



February 3, 2023

(Translated from the Japanese original)

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Representative: Yasushi Okamoto, President and Representative Director
Stock Listing: Prime Market, Tokyo Stock Exchange
Stock Code: 3626
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Notice regarding Cancellation of Treasury Stock

TIS Inc. (hereafter, “TIS” and “the Company”) hereby announces that the Board of Directors decided at its meeting today on matters related to the cancellation of treasury stock, based on Article 178 of the Companies Act. Details are provided below.

Details

1. Reason for implementing cancellation of treasury stock

In principle, treasury stock held by the Company is limited to 5% of the total number of issued shares, and any amount in excess of 5% is cancelled. A treasury stock buyback implemented in fiscal 2023 totaled about ¥30 billion. Of this amount, treasury stock acquired from a return-to-shareholder perspective (equivalent to about ¥5.5 billion) will be treated in line with the aforementioned policy. However, for treasury stock (equivalent to about ¥24.5 billion) acquired as part of efforts to optimize capital structure, management always planned to cancel this portion, having considered such factors as corporate policy and the need to eliminate concerns about future stock dilution. Management will thus move ahead with cancellation of this amount as scheduled.

2. Cancellation details

(1) Class of shares to be cancelled	Common stock
(2) Total number of shares to be cancelled	6,715,483 shares Of 8,223,000 shares of treasury stock bought back in fiscal 2023, number of shares (equivalent to about ¥24.5 billion) to optimize capital structure using average purchase price in buyback. (Percentage of number of issued shares prior to cancellation: 2.7%)
(3) Scheduled cancellation date	February 28, 2023

(Reference)

Aggregate number of issued shares after cancellation: 244,445,411

Number of shares of treasury stock after cancellation: 1,510,024 (Percentage of number of issued shares after cancellation: 0.6%)

Note: The number of treasury shares after cancellation is the number of shares remaining after subtracting the total number of shares cancelled from the number of treasury shares held as of January 31, 2023. This does not include Company stock held by TIS INTEC Group Employees’ Shareholding Association Exclusive Trust and Board Incentive Plan (BIP) Trust.

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