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June 20, 2025

To all parties concerned

Company name: Br.Holdings Corporation.
Name of Kimiyasu Fujita
representative: President and Representative
Director
(Securities code: 1726, Tokyo
Stock Exchange Prime Market)

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Notice Regarding Disposal of Treasury Stock as Restricted Stock Compensation

Br.Holdings Corporation. (the "Company") hereby announces that at a meeting of its Board of Directors held today, it resolved to dispose of its treasury stock as restricted stock compensation (hereinafter the "Disposal of Treasury Stock" or the "Disposal") as follows

1. Overview of the Disposal

(1)	Disposal date	July 15, 2025
(2)	Class and number of stock to be Disposed of	Common stock of the Company: 203,000 shares
(3)	Disposal Price	327 yen per share
(4)	Total Disposal Amount	66,381,000 yen
(5)	Allottees and Number thereof, Number of Stocks to be Disposed of	2 Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors): 54,000 shares 7 Directors of its Subsidiaries: 149,000 shares

2. Purposes and Reasons for the Disposal

The Company resolved, at the Board of Directors meeting held on May 18, 2018, to provide a restricted stock compensation plan (hereinafter the "Plan") for its directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors. Hereinafter the "Eligible Directors") to provide them with incentives to continuously improve the value of the Company and to further promote shared value with shareholders.

Further, at the 16th Annual General Meeting of Shareholders held on June 22, 2018, the Company obtained approval to provide the Eligible Directors with monetary compensation claims of up to 60 million Japanese yen per year in accordance with the Plan as monetary compensation for funding the acquisition of restricted stock ("Restricted Stock Compensation"), and that the transfer restriction period for the restricted shares over a period determined by the Company's Board of Directors within a range of 30 years from the date of allotment.

The outline of the Plan is shown below:

【Outline of the Plan】

The Eligible Directors will pay all of the monetary compensation claims paid by the Company under the compensation Plan as contribution in kind and receive the issuance or Disposal of the Company's common stock.

The total number of shares of the Company's common stock to be issued or disposed of under the Plan shall be within 160,000 shares per year. The price to be paid in for restricted stock to be issued or disposed of under the compensation Plan shall be determined by the Board of Directors of the Company

based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the day of the resolution of the Board of Directors of the Company (or the closing price of the most recent business day if no trading on the day above), to the extent that the amount is not particularly advantageous to the Eligible Directors.

In the event that the Company issues or disposes of shares of the Company's common stock under this Plan, the Company and the Eligible Directors shall conclude an allotment agreement of restricted stock (hereinafter the "Allotment Agreement"), which shall include the following matters:

- (1) The Eligible Directors may not transfer, grant security interests in, or otherwise dispose of the common stock of the Company allotted to them under the Allotment Agreement for a predetermined period.
- (2) In the event that certain events occur, the Company may acquire the relevant common stock without compensation

Following the resolution of the General Meeting of Shareholders to approve the Plan for Eligible Directors, the Company has decided to introduce the same restricted stock compensation plan for directors of the Company's subsidiaries. (hereinafter the "Plan". And the company's directors and directors of subsidiaries are referred to as "Eligible Directors, etc.")

Under the resolution of the Board of Directors meeting held today, the Company has decided to provide the total sum of the monetary compensation claims of 17,658,000 yen for 2 directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) , and 48,723,000 yen for 7 directors of its subsidiaries. (hereinafter the "Monetary Compensation Claims"). The Eligible Directors, etc. will receive 203,000 shares of the Company's common stock as all the Monetary Compensation Claims by contribution in kind under the Plan. The amount of the monetary compensation claim is determined by the Board of Directors of the Company and subsidiaries, after upon the receipt of the report by the Nomination and Compensation Committee response to the consultation, considering various factors such as the business performance of the Company and the responsibilities of each Eligible Directors, etc. and others. In addition, the Monetary Compensation Claims will be paid according to the terms of the below Allotment Agreement concluded between the Eligible Directors, etc., and the Company.

3. Overview of the Allotment Agreement

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

During the above period of transfer restriction (hereinafter the "restriction period"), the Eligible Directors, etc. shall not be able to assign, grant a security interest in, or otherwise dispose of any allotted shares (hereinafter the "Allotted Shares"), to any third party. (Hereinafter the "Transfer Restriction")

- (2) Conditions for lifting Transfer Restriction

The Company will lift the restriction on transfer of the Allotted Shares upon expiration of the restriction period, provided that the Eligible Directors, etc. have continuously served as any of the positions of director of the Company, and director of the subsidiaries during the restriction period.

- (3) Treatment in the event that a Eligible Directors, etc. leaves his or her position during the transfer restriction period due to completion of their tenures or any other legitimate reason.

- (i) Timing of lifting Transfer Restriction

In the event that a Eligible Directors, etc. retires or resigns from his or her position as a company's director and director of subsidiaries to a legitimate reason (Including retirement due to death), the Transfer Restriction will be cancelled immediately after the retirement or resignation of the Eligible Directors, etc.

- (ii) Number of shares subject to Transfer Restrictions

The number of shares obtained by dividing the number of months from the month in which the decision regarding the Disposal was made to the month in which the Eligible Directors, etc. retired or resigned from his or her position (the "tenure of service") by 12 (if that number exceeds one, it will be rounded down to one) and multiplying it by the number of the Allotted Shares held at the time of retirement or resignation as defined in (i). (However, any fractional shares of less than one unit of stock resulting from the calculation are rounded down.)

- (4) Acquisition of restricted stock without compensation

When the transfer restriction period expires or is cancelled in the case defined in (3) above, the Company will rightfully acquire without compensation the Allotted Shares whose transfer restrictions

are not cancelled.

(5) Management of shares

To ensure that the Allotted Shares shall not be transferred, pledged, or disposed of during the transfer restriction period, the Allotted Shares shall be managed in a dedicated account at Nomura Securities Co., Ltd ("Nomura"), to be opened by the Eligible Directors, etc. during the transfer restricted period.

The Company has concluded an agreement with Nomura with regard to the management of the accounts for the Allotted Shares held by respective Eligible Directors, etc. to ensure the effectiveness of the transfer restrictions and others. The Eligible Directors, etc. shall consent to the management of the dedicated account.

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

If, during the transfer restriction period, a merger agreement in which the Company will be the disappearing company, a share exchange agreement or share transfer plan in which the Company will become a wholly owned subsidiary, or any other matter related to organizational restructuring, etc. is approved at a the Annual General Meeting of Shareholders of the Company (or the Board of Directors of the Company in cases where the approval of the Annual General Meeting of Shareholders is not required for the organizational restructuring, etc.), the Company will, by resolution of the Board of Directors, cancel the Transfer Restriction, with respect to the number of shares determined by multiplying the number of the Allotted Shares held at that time by the number obtained by dividing the tenure of service by 12 (if that number exceeds one, it will be rounded down to one; however, any fractional shares of less than one unit of stock resulting from the calculation are rounded down), on the business day preceding the effective date of the organizational restructuring, etc. Additionally, the Company will rightfully acquire without compensation the Allotted Shares whose transfer restrictions have not been cancelled immediately after the transfer restrictions are cancelled.

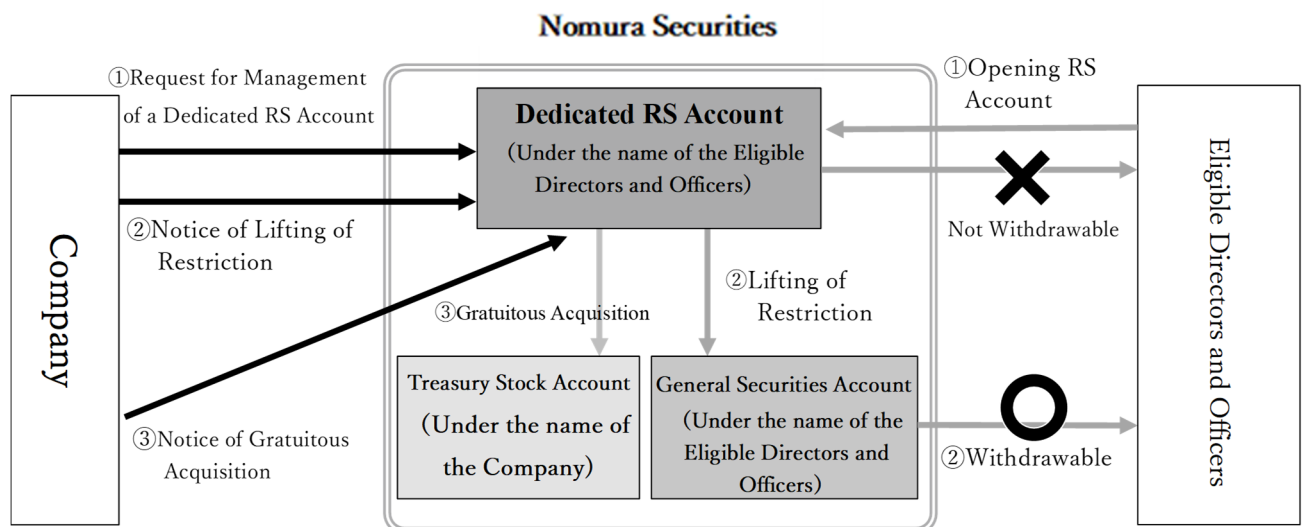
4. Basis for Calculating the Amount to be Paid and its Specific Details

The Disposal of Treasury Stock for the grantees shall be funded by the Monetary Compensation Claims provided as Restricted Stock Compensation paid for their execution of duties or business in the Company's FY2025 (1 April 2025-31 March 2026) based on the Plan.

To avoid arbitrary pricing, the disposal price for the Disposal of Treasury Stock shall be set at 327 yen, which is the closing price of a share of the Company's common stock in the Tokyo Stock Exchange on June 19, 2025(the business day immediately preceding the date of the resolution of the Board of Directors of the Company).

The above value is deemed to be rational and not to be particularly favorable to the grantees, from a point that it is the market share price on the day immediately preceding the date of the resolution by the meeting of the Board of Directors.

(Reference) 【Administrative Flow of Restricted Stock (RS) under the RS Plan】



END