May 23rd, 2025

Company name:	AEON Financial Service Co., Ltd.
Name of representative:	Tomoharu Fukayama, President and CEO (Securities code: 8570 Prime Market)
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Notice Regarding the Resolution on the Issuance of Stock Options for the 19th Stock Options for Stock-linked Compensation

AEON Financial Service Co., Ltd. (the "Company") hereby announces that at the Board of Directors meeting held on May 23rd, 2025, it resolved to issue stock options for stock-linked compensation for the Company's directors under Article 361 of the Companies Act, in accordance with the provisions of Articles 236 to 244 of the Companies Act, as follows. We plan to continue allotting stock options for stock-linked compensation to directors in accordance with legal provisions. Specific issuance details will be announced once decided.

1. Reason for Issuing Stock Options for Stock-linked Compensation

   This system aims to boost motivation and morale of directors for continuous performance improvement and corporate value enhancement over the medium to long term.

2. Details of Stock Option Issuance

(1) Name of Stock Options

AEON Financial Service Co., Ltd., 19th Stock Options (Stock-linked Compensation)

(2) Total Number of Stock Options

The total number of stock options will be up to 234 units.

(3) Type and Number of Shares Subject to Stock Options

The number of shares subject to each stock option (hereinafter referred to as "Granted Shares") will be 100 common shares. The maximum number of common shares to be issued upon exercise of all stock options will be 23,400 shares.

In the event of a stock split or consolidation, the number of shares subject to the stock options will be adjusted according to the following formula. However, this adjustment will only apply to the number of stock options that have not been exercised at that time, and any fraction less than one share resulting from the adjustment will

be rounded down.

Adjusted Number of Shares = Number of Shares Before Adjustment × Split (or Consolidation) Ratio

If the Company undergoes an absorption merger or new establishment merger, and the stock options are inherited, or if the Company undergoes an incorporation-type split or absorption-type split, or in other similar cases requiring adjustment of the number of shares, the Company will adjust the number of shares as deemed necessary.

(4) Issuance Price of Stock Options

Stock options will be issued at the fair value calculated using the Black-Scholes model or other methods based on the closing price per share of the Company's common shares on the issuance date.

(5) Payment Amount for Stock Options

Stock options will be issued as director compensation equivalent to the fair value on the allotment date, and no monetary payment will be required in exchange for the stock options. The absence of monetary payment does not constitute a favorable issuance.

(6) Value of Assets to be Contributed Upon Exercise of Stock Options

The amount to be paid upon exercise of each stock option will be the amount obtained by multiplying the payment amount per share issued or transferred upon exercise (hereinafter referred to as 'Exercise Price') by the number of Granted Shares. The Exercise Price will be one yen.

In the event of a stock split or consolidation, the payment amount per share will be adjusted according to the following formula, and any fractional amount less than one yen per share resulting from the adjustment will be rounded up.

Adjusted Payment Amount = Payment Amount Before Adjustment × (1 ÷ Split (or Consolidation) Ratio)

(7) Exercise Period of Stock Options

From July 1st, 2026, to June 30th, 2041.

(8) Other Conditions for Exercising Stock Options

① The person allotted stock options (hereinafter referred to as "Stock Option Holder") must hold the position of director or auditor at the time of exercising the rights. However, even if the director or auditor retires, the rights can be exercised within five years from the retirement date.

② Stock options must be exercised in full at once and cannot be exercised in parts.

(9) Reasons and Conditions for Cancellation of Stock Options

① If the Stock Option Holder does not exercise the rights within the exercise period, or if five years have passed since the retirement date of the director or auditor, the stock options will expire.

② If the Board of Directors resolves to acquire the stock options due to any of the following reasons, the Company can acquire and cancel those free of charge:

(a) Significant violation of laws or internal regulations of the Company.

(b) Imprisonment or higher punishment.

(c) Appointment or acceptance of appointment as an officer or employee of a competing company without prior permission from the Company.

(d) Death of the successor of rights defined in (11).

(e) Voluntary abandonment of all stock options by the Stock Option Holder.

③ If the Board of Directors resolves to acquire all or part of the stock options, the Company will acquire and cancel those determined by the resolution, free of charge.

(10)Prohibition of Transfer of Stock Options

Stock Option Holders and successors of rights defined in (11) cannot transfer or pledge the stock options.

(11)Inheritance of Stock Options

If the Stock Option Holder dies, only one legal heir (hereinafter referred to as "Successor of Rights") can inherit the rights of the Stock Option Holder. If the Successor of Rights dies, their heirs cannot inherit the stock options.

(12)Handling of Stock Options During Organizational Restructuring

In the event of organizational restructuring such as mergers, if the contract or plan stipulates the issuance of stock options of the following companies, stock options will be issued according to the ratio of the merger, etc.

① Merger (only if the Company is the dissolving entity)

The surviving company after the merger or the newly established company through the merger.

② Absorption-type Company Split

The company succeeding all or part of the rights and obligations related to the business of the company undergoing the absorption-type split.

③ Incorporation-type Company Split

The newly established company through the incorporation-type split.

④ Stock Exchange

The company acquiring all issued shares of the company undergoing the stock exchange.

⑤ Stock Transfer

The newly established company through the stock transfer.

(13)Issuance of Stock Option Certificates

Stock Option Holders and their Successors of Rights shall not request the issuance of stock option certificates.

(14)Increase in Capital and Capital Reserve Due to Issuance of New Common Shares upon Exercise of Stock Options

When new common shares are issued upon exercise of stock options, the amount of increased capital shall be half of the sum of the book value per share and the Exercise Price per share (fractions less than one yen shall

be rounded up). The amount of increased capital reserve shall be the sum of the book value per share and the Exercise Price per share minus the amount of increased capital.

(15) Allotment Recipients

A total up to 234 units will be allotted to the directors of the Company, excluding outside directors and non-executive directors appointed (including reappointed) at the shareholders' meeting to be held on May 23rd, 2025.

(16) Allotment Date of Stock Options

Allotment date of stock options shall be June 1st, 2026.