April 11, 2025

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(Securities code: 8267; Tokyo Stock Exchange (Prime Market))
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Determination of Stock Acquisition Rights for 23rd Series (Fiscal Year 2024)

AEON CO., LTD. (the 'Company') has decided to issue stock acquisition rights as compensation to Executive Officers and individuals appointed as Directors or in equivalent roles in the Company's group entities (hereafter, these individuals will be referred to as 'Directors' along with Executive Officers of Group Companies). In meetings held on April 11, 2025, both the Compensation Committee and the Board of Directors endorsed the issuance of stock acquisition rights as stock compensation options. This decision is under Articles from 236 to 244 of the Companies Act and previous approvals granted on May 29, 2024. Further details regarding the issuance of stock acquisition rights are provided below.

1. Reason for Issuing Stock Acquisition Rights

This program aims to motivate Directors, continuously enhance business performance, and elevate corporate value.

2. Outline of Issuance of Stock Acquisition Rights

(1) Name of Stock Acquisition Rights

AEON CO., LTD. 23rd series of stock acquisition rights (stock compensation-type stock options)

(2) Class and Number of Shares to Be Issued Upon Exercise of Stock Acquisition Rights

49,800 shares of common stock of the Company

In case the Company conducts a stock split or a reverse stock split, the number of shares to be issued upon the exercise of the stock acquisition rights will be modified according to the subsequent formula. This adjustment will apply solely to the number of shares to be issued upon the exercise of stock acquisition rights that have not been utilized at the moment of such adjustment, and any fraction less than one share stemming from this adjustment will be rounded down.

[Formula]

Number of shares after adjustment = Number of shares before adjustment × Split ratio (or reverse stock split ratio)

(3) The Number of Individuals Receiving Stock Acquisition Rights and the Corresponding Allocation of Rights

456 to the Company's Executive Officers (15 persons) and 42 to the Company's Group Company Directors, etc. (4 persons) shall be allotted from a total of 498 stock acquisition rights.

(4) Number of Shares to Be Issued Upon Exercise of Each Stock Acquisition Right

The number of shares to be issued upon exercise of one stock acquisition right (hereinafter referred to as the 'Number of Granted Shares') shall be one hundred shares.

(5) Issue Price of Stock Acquisition Rights

The shares shall be issued at the fair value for accounting purposes on the date of allotment.

(6) Amount to Be Paid in for Stock Acquisition Rights

The stock acquisition rights will be issued to Directors as compensation, equivalent to the fair value for accounting purposes on the allotment date, without any cash payment required in exchange. These rights serve as incentive compensation for the performance of duties, and the absence of a cash payment requirement does not imply preferential treatment in issuance.

(7) Amount of Assets to Be Contributed Upon Exercise of Stock Acquisition Rights

The amount to be paid upon exercise of each stock acquisition right shall be the amount to be paid per share to be issued or transferred upon exercise of each stock acquisition right (hereinafter referred to as 'Exercise Price') multiplied by the Number of Granted Shares. The Exercise Price shall be one (1) yen.

(8) Exercise Period of Stock Acquisition Rights

The period shall be from July 21, 2025, to July 20, 2040.

(9) Other Conditions for the Exercise of Stock Acquisition Rights

(i) A recipient of stock acquisition rights (hereafter referred to as the 'Stock Acquisition Rights Holder') must retain the position of Executive Officer, etc. at the time of exercise. However, even upon retirement from the position, they may only exercise the rights within five (5) years from the date of retirement.

(ii) All stock acquisition rights must be exercised collectively and cannot be exercised in parts or installments.

(10) Extinction of Subscription Rights to Shares, Acquisition Without Consideration, Etc.

(i) If a stock acquisition right holder does not exercise his/her rights and the exercise period expires, or if five (5) years have passed from the date of retirement of the Directors even within the exercise period, the stock acquisition rights shall lapse.

(ii) If the decision-making body for the issuance of stock acquisition rights stipulated in (15) decides to acquire stock acquisition rights because the holder of stock acquisition rights falls under any of the following, the Company may acquire the stock acquisition rights of such rights holder without compensation.

(a) In the event of a serious violation of laws and regulations or the internal rules of the Company

(b) If the holder is sentenced to imprisonment or severer punishment

(c) If he/she assumes or agrees to assume the position of director or employee of a competing company without prior permission of the Company.

(d) If the successor to the rights outlined in (12) dies.

(e) When the holder of stock acquisition rights offers to waive all his/her rights.

(iii) If the Company's Board of Directors resolves to acquire all or part of the stock acquisition rights, the Company shall acquire the stock acquisition rights for no consideration, which the Board of Directors has resolved to acquire.

(11) Prohibition of Transfer of Subscription Rights to Shares

Holders of subscription rights to shares and successors to the rights stipulated in (12) above may not transfer their subscription rights to shares or offer them as collateral.

(12) Inheritance of Subscription Rights to Shares

If a stock acquisition right holder dies, only one of the legal heirs of the stock acquisition right holder (hereinafter referred to as the 'rights successor') may succeed to the rights of the stock acquisition right holder. In the event of the death of the rights successor, the heirs of them may not inherit the stock acquisition rights.

(13) Issuance of Stock Acquisition Right Certificates

The holders of stock acquisition rights and rights successor shall not make any request for the issuance of stock acquisition right certificates in relation to their stock acquisition rights.

(14) Capital Stock and Capital Reserve to Be Increased in the Event of New Issuance of Common Stock of the Company Upon Exercise of Stock Acquisition Rights

In the event of the issuance of new shares of common stock of the Company upon exercise of stock acquisition rights, the amount of stated capital to be increased shall be half of the sum of the book value and the exercise price per share (any fraction less than one yen shall be rounded up to the nearest one yen). The amount of additional paid-in capital to be increased shall be half of the sum of the book value and the exercise price per share (any fraction less than one yen shall be rounded up to the nearest one yen).

(15) Organ to Determine the Issuance of Stock Acquisition Rights

Allotment of stock acquisition rights to the Company's executive officers shall be decided by the Compensation Committee of the Company, and allotment of stock acquisition rights to the Directors shall be decided by the Board of Directors of the Company based on the proposal of the Compensation Committee of the Company.

(16) Allotment Date of Stock Acquisition Rights

June 21, 2025

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