



August 5, 2025

To whom it may concern:

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Representative: Shinji Shimomura, President and CEO  
(Securities code: 6302 TSE Prime)  
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## Notice Concerning Disposal of Treasury Shares Through Third-Party Allotment in Connection with Continuation of Stock Compensation Plan

The Company hereby announces that, at the Board of Directors' meeting held today, it resolved to dispose of treasury shares (hereinafter referred to as the “Disposal of Treasury Shares”) for use in the stock compensation plan.

### 1. Overview of the disposal

(1) Disposal date	August 21, 2025
(2) Class and number of shares to be disposed of	75,700 shares of the Company's common stock
(3) Disposal price	JPY 3,368 per share
(4) Total disposal amount	JPY 254,957,600
(5) Intended disposal recipient	Sumitomo Mitsui Trust Bank, Limited (trust account) (Subsequent trustee: Custody Bank of Japan, Ltd. (trust account))
(6) Other	The Disposal of Treasury Shares is subject to the notification under the Financial Instruments and Exchange Act having taken effect.

### 2. Purpose and reason for the disposal

At a meeting of its Board of Directors held on May 10, 2022, the Company resolved to introduce a stock compensation plan (hereinafter referred to as the “Plan”). The purpose of the Plan was to establish a clear alignment between the compensation of its Directors (excluding Outside Directors; the same applies hereinafter) and Vice Presidents (hereinafter collectively referred to as “Directors, etc.”) and the Company's stock value. The Plan is also intended to ensure that Directors, etc., share the profits and risks arising from fluctuations in the Company's stock price, together with shareholders, thereby encouraging Directors, etc., to focus on improving the

Company's medium- to long-term performance and enhancing corporate value. The introduction of the Plan for Directors was approved at the 126th Ordinary General Meeting of Shareholders held on June 29, 2022, and the Company has continued the Plan since then.

Please refer to the "Notice on Introduction of the Stock Compensation Plan for Board Members" announced on May 10, 2022 for an overview of the Plan.

The recipient of the Disposal of Treasury Shares will be Sumitomo Mitsui Trust Bank, Limited (trust account), with Custody Bank of Japan, Ltd. (trust account) acting as the subsequent trustee. This entity serves as the trustee of the trust (hereinafter referred to as the "Trust") that was established for the introduction of the Plan.

The number of shares to be disposed of corresponds to the number of shares expected to be granted to Directors, etc., considering factors such as the title of the Company's Directors, etc. and changes in board composition, during the extended trust period, in accordance with the stock granting regulations that were established by the Company upon the introduction of the Plan. This will have a dilutive effect equivalent to 0.06 % of the total issued shares (122,905,481 shares) as of June 30, 2025 (or 0.06 % of the total units of voting rights (1,198,464 units) as of the same date; both percentages are rounded to the second decimal place).

The Company believes that the Plan will help establish a clear alignment between the compensation of its Directors, etc., and the Company's stock value, while also contributing to the enhancement of corporate value over the medium- to long-term. The Company also considers that the number of shares to be disposed of and the scale of the resulting dilution due to the Disposal of Treasury Shares are both reasonable and the effect on secondary markets will be insignificant.

(Reference) Overview of the Trust Agreement pertaining to the Trust

Trustor:	The Company
Trustee:	Sumitomo Mitsui Trust Bank, Limited (Subsequent trustee: Custody Bank of Japan, Ltd.)
Beneficiaries:	Directors, etc., who satisfy beneficiary requirements
Trust administrator:	A third party that is independent of the Company and its board members
Exercise of voting rights:	Voting rights related to the Company's shares within the Trust will not be exercised throughout the trust period.
Type of trust:	Trust of money other than money trust (third-party benefit trust)
Date of Trust Agreement:	August 22, 2022
Trust period:	August 22, 2022 to the end of May 2028 (planned)
Purpose of trust:	To grant the Company's shares to beneficiaries based on the stock granting regulations

### 3. Basis for calculating disposal price and specific details thereof

To avoid arbitrary pricing and taking into account recent share price trends, the disposal price for the Disposal of Treasury Shares is set at JPY3,368, which is the closing price on the Tokyo

Stock Exchange on August 4, 2025, the business day immediately preceding the Board of Directors' resolution. The reason for using the closing price on the business day immediately preceding the Board of Directors' resolution is that we consider it to be highly objective and reasonable as a calculation basis, since it reflects the market value just before the resolution date.

This price represents a deviation of 5.81% from JPY3,183, the average closing price (rounded down to the nearest JPY) during the month leading up to the business day immediately before the date of the resolution by the Company's Board of Directors (July 7, 2025 to August 4, 2025), a deviation of 11.08% from JPY 3,032, the average closing price (rounded down to the nearest JPY) during the most recent three months (May 7, 2025 to August 4, 2025), and a deviation of 11.01% from JPY 3,034, the average closing price (rounded down to the nearest JPY) during the most recent six months (February 5, 2025 to August 4, 2025) (the deviation rates are each rounded to the second decimal place).

Upon consideration of these factors, the Company believes the disposal price for the Disposal of Treasury Shares is not especially advantageous to the planned recipient of the disposal and that it is reasonable.

Moreover, all Corporate Auditors in attendance at the Board of Directors meeting (five Corporate Auditors, including three Outside Corporate Auditors) expressed the opinion that the basis used to calculate this disposal price is reasonable, and the price is not especially advantageous to the planned recipient of the disposal, and is legitimate.

#### 4. Matters regarding procedures within the code of corporate conduct

Because the Disposal of Treasury Shares entails (i) dilution of less than 25%, and (ii) does not entail change of a controlling shareholder, it does not require independent third-party opinion or confirmation of shareholder intent as set forth in Rule 432 of the Securities Listing Regulations established by Tokyo Stock Exchange, Inc.

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