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May 13, 2025

To whom it may concern:

Company name      Yakult Honsha Co., Ltd.  
Representative      Hiroshi Narita  
President and Representative Director  
(Securities code: 2267, TSE Prime Market)

## **Notification Regarding Disposal of Treasury Stock Through Third-Party Allotment to Employee Stock Ownership Plan**

Yakult Honsha Co., Ltd. (the “Company”) announced that it decided to introduce share grant (the “Scheme”) for the Company’s managerial staff (the “Managerial Staff”) aimed at improving its corporate value over the medium to long term, at a meeting of its Board of Directors held today, and at the same time resolved to carry out disposal of treasury stock through third-party allotment to the Employee Stock Ownership Association (the “Disposal of Treasury Stock”) as described below.

### **1. Overview of the Disposal**

(1) Date of disposal	July 29, 2025
(2) Class and total number of shares to be disposed	85,743 shares of common stock of the Company
(3) Disposal price	JPY 2,973 per share
(4) Total value of shares to be disposed	JPY 254,913,939
(5) Disposal method	Third-party allotment of shares
(6) Scheduled allottee	Yakult Employee Stock Ownership Association
(7) Other	The Disposal of Treasury Stock is conditional on the securities registration statement taking effect in accordance with the Financial Instruments and Exchange Act.

(Note) The Yakult Employee Stock Ownership Association (the “Stock Ownership Association”) shall, after the approval by its board at a meeting to be held today, take sufficient time to notify the relevant individuals and solicit prospective members by promoting enrollment in the Stock Ownership Association. For this reason, the total number of shares to be disposed and the total value of shares to be disposed denote the maximum value, and these are expected to be finalized

after the conclusion of enrollment.

## 2. Objectives and Reasons for the Disposal

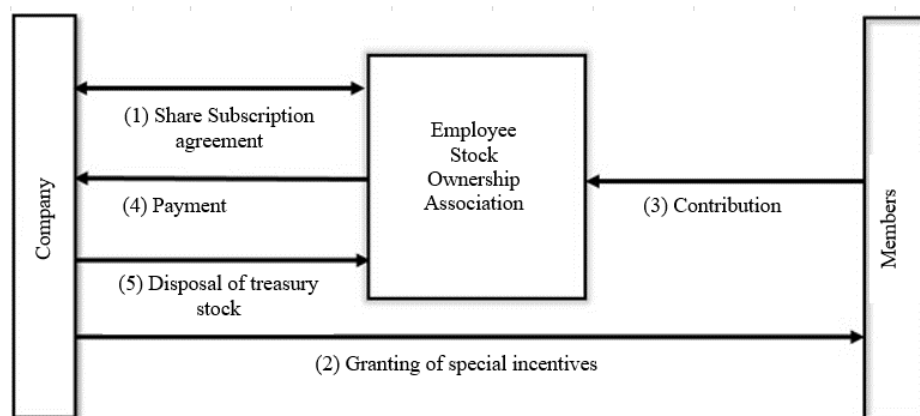
The Company, under its long-term vision “Yakult Group Global Vision 2030,” aims to respond to expectations of its stakeholders more than ever, improve its corporate value through realization of its corporate philosophy, and realize sustainable growth by working to address social issues through its corporate activities.

By granting a certain number of its shares to the Managerial Staff through the introduction of the Scheme, the Company aims to promote value sharing with the shareholders and at the same time get Managerial Staff and executive layer to work together to improve corporate value in the medium to long term by further raising the Managerial Staff’s awareness regarding the Company’s performance.

In the Scheme, the Disposal of Treasury Stock will be carried out through a third-party allotment in which the Scheme grants a special incentive to the Managerial Staff who are enrolled in the Stock Ownership Association (the “Members”) and the Members contribute the special incentive to the Stock Ownership Association; and the Company disposes of the treasury stocks to the Stock Ownership Association. The number of shares to be disposed of will be finalized later as mentioned in (Note) of 1. Overview of the Disposal, and the Company expects to dispose of a maximum of 85,743 shares to the Stock Ownership Association.

The scale of dilution with respect to the total number of issued shares of 342,090,836 shares is 0.03% as of now and 0.03% of the total voting rights of 2,961,499 as of March 31, 2025 (percentages in both cases are rounded off to two decimal places). The Company believes that this is a reasonable level also for existing shareholders as this would lead to deeper sharing of medium- to long-term values between shareholders and a greater number of Managerial Staff.

### Overview of the Scheme



- (1) The Company and the Stock Ownership Association will enter into a share subscription agreement for the disposal and subscription of treasury stock.
- (2) The Company shall grant special incentives to Members.
- (3) Members will contribute the special incentive to the Stock Ownership Association.
- (4) The Stock Ownership Association will collect the special incentive contributed by the Members and make the payment for the third-party allotment.
- (5) The Company will dispose the treasury stock to the Stock Ownership Association.

### 3. The Basis for Calculation of the Disposal Price and Details

The Disposal of Treasury Stock will be carried out through the contribution of the special incentives, granted to the Members, to the Stock Ownership Association with the aim of introducing the Scheme. The disposal price shall be JPY 2,973, the closing price of the Company's shares on the Tokyo Stock Exchange Prime Market on May 12, 2025, which is the business day immediately prior to the date of the resolution by the Board of Directors, to eliminate arbitrariness in the price. The Company considers that the price, which is the market value immediately prior to the date of the resolution by the Board of Directors, is at a reasonable level and is not particularly favorable to the scheduled allottee.

The deviation rate of this price from the average closing price of the Company's shares on the TSE Prime Market (rounded off to two decimal places) is as follows.

Period	Closing price (rounded down to the nearest yen)	Deviation rate
1 month (April 14, 2025 to May 12, 2025)	JPY 2,964	0.30%
3 months (February 13, 2025 to May 12, 2025)	JPY 2,954	0.64%
6 months (November 13, 2024 to May 12, 2025)	JPY 2,955	0.61%

### 4. Matters Related to Procedures under the Code of Corporate Conduct

Given that (1) the dilution resulting from the Disposal of Treasury Stock is below 25% and (2) such disposal does not involve any changes in controlling shareholders, the Company, with regard to the Disposal of Treasury Stock, is not required to obtain an independent third-party opinion and confirm the intent of shareholders, as set forth in Rule 432 of the Securities Listing Regulations of the Tokyo Stock Exchange.

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