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MEMBERSHIP

July 18, 2025

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Notice Regarding Disposal of Treasury Shares as Restricted Shares Remuneration

AIZAWA SECURITIES GROUP CO., LTD. (hereinafter referred to as the "Company") hereby announces that at the board of directors meeting held today, a resolution was passed regarding disposal of treasury shares as restricted shares remuneration (hereinafter referred to as the "Disposal of Treasury Shares"), as below.

1. Overview of the disposal

(1) Disposal date	August 15, 2025
(2) Type and number of shares to be disposed of	42,200 shares of the Company's common stock
(3) Disposal price	1,327 yen per share
(4) Total amount of disposal price	55,999,400 yen
(5) Planned allottees	Directors of the Company (excluding Outside Directors and Directors serving as Audit and Supervisory Committee Members): 5 persons, 25,600 shares Executive Officers of the Company's subsidiaries: 6 persons, 16,600 shares
(6) Other	An extraordinary report regarding the Disposal of Treasury Shares has been submitted pursuant to the Financial Instruments and Exchange Act.

2. Purpose and reason for the disposal

At the Board of Directors meeting held on May 21, 2019, the Company resolved to introduce a new remuneration system under which restricted shares would be allotted to Directors of the Company (excluding Outside Directors) for the purpose of granting an incentive to promote sustainable enhancement of the Company's corporate value and further promoting value sharing with shareholders. Based on this system, at the 99th Annual General Meeting of Shareholders held on June 25, 2019, approval was obtained for the Company to grant monetary remuneration claims of up to 50 million yen per year to eligible Directors as monetary remuneration to be used as contributions for acquiring restricted shares (hereinafter referred to as the "Restricted Shares Remuneration"), to set the maximum number of restricted shares to be allotted at 50,000 shares per year, and to set a transfer restriction period for the restricted shares ranging from 5 to 30 years as determined by the Board of Directors.

Furthermore, upon the transition to a company with an Audit and Supervisory Committee, the Company obtained approval at the 101st Annual General Meeting of Shareholders held on June 25, 2021 to grant monetary remuneration claims of up to 100 million yen per year to Directors after the transition to a company with an Audit and Supervisory Committee (excluding Outside Directors and Directors serving as Audit and Supervisory Committee Members; hereinafter referred to as the "Eligible Directors"), to set the maximum number of restricted shares to be allotted at 60,000 shares per year, and to set a transfer restriction period for the restricted shares ranging from 5 to 30 years as determined by the Board of Directors.

In addition, a similar Restricted Shares Remuneration system (collectively with the above-mentioned remuneration system for the Eligible Directors, hereinafter referred to as the "System") has also been introduced for Executive Officers of the Company who do not concurrently serve as Directors, as well as Directors and Executive Officers of the Company's subsidiaries (collectively with the Eligible Directors, hereinafter referred to as the "Eligible Directors, etc.").

An overview of the System, etc. is as follows.

[Overview of the System, etc.]

Under the System, the Eligible Directors, etc. will pay in the full amount of the monetary remuneration claims granted by the Company as in-kind contributions and, in return, receive common shares of the Company through a disposal of treasury shares. The per-share payment amount will be the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the relevant resolution of the Board of Directors (or, if no transaction is made on such day, the closing price on the most recent prior trading day).

In addition, when disposing of common shares of the Company under the System, the Company and each of the Eligible Directors, etc. will enter into a restricted share allotment agreement. This agreement will include, among other things: (i) a provision prohibiting the Eligible Directors, etc. from transferring, establishing a security interest on, or otherwise disposing of the common shares of the Company allotted under the restricted share allotment agreement for a certain period; and (ii) a provision under which the Company acquires such common shares without compensation in certain circumstances.

Taking into consideration the purpose of the System, the Company's business performance, the scope of responsibilities of each of the Eligible Directors, etc., and other various factors, the Company has decided to grant a total of 55,999,400 yen in monetary remuneration claims (hereinafter referred to as the "Monetary Remuneration Claims") and 42,200 shares of common stock to appoint qualified persons as officers and employees and to further enhance the motivation of the Eligible Directors, etc. Moreover, to realize shareholder value sharing, the purpose of introducing the System, over the medium to long term, the transfer restriction period for this grant has been set at 30 years.

In the Disposal of Treasury Shares under the System, five Eligible Directors and six Executive Officers of the Company's subsidiaries who are the planned allottees will pay in the full amount of the Monetary Remuneration Claims to the Company as in-kind contributions and receive common shares of the Company (hereinafter referred to as the "Allotted Shares") through a disposal. The summary of the restricted share allotment agreement (hereinafter referred to as the "Allotment Agreement") to be concluded between the Company and each of the Eligible Directors, etc. in connection with the Disposal of Treasury Shares are as described in 3. below.

3. Summary of the Allotment Agreement

(1) Transfer restriction period: From August 15, 2025 to August 14, 2055

During the above transfer restriction period (hereinafter referred to as the "Transfer Restriction Period"), each of the Eligible Directors, etc. (hereinafter referred to as the "Eligible Director, etc.") shall not transfer, create a pledge on, establish a security interest by transfer on, make an inter vivos gift of, bequeath, or otherwise dispose of the Allotted Shares to any third party.

(2) Conditions for lifting of transfer restrictions

The transfer restrictions on all Allotted Shares shall be lifted upon expiration of the Transfer Restriction Period, under conditions that the Eligible Director, etc. has continuously served as a Director or Executive Officer of the Company or any of its subsidiaries throughout the Transfer Restriction Period.

(3) Treatment in the event that the Eligible Director, etc. resigns or retires due to expiration of term of office, mandatory retirement age, or other legitimate reasons during the Transfer Restriction Period

(i) Timing of lifting of transfer restrictions

If the Eligible Director, etc. resigns or retires from the position of Director or Executive Officer of the Company or any of its subsidiaries due to the expiration of his/her term of office, reaching mandatory retirement age, or other legitimate reasons, or due to his/her death, the transfer restrictions shall be lifted on the later of the date of such resignation or retirement, or the date on which the Company submits its annual securities report

for the fiscal year including the payment date for the Allotted Shares (or, if the payment date for the Allotted Shares falls within six months from the beginning of the fiscal year, the relevant semiannual securities report of the Company).

(ii) Number of shares for which transfer restrictions are lifted

The number of shares shall be calculated by multiplying [the number of Allotted Shares held at the time of such resignation or retirement] by [the number of months during which the Eligible Director, etc. served during the Transfer Restriction Period, divided by 12 (provided that if the result exceeds 1, it shall be deemed to be 1)], provided that any fractional shares resulting from the calculation shall be rounded down. However, if the Eligible Director, etc. resigns from the position of Director or Executive Officer due to reasons not attributable to him/her and at the convenience of the Company, the transfer restrictions shall be lifted for all Allotted Shares held by the Eligible Director, etc. at that time.

(4) Acquisition without compensation by the Company

At the expiration of the Transfer Restriction Period, or immediately after the Eligible Director, etc. resigns or retires from all positions as a Director or Executive Officer of the Company or any of its subsidiaries during the Transfer Restriction Period (provided that in the case specified in (3), (i) above, the timing specified therein shall apply), the Company shall automatically acquire, without compensation, all Allotted Shares for which the transfer restrictions have not been lifted.

(5) Management of shares

In order to prevent any transfer of, establishment of a security interest on, or other disposal of the Allotted Shares during the Transfer Restriction Period, the Allotted Shares shall be managed separately from other Company shares not subject to transfer restrictions in a dedicated account opened by the Eligible Director, etc. with AIZAWA SECURITIES CO., LTD. during the Transfer Restriction Period. The Eligible Director, etc. shall consent to the management arrangements of such account to ensure the effectiveness of the transfer restrictions, etc.

(6) Treatment in the event of organizational restructuring, etc.

If, during the Transfer Restriction Period, a proposal regarding organizational restructuring, etc., such as a merger agreement under which the Company becomes the dissolved company, a share exchange agreement under which the Company becomes a wholly owned subsidiary, or a share transfer plan, is approved at a General Meeting of Shareholders of the Company (or by the Company's Board of Directors if such organizational restructuring, etc. does not require approval at a General Meeting of Shareholders of the Company), then, by resolution of the Company's Board of Directors, the transfer restrictions shall be lifted immediately prior to the business day preceding the effective date of the organizational restructuring, etc. for the number of shares calculated by multiplying [the number of Allotted Shares held at the time of approval] by [the number of months from the beginning of the Transfer Restriction Period through the month including the date of such approval, divided by 12 (provided that if the result exceeds 1, it shall be deemed to be 1)], provided that any fractional shares resulting from the calculation shall be rounded down. Immediately after the transfer restrictions are lifted, the Company shall automatically acquire, without compensation, all Allotted Shares for which the transfer restrictions have not been lifted. However, if the timing immediately prior to the business day preceding the effective date of the organizational restructuring, etc. falls before the date on which the Company submits its annual securities report for the fiscal year including the payment date for the Allotted Shares (or, if the payment date for the Allotted Shares falls within six months from the beginning of the fiscal year, the relevant semiannual securities report of the Company), then the transfer restrictions shall not be lifted, and the Company shall automatically acquire, without compensation, all Allotted Shares at the time immediately prior to the business day preceding the effective date of the organizational restructuring, etc.

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

The Disposal of Treasury Shares to the planned allottees will be conducted by way of in-kind contribution using monetary remuneration claims granted as Restricted Shares Remuneration for the current fiscal year (from April 1, 2025 to March 31, 2026) under the System. To ensure that the disposal price is free from arbitrariness, the price has been set at 1,327 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on July 17, 2025, the business day immediately preceding the date of the Board of Directors' resolution. This price reflects the market value immediately prior to the date of the Board of Directors' resolution and is considered reasonable and not particularly advantageous.