Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

February 6, 2025

To Whom It May Concern:

Company name	Japan Cash Machine Co., Ltd.
Representative	Yojiro Kamihigashi, President and Representative Director (Securities code:6418, Prime Market of Tokyo Stock Exchange)
Inquiries	Tsuyoshi Takagaki, Executive Director and Senior Executive Officer, Executive General Manager of Corporate Planning Division
Telephone	+ 81-6-6643-8400 (Main number)

Notice Concerning Disposal of Treasury Shares as Restricted Stock Incentives for the Employee Stock Ownership Association

Japan Cash Machine Co., Ltd. (hereinafter referred to as the "Company") hereby announces that, at the meeting of the Board of Directors held today, the Company has resolved to dispose of treasury shares as restricted stock (hereinafter referred to as the “Treasury Share Disposal” or the “Disposal”) under the Employee Stock Ownership Association Incentive Plan (hereinafter referred to as the "Plan"). The disposal will be executed with the Japan Cash Machine Employee Stock Ownership Association (hereinafter referred to as the "ESOA") as the designated allottee, as detailed below.

1. Outline of the disposal

(1) Date of Disposal	May 30, 2025
(2) Type and Number of Shares to be Disposed of	165,500 shares of the Company’s common stock (Note)
(3) Disposal Value	1,168 yen per share
(4) Total Disposal Value	193,304,000 yen (Note)
(5) Method of Disposal (Designated allottee)	The number of shares to be disposed of will be allocated to the ESOA under the third-party allotment method, subject to the ESOA submitting a subscription application. The number of shares allocated to the ESOA shall be determined based on the number of shares applied for by the ESOA, within the range specified in item (2) above (which shall constitute the number of shares to be disposed of). (Japan Cash Machine Employee Stock Ownership Association: 165,500 shares) Furthermore, partial applications for the Allocated Shares from any individual Eligible Employee (as defined below) shall not be accepted.
(6) Other	An Extraordinary Report regarding this Treasury Share Disposal has been submitted in accordance with the Financial Instruments and Exchange Act.

(Note) The “Number of Shares to be Disposed of” and “Disposal Value” have been calculated based on the assumption that 500 shares of the Company’s common stock will be granted as restricted shares to each of the 331 employees of the Company and its subsidiaries, representing the maximum number of individuals eligible under the Plan. The actual number of shares to be disposed of and disposal value will be determined based on the number of employees of the Company and its subsidiaries who agree to the Plan, following the completion of promotional activities for employees who are not yet members of the ESOA and the confirmation of agreement to the Plan from the ESOA members (hereinafter referred to as the “Eligible Employees") (up to 331 employees).

Specifically, as stated in item (5) above, the “Number of Shares to be Disposed of” shall be the number of shares applied for, as determined by the ESOA. The “Disposal Value” shall be calculated by multiplying this number by the disposal price per share. Furthermore, the Company or its subsidiaries will uniformly grant a monetary claim of 584,000 yen to each Eligible Employee. Through the ESOA, the Company will make a uniform allocation of 500 shares to each Eligible Employee.

2. Purpose and Reason for the Disposal

To commemorate the 70th anniversary of the Company’s founding, the Board of Directors resolved at its meeting held today to introduce the Plan as a measure to enhance the benefits and welfare of the Eligible Employees who are members of the ESOA and are employed by the Company or its subsidiaries. By providing Eligible Employees with the opportunity to acquire the Company’s common stock as, which is issued or disposed of by the Company, restricted shares through the ESOA, the Plan aims to support their asset formation while also serving as an incentive to motivate employees toward achieving the Company’s medium-term management plan. Furthermore, the Plan is intended to encourage Eligible Employees to actively contribute to the Company’s mission: “Responding to the changing needs of the world and continuously contributing to society” and “Innovating core technologies to continuously create new value.” By striving to fulfill these goals, the Company seeks to drive the sustainable enhancement of its corporate value.

In addition, the Plan aims to foster greater alignment of interests between the Eligible Employees and the Company’s shareholders.

The outline of the Plan is as follows.

Outline of the Plan

Under the Plan, the Company and its subsidiaries will provide a monetary claim (hereinafter referred to as the “Special Incentive Payment”) to each Eligible Employee as a special incentive for the allocation of 500 shares of restricted stock per individual. The Eligible Employees will then contribute the Special Incentive Payment to the ESOA. Subsequently, the ESOA will make an in-kind contribution of the Special Incentive Payment to the Company, in exchange for which the Company will issue or dispose of its common stock as restricted stock.

In the event that the Company newly issues or disposes of its common stock under the Plan, the paid-in amount per share of the common stock shall be determined by the Board of Directors within a range that is not particularly favorable to the ESOA (and, by extension, the Eligible Employees), based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors’ resolution related to the issuance or disposal (if no transactions were executed on that day, the price shall be based on the closing price on the most recent prior trading day).

The Company and the ESOA shall enter into a Restricted Stock Allotment Agreement in connection with the issuance or disposal of the Company’s common stock under the Plan. The agreement shall include provisions such as: (1) The prohibition of the transfer of allocated shares to third party, the establishment of security interests, or any other form of disposal for a certain period (hereinafter referred to as “Transfer Restrictions”) (2) The Company’s right to acquire the allocated shares without compensation in the event that certain conditions arise.

Furthermore, the granting of the Special Incentive Payment to the Eligible Employees shall be subject to the execution of the Restricted Stock Allotment Agreement between the Company and the ESOA.

Moreover, until the Transfer Restrictions are lifted, the Eligible Employees shall be subject to withdrawal restriction on their member equity interest in the Restricted Stock (hereinafter referred to as “Restricted Stock Equity Interest” or “RS Equity Interest”), in accordance with ESOA Regulations and Operational Rules (hereinafter referred to as the “ESOA rules”) (Note).

The RS Equity Interest corresponds to the Restricted Stock that the Eligible Employees hold based on the monetary claims contributed to the ESOA.

(Note) Prior to the Treasury Share Disposal, the ESOA plans to resolve at its board meeting, which shall be convened promptly following the Board of Directors' resolution on the Treasury Share Disposal, to amend the ESOA Rules in response to the Plan. The amendment is scheduled to take effective two (2) weeks after the notification has been sent to ESOA members in accordance with the ESOA Rules, provided that objections are raised by less than one-third of the members.

In the Treasury Share Disposal, the Company shall dispose of its common stock (hereinafter referred to as the "Allocated Shares") to the ESOA, which is the designated allottee, in accordance with the Plan. The ESOA shall make payment for the shares by contributing the entire amount of the Special Incentive Payment, which has been contributed by the Eligible Employees, as an in-kind contribution. The outline of the Restricted Stock Allocation Agreement (hereinafter referred to as the "Allocation Agreement") to be concluded between the Company and the ESOA in connection with the Treasury Share Disposal is as set forth below in "3. Outline of the Allocation Agreement". The number of shares to be disposed of in the Treasury Share Disposal will be determined at a later date, as stated in Note (1) above. However, if all 331 employees of the Company and its subsidiaries, who represent the maximum number of employees for the Plan, join the ESOA and agree to the Plan, the planned number of shares to be disposed of will be 165,500 shares. Assuming this number of shares, the dilution ratio resulting from the Treasury Share Disposal will be 0.56% of the total number of issued shares, 29,672,651 shares, as of September 30, 2024 (rounded to the third decimal place; the same rounding method applies to all percentage calculations below.), and 0.62% of the total number of voting rights, 268,678 units, as of September 30, 2024.

The introduction of the Plan aims to enhance the benefits and welfare of the Eligible Employees by providing them with an opportunity, through the ESOA, to acquire the Company's common stock, which is issued or disposed of by the Company, as restricted stock. This initiative is intended not only to support the asset formation of the Eligible Employees but also to serve as an incentive for them to contribute to the sustainable enhancement of the Company's corporate value while promoting greater value sharing with the Company's shareholders. The Company believes that this initiative will contribute to the growth of the corporate value of the Company Group. In addition, the number of shares to be disposed of in the Treasury Share Disposal and the scale of dilution are considered reasonable, and we have determined that the impact on the market will be minimal, even taking into account the scale of dilution.

This Treasury Share Disposal will be executed on the condition that the revised ESOA rules take effect by the day immediately before the disposal date and that the Allocation Agreement is conducted between the Company and the ESOA during the application period.

3. Outline of the Allocation Agreement

(1) Transfer Restriction Period
From May 30, 2025 to June 1, 2028

(2) Conditions for Lifting Transfer Restrictions
Transfer restrictions on all of the Allocated Shares corresponding to the restricted stock equity interests held by the Eligible Employees who fulfill the following condition will be lifted upon the expiration of the Transfer Restriction Period: the Eligible Employee must have continuously remained a member of the ESOA during the Transfer Restriction Period.

(3) Treatment in the Event of Withdrawal from the ESOA
If an Eligible Employee withdraws from the ESOA during the Transfer Restriction Period due to appointment as a director, mandatory retirement, the expiration of the employment period in cases of reemployment after mandatory retirement (including any renewed reemployment period), or other legitimate reasons (including cases where an Eligible Employee loses membership status, submits a requests for membership withdrawal, or withdraws due to death), the Company shall lift the transfer restrictions on all Allocated Shares corresponding to the restricted stock equity interests held by the Eligible Employee as of the date the ESOA accepts the membership withdrawal request (or, in the case of

a loss of membership status, the date the status was lost, or in the case of withdraw due to death, the date of death, hereinafter referred to as the “Membership Withdrawal Acceptance Date”).

(4) Treatment in the Event of Becoming a Non-Resident
If the Company or its subsidiaries determine that an Eligible Employee qualifies as a non-resident during the Transfer Restriction Period due to an overseas transfer or other similar circumstances, the transfer restrictions on all Allocated Shares corresponding to the restricted stock equity interest held by the Eligible Employee as of the date such determination is made (hereinafter referred to as the “Overseas Transfer Determination Date”) will be lifted as of the Overseas Transfer Determination Date.

(5) Gratuitous Acquisition by the Company
If an Eligible Employee engages in acts that violate laws and regulations during the Transfer Restriction Period or falls under certain conditions stipulated in the Allocation Agreement, the Company shall automatically acquire, without compensation, all Allocated Shares corresponding to the restricted stock equity Interest held by the Eligible Employee at that time. In addition, the Company shall automatically acquire, without compensation, any Allocated Shares for which the transfer restrictions are not lifted at the expiration of the Transfer Restriction Period or at the time of transfer restriction removal as stipulated in items (3) or (4) above.

(6) Management of shares
The Allocated Shares shall be managed in a dedicated account opened by the ESOA with Nomura Securities Co., Ltd., to ensure that the transfer, the establishment of security interests, or any other forms of disposal cannot be made during the Transfer Restriction Period. In addition, the ESOA shall register and manage the restricted stock equity interests (hereinafter referred to as the “Original Equity Interest”) separately from other membership interests held by the Eligible Employees, in accordance with the provisions of the ESOA rules.

(7) Treatment in the Event of Organizational Restructuring
If, during the Transfer Restriction Period, a merger agreement in which the Company is the dissolving entity, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or any other matters related to organizational restructuring are approved at the Company’s General Meeting of Shareholders (or, if such approval by the General Meeting of Shareholders is not required for the restructuring, at the Company’s Board of Directors meeting), then by resolution of the Board of Directors, the transfer restrictions shall be lifted, effective immediately before the close of business on the business day preceding the effective date of the organizational restructuring, on all Allocated Shares held by the ESOA that correspond to the Restricted Stock interests held by the Eligible Employees, as of the approval date.

4. Basis and Details of the Disposal Price Calculation
The Treasury Share Disposal to the ESOA, as the designated allotee, is conducted through contributions from the Eligible Employees to the ESOA, using the Special Incentive Payment granted to them for the purpose of receiving restricted stock as the contribution asset. To eliminate arbitrariness in determining the disposal price, it has been set as 1,168 yen, which is the closing price of the Company’s common stock on the Prime Market of the Tokyo Stock Exchange on February 5, 2025 (The business day immediately preceding the date of the Board of Directors’ resolution.). The Company considers this price reasonable, as it reflects the market price of its stock immediately before the Board resolution date and is not deemed particularly advantageous.

The deviation rate of this disposal price from the average closing price of the Company’s common stock on the Prime Market of the Tokyo Stock Exchange (rounded to the third decimal place) is as follows:

Period	Average closing price (rounded down to the nearest yen)	Deviation rate
1 Month (January 6, 2025 – February 5, 2025)	1,114 yen	4.85%
3 Month (November 6, 2024 – February 5, 2025)	1,046 yen	11.66%
6 Month (August 6, 2024 – February 5, 2025)	986 yen	18.46%

The Company's Audit and Supervisory Committee, composed of three members including two outside directors, has expressed its opinion that the above disposal price is lawful and does not constitute a particularly advantageous price for the designated allottee. This assessment is based on the fact that the Treasury Share Disposal is intended for the implementation of the Plan and that disposal price is set at the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors' resolution.

5. Matters Related to Procedures Under the Corporate Code of Conduct
The Treasury Share Disposal does not require obtaining an opinion from an independent third party or confirming shareholders' intent, as stipulated in Article 432 of the Securities Listing Regulations set by the Tokyo Stock Exchange. This is because (i) the dilution ratio is less than 25 % and (ii) the disposal does not involve a change in the controlling shareholder.

(Reference) Structure of the Plan

1. The Company and its subsidiaries provide the Eligible Employees with monetary claims as Special Incentive Payment for the grant of Restricted Stock.
2. The Eligible Employees contribute the monetary claims received in (1) above to the ESOA.
3. The ESOA consolidated the monetary claims contributed in (2) above and pays the total amount to the Company.
4. The Company allocates the Allocated Shares as Restricted Stock (referred to as "RS" in the figure below) to the ESOA.
5. The Allocated Shares are deposited into a dedicated account established by the ESOA through Nomura Securities Co., Ltd., with withdrawal restrictions imposed during the restricted transfer period.
6. After the restriction period is lifted, the Allocated Shares will be transferred either to the Ordinary Equity Interests or a securities account under the names of the Eligible Employees.