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January 30, 2026

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(Securities code: 1882, Prime Market
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Notice Concerning Settlement in Shareholders' Derivative Lawsuit

As announced in the “Notice Concerning Shareholders’ Derivative Lawsuit” dated March 1, 2024, a shareholder of TOA ROAD CORPORATION (the “Company”) filed a lawsuit to claim damages against ten current and former management officials of the Company, including the Representative Director, for damage caused to the Company by their antitrust violations conducted on or before January 27, 2015 relating to the determination of selling prices of asphalt mixtures. The Company hereby announces that a settlement was reached between the plaintiff, nine defendants (excluding Akira Shinya), and the Company as a co-litigant, as described below.

1. Plaintiff

Strategic Capital, Inc.

2. Intervener as a co-litigant

TOA ROAD CORPORATION

3. Defendants

Kyouichi Morishita, Representative Director of the Company

Former Directors of the Company: Akira Shinya, Hiroshi Nakamura, Tadashi Kawauchi, Yoshitsugu Onishi, Osamu Aoki, Yutaka Anzaki, Hiroaki Sakuda, Kenichi Yoshihara, and Kazuhiro Maruo

4. Details of lawsuit and developments to settlement

Regarding the damage caused to the Company by the antitrust violations conducted on or before January 27, 2015 relating to the determination of selling prices of asphalt mixtures (a fine of 2,170.70 million yen in the surcharge payment order issued by the Japan Fair Trade Commission on July 30, 2019), the Company filed a lawsuit chiefly to enforce liability with the Chiba District Court,

demanding that a former Director of the Company assuming the position from 2013 to 2015 pay the Company 1,145.64 million yen in damages and its delinquency charges for violations of due care of a prudent manager and legal requirements.

Meanwhile, in regard to the above violations, a shareholder of the Company filed a shareholders' derivative lawsuit with the Tokyo District Court against ten current and former Directors of the Company assuming the position from 2012 to 2015, including the Representative Director, demanding that they pay the Company a maximum of 2,170.70 million yen in damages and its delinquency charges for violations of due care of a prudent manager.

Later, the two lawsuits were consolidated into the pending shareholders' derivative lawsuit because the outline and issue of the case were the same. The Company then participated in the lawsuit as a co-litigant.

Following the court's recommendation for a settlement, the Company decided that accepting the recommendation for a settlement was most rational from a managerial perspective. On January 21, 2026, a settlement was reached between the plaintiff, nine defendants (excluding Akira Shinya), and the Company as a co-litigant.

5. Details of settlement

- (1) Defendants consisting of Hiroshi Nakamura, Kyouichi Morishita, Tadashi Kawauchi, Yoshitsugu Onishi, Osamu Aoki, Yutaka Anzaki, Hiroaki Sakuda, Kenichi Yoshihara, and Kazuhiro Maruo (the "Defendants") shall acknowledge their obligation to jointly and severally pay the co-litigant 50.00 million yen as a settlement of the shareholders' derivative lawsuit filed by the plaintiff in relation to the cease and desist order and surcharge payment order issued by the Japan Fair Trade Commission to the co-litigant on July 30, 2019 pursuant to the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (the "Illegal Acts").
- (2) The Defendants shall jointly and severally pay the co-litigant the money specified in the preceding paragraph into the bank account designated by the co-litigant by March 31, 2026. Note that the Defendants shall be liable for the relevant bank transfer fees.
- (3) In the case that the Defendants violate the obligation of payment specified in the preceding paragraph, they shall pay the co-litigant the money that remains after deducting the amount already paid from the money specified in paragraph (1) and its delinquency charges at 20% a year from April 1, 2026 to the completion of payment.
- (4) Immediately after the settlement is reached, the co-litigant shall publish the Attachment (the same content as the "Details of settlement") on the co-litigant's website.
- (5) The plaintiff, Defendants, and co-litigant shall mutually confirm that there are no claims and obligations other than provided in the terms of settlement hereof in connection with the Illegal Acts between the Defendants and co-litigant.
- (6) Each party shall bear its own cost of litigation.

6. Future outlook

The settlement of 50.00 million yen paid to the Company will be recorded as extraordinary income for the fiscal year ending March 31, 2026, excluding costs such as attorney's fees that the Company will pay to the plaintiff.