SOTETSU ときめきと やすらぎを つなぐ

FASF MEMBERSHIP

June 26, 2026

For Immediate Release

Company name: Sotetsu Holdings, Inc.
Representative: Takamasa Kato,
Representative Director, President
(Securities Code: 9003, TSE Prime Market)
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Notice of Disposal of Treasury Shares as Restricted Stock Compensation

Sotetsu Holdings, Inc. (the "Company") announces that a meeting of the Board of Directors held on June 26, 2026 passed a resolution regarding disposal of the Company's treasury shares for restricted stock compensation (the "Disposal of Treasury Shares"). Details are as follows.

1. Overview of disposal

(1)	Payment date	July 24, 2026
(2)	Type and number of shares to be disposed of	25,105 shares of common stock of the Company
(3)	Disposal value	2,413.5 yen per share
(4)	Total disposal amount	60,590,918 yen
(5)	Allottee	4 Directors of the Company(*) 10,405 shares 13 Executive Officers of the Company and Sotetsu Executive Officers 14,700 shares *Excluding Outside Directors

2. Purpose and reason for disposal

At the 158th Annual General Meeting of Shareholders held on June 26, 2026, the Company received approval for the following for the purpose of giving its Directors (excluding outside directors; hereinafter "Eligible Directors") an incentive to sustainably enhance the Group's corporate value and to further promote the sharing of value with shareholders: (i) to adopt a stock compensation plan (the "Plan") under which the Company will grant restricted stock to the Eligible Directors, (ii) to set the total amount of monetary compensation receivables related to restricted stock to be granted to the Eligible Directors under the Plan to no more than 50 million yen per year, (iii) to set the total number of restricted stock to be allotted to the Eligible Directors to no more than 30,000 shares per fiscal year, and (iv) to set the transfer restriction period for the restricted stock as the period from the grant date of the restricted stock to the date of resignation or retirement from a position predetermined by the Company's Board of Directors.

On June 26, 2026, it was resolved by the Company's Board of Directors and decided by the Company's Chairman and Representative Director to grant monetary compensation receivables totaling 60,590,918 yen as restricted stock compensation for the period from the 158th Annual General Meeting of Shareholders of the Company until the 159th Annual General Meeting of Shareholders of the Company to be held in June 2027 to the planned allottees ("Eligible Allottees"), specifically four Eligible Directors, one Executive Officer and 12 Sotetsu Executive Officers. Each of the Eligible Allottees will be allotted 25,105 shares of the Company's common stock as specific restricted stock by paying in all such monetary compensation receivables by way of in-kind contribution. The amount of monetary compensation receivables for each of the Eligible Allottees is decided taking into consideration various factors including contributions of the Eligible Allottees within the Company. The scale of dilution as a result of the Disposal of Treasury Shares is negligible at 0.03% (rounded off to three decimal places) to the total number of issued shares, which was 98,145,499 shares as of March 31, 2026. Therefore, the Company believes that the scale of dilution is reasonable in light of the purpose of the Plan. This amount of monetary compensation receivables will be provided on the condition that each Eligible Allottee concludes a restricted stock allotment agreement with the Company that contains the following provisions ("Allocation Agreement").

3. Overview of Allocation Agreement

(i) Transfer restriction period

During the period from July 24, 2026 until the day on which the Eligible Allottees resign or retire from any positions as a Director, Executive Officer of the Company, or Sotetsu Executive Officers.

During the restricted period of transfer specified above ("Transfer Restriction Period"), Eligible Allottees who are allotted restricted stock shall not engage in transfer, the establishment of a pledge, the establishment of security by way of assignment, transfer in the form of inter vivos gifts, disposition at will, or any other act of disposition to any third party (the “Transfer Restrictions") with respect to restricted stock allotted to such Eligible Directors (the "Allotted Stock").

(ii) Gratis acquisition of restricted stock

If an Eligible Allottee resigns from any of the positions of Director or Executive Officer of the Company or Sotetsu Executive Officer during the period from the start date of the Transfer Restriction Period to the day before the first Annual General Meeting of Shareholders of the Company to be held after such start date, the Company may automatically acquire the Allotted Stock without compensation at the time of the Eligible Allottee resigns unless such acquisition is denied for reasons that the Board of Directors acknowledges to be justifiable.

In addition, if there is any Allotted Stock whose Transfer Restrictions are not lifted when the Transfer Restriction Period defined in (i) above has expired due to provisions on the lifting of the Transfer Restrictions specified in (iii) below, the Company may automatically acquire such stock without compensation immediately after the Expiration of the Period.

(iii) Lifting of the Transfer Restrictions

If Eligible Allottees continue to hold any positions of Director or Executive Officer of the Company or Sotetsu Executive Officer during the period from the start date of the Transfer Restriction Period until the Company’s first Ordinary General Meeting of Shareholders to be held after such start date, the Company may lift the Transfer Restrictions, the Company may lift the Transfer Restrictions for all of the Allotted Stock held by Eligible Allottees when the Transfer Restriction Period ends on the day when the relevant period expires. However, if an Eligible Allottee resigns from any of the positions of Director or Executive Officer of the Company or Sotetsu Executive Officer during the period from the start date of the Transfer Restriction Period to the day before the first Annual General Meeting of Shareholders of the Company to be held after such start date for any reason that the Company's Board of Directors deems justifiable, the Company may lift, immediately after their resignation, the transfer restrictions on the number of Allotted Stock calculated by dividing the number of months from July 2026 to the month when the Eligible Allottee retires from any of the positions of Director or Executive Officer of the Company or Sotetsu Executive Officer by 12 and multiplying this number by the number of the Allotted Stock owned by the Eligible Allottee at the time of their resignation (with any fraction below one disregarded).

(iv) Provision regarding management of shares
Eligible Allottee shall complete the procedure to open an account at SMBC Nikko Securities Inc. to register or record the Allocated Shares in such manner as designated by the Company, and shall store and maintain the Allocated Shares in such account during a period until the Restriction on Transfer is released.

(v) Handling in the event of organizational restructuring, etc.
If any joint venture agreement where the Company is the absorbed company, a stock exchange agreement where the Company is a wholly owned subsidiary, or agenda items about stock transfer plans or other types of reorganization are approved at the Company's shareholders' meeting (or the Company's Board of Directors meeting if no approval of the reorganization at the shareholders' meeting is required) during the Transfer Restriction Period, the Company may, by resolution of its Board of Directors, lift the restrictions on transfer immediately prior to the business day before the effective date of such reorganization, etc. with regard to the number of Allotted Stock that is calculated by dividing the number of months from July 2026 to the month of such approval by 12 (if the result of the calculation exceeds 1, the result will be deemed to be 1) and then multiplying the result by the number of Allotted Stock held by the Eligible Allottee as of the date of such approval (if the result of this calculation has any fraction less than 1 share, such fraction will be rounded down).
In this case, the Company will automatically acquire all Allocated Stock without consideration on the business day before the effective date of such organization restructure, etc. on which the Transfer Restrictions are still not lifted on the same day pursuant to the aforementioned provision.

4. Calculation basis of payment amounts and relevant details
To exclude any arbitrariness, the disposal price in the Disposal of Treasury Shares shall be 2413.5 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day (June 25, 2026) before the date of resolution in the Board of Directors meeting. This is the market price immediately before the date of resolution in the Board of Directors meeting, which the Company believes is reasonable and is not deemed an advantageous price.