July 31, 2026

To whom it may concern:

Company name Yakult Honsha Co., Ltd.
Representative Hiroshi Narita
President and Representative Director
(Securities code: 2267, TSE Prime Market)

Notification Regarding Disposal of Treasury Stock Through Third-Party Allotment to the Employee Stock Ownership Association

Yakult Honsha Co., Ltd. (the "Company") hereby announces that, at a meeting of its Board of Directors held today, it resolved to introduce an incentive plan for its managerial staff (the "Managerial Staff") aimed at improving its corporate value over the medium to long term (the "Scheme"), and to dispose of treasury stock through a third-party allotment to the Employee Stock Ownership Association (the "Disposal of Treasury Stock") as described below.

1. Overview of the Disposal

(1) Date of disposal	Monday, September 28, 2026
(2) Class and total number of shares to be disposed of	44,000 shares of common stock of the Company
(3) Disposal price	¥2,903 per share
(4) Total value of shares to be disposed of	¥127,732,000
(5) Disposal Method	Third-party allotment of shares
(6) Scheduled allottee	Yakult Employee Stock Ownership Association
(7) Others	The Disposal of Treasury Stock is conditional upon the effectiveness of the securities registration statement filed pursuant to the Financial Instruments and Exchange Act.

Note: The Yakult Employee Stock Ownership Association (the "Stock Ownership Association") shall, after the approval by its board at a meeting to be held today, take sufficient time to notify employees and solicit prospective members by promoting enrollment in the Stock Ownership Association. For this reason, the total number of shares to be disposed of and the total value of shares to be disposed of denote the maximum value, and these are expected to be finalized after the conclusion of enrollment.

2. Purpose of and Reasons for the Disposal

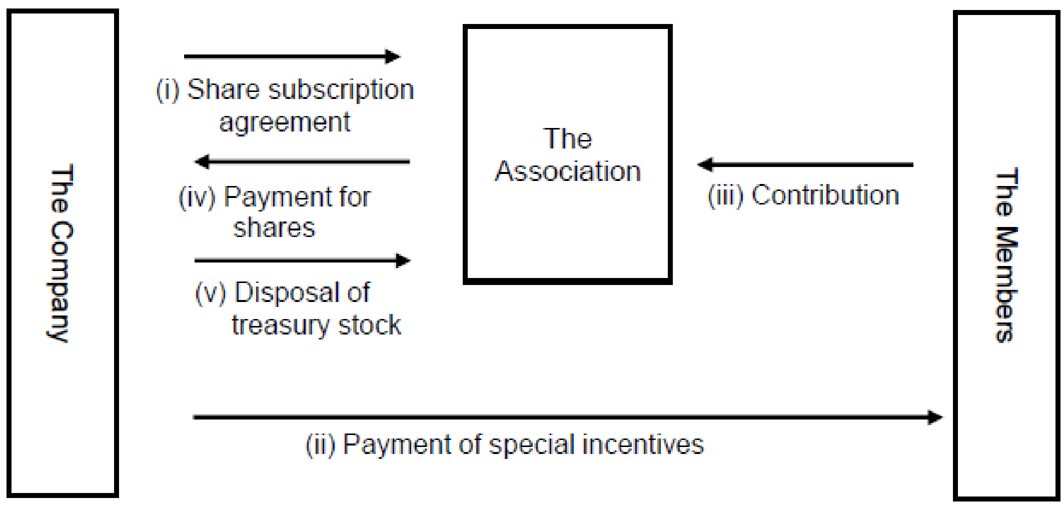
Under its long-term vision, “Yakult Group Global Vision 2030,” the Company aims to achieve sustainable growth by addressing social issues through its corporate activities, thereby meeting the expectations of its stakeholders to an even greater extent and improving corporate value through the realization of its corporate philosophy.

Through the introduction of the Scheme, the Company intends to grant a certain number of its shares to the Managerial Staff in order to further promote the sharing of value with shareholders, heighten their awareness of the Company’s business performance, and enable management and the Managerial Staff to work together toward improving the Company’s corporate value over the medium to long term.

Under the Scheme, the Managerial Staff who are members of the Association (collectively, the “Members”) will each be granted a special incentive, and the Company will dispose of treasury stock to the Association by way of third-party allotment using the funds contributed by the Members from such special incentives. As stated in the note to Section 1, “Overview of the Disposal,” the number of shares to be disposed of will be finalized at a later date. The Company plans to dispose of up to 44,000 shares to the Association.

The scale of dilution resulting from the Disposal of Treasury Stock will represent 0.01% of the Company’s total of 302,753,736 issued shares as of June 30, 2026 and 0.02% of Company’s total of 2,902,012 voting rights as of March 31, 2026. Both percentages have been rounded to two decimal places. The Company considers this level of dilution reasonable for existing shareholders, as enabling a greater number of the Managerial Staff to become shareholders will further strengthen the sharing of medium- to long-term value between the Managerial Staff and the Company’s shareholders.

Overview of the Scheme



(i) The Company and the Association will enter into a share subscription agreement for the disposal and subscription of the Company’s treasury stock.
(ii) The Company will pay special incentives to the Members.
(iii) The Members will contribute the special incentives to the Association.

(iv) The Association will aggregate the special incentives contributed by the Members and make payment for the shares allotted through third-party allotment.

(v) The Company will dispose of treasury stock to the Association.

3. Basis for Calculation of the Disposal Price and Specific Details Thereof

The Disposal of Treasury Stock will be conducted for the purpose of introducing the Scheme and will be funded by the special incentives granted to the Members and contributed by them to the Association. To ensure that the disposal price is determined, it has been set at ¥2,903 per share, the closing price of the Company's shares on the Prime Market of the Tokyo Stock Exchange on July 30, 2026, the trading day immediately preceding the date of the Board of Directors' resolution to eliminate arbitrariness in the price. The Company considers this price to be reasonable, as it reflects the market price immediately preceding the date of the Board of Directors' resolution, and not to constitute a particularly favorable price.

The rates of deviation of this price from the average closing prices of the Company's shares on the Prime Market of the Tokyo Stock Exchange are as follows. The rates have been rounded to two decimal places.

Period	Average closing price (rounded down to the nearest yen)	Deviation rate
One month (July 1, 2026, to July 30, 2026)	¥2,827	2.69%
Three months (May 1, 2026, to July 30, 2026)	¥2,768	4.88%
Six months (February 2, 2026, to July 30, 2026)	¥2,702	7.44%

4. Matters Concerning Procedures under the Code of Corporate Conduct

As the Disposal of Treasury Stock (i) will result in a dilution rate of less than 25% and (ii) will not involve a change in the controlling shareholder, the Company is not required to obtain an opinion from an independent third party or to follow procedures to confirm the intention of shareholders, as prescribed in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange.

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