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Notice of Disposal of Treasury Shares as Restricted Stock Compensation Plan

JAFCO Group Co., Ltd. (hereinafter the "Company") hereby announces that, at the meeting of the Board of Directors held today, the Company has resolved to dispose treasury shares (hereinafter the "Disposal of Treasury Shares" or "Disposal") as follows.

1. Outline of the Disposal

1	Disposal date	August 7, 2025
2.	Class and number of shares to be disposed	63,443 shares of the Company's common stock
3	Disposal price	¥2,443 per share
4.	Total value of shares to be disposed	¥154,991,249
5	Allottees and numbers thereof, number of shares to be disposed	Directors (excluding director serving as audit committee members and independent directors): 2 persons 35,816 shares Corporate officers who do not concurrently serve as Directors: 4 persons 27,627 shares
6	Others	The Company has submitted the Extraordinary Report regarding the Disposal of Treasury Shares in accordance with the Financial Instruments and Exchange Act.

2. Purposes and Reasons of the Disposal

At the meeting of the Board of Directors held on January 26, 2022, the Company has resolved to introduce a Restricted Stock Compensation Plan (hereinafter the "Plan") as a new remuneration plan for its directors (excluding directors serving as Board-Audit Committee members and independent directors; hereinafter "Eligible Director(s)"), and the Company's corporate officers and the officers of the Company's wholly-owned subsidiaries (collectively with Eligible Director(s), hereinafter "Eligible Person(s)") in order to provide an incentive to sustainably improve the Company's corporate value and further promote the sharing of values with the shareholders. Moreover, at the 50th Annual General Meeting of Shareholders held on June 21, 2022, it was approved that the Company shall pay monetary claims not exceeding ¥300 million to the Eligible Directors as assets contributed in kind for the granting of restricted stock (hereinafter "Restricted Stock Remuneration") and the Company's common stock not exceeding 300,000 shares will be issued or disposed of based on the Plan. It was also approved that the transfer restriction period of the transfer-restricted shares shall be from the day when the Eligible Directors receive the allotment of the Company's common stock based on the Restricted Stock Allotment Agreement signed between the Company and the Eligible Directors to the time immediately after the retirement or resignation of the Eligible Directors from their position as director or other position of the Company or its subsidiaries, as determined in advance by the Company's Board of Directors; provided, however, that if the time immediately after such retirement or resignation is prior to the date after a lapse of three (3) months after the end of the fiscal year within which the date of

the allotment of the Company's common stock falls, the transfer restriction period may be adjusted to a reasonable extent.

The outline of the Plan is as follows.

Outline of the Plan

In accordance with the Plan, the Eligible Persons shall pay all of the monetary claims, provided by the Company as consideration for services rendered, as assets contributed in kind and shall receive the issuance or disposition of the Company's common shares. The amount to be paid per share shall be determined by the Board of Directors within the scope that does not fall under particularly favorable terms for the Eligible Persons, and the basis of such amount shall be the closing price of the Company's common shares on the Prime Market of the Tokyo Stock Exchange on the business day prior to the date of each resolution of the Board of Directors (if there is no transaction on that day, the closing price on the most recent trading day prior to such date).

For the issuance or disposition of the Company's common stock based on the Plan, the Company and the Eligible Persons shall enter into an agreement on allotment of transfer-restricted shares (hereinafter the "Allotment Agreement") which shall contain: 1) the Eligible Persons are prohibited from transferring, creating security interests on, or otherwise dispose of the Company's common shares allotted under the Allotment Agreement for a certain period of time; and 2) in the case of certain grounds, the Company shall acquire, without consideration, all of the relevant common stock.

Based on the deliberations by the Nomination and Remuneration Committee, and taking into consideration the objectives of the Plan, the Company's business performance, the scope of duties of each Eligible Person, the ratio of the Restricted Stock Remuneration to the total compensation amount, and various other circumstances, the Company decided to grant a total amount of ¥154,991,249 in monetary claims (hereinafter the "Monetary Claims") and 63,443 shares of common stock to further motivate each Eligible Person.

For the Disposal of Treasury Shares, the six (6) Eligible Persons, who are the planned allottees, will pay all of the Monetary Claims to the Company as assets contributed in kind and receive the common shares of the Company subject to Disposal in accordance with the Plan (hereinafter "Allotted Shares"). The outline of the Allotment Agreement to be concluded between the Company and the Eligible Persons in connection with the Disposal is as described in 3. below.

3. Outline of the Allotment Agreement

(1) Transfer restriction period

From August 7, 2025 ("the Disposal Date") to the time immediately after the retirement or resignation of Eligible Persons from their position as director, executive officer, corporate officer not concurrently serving as a director, corporate auditor, employee, advisor or any other similar position at the Company or its subsidiaries, or July 1, 2026, whichever comes later (hereinafter the "Transfer Restriction Period").

(2) Conditions for transfer restriction removal

On the condition that the Eligible Persons continue to hold their position as director, executive officer, corporate officer not concurrently serving as director, corporate auditor, employee, advisor or any other similar position at the Company or its subsidiaries during the period from the commencement date of their duties to the time immediately preceding the closing of the first Annual General Meeting of Shareholders to be held thereafter (hereinafter the "Service Period") (provided, however, that if the Eligible Person is a corporate officer not concurrently serving as a director of the Company or an officer or employee of its subsidiaries, the period shall be from the beginning of the fiscal year in which the Disposition Date falls to the end of such fiscal year), the Company shall remove the transfer restriction for all Allotted Shares as of the end of the Transfer Restriction Period.

(3) Treatment in case of retirement or resignation due to the expiration of term of office, retirement age, or other justifiable reasons during the Service Period

(i) Timing of transfer restriction removal

If an Eligible Person retires or resigns from his or her position as director, executive officer, corporate officer not concurrently serving as director, corporate auditor, employee, advisor or any other similar position at the Company or its subsidiaries due to the expiration of term of office, retirement age, or other justifiable reasons, the transfer restriction will be removed immediately after such retirement or resignation, or July 1 2026, whichever comes later. Notwithstanding the foregoing, however, if an Eligible Person resigns or retires from his or her position by the time immediately preceding July 1, 2026 due to death, the Company will acquire all of the Allotted Shares held at the time of such retirement or resignation without consideration as a matter of course.

(ii) Number of shares subject to transfer restriction removal

The number of shares subject to transfer restriction removal shall be calculated by multiplying the number of the Allotted Shares held at the time of such retirement or resignation as set forth in (i) above by the number calculated by dividing the number of months from the month which includes the Disposition Date (if the Eligible Person is a corporate officer not concurrently serving as a director of the Company or an officer or employee of a subsidiary of the Company, the Disposition Date shall be read as the first day of the fiscal year that includes the Disposition Date) to the month which includes the date of such retirement or resignation by the number of months of the Service Period, which shall be twelve (12) (if the calculated number exceeds 1, the number shall be 1); provided, however, that any less-than-1 fractional shares resulting from the calculation shall be rounded down.

(4) Acquisition of the Allotted Shares by the Company without consideration

If an Eligible Person has violated laws and regulations during the Transfer Restriction Period, or in the case of certain grounds set forth in the Allotment Agreement, the Company shall acquire, without consideration, all of the Allotted Shares held by such Eligible Person at the relevant time as a matter of course. Moreover, the Company shall acquire, without consideration, the Allotted Shares for which the transfer restriction has not been removed as of the time of expiration of the Transfer Restriction Period or the timing of transfer restriction removal set forth in (3) above as a matter of course.

(5) Treatment in reorganization, etc.

If any matter relating to a merger agreement under which the Company becomes the disappearing company, contract of share exchange, share transfer plan, or any other reorganization in which the Company becomes a wholly-owned subsidiary is approved at a General Meeting of Shareholders of the Company (provided, however, that if the approval of such reorganization is not required by the General Meeting of Shareholders of the Company, the Board of Directors of the Company) during the Transfer Restriction Period, the Company shall, by resolution of the Board of Directors of the Company, remove the transfer restriction with respect to all of the Allotted Shares as of the time immediately before a business day prior to the effective date of such reorganization, etc. Moreover, as of the time immediately after such transfer restriction removal, the Company shall acquire, as a matter of course, the Allotted Shares, for which the transfer restriction has not been removed, without consideration. Notwithstanding the foregoing, however, if the time immediately before a business day prior to the effective date of the reorganization is before July 1, 2026, the Company shall acquire all the Allotted Shares held at the relevant time as a matter of course.

(6) Management of shares

The Allotted Shares shall be managed in a dedicated account opened by the Eligible Persons at Nomura Securities Co., Ltd., separately from other shares of the Company whose transfer is not restricted, in order to ensure that the Eligible Persons do not transfer, create security interests on, or otherwise dispose of the Allotted Shares during the Transfer Restriction Period. The transfer, etc. of the Allotted

Shares managed in the dedicated account will be restricted, even with the request of an Eligible Person. In order to ensure the effectiveness of the transfer restriction, etc. related to the Allotted Shares, the Company has entered into a contract with Nomura Securities Co, Ltd. concerning the management of accounts for the Allotted Shares held by each Eligible Person. The Eligible Persons have agreed on the details of management of such accounts.

4. Basis for Calculation of Paid-in Amount and Specific Details

The disposition of treasury shares for the planned allottee is conducted through in-kind contribution of monetary claims provided as Restricted Stock Remuneration for the Company's 54th fiscal year under the Plan. The disposal price is set at ¥2,443, which is the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on July 11, 2025 (the business day prior to the date of the Board of Directors' resolution), in order to eliminate arbitrariness. This is the market price immediately before to the date of the Board of Directors' resolution, and the Company considers the price to be reasonable and not a particularly advantageous price.