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March 10, 2025

For Immediate Release

Company name: Yaoko Co., Ltd.
Representative: Sumito Kawano,
President and Representative Director
(Securities Code: 8279, TSE Prime Market)
Contact: Masanobu Kamiike, Senior Managing Director
Chief Administrative Officer
Phone: +81-49-246-7000

# Notice Concerning the Disposition of Treasury Shares by Third-party Allotment Associated with Additional Contribution to the Employee Stock Ownership Plan (J-ESOP)

YAOKO Co., Ltd. (the “Company”) hereby announces that its Board of Directors, at a meeting held today, resolved to dispose of treasury shares by third-party allotment (hereinafter referred to as the “Treasury Shares Disposition”), as follows.

1. Outline of Treasury Shares Disposition

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| (1) | Disposition date | Thursday, March 27, 2025 |
| (2) | Class and number of shares for disposition | 448,200 shares of common stock |
| (3) | Disposal price | 9,134 yen per share |
| (4) | Total disposal amount | 4,093,858,800 yen |
| (5) | Planned allottee | Custody Bank of Japan, Ltd. (Trust Account E) |
| (6) | Other | The disposal of treasury shares shall be subject to the effectiveness of the securities notice in accordance with Japan's Financial Instruments and Exchange Act. |

2. Purpose and Reason for the Disposal Treasury Shares

The Company introduced the " Employee Stock Ownership Plan (J-ESOP)" (hereinafter referred to as the "Plan," and the trust established pursuant to the trust agreement with Mizuho Trust & Banking Co., Ltd. in connection with the Plan shall be referred to as the "Trust") by resolution of the Board of Directors at its meeting held on February 12, 2016. (For details of the Plan, please refer to "(10) Details of Employee Stock Ownership Plan" under "1. Stock Information" in "Section 4. Information about the Company" in the 59th Annual Securities Report.)

In order to continue the Plan, the Company has resolved to make an additional monetary contribution to the Trust (hereinafter referred to as the "Additional Trust") to enable the Trust to acquire shares expected to be necessary for future benefits, and to dispose of treasury shares through third-party allotment (the Treasury Shares Disposition) to Trust Account E established at Custody Bank of Japan, Ltd. (the re-trustee who received the re-trust from Mizuho Trust & Banking Co., Ltd., which is the trustee of the Trust) for the purpose of holding and disposing of the Company's shares in the operation of the Plan.

The number of shares to be disposed of corresponds to the number of shares expected to be granted to the Company's employees during the trust period pursuant to the "Share Grant Regulations," and represents 1.07% of the total number of issued shares (41,894,288 shares) as of September 30, 2024 (1.08% of the total number of voting rights (416,595) as of September 30, 2024 (both percentages rounded to the second decimal place)).

Outline of the Additional Trust

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|---|---|
| Date of additional trust | March 27, 2025 |
| Amount of Additional trust | 4,093,858,800yen |
| Type of shares to be acquired | Common shares of the Company |
| Number of shares to be acquired | 448,200 shares |
| Date of share acquisition | March 27, 2025 |
| Method of share acquisition | Acquisition by subscription of the Company's treasury stock disposal (This Treasury Stock Disposal) |

3. Grounds for calculation of the disposal price and specific details

The disposition price has been set at 9,134yen (amounts less than one yen are rounded down), which represents the average closing price of the Company's common shares on the Tokyo Stock Exchange for the one-month period (from February 10, 2025 to March 7, 2025) prior to the business day immediately preceding the date of the Board of Directors' resolution regarding this Treasury Shares Disposition.

The Company adopted the average closing price for the one-month period prior to the business day immediately preceding the date of the Board of Directors' resolution date as the basis for calculation, as it provides a more objective and reasonable basis by eliminating temporary stock price fluctuations and other special factors, compared to using a specific point in time. The Company selected the one-month period rather than three-month or six-month periods, as it was determined to be reasonable to adopt the period that most closely reflects the recent market price the Company’s shares.

The disposition price of 9,134 yen represents 100.50% of the closing price of 9,089 yen on the business day immediately preceding the Board of Directors' resolution date, 100.21 % of the average closing price of 9,115 yen (amounts less than one yen are rounded down) for the most recent three-month period prior to such date, and 98.28 % of the average closing price of 9,294 yen (amounts less than one yen are rounded) for the most recent six-month period prior to such date. Based on the above considerations, the Company has determined that the disposition price for this Treasury Share Disposition is reasonable and does not constitute a particularly favorable price.

Additionally, all 4 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board Members) who attended the Board of Directors' meeting have expressed their opinion that the above disposition price does not constitute a particularly favorable price.

4. Matters Concerning Procedures under the Code of Corporate Conduct

Since this disposal of treasury shares ( ⅰ ) the dilution ratio of less than 25% and ( ⅱ ) it does not result in any change in controlling shareholders, the Company is not required to obtain an opinion from an independent third party or to confirm the intent of shareholders pursuant to Article 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange, Inc.

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