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May 27, 2025

To whom it may concern

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 and President, Chief Executive Officer
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Notice Concerning Disposal of Treasury Shares as Restricted Share-Based Remuneration

Shochiku Co., Ltd. (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors held today, to dispose of treasury shares as restricted share-based remuneration (the "Disposal of Treasury Shares") as described below.

1. Overview of disposal

(1) Due date of payment	June 27, 2025
(2) Class and number of shares for disposal	3,592 common shares of the Company
(3) Disposal price	¥13,430 per share
(4) Total amount of disposal	¥48,240,560
(5) Scheduled allottees	Five Directors (*) 1,952 shares Eight Executive Officers 1,640 shares * Excluding outside Directors

2. Purpose and reason for disposal

At a meeting of the Board of Directors held on April 22, 2022, the Company resolved to introduce a restricted share-based remuneration plan (the "Plan") as a new remuneration plan for the Company's Directors (excluding Outside Directors; the same applies hereinafter), with the aim of providing incentives to continuously enhance the Company's corporate value and further promoting value sharing with shareholders.

In addition, at the 156th Annual General Meeting of Shareholders held on May 24, 2022, the Company received approval for the following: (1) under the Plan, remuneration for the grant of restricted shares shall be provided to Directors, and the restricted period shall be the period from the date of the grant of the shares to the date on which each Director resigns or retire from the position of a Director of the Company or any other position as determined by the Board of Directors of the Company; (2) the grant of restricted shares shall be conducted by the method of issuing or disposing of common shares of the Company in exchange for properties contributed in kind of all of the monetary remuneration claims paid to the Directors; and (3) the total number of common shares of the Company to be issued or disposed of under the Plan shall not exceed 20,000 per year, and the amount thereof shall not exceed ¥200 million per year, separately from the existing monetary remuneration framework.

Furthermore, at a meeting of the Board of Directors held on April 14, 2023, the Company resolved to introduce a restricted share-based remuneration plan similar to the Plan for Executive Officers of the Company, with the aim of providing incentives to continuously enhance the Company's corporate value and further promoting value sharing with shareholders.

The Company has resolved, at the meeting of the Board of Directors held today, to dispose of 3,592 common shares of the Company to five Directors and eight Executive Officer (collectively the "Eligible Persons") by paying them monetary remuneration claims totaling ¥48,240,560 in consideration of the purpose of the Plan, the scope of responsibilities of each Eligible Person, and various other circumstances, and having them use the monetary remuneration claims as properties contributed in kind.

< Overview of Restricted Share Allotment Agreement >

In connection with the Disposal of Treasury Shares, the Company and each Eligible Person will individually enter into a restricted share allotment agreement (the "Allotment Agreement"), the overview of which is described below.

(1) Transfer restriction period

The Eligible Person shall not transfer, create a security interest in or otherwise dispose of the common shares of the Company allotted pursuant to the Allotment Agreement (the "Allotted Shares") between June 27, 2025 (the due date of payment) and the date on which the Eligible Person resigns from the position of Director or Executive Officer of the Company.

(2) Conditions for cancellation of transfer restriction

The transfer restriction shall be cancelled for all the Allocated Shares on the condition that the Eligible Person has continuously held the position of Director or Executive Officer of the Company during the period from the date of the Annual General Meeting of Shareholders of the Company immediately before the due date of payment to the date of the Annual General Meeting of Shareholders of the Company that is held in the following year (the "Service Provision Period"). However, if the Eligible Person resigns from the position of Director or Executive Officer of the Company during the Service Provision Period due to death or any other reason that the Board of Directors of the Company deems justifiable, the transfer restriction shall be cancelled on the day following the date of the resignation for a certain number of or all of the Allotted Shares, where the certain number is obtained by multiplying the number of Allotted Shares by a number calculated by dividing the number of months from the month following the month including the beginning date of the Service Provision Period to the month including the date of the resignation (or 1 if the result of the division exceeds 1) by 12 (if the number obtained by the multiplication includes a fraction less than one, the obtained number is rounded down to the nearest whole number).

(3) Acquisition by the Company without consideration

At the expiration of the transfer restriction period, the Company shall, as a matter of course, acquire without consideration the Allotted Shares for which the transfer restriction has not been cancelled.

(4) Management of shares

During the transfer restriction period, the Allotted Shares shall be managed in accounts dedicated for restricted shares that the Eligible Persons have opened at Daiwa Securities Co., Ltd. so that they may not transfer, create a security interest in or otherwise dispose of the Allotted Shares during the transfer restriction period.

(5) Treatment in the event of organizational restructuring, etc.

If, during the transfer restriction period, a matter relating to organizational restructuring, etc., such as a merger agreement under which the Company is a disappearing company or a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, has been approved at a general meeting of shareholders of the Company (a meeting of the Board of Directors of the Company in a case where the organizational restructuring, etc. does not require approval at a general meeting of shareholders of the Company), the transfer restriction shall be cancelled, immediately before the business day immediately preceding the effective date of the organizational restructuring, etc., for a certain number of or all of the Allotted Shares subject to a resolution of the Board of Directors of the Company, where the certain number is obtained by multiplying the number of Allotted Shares by a number calculated by dividing the number of months from the month following the month including the beginning date of the Service Provision Period to the month including the date of the organizational restructuring, etc. (or 1 if the result of the division exceeds 1) by 12 (if the number obtained by the multiplication includes a fraction less than one, the obtained number is rounded down to the nearest whole number).

3. Basis of calculation and specific details of the amount to be paid in

The Disposal of Treasury Shares will be conducted with monetary remuneration claims, provided to the scheduled allottees under the Plan, used as properties contributed; and the amount to be paid in for the disposal will be ¥13,430, the closing price of the Company's common share on the Tokyo Stock Exchange on May 26, 2025 (the business day immediately preceding the date of the resolution by the Board of Directors), in order to ensure a value without arbitrariness. This is the market share price immediately before the date of the resolution of the Board of Directors, and, as there is no particular situation indicating that the most recent share price cannot be relied upon, the price appropriately reflects the Company's corporate value and is reasonable. The Company therefore considers that this is not a particularly favorable price to the Eligible Persons.