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May 8, 2026

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Name of representative: Hisanobu Watanabe, President
Securities code: 7173
Tokyo Stock Exchange Prime Market
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Notice Concerning Acquisition and Cancellation of Class II Preferred Shares

Tokyo Kiraboshi Financial Group, Inc. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held today, to acquire all the Class II preferred shares pursuant to the acquisition clause for monetary consideration with respect to Class II preferred shares, and to cancel all the Class II preferred shares pursuant to the provisions of Article 178 of the Companies Act. Details are as follows.

1. Reason for acquisition and cancellation of Class II preferred Shares

In its Medium-Term Business Plan (FY2024-FY2026) published in March, 2024, the Company announced its plan to “redeem Class II preferred shares in FY2026 and FY2028, and aim to complete redemption”, and has steadily accumulated retained earnings to serve as the source of funds for the redemption of the preferred shares.

In light of the Company’s recent solid business performance and the expectation that its consolidated equity ratio will remain above the 8.3% benchmark which the Company considers appropriate for financial stability even after the redemption, the Company has decided to acquire all the Class II preferred shares ahead of schedule and cancel them.

Although shareholders’ equity will decrease as a result of the acquisition and cancellation of the Class II preferred shares, the redemption of the preferred shares will broaden the range of flexible capital policy options available to the Company. Going forward, the Company will continue to: appropriately allocate management resources; build an optimal business portfolio for the Group; strengthen its management base by reducing base expenses and making necessary digital transformation (DX) investments; and improve RORA (return on risk-adjusted assets) through asset control by risk category.

Note: This document does not constitute, in any part, an offer to solicit investment in any securities. This document is a press release issued solely for the purpose of publicly announcing matters regarding acquisition and cancellation of Class II preferred shares. It has not been prepared for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. This document does not constitute any offering or sale of securities in the United States. The Company’s common shares has not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold in the United States absent registration or an exemption from registration requirements under the Securities Act. No offer of securities for sale in the United States will be made in connection with the matter described in this document.

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2. Details of the matters related to the acquisition of Class II preferred shares

(1) Class of shares to be acquired	Class II preferred shares
(2) Total number of shares to be acquired	2,000,000 shares (all of the issued Class II preferred shares)
(3) Acquisition price per share (reference price)	¥20,000
(4) Total acquisition cost of the shares	¥40,000,000,000
(5) Counterparty of the acquisition	The Tokyo Metropolitan Government
(6) Method of share acquisition	Acquisition pursuant to the acquisition clause for monetary consideration, to be effected by giving notice to the Class II preferred shareholders.
(7) Date of notice to Class II preferred shareholders	May 8, 2026 (Friday) (today)
(8) Scheduled acquisition date	May 25, 2026 (Monday)

3. Details of the matters related to the cancellation of Class II preferred shares

(1) Class of shares to be cancelled	Class II preferred shares
(2) Number of shares to be cancelled	2,000,000 shares (all of the issued Class II preferred shares)
(3) Scheduled cancellation date	May 25, 2026 (Monday)

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