meiji

July 4, 2025

Name of Company: Meiji Holdings Co., Ltd.
Name of Representative: Katsunari Matsuda, CEO, President and Representative Director
Code Number: 2269, Prime Market, Tokyo Stock Exchange

# Notice concerning the Disposal of Treasury Stock for Restricted Stock Compensation for Directors

Meiji Holdings Co., Ltd. (the "Company") announces that its Board of Directors resolved, at a meeting on July 4, 2025, to conduct a disposal of its treasury stock for the purpose of restricted stock compensation ("Disposal of Treasury Shares" or "Disposal").

**Details**

## 1. Overview of the Disposal of Treasury Shares

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| 1 | Payment date | August 1, 2025 |
| 2 | Class and number of shares to be disposed | Common shares of the Company: 197,022 shares |
| 3 | Disposal value | JPY 3,186 per share |
| 4 | Total disposal value | JPY 627,712,092 |
| 5 | Recipients of allocation | Directors of the Company (excluding outside directors): 3 persons, 22,599 shares<br>Executive officers of the Company: 6 persons, 17,226 shares<br>Directors of group companies: 13 persons, 62,001 shares<br>Executive officers of group companies: 33 persons, 95,196 shares |
| 6 | Other | Regarding the Disposal of Treasury Shares, we submitted the Extraordinary Report in accordance with the Financial Instruments and Exchange Act. |

## 2. Purpose of and Reasons for the Disposal

The Company resolved, at a meeting of its Board of Directors held on May 12, 2017, to introduce a remuneration plan, namely, the restricted stock compensation plan (the "RSC Plan"), for the directors of the Company (the "Eligible Directors" excludes outside directors) in order to incentivize directors to contribute toward sustainably enhancing the Company's corporate value and to further promote shared value between directors and shareholders. At the Eighth Ordinary General Meeting of Shareholders, held on June 29, 2017, it was approved that, pursuant to the RSC Plan, monetary compensation not exceeding ¥ 200 million per year be paid to the Eligible Directors as property to be exchanged for the granting of shares with transfer restrictions. It was further approved that the transfer restrictions will apply for a period predetermined by the Board of Directors, such period being no less than three years from the date when the Company allocates the common shares (the "Allocation-Shares") to the Eligible Members after having concluded with them a restricted stock allocation agreement (the “Allocation Agreement”).

An overview of the RSC Plan and other relevant details are shown below.

**Overview of the RSC Plan**

The RSC Plan is intended to incentivize the Eligible Directors to contribute toward sustainably enhancing the Company’s corporate value and to further promote shared value between the Eligible Directors and shareholders.

Under the RSC Plan, the Company will issue monetary compensation receivables to each Eligible Director as property for the granting of shares with transfer restrictions. The Eligible Directors will contribute the entirety of this property on an in-kind basis, whereupon the Company will grant them the Allocation-Shares either by issuance or disposal. The total number of the Allocation-Shares that the Company will issue or dispose under the RSC Plan will be 40,000 shares or less per year. The amount to be paid in per share will be resolved by the Board of Directors. This amount will be based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day preceding the date when the Board of Directors resolved to conduct the issuance or disposal (or the closing price on the transaction day immediately prior thereto if no transaction is made on such business day), and it will be within a range that is not particularly advantageous to the Eligible Directors who receive the Allocation-Shares.

The issuance or disposal of the Allocation-Shares under the RSC Plan will be subject to the Allocation Agreement entered into by and between the Company and each Eligible Director. The Allocation Agreement will include (1) a provision prohibiting Eligible Directors from transferring, creating any security interest on, or otherwise disposing of the Allocation-Shares granted to them under the Allocation Agreement (“Transfer Restrictions”) for a specified period; (2) a provision allowing the Company to acquire the Allocation-Shares for no consideration under certain circumstances; and (3) a provision specifying the conditions under which the Transfer Restrictions on the Allocation-Shares will be lifted.

The Company has introduced a restricted stock compensation plan analogous to the RSC Plan (both plans are collectively referred to hereafter as the “Plans”) for executive officers of the Company, and directors and executive officers of group companies.

The Disposal of Treasury Shares under the Plans is intended for the benefit of the Eligible Directors, executive officers of the Company, and directors and executive officers of group companies (collectively, the “Eligible Directors/Officers”).

Having comprehensively considered the Group’s performance, the particular duties of the Eligible Directors/Officers, and various other factors, the Company has resolved that the total amount of monetary compensation receivables to be paid to Eligible Directors/Officers as property for the granting of shares with transfer restrictions will be JPY 627,712,092(the “Receivables Sum,” of which JPY 72,000,414 will be paid to the Eligible Directors), and that the number of Allocation-Shares will be 197,022 shares (of which 22,599 shares will be allocated to the Eligible Directors). In view of the purpose of the Plans, which is to incentive directors and executive officers to contribute toward sustainably enhancing the Group’s corporate value and to further promote shared value between the said directors/executive officers and shareholders, the Company has further resolved that the Transfer Restrictions will apply for a period of three years.

Upon the Disposal of Treasury Shares, a total of 55 Eligible Directors/Officers (the recipients of the allocation) will contribute the entirety of the Receivables Sum on an in-kind basis, whereupon they will receive the entirety of the Allocation-Shares.

## 3. Overview of the Allocation Agreement

The following is an overview of the Allocation Agreement to be entered into by and between the Company and the Eligible Directors/Officers in connection with the Disposal of Treasury Shares.

1. Transfer restriction period: August 1, 2025, to July 31, 2028

   During the period for which the Transfer Restrictions apply (the "Transfer Restriction Period"), the Eligible Directors/Officers must not transfer, create any security interest on, or otherwise dispose of the Shares.

2. Provision for cases where Eligible Directors/Officers lose their status

   If an Eligible Director/Officer loses their status as director or executive officer of the Company or a group company during the Transfer Restriction Period, the Company will acquire for no consideration the entirety of the said Eligible Director/Officer's Allocation-Shares as a matter of course unless the Eligible Director/Officer lost their status because of the expiration of their term of office, death, or any other reason deemed justifiable by the Board of Directors.

3. Conditions for lifting Transfer Restrictions

   The Company will lift the Transfer Restrictions on the entirety of an Eligible Director/Officer's Allocation-Shares upon the expiration of the Transfer Restriction Period, provided that the Eligible Director/Officer continuously retains their status as director or executive officer of the Company or a group company throughout the Transfer Restriction Period.

   If an Eligible Director/Officer loses their status as director or executive officer of the Company or a group company during the Transfer Restriction Period due to the expiration of their term of office, death, or any other reason deemed justifiable by the Board of Directors, the Company will lift restrictions on a portion of the Eligible Director/Officer's Allocation-Shares immediately thereafter. This portion will be calculated by first dividing the number of months for which the Eligible Director/Officer retained the above status during the Transfer Restriction Period, beginning with the month when the status was obtained and ending in the month when it was lost (if this number exceeds 1, then 1 will be deemed the result), and then multiplying this number by the total amount of the Allocation-Shares the person held (if any fractional share arises as a result of the calculation, the fractional share will be rounded up to the nearest whole share).

   When Transfer Restrictions are lifted under the case described above, the remaining portion of the Allocation-Shares not affected by the lifting of the Transfer Restrictions will, immediately thereafter, be acquired for no consideration by the Company as a matter of course.

4. Provision for the management of the Shares

   In accordance with a method specified by the Company, the Eligible Directors/Officers will open dedicated accounts in Daiwa Securities Co. Ltd. in which they will enter or record their Allocation-Shares, and they will keep the entirety of their Allocation-Shares in these accounts until the Company lifts the Transfer Restrictions.

5. Provision for cases where the Company undergoes reorganization

If, during the Transfer Restriction Period, a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary of another company, or any other matter concerning reorganization is approved by the Company's General Shareholders' Meeting approves (or by the Company's Board of Directors if the approval of the General Shareholders' Meeting is not required for such), the amount of the Allocation-Shares affected by the lifting of Transfer Restrictions and the timing of the lifting of Transfer Restrictions will be adjusted within a reasonable scope as prescribed.

When Transfer Restrictions are lifted under the case described above, the remaining portion of the Allocation-Shares not affected by the lifting of the Transfer Restrictions will, immediately thereafter, be acquired for no consideration by the Company as a matter of course.

## 4. Basis for Calculating Payment Amount and the Details thereof

To ensure there is no arbitrariness in the valuation of the Disposal of Treasury Shares, the disposal value will be the closing price for common shares of the Company on the business day immediately preceding the date when the Board of Directors resolved the disposal (July 3, 2025); that is, JPY 3,186. The Company believes that this value is reasonable insofar as it represents the market share price on the day immediately preceding the date of the said resolution.

Furthermore, the above value has a rate-of-divergence of +0.06% (rounded off to two decimal places; the same applies for all other deviation figures) relative to the simple average closing price of JPY 3,184 (with fractional amounts discarded; the same applies for all other simple average prices) for the one-month period ending on the business day preceding the date when the Board of Director resolved the Disposal (Wednesday, June 4 to July 3, 2025); it has a rate-of-divergence of -3.34% relative to the simple average closing price of JPY 3,296 for the three-month period ending on the said business day (Friday, April 4 to July 3, 2025); and it has a rate-of-divergence of -1.06% relative to the simple average closing price of JPY 3,220 for the six-month period ending on the said business day (Monday, January 6 to July 3, 2025). In light of these rates, the Company believes that the said value is not particularly advantageous.

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