Press Release

March 27, 2025

Company Name: **CAC Holdings Corporation**
Representative Ryota Nishimori President and CEO
(Prime Market of TSE, Code Number 4725)
Contact: Masataka Inaoka, General Manager,
Financial Strategy Dept, Corporate Div.
(Tel: +81-3-6667-8070)

Notice Concerning the Disposal of Treasury Shares as Restricted Stock Compensation

CAC Holdings Corporation (the "Company") hereby announces that at a meeting of the Board of Directors held on today, it was resolved to dispose of treasury stock (hereinafter referred to as the "Treasury Stock Disposal" or the "Disposal") as follows.

1. Overview of the Disposal

Directors and executive officers of our company (excluding those concurrently serving as directors and those without employment contracts)

(1)	Disposal date	April 25, 2025
(2)	Class and number of shares to be disposed	Shares of common stock of the Company: 28,796 shares
(3)	Disposal price	2,047 yen per share
(4)	Total disposal value	58,945,412 yen
(5)	Number of shares to be disposed of and the number of such persons	Directors of the Company (excluding outside directors): 3 persons, 21,176 shares Our company's executive officers (excluding those concurrently serving as directors and those without employment contracts):3 persons, 7,620 shares

2. Purpose of and Reason for the Disposal

At a meeting of the Board of Directors held on February 14, 2019, our company resolved to introduce a restricted stock compensation plan (Hereinafter referred to as the "Plan".) for the purpose of providing our company's Directors (Hereinafter referred to as "Eligible Directors".), excluding Outside Directors, with incentives for the sustainable improvement of our company's corporate value and sharing shareholder value. Also, at the 53 th Ordinary General Meeting of Shareholders held on March 27, 2019, it was approved that a monetary compensation claim of up to 50 million yen per year shall be paid to Eligible Directors as monetary compensation (Hereinafter referred to as "Restricted Stock Compensation".) to be invested in the acquisition of restricted shares under the Plan, and that the transfer restriction period of restricted shares shall be a period specified by the Board of Directors of our company from 3 to 5 years.

In addition, in order to achieve the improvement of our group's corporate value, our company has decided to introduce the same plan as Eligible Directors because it believes that it is important for Directors of our company Subsidiaries and Executive Officers and employees who do not concurrently serve as Directors of our company and our company Subsidiaries to share with shareholders the benefits and risks of stock price fluctuations.

An outline of the Plan is as follows.

[Outline of the Plan]
Eligible directors of our company, executive officers and employees who do not concurrently serve as directors of our company, and directors of our company subsidiaries, executive officers and employees who do not concurrently serve as directors (Hereinafter collectively referred to as the "Target".) will pay in all of the monetary compensation claims or monetary claims provided by our company or our company subsidiaries based on the Plan as assets contributed in kind, and will be issued or disposed of with respect to the common shares of our company. In addition, the total number of common shares issued or disposed of by our company to Eligible Directors under the Plan shall be no more than 50,000 shares per year, and the amount to be paid in per share shall be determined by the Board of Directors based on the closing price of our company's common shares on the Tokyo Stock Exchange on the business day immediately prior to the day of resolution of each board of directors meeting (In the case where a transaction has not been completed on the same day, the closing price on the latest trading day preceding the transaction), within an amount not particularly favorable to Eligible Directors who subscribe for such common shares.
In addition, when issuing or disposing of the common shares of our company under the Plan, our company and the Target shall conclude a Restricted Stock Allotment Agreement, which shall include, among other things, (1) the Target shall not transfer, create a security interest, or otherwise dispose of the common shares of our company allotted under the Restricted Stock Allotment Agreement for a certain period of time, and (2) our company shall acquire such common shares free of charge in the event of certain circumstances.

This time, in consideration of the purpose of the Plan, the business conditions of our company, the scope of duties of each Target, and various circumstances, the Company has decided to grant monetary compensation claims and monetary claims in total of 58,945,412 yen (Hereinafter referred to as the "Monetary Claims".) and 28,796 shares of its common shares with the aim of further motivating each Target, with a transfer restriction period of three years.
In the Disposal of Treasury Stock, pursuant to the Plan, the six Eligible Persons who are the intended allottees will pay in all of the Monetary Claims owed to the Company as in-kind contributions and will receive the Company's common stock (the "Allocated Shares") disposed of to them. An outline of the Restricted Stock Allotment Agreement (Hereinafter referred to as the "Allotment Agreement".) to be concluded between our company and the Target for the Disposal of Treasury Shares is as shown in 3. below.

3. Overview of the Allotment Agreement
(1) Transfer restriction period
Directors and executive officers of our company (excluding those concurrently serving as directors and those without employment contracts):
April 25, 2025 - April 24, 2028

(2) Conditions for releasing transfer restriction
Restriction on transfer of all of the Allotted Shares will be lifted at the expiration of the Restriction Period, provided that the Target continues to hold any position of director, executive officer, executive officer not concurrently serving as director, corporate auditor, employee, advisor, or consultant of our company or its our company subsidiary or any other position equivalent thereto during the Restriction Period.

(3)Treatment of cases where the Subject Company resigns due to expiration of the term of office, retirement age, or other justifiable reasons during the transfer restriction period.

①Time of lifting the transfer restriction

(i) In the case of resignation or retirement due to death

such time as may be determined by the Board of Directors of our company after the death of the Target Company.

(ii) In the case of retirement or retirement due to expiration of the term of office or mandatory retirement age

the time immediately after the retirement or retirement of the Target Company.

②Number of shares subject to cancellation of transfer restrictions

The number of shares (However, if the calculation results in fractions of less than one share, such fractions shall be rounded down.) shall be the number obtained by multiplying the number of Allotted Shares held by the Target at the time of such resignation or retirement by the number obtained by dividing the Target's tenure or tenure (in months) during the transfer restriction period by the number of months (However, the number of months shall be 12 for Eligible Directors.) during the transfer restriction period described in (1) (If the number exceeds 1, it shall be 1).

(4)Acquisition by our company without compensation

When our company expires the transfer restriction period or when the transfer restriction specified in (3) above is lifted, our company naturally acquires the Allotted Shares without compensation.

(5)Management of Shares

During the transfer restriction period, the Allotted Shares are managed in a dedicated account opened by the Target Company at Nomura Securities Co., Ltd., so that they cannot be transferred, secured or otherwise disposed of during the transfer restriction period. In order to ensure the effectiveness of the transfer restriction, etc. pertaining to the Allotted Shares, our company has entered into an agreement with Nomura Securities Co., Ltd. regarding the management of the account for the Allotted Shares held by each Target Company. The Target Company shall also consent to the content of the management of the account.

(6)Treatment in Reorganization, etc.

If, during the Transfer Restriction Period, a merger agreement under which our company becomes the disappearing company, a share exchange agreement or a share transfer plan under which our company becomes a wholly owned subsidiary, or other matters related to reorganization, etc. are approved at a general meeting of shareholders of our company (However, in cases where approval by the shareholders meeting of our company is not required for the Reorganization, etc., the board of directors of our company), the Transfer Restriction shall be cancelled by resolution of the Board of Directors with respect to the number of shares obtained by multiplying the number of the Allotted Shares held at such time by the number of months from the commencement month of the Transfer Restriction Period to the month including the date of such approval divided by the number of months pertaining to the Transfer Restriction Period set forth in (1) (However, the number of months shall be 12 for Eligible Directors.) (If the number exceeds 1, it shall be 1) (However, if the calculation results in fractions of less than one share, such fractions shall be rounded down.) immediately before the business day immediately preceding the Effective Date of the Reorganization, etc. In addition, immediately after the Transfer Restriction is cancelled, our company shall naturally acquire all of the Allotted Shares for which the Transfer Restriction has not been cancelled free of charge.

4. Basis of calculation and specific details for the payment amount

The Disposal of Treasury Shares to the Scheduled Allottees will be made with monetary compensation claims or monetary claims paid as restricted stock compensation for our company's fiscal year 59 under the Plan as the investment property. With regard to the disposal price, in order to exclude arbitrariness, the closing price of our company's common stock on the Prime Market of the Tokyo Stock Exchange as of March 26, 2025 (the business day immediately prior to the date of the resolution of the Board of Directors) has been set at 2,047 yen. This is the market share price immediately prior to the date of the resolution of the Board of Directors, and the Company believes that it is reasonable and does not constitute a particularly advantageous price.

End