



May 12, 2025

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Notice Concerning Disposal of Treasury Stock as Restricted Stock Incentive
for the Employees' Shareholders Association

Senshu Ikeda Holdings, Inc. ("the Company") hereby announces that it has resolved, at a meeting of the Board of Directors held today (May 12, 2025), to dispose of treasury stock (hereinafter referred to as the "Disposal") as restricted stock, with The Senshu Ikeda Bank Employees' Shareholders Association (hereinafter referred to as the "Association") as the intended allottee, based on the Restricted Stock Incentive Plan for the Employees' Shareholders Association (hereinafter referred to as the "Plan"). The details of which are described below.

1. Overview of the disposal

(1) Disposal date	October 31, 2025
(2) Class and number of shares to be disposed of	Common stock of the Company: 159,768 shares (Note 1)
(3) Disposal price	470 yen per share (Note 2)
(4) Total value of disposal	75,090,960 yen (This is the estimated amount as of the date of this release. The final amount shall be obtained by multiplying the disposal price in (3) above by the number of shares to be disposed of in (2) above.)
(5) Disposal method (Intended allottee)	By way of a third-party allotment, subject to the subscription by the Association, the number of shares to be allotted to the Association will be determined by the Association within the scope of the number of shares to be disposed of described in (2) above (the number of shares so allotted will be the number of shares to be disposed of). (The Senshu Ikeda Bank Employees' Shareholders Association: 159,768 shares) No partial subscription for the number of shares to be granted shall be accepted from any Eligible Employee (as defined below).
(6) Other information	With respect to the Disposal, the Company has filed a securities registration statement in accordance with the Financial Instruments and Exchange Act.

(Note 1) As for the number of shares to be disposed of and total disposal value, with respect to the maximum number of employees of the Company's subsidiaries who are eligible for the Plan, which is all 3,804 employees, these figures shall be determined by dividing the maximum of 20,000 yen per person by 470 yen, the closing price for common stock of the Company on the Tokyo Stock Exchange Prime Market on the trading day immediately preceding the resolution of the Board of Directors pertaining to this Disposal (May 9, 2025) to obtain the number of shares granted per person (with fractional shares truncated), which is then provisionally

multiplied by the aforementioned 3,804 employees to obtain the expected number of shares to be disposed of. The actual figures for each of these shall be finalized based on the number of employees of the Company's subsidiaries who consent to the Plan (hereinafter referred to as "Eligible Employees") (maximum 3,804 employees) after the promotion to join the Association for non-members and confirmation of consent for the Plan by Association members have been completed, and based on the number of shares granted per Eligible Employee. The actual number of shares to be disposed of shall be determined based on the higher of the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on the trading day immediately preceding the Board of Directors' resolution regarding the disposal of shares (May 9, 2025) or the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on the trading day (May 16, 2025) immediately preceding the transaction date (May 19, 2025; hereinafter referred to as the "Conditions Determination Date"). The higher amount shall be applied to the above calculation formula to determine the number of shares to be disposed of (if no closing price is available on the relevant date, the closing price on the preceding business day shall be used). Specifically, as described in (5) above, the number of shares to be subscribed to as determined by the Association will become the number of shares to be disposed of, and the amount obtained by multiplying that number by the disposal price per share will become the total disposal value. The Company's subsidiaries will provide each Eligible Employee with a uniform monetary claim (the number of shares granted per employee multiplied by the disposal price), and the Company, through the Association, will uniformly allocate to each Eligible Employee the number of shares granted per employee determined in the above manner.

(Note 2) The estimated amount is based on the disposal price calculated based on the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on May 9, 2025. In light of the Company's announcement today (May 12, 2025) in the Notice Concerning Determination of Matters Related to Acquisition of Own Shares, and in order to factor in the impact of such announcement on the Company's stock price and to consider the interests of existing shareholders, on the Conditions Determination Date, the Company will determine the disposal price of the restricted shares to be the higher of (i) 470 yen, the closing price of the common stock of the Company on the Tokyo Stock Exchange Prime Market on May 9, 2025, or (ii) the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on the trading day immediately preceding the Condition Determination Date.

2. Purpose and reason for disposal

The Company has resolved, at a meeting of the Board of Directors held today (May 12, 2025) that, as a measure to enhance the benefits for Eligible Employees of the Company's subsidiaries who are members of the Association, the Company will introduce the Plan for the purpose of creating an opportunity for the Eligible Employees to acquire, through the Association, the Company's common stock disposed of by the Company as restricted stock, thereby helping them build wealth and providing an incentive toward sustainable improvement of the Company's corporate value, and for the Eligible Employees to further share value with the shareholders of the Company.

An overview of the Plan is as follows.

[Overview of the Plan, etc.]

Under the Plan, the Company's subsidiaries will provide each Eligible Employee with a monetary claim (hereinafter referred to as the "Special Incentive Payment") as a special incentive payment to grant the Eligible Employees 42 shares per employee as restricted stock. Eligible Employees shall then contribute their Special Incentive Payment to the Association. The Association will then issue or dispose of the Company's common stock as restricted stock by making an in-kind contribution to the Company of the Special Incentive Payment contributed by the Eligible Employees.

In issuing or disposing of shares of common stock of the Company under the Plan, the Company and the Association will enter into a restricted stock allotment agreement that includes: (i) a prohibition on the transfer, creation of security interest or other disposal of the allotted shares to a third party for a certain period (hereinafter referred to as the "Transfer Restrictions"); and (ii) the Company's gratis acquisition of the allotted shares if certain events occur. The payment of the Special Incentive Payment to the Eligible Employees will be subject to the execution of a restricted stock allotment agreement between the Company and the Association.

Until the Transfer Restrictions are lifted, the Eligible Employees shall continue to hold the membership interests (hereinafter referred to as the "Restricted Stock Interests" or "RS Interests") in the Association in accordance with the Association's shareholding rules and association operational bylaws, and any other pertinent regulations

(hereinafter referred to as the “Association Rules and Regulations”) (Note). RS Interests shall be held in proportion to the monetary claims contributed to the Association and shall be restricted from being withdrawn.

(Note) The Board of Directors of the Association, at a meeting to be held promptly after the resolution of the Company’s Board of Directors on the Disposal, plans to pass a resolution to amend the Association Rules and Regulations to accommodate the Plan prior to time of the Disposal. Such amendment is scheduled to take effect two weeks after the issuance of the notice to the members of the Association, etc. based on the Association Rules and Regulations after said Board of Directors’ resolution, and if objections from the members of the Association are less than one third of the number of members of the Association.

With respect to the Disposal, the Company’s common stock (hereinafter referred to as the “Allotted Shares”) will be disposed of to the Association, which is the intended allottee, as a result of paying in all of the Special Incentive Payments contributed by the Eligible Employees as assets contributed in-kind under the Plan. The overview of the restricted stock allotment agreement (hereinafter referred to as the “Allotment Agreement”) to be entered into between the Company and the Association in connection with the Disposal is as described in “3. Overview of the Allotment Agreement,” below. The number of shares to be disposed of under the Disposal will be determined at a later date as described in Note 1 in 1. above, but is expected to be 42 shares in the event that all 3,804 employees of the Company’s subsidiaries, the maximum number to which the Plan may apply, join the Association and consent to the Plan. Assuming such number of shares to be disposed of, the dilutive effect of the Disposal is expected to be 0.06% (rounded to two decimal places; the same rounding shall apply to all calculations hereafter) of the total number of shares outstanding as of March 31, 2025, which is 281,008,632 shares. This amount corresponds to 0.06% of the 2,777,059 voting rights as of March 31, 2025.

The introduction of the Plan is intended to create an opportunity for employees to acquire shares of the Company’s common stock issued or disposed of by the Company as restricted stock through the Association as a measure to help Eligible Employees to build wealth, furthermore providing them with an incentive to continuously improve the corporate value of the Company and to further share value with the shareholders of the Company. The Company’s position is that it will contribute to the increase in the corporate value of the Company group and the number of shares to be disposed of and the scale of share dilution with respect to the Disposal are reasonable, and, based on the scale of dilution, the Company has determined that the impact on the market will be negligible.

The Disposal will be implemented on the conditions that the revised Association Rules and Regulations, as amended by the day prior to the date the Disposal takes effect and remains in effect thereafter, and that the Allotment Agreement is executed between the Company and the Association within the prescribed period.

3. Overview of the Allotment Agreement

(1) Transfer restriction period

From October 31, 2025 to October 30, 2028

(2) Conditions for lifting the Transfer Restrictions

Subject to the condition that a given Eligible Employee has been a member of the Association continuously during the transfer restriction period, the Transfer Restrictions shall be lifted upon expiration of the transfer restriction period with respect to all of the Allotted Shares in the number corresponding to the Restricted Stock Interests held by the Eligible Employee who has fulfilled such condition.

(3) Treatment of withdrawal from the Association

In the event that an Eligible Employee withdraws from the Association for a reasonable attributable to the employee’s company (referring to the cases where the Eligible Employee loses their membership or applies for withdrawal from the Association, including withdrawal due to death) during the transfer restriction period, the Company shall lift the Transfer Restrictions on all of the Allotted Shares in the number corresponding to the Restricted Stock Interests held by the Eligible Employee on the date on which the Association receives the withdrawal application for the Eligible Employee (hereinafter referred to as the “Withdrawal Application Receipt Date”), which shall be the date on which the Eligible Employee loses their membership status (or, in the case of withdrawal due to death, the date of death).

(4) Treatment of non-residency

If, during the transfer restriction period, the Company or its subsidiary determines that an Eligible Employee shall become a non-resident (of Japan) due to an overseas transfer or other reason, the Company or its subsidiary shall lift the Transfer Restrictions for all of the Allotted Shares in the number corresponding to the Restricted Stock Interests held by the Employee as of the date of such determination (hereinafter referred to as the “Date of Determination on Overseas Transfer”).

(5) Gratis acquisition by the Company

In the event that an Eligible Employee commits an act in violation of laws and regulations during the transfer restriction period, or in the event that certain other events specified in the Allotment Agreement occur, the Company shall naturally acquire all of the Allotted Shares gratis in the number corresponding to the Restricted Stock Interests held by the Eligible Employee as of the relevant time. In addition, the Company shall naturally acquire any of the Allotted Shares gratis whose Transfer Restrictions are not lifted at the time of expiration of the transfer restriction period or at the time of lifting of Transfer Restrictions as provided in (3) or (4) above.

(6) Stock management

The Allotted Shares shall be managed in an exclusive account opened by the Association with Nomura Securities Co., Ltd. during the transfer restriction period so that the Allotted Shares may not be transferred, pledged as collateral, or otherwise disposed of during said period. In addition, the Association shall, in accordance with the provisions of the Association Rules and Regulations, register and manage the Restricted Stock Interests separately from other member interests held by the Eligible Employees (hereinafter referred to as the “Ordinary Interests”).

(7) Treatment of organizational restructuring, etc.

If, during the transfer restriction period, a merger agreement under which the Company shall become the dissolved company, a share exchange agreement or share transfer plan under which the Company shall become a wholly owned subsidiary, or any other matters relating to organizational restructuring, etc. are approved at a general meeting of shareholders of the Company (however, if approval by a general meeting of shareholders of the Company is not required with respect to such organizational restructuring, etc., the Board of Directors of the Company), the Company shall, by a resolution of its Board of Directors, lift the Transfer Restrictions for all of the Allotted Shares held by the Association on the date of such approval, as of the business day immediately preceding the effective date of the organizational restructuring, etc., in the number corresponding to the Restricted Stock Interests held by the Eligible Employees.

4. Basis and specifics of the calculation of disposal price

With respect to the disposal price of the Disposal, the Company has incorporated the impact on the Company’s stock price and the benefit to existing stakeholders given the announcement of its resolution on matters concerning a share repurchase in a meeting of the Board of Directors held on the day of this release. With this in mind, the Company has decided to set a disposal price at the higher of (i) 470 yen as the closing price of the Company’s common stock on the Tokyo Stock Exchange Prime Market on May 9, 2025 (the business day immediately preceding the date of the Board of Directors’ resolution) and (ii) the closing price of the Company’s common stock on the Tokyo Stock Exchange Prime Market on the trading day immediately preceding the Condition Determination Date (if no closing price is quoted, the closing price on the immediately preceding respective business day will be used). The Company’s position is that this is a reasonable method for determining an amount that appropriately reflects the Company’s corporate value and does not constitute any particular favorability bias.

The deviation rate of this disposal price from the average closing price of the Company’s common stock on the Tokyo Stock Exchange Prime Market (rounded to two decimal places) is as follows.

Period	Average closing price (rounded down to the nearest yen)	Deviation rate
1 month (April 10, 2025 to May 9, 2025)	439 yen	7.06%
3 months (February 10, 2025 to May 9, 2025)	424 yen	10.85%
6 months (November 11, 2024 to May 9, 2025)	409 yen	14.91%

All four company auditors (including two outside company auditors) present at the Board of Directors’ meeting held on the date of this release expressed the opinion that the above disposal price is not particularly favorable to the Association and that it has been appropriately determined. This opinion is based on the considerations that the purpose of the Disposal is to introduce the Plan, and that the disposal price is the higher of (i) the closing price of the

Company's common stock on the Tokyo Stock Exchange Prime Market on the business day immediately preceding the date of the Board of Directors' resolution and (ii) the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on the trading day immediately preceding the Condition Determination Date.

5. Matters related to procedures under the Code of Corporate Conduct

Because (1) the dilution ratio is less than 25% and (2) the Disposal does not involve a change in the controlling shareholders, it is not necessary to obtain an opinion from an independent third party or to confirm the intent of shareholders as required by Rule 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange.

(Reference)

[Structure of the Plan]

- (i) The Company's subsidiaries shall pay monetary claims to Eligible Employees as Special Incentive Payments for the grant of restricted stock.
- (ii) The Eligible Employees shall contribute the monetary claims described in (i) above to the Association.
- (iii) The Association shall consolidate the monetary claims contributed in (ii) above and pay them to the Company.
- (iv) The Company shall allot the Allotted Shares to the Association as restricted stock ("RS" in the chart below).
- (v) The Allotted Shares shall be deposited into a special account opened by the Association with Nomura Securities Co., Ltd., and the withdrawal of said shares shall be restricted during the transfer restriction period.
- (vi) The Allotted Shares shall be transferred to the Ordinary Interests or securities account in the name of the Eligible Employees after the lifting of the respective Transfer Restrictions.

