

NEWS RELEASE

Okasan Securities Group Inc. (Code: 8609)
Listed in TSE(Prime) and NSE(Premier)

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June 27, 2025

Notice Regarding the Disposal of Treasury Shares for Restricted Stock Compensation to Directors and Executive Officers of the Company and Subsidiaries

OKASAN SECURITIES GROUP INC.

Okasan Securities Group Inc. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held today, to dispose of its treasury shares for the purpose of restricted stock compensation (the “Disposal of Treasury Shares” or the “Disposal”). The details are as follows;

Additional resolutions include the Disposal allotted towards the Company’s subsidiary employees. Please refer to the notice published today regarding “the Disposal of Treasury Shares for Performance-Based Restricted Stock Compensation to the Company’s Subsidiary Employees” for more information.

1. Overview of the Disposal

(1) Disposal date	July 22, 2025
(2) Class and number of shares to be disposed	Common Shares of the Company: 515,400 shares
(3) Disposal value of shares to be disposed	675 yen per share
(4) Total disposal value	347,895,000 yen
(5) Allottees, number of allottees and number of shares to be allotted	1 Director of the Company (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) 60,700 shares 28 Directors of the Subsidiaries (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) 212,400 shares 37 Executive Officers of the Company 242,300 shares
(6) Others	In accordance with the Financial Instruments and Exchange Act, Extraordinary Report on the Disposal of Treasury shares has been submitted.

2. Purpose of and reasons for the Disposal

At a meeting held on April 27, 2022, the Board of Directors of the Company resolved to adopt a restricted stock compensation plan (the "Plan") under which restricted stock will be granted to Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors, hereinafter “Eligible Directors”), as a an incentive to improve the value of the Company on a sustainable basis and to better align the values of the Eligible Directors and the shareholders.

At the 84th Ordinary General Meeting of Shareholders, held on June 29, 2022, it was approved that, pursuant to the Plan, monetary compensation claim not exceeding ¥140 million per year, restricted stock not exceeding 200,000 shares per year be paid to the Eligible Directors as property to be exchanged for the granting of shares with transfer restrictions.

In light of the purpose of this system, the Company has resolved to grant a total of ¥347,895,000 in monetary compensation claims to the Eligible Directors and the Directors (excluding directors who are Audit & Supervisory Committee Members and Outside Directors) and Executive Officers (collectively, the “Eligible Directors, etc.”) of the Company's selected subsidiaries. (hereinafter the “Subsidiaries”).

In order to achieve the purpose of this system, which is to provide incentives to achieve sustainable improvement in corporate value and realize the sharing of shareholder value, the period of restriction on transfer is until the date of retirement (which shall mean the date on which the person ceases to be a Director of the Company or a Director or Executive Officer of a subsidiary of the Company or any other position specified by the Board of Directors of the Company, and the same shall apply hereinafter), as described in 3 below.

3. Outline of the restricted stock allocation agreements

The Company and each of the Eligible Directors shall enter into individual restricted stock allocation agreements (the "Agreements"), and the outline is as follows;

(1) Transfer Restriction Period

The period of restriction on transfer shall be the period from July 22, 2025 to the date of retirement, and the Eligible Directors shall not be able to transfer, create a security interest in, or otherwise dispose of the common stock of the Company allocated to them (hereinafter referred to as “Allocated Shares”) during this period.

(2) Release from Restriction on Transfer

The Company will release the restriction on transfer of all of the Allocated Shares (however, in the case where the Company acquires all or part of the Allocated Shares without compensation pursuant to (3) (ii) below, the restriction on transfer will be released at the time when the remaining shares after such acquisition without compensation are acquired) at the time when the restriction on transfer period expires, on the condition that the resignation of the subject Director, etc. is due to a reason that the Company's Board of Directors deems to be justifiable. In the case of resignation due to death, the transfer restriction will be released at the time of resignation due to the death of the Eligible Director.

(3) Acquisition of Allocated Shares without Compensation

- i. The Company shall automatically acquire the Allocated Shares that have not had their transfer restrictions released in accordance with the provisions of (2) above without compensation at the time the transfer restriction period expires.
- ii. In addition, if the person resigns during the period of execution of duties for which the Allocated Shares are intended as compensation, the Company will acquire the Allocated Shares without compensation in proportion to the remaining period of the Allocated Shares. In addition, in the event of misconduct or other cases that fall under certain circumstances stipulated in the Agreements, the Company will acquire all or part of the Allocated Shares without compensation.

(4) Management of Allocated Shares

In order to prevent the transfer, creation of security interests, or other disposition of the Allocated Shares during the restricted transfer period, the Eligible Directors will open a dedicated account with Okasan Securities Co., Ltd. and manage the shares in this account.

(5) Treatment on Reorganization etc.

Notwithstanding the provisions of (1) above, if, during the Restricted Transfer Period, a merger agreement in which the Company becomes the non-surviving company, a share exchange agreement in which the Company becomes a wholly-owned subsidiary, a share transfer plan or other matters concerning organizational restructuring, etc. are approved at a general meeting of the Company's shareholders (however, in cases where approval by a general meeting of the Company's shareholders is not required for such organizational restructuring, etc., by the Company's Board of Directors), the Company may, by resolution of the Company's Board of Directors, the transfer restriction will be released for a number of Allotted Shares that is reasonably determined based on the period from the start date of the transfer restriction period to the effective date of the relevant organizational restructuring, etc., prior to the effective date of the relevant organizational restructuring, etc. In this case, the Company will also automatically acquire without consideration the Allotted Shares for which the transfer restriction has not yet been lifted at the time immediately after the transfer restriction is released.

4. Basis of Calculating Payment Amount and Details

In order to eliminate arbitrariness from the disposal value of the treasury stock disposal to the allottee, the disposal value shall be set at the closing price of ¥675 on the business day immediately prior to the date of the Board of Directors' resolution. We believe that the disposal value for the treasury share disposal is not particularly favorable to the allottee and is reasonable.