance with the Allotment Agreement 1, based on the degree of achievement specified in (1)② above.

④ Free acquisition by the Company

At the time the Transfer Restriction Period expires, the Company will automatically acquire, without charge, the Allotment Shares 1 for which Transfer Restriction 1 has not been lifted.

⑤ Management of shares

Allotment Shares 1 shall be managed in the exclusive account of the Shares with Restriction on Transfer opened by the Allottees at Daiwa Securities Co., Ltd. during the Restriction on Transfer in order to prevent the transfer, establishment of security interest, or any other disposition during the Restriction on Transfer.

⑥ Treatment in Organization restructuring, etc.

If, during the Transfer Restriction Period, a merger agreement in which the Company becomes the dissolved company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or any other matters concerning organizational restructuring, etc., is approved at a General Meeting of Shareholders of the Company (or by the Board of Directors of the Company if such restructuring does not require approval of the General Meeting of Shareholders), Transfer Restriction 1 shall be lifted, by resolution of the Board of Directors, prior to the effective date of such organizational restructuring for all of the Allotment Shares 1 held by the Allottee as of the date of such approval.

(2) Service-based Restricted Shares (the "Allotment Shares 2")

① Restriction Period on Transfer

In principle, the Allottee shall not transfer, create a security interest on, or otherwise dispose of the Allotment Shares 2 during the period from August 25, 2026 (Allotment Date) to the date of the Ordinary General Meeting of Shareholders for the Fiscal Year ending March 31, 2029 (hereinafter referred to as "Transfer Restriction 2").

② Termination Conditions of Restriction on Transfer 2

On the condition that the Allottee continuously holds the position of Director of the Company or any other position determined by the Board of Directors of the Company during the Transfer Restriction Period, Transfer Restriction 2 shall be lifted upon the expiration of the Transfer Restriction Period with respect to all of the Allotment Shares 2.

③ Handling of resignation during the period of restriction on transfer

If the Allottee loses his/her position as Director of the Company or any other position specified by the Board of Directors during the Transfer Restriction Period due to expiration of term of office, death, or any other reason deemed justifiable by the Board of Directors, Transfer Restriction 2 shall be lifted immediately after such loss for the number of Allotment Shares 2 calculated on a pro rata basis in accordance with the Allotment Agreement 2.

④ Free acquisition by the Company

At the time the Transfer Restriction Period expires, the Company will automatically acquire, without charge, the Allotment Shares 2 for which Transfer Restriction 2 has not been lifted.

⑤ Management of shares

Allotment Shares 2 shall be managed in the Exclusive Account for Shares with Restriction on Transfer opened by the Allottees at Daiwa Securities Co., Ltd. during the Restriction on Transfer so that transfer, establishment of security interest, and other dispositions may not be made during the Restriction on Transfer.

⑥ Treatment in Organization restructuring, etc.

If, during the Transfer Restriction Period, a merger agreement in which the Company becomes the dissolved company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or any other matters concerning organizational restructuring, etc., is approved at a General Meeting of Shareholders of the Company (or by the Board of Directors of the Company if such restructuring does not require approval of the General Meeting of Shareholders), Transfer Restriction 2 shall be lifted, by resolution of the Board of Directors, prior to the effective date of such organizational restructuring for all of the Allotment Shares 2 held by the Allottee as of the date of such approval.

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