



May 14, 2026

To Whom It May Concern:

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### **Notice Concerning the Disposal of Treasury Stock by Stock Allotment through the Employee Shareholding Association**

Japan Securities Finance Co., Ltd. (JSF) hereby announces that, at a meeting of the Board of Directors held on May 14, 2026, it resolved to introduce a special incentive scheme (the “Scheme”) for the allotment of shares through the Japan Securities Finance Employee Shareholding Association (the “Shareholding Association”), and to dispose of treasury stock as described below (the “Disposal of Treasury Stock” or the “Disposal”) to the Shareholding Association as the planned allottee.

#### 1. Overview of the Disposal

( 1 ) Disposal date	June 12, 2026
( 2 ) Class and number of shares to be disposed of	57,800 shares of JSF’s common stock (Note)
( 3 ) Disposal price	2,240 yen per share
( 4 ) Total disposal value	129,472,000 yen (Note)
( 5 ) Method of disposal (Planned allottee)	By way of third-party allotment (Japan Securities Finance Employee Shareholding Association)
( 6 ) Other	The Disposal of Treasury Stock is subject to the effectiveness of a securities registration statement under the Financial Instruments and Exchange Act.

(Note) The “number of shares to be disposed of” and the “total disposal value” have been calculated on the assumption that 200 shares of JSF’s common stock will be allotted to each of up to 289 employees of JSF who are potentially eligible for the Scheme (the “Eligible Employees”). The actual number of shares to be disposed of and the total disposal value will be determined based on the number of members of the Shareholding Association who are Eligible Employees (the “Eligible Members”) after the completion of the enrollment promotion for Eligible Employees who are not yet members of the Shareholding Association. Specifically, the number of shares applied for by the Shareholding Association will constitute the “number of shares to be disposed of,” and the amount obtained by multiplying such number by the disposal price per share will constitute the “total disposal value.” In addition, JSF will provide a uniform amount

of 448,000 yen to each Eligible Member, and will allot a uniform 200 shares to each Eligible Member through the Shareholding Association.

## 2. Purpose of and Reasons for the Disposal

As stated in the press release “Notice Regarding the Employee Stock Incentive Plan” announced on November 13 2025, JSF has decided to grant shares of the common stock issued by JSF (the “JSF Shares”) to its employees based on its performance for fiscal 2025 (the “Employee Share Incentive Program”), with the aim of enhancing employee motivation and job satisfaction and providing incentives to enhance corporate value over the medium to long term.

Since JSF’s performance for fiscal 2025 exceeded the management goals set forth in the 7th Medium-Term Management Plan (maintaining a stable consolidated ordinary profit of over 10 billion yen and an ROE above 5%, while striving for further improvements in both), the Board of Directors resolved at today’s meeting to adopt the Scheme.

Under the Scheme, JSF will provide each Eligible Member with a special incentive in an amount necessary for the allotment of the JSF’s common stock, and will dispose of treasury stock to the Shareholding Association by way of a third-party allotment funded by the contribution of such special incentive. As stated in the Note to “1. Overview of the Disposal,” the number of shares to be disposed of will be determined at a later date; however, JSF currently plans to dispose of up to 57,800 shares to the Shareholding Association. The provision of the special incentive to Eligible Members constitutes a cash payment and does not constitute the grant of a monetary claim. Further, Eligible Members will not be required to make any monetary contribution other than the contribution of the special incentive so provided.

If all 289 Eligible Employees under the Scheme join the Shareholding Association, the number of shares to be disposed of is expected to be 57,800 shares. Assuming such number of shares to be disposed of, the dilution ratio resulting from the Disposal of Treasury Stock will be 0.07% of the total number of issued shares of 83,000,000 as of March 31, 2026, and 0.07% of the total number of voting rights of 813,147 (in each case, rounded to the third decimal place).

JSF believes that the introduction of the Scheme will contribute to enhancing its Group’s corporate value. Accordingly, JSF considers the number of shares to be disposed of and the scale of dilution resulting from the Disposal of Treasury Stock to be reasonable, and has determined that the impact on the market will be minor even when taking such dilution into account.

## 3. Basis for Calculation of the Disposal Price and Specific Details Thereof

The Disposal of Treasury Stock to the Shareholding Association, the planned allottee, will be carried out by means of contributions by Eligible Members to the Shareholding Association, using as the payment source the special incentives paid to such Eligible Members for the purpose of stock allotment through the Shareholding Association. In order to eliminate arbitrariness, the disposal price has been set at 2,240 yen, which is the closing price of the JSF’s common stock on the Prime Market of the Tokyo Stock Exchange on May 13, 2026 (the business day immediately preceding the date of the Board of Directors resolution). JSF believes that this price, being the market price immediately prior to the date of the Board of Directors resolution, is reasonable and does not constitute a particularly advantageous price.

The deviation rate of the disposal price from the average closing price of the JSF's common stock on the Prime Market of the Tokyo Stock Exchange (rounded to the third decimal place) is as follows:

Period	Average closing price (rounded down to the nearest yen)	Deviation rate
1 month (April 14, 2026 to May 13, 2026)	2,209 yen	1.40%
3 months (February 13, 2026 to May 13, 2026)	2,215 yen	1.13%
6 months (November 14, 2025 to May 13, 2026)	2,125 yen	5.41%

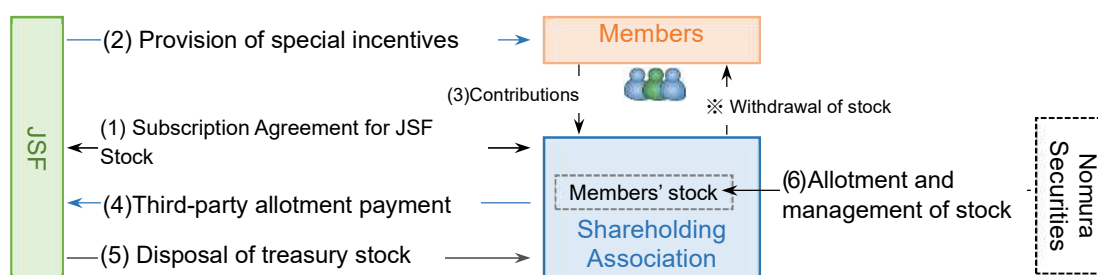
JSF's Audit Committee has expressed the opinion that the process by which JSF determined the above disposition price is reasonable and lawful in that it took into consideration the closing price on the business day preceding the date on which the Board of Directors passed the resolution and does not present a disposition price that is particularly favorable to the allottees.

#### 4. Matters Concerning Procedures under the Corporate Code of Conduct

This Disposal of Treasury Stock does not require procedures for obtaining an independent, unbiased third-party opinion or for confirming shareholder intent as set forth in Article 432 of the Tokyo Stock Exchange Securities Listing Regulations because: (i) it will result in a dilution rate of less than 25%, and (ii) there will be no changes to controlling shareholders.

(Reference)

Framework of the Scheme (Group companies are omitted from the chart)



(1) JSF and the Shareholding Association enter into a share underwriting agreement concerning the disposal of treasury stock and subscription therefor.

(2) JSF grants special incentives to Eligible Members for the allotment of JSF Shares.

(3) Eligible Members contribute the special incentives granted to them to the Shareholding Association.

(4) The Shareholding Association aggregates the special incentives contributed by Eligible Members and makes the payment for the third-party allotment.

(5) JSF disposes of treasury stock to the Shareholding Association.

(6) The allotted JSF Shares are allocated and managed in proportion to the interests of the Eligible Members in the Shareholding Association through Nomura Securities Co., Ltd., which will be entrusted with the administration of shareholding affairs by Shareholding Association.

- ※ Eligible Members may, at their discretion, withdraw the allotted JSF Shares to securities accounts in their own names.

End of Document

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