



June 24, 2025

Company name: Mebuki Financial Group, Inc.

Representative: Tetsuya Akino, President

(Code number : 7167 Prime Market,

Tokyo Stock Exchange)

Notice of Disposal of Treasury Shares as Restricted Stock Compensation

Mebuki Financial Group, Inc. (the “Company”) hereby announces that the Company resolved to make to proceed with the disposal of treasury shares (the “Treasury Shares Disposal”) at the Board of Directors meeting held on June 24, 2025 (“the Allocation Resolution Date”), as follows.

1. Outline of the Disposal

(1) Disposal date	July 23, 2025
(2) Type of shares to be disposed	465,225 shares of common stock of the Company
(3) Disposal price	737.9 yen per share
(4) Total amount of shares to be disposed	343,289,522 yen
(5) Allottees and number thereof, number of shares to be disposed	<p>Directors of the Company (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members, same hereafter) 5 persons 20,056 shares</p> <p>Executive Officers of the Company (excluding Executive Officers who are concurrently serving as Directors, same hereafter) 2 persons 1,084 shares</p> <p>Directors of the Joyo Bank, Ltd. 7 persons 116,477 shares</p> <p>Executive Officers of the Joyo Bank, Ltd. 16 persons 107,328 shares</p> <p>Directors of the Ashikaga Bank, Ltd. 7 persons 116,612 shares</p> <p>Executive Officers of the Ashikaga Bank, Ltd. 16 persons 103,668 shares</p> <p>*The total number of allottees mentioned above is 53 persons. However, since it includes those who hold two or more of the listed positions, the actual number is 46 persons.</p>
(6) Others	With respect to the Disposal of Treasury Shares, the Extraordinary Report set forth in the Japanese Financial Instruments and Exchange Act is to be submitted.

2. Purpose and Reasons of the Disposal

On May 13, 2020, the Board of Directors of the Company resolved to introduce a new compensation system, the Restricted Stock Compensation Plan (the “Plan”), for the purpose of providing an additional incentive to the Company’s Directors (the “Eligible Directors”) and promoting further value-sharing with the Company’s shareholders.

Additionally, at the 4th Annual General Meeting of Shareholders held on June 24, 2020, the Company obtained the approval to provide the Eligible Directors as the monetary compensation to serve as invested assets to acquire the restricted stocks (the “Restricted Stock Compensation”) under the Plan, with monetary claims at 20 million yen or less per year, the issuance of restricted stocks up to 200 thousand shares per year, and the restriction period for the transfer of restricted stocks set at 30 years, among other matters.

And the outline of the Plan is as follows.

【Outline of the Plan】

Under the Plan, the Eligible Directors shall make payments in kind as contributed assets using all of the monetary claims provided to them by the Company and receive the issuance or disposal of the Company's common shares. The total number of common shares to be newly issued or disposed of by the Company to the Eligible Directors under the Plan shall be limited to 200 thousand shares or less per year. The amount to be paid in per common share shall be determined by the Board of Directors, based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately prior to the Board of Directors resolution of issuance or disposal of the common shares (if the transaction is not completed on this business day, it shall be based on the closing price of the immediately previous trading day), ensuring that it does not exceed a price that is particularly advantageous to the Eligible Directors.

Additionally, upon issuance or disposal of the Company's common shares under the Plan, the Company and each of the Eligible Directors shall enter into a Restricted Stock Allocation Agreement. The contents of this agreement shall include (i) the Eligible Directors shall not transfer to a third party, create security interests, or otherwise dispose of the common stocks allocated under the Restricted Stock Allocation Agreement for a certain period, and (ii) if certain events occur, the Company shall acquire such common stocks without compensation.

Furthermore, a similar Restricted Stock Compensation Plan (the "Restricted Stock Compensation Plan" together with the Plan) has been introduced for the Directors and Executive Officers of the Company's subsidiaries, The Joyo Bank, Ltd. and The Ashikaga Bank, Ltd.

This disposal of treasury shares shall be conducted as part of the Restricted Stock Compensation Plan for the Eligible Directors, the Company's Executive Officers, and the Directors and Executive Officers of The Joyo Bank, Ltd. and The Ashikaga Bank, Ltd. (the "Eligible Directors, etc." collectively).

In consideration of the purpose of the Restricted Stock Compensation Plan, the Company's business performance, scope of responsibility of each Eligible Directors, etc., and various circumstances, the Company has decided to provide the total monetary claims of ¥343,289,522 (the "monetary claims") and 465,225 shares of common stock, aiming at further increasing motivation of the Eligible Directors, etc.

In this disposal of treasury shares, under the Restricted Stock Compensation Plan, the 46 Eligible Directors, etc. (the actual number is stated in the above Section 1. (5)) shall make payments in kind as contributed assets using all of the monetary claims to the Company and shall receive disposal of the Company's common shares (the "Allocated Shares"). The outline of the Restricted Stock Allocation Agreement (the "Allocation Agreement") to be concluded between the Company and the Eligible Directors, etc. in this disposal of treasury shares is as follows in Section 3 below."

3. Overview of the Allocation Agreement

(1) Transfer restriction period : July 23, 2025 - July 22, 2055

(2) Conditions for releasing transfer restriction :

On the condition that the Eligible Directors, etc. maintain a position as a Director or Executive officer of the Company, The Joyo Bank, Ltd., or The Ashikaga Bank, Ltd. continuously during the transfer restriction period, the Company shall release transfer restriction for all of the Allocated Shares at the expiration of the transfer restriction period.

With respect to the Eligible Directors, etc. holding multiple positions, the satisfaction of the conditions for releasing transfer restriction shall be determined separately for each position and the corresponding allocated shares.

(3) Treatment in cases that the Eligible Directors, etc. resign or retire during the transfer restriction period due to the expiration of their term, mandatory retirement, or other justifiable reasons

(a) Time of release

If the Eligible Directors, etc. resign or retire during the transfer restriction period due to the expiration of their term, mandatory retirement, or other justifiable reasons, the transfer restriction shall be released immediately upon their resignation or retirement.

(b) Number of shares to be released

The number of shares of the Allocated Shares held at the time of resignation or retirement as specified in (a) shall be multiplied by the following factors: if the number of months from the month including the Allocation Resolution Date to the month including the resignation or retirement date of the Eligible Directors, etc. is less than 3 months, the factor shall be 1/4 ; if it is 3 months or more but less than 6 months, the factor shall be 1/2 ; if it is 6 months or more but less than 9 months, the factor shall be 3/4 ; and if it is 9 months or more, the factor shall be 1. (However, if the calculation results in a fractional amount of less than 1 share, it shall be rounded down.)

(c) Treatment of the Eligible Directors, etc. holding multiple positions

With respect to the Eligible Directors, etc. holding multiple positions, the time of release and the number of shares to be released shall be determined separately for each position and the corresponding allocated shares.

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

The Company shall automatically acquire the Allocated Shares for which the transfer restriction has not been released, without consideration, at the expiration of the transfer restriction period or at the time of release specified in (3) above.

(5) Management of the Shares

To prevent the Allocated Shares from being transferred, used as collateral, or otherwise disposed during the transfer restriction period, the Allocated Shares shall be managed in a dedicated account opened by the Eligible Directors, etc. at Nomura Securities Co., Ltd. To ensure the effectiveness of the transfer restriction related to the Allocated Shares, the Company has entered into a contract with Nomura Securities Co., Ltd. regarding the management of the accounts holding the Allocated Shares owned by each Eligible Director, etc. Furthermore, the Eligible Directors, etc. shall agree to the terms of the management of the said accounts.

(6) Treatment of reorganization, etc.

If, during the transfer restriction period, matters relating to a merger agreement in which the Company is the dissolving company, a stock exchange agreement or stock transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization are approved at the Company's General Meeting of Shareholders (or in the case where the approval at the Company's General Meeting of Shareholders is not required, it shall be approved by the Board of Directors), the transfer restriction of the Allocated Shares held at that time shall be released by the resolution of the Board of Directors. And the number of shares to be released shall be multiplied by the following factors; if the number of months from the month including the Allocation Resolution Date to the month including the date of approval is less than 3 months, the factor shall be 1/4; if 3 months or more but less than 6 months, the factor shall be 1/2; if 6 months or more but less than 9 months, the factor shall be 3/4; and if 9 months or more, the factor shall be 1 (however, if the calculation results in a fractional amount of less than 1 share, it shall be rounded down). The release of transfer restriction shall take effect immediately before the effective date of the reorganization, etc. Furthermore, immediately after the release of transfer restriction, the Company shall automatically acquire all Allocated Shares for which the transfer restriction has not been released, without consideration.

4. Basis of Calculation and Specific Details for the Payment Amount

This disposal of treasury shares to the allottees shall be conducted as contributed assets using the monetary claims provided as compensation under the Restricted Stock Compensation Plan for fiscal year that includes the Allocation Resolution Date of the Company, The Joyo Bank, Ltd., and The Ashikaga Bank, Ltd. Regarding the disposal price, to eliminate arbitrariness, it is set at the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on June 23, 2025 (the business day immediately prior to the Board of Directors resolution), which is 737.9 yen. This price reflects the market value just prior to prior to the Board resolution and is considered reasonable and not particularly advantageous.

End

Inquiries:

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