



January 29, 2026

For Immediate Release

Company: KADOKAWA CORPORATION

Representative: Takeshi Natsuno, Chief Executive Officer

(Stock Code: 9468, TSE Prime Market)

Contact: Tomoyuki Oue, Head, Corporate Communication

(TEL: 03-5216-8212)

Notice Regarding Disposal of Treasury Shares Related to Performance-Based Stock Compensation Plan

KADOKAWA Corporation (the "Company") announces that its Board of Directors resolved at a meeting held today to dispose of its treasury shares through a third-party allotment as stock compensation (the "Treasury Share Disposition"). Details are as follows.

Details

1. Overview of the disposal

(1) Date of disposal	February 18, 2026
(2) Type and number of shares to be disposed of	The Company's common shares 903,100 shares
(3) Disposal value	3,250 yen per share
(4) Total disposal amount	2,935,075,000 yen
(5) Allottee	Sumitomo Mitsui Trust Bank, Limited (trust account) (Re-trust trustee: Custody Bank of Japan, Ltd. (Trust Account))
(6) Others	The Treasury Share Disposal is conditional on filing under the Financial Instruments and Exchange Act taking effect.

2. Purpose and reason for disposal

The Company has introduced a performance-based stock compensation plan (the "Plan") using a trust for Chief Officers and Executive Officers of the Company and the directors (excluding Outside Directors; hereinafter the same applies) of the Company's subsidiaries (collectively the "Officers"). The Treasury Share Disposal will be made to the trustees of the trust (the "Trust") established by the Company to continue the operation of the Plan. The Trust was established by combining the trusts established on November 30, 2015 by the Company for the operation of stock compensation plans for officers separately introduced by the Company and DWANGO Co., Ltd., a subsidiary of the Company, and the trust established on March 1, 2017 by the Company for the operation of a similar plan introduced by KADOKAWA Future Publishing Co., Ltd. (formerly Kadokawa Corporation), another subsidiary of the Company. The Company uses the Trust to operate the Plan for Officers of the Company and multiple subsidiaries, including above companies. For an overview of the Plan, refer to the *Notice Regarding Introduction of Performance-Based Stock Compensation Plan and ESOP System for Subsidiaries* on February 9, 2017.

The number of shares to be disposed of is equivalent to the number of shares that are expected to be distributed to Officers during the trust period based on the Plan. The scale of stock dilution will be 0.61% against the total of 148,990,296 shares issued as of September 30, 2025, or 0.61% against the total of 1,475,443 voting rights as of September 30, 2025. Both percentages have been rounded to third decimal place.

The Company believes that the Plan clarifies the link between Officer compensation and the value of its shares and it will increase the corporate value of the Company over the medium to long term. It has determined that both the number of shares to be disposed of and the scale of stock dilution resulting from the Treasury Share Disposition are reasonable, and their impact on the secondary market is insignificant.

(For reference) Overview of the trust agreement related to the Trust

Trustor	The Company
Trustee	Sumitomo Mitsui Trust Bank, Limited (Re-trust trustee: Custody Bank of Japan, Ltd.)
Beneficiaries	Officers who fulfill the requirements for beneficiaries
Trust administrator	A third party who has no relationship of interest with the Company or the Company's officers
Exercise of voting rights	Throughout the period of the Trust, the voting rights of the shares of the Company held in the Trust will not be exercised.
Type of trust	Nonmonetary trust (third party-benefit trust)
Date of trust agreement	March 1, 2017
Period of trust	From March 1, 2017 to August 31, 2027 (planned)
Purpose of the trust	Granting shares in the Company to beneficiaries under the stock granting rules

3. Basis of calculation of disposition value and its details

The disposition value has been determined to be 3,250 yen, which is the closing price of the Company's shares on Tokyo Stock Exchange on January 28, 2026 (business day immediately preceding the date of the resolution of the Company's Board of Directors on the Treasury Share Disposition), in light of the recent share price performance and for the purpose of eliminating arbitrariness. The Company decided to use the closing price of the business day immediately preceding the date of the resolution of the Company's Board of Directors on the Treasury Share Disposition because it was the market value immediately preceding the day of the resolution of the Board and was believed to be highly objective and reasonable as a basis for calculation.

End of document