

August 8, 2025

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Notice Concerning Disposal of Treasury Shares by Third-Party Allotment in Conjunction with Capital and Business Alliance

Premium Group Co., Ltd. (hereinafter “the Group”) hereby announces that at a meeting of its Board of Directors held on August 8, 2025, it resolved to enter into a capital and business alliance agreement (hereinafter “the Capital and Business Alliance”) with ITOCHU Corporation (hereinafter “ITOCHU”) and to carry out a disposal of treasury shares by third-party allotment (hereinafter “the Disposal of Treasury Shares”) to ITOCHU, as follows.

I. Overview of the Capital and Business Alliance

1. Purpose and reasons for the Capital and Business Alliance

Under its mission to “Contribute to the construction of a prosperous society by providing top-level financing and services to the world,” the Group has been developing a comprehensive range of services related to automobiles. Currently, the Group is working to establish the Car Premium business model to become “the ONE & ONLY auto mobility company,” a long-term vision set forth in the medium-term management plan (from the fiscal year ended March 31, 2024, to the fiscal year ending March 31, 2026) announced in May 2023.

In promoting our further growth strategy, the Group has determined that a capital and business alliance with a major general trading company is the optimal means of maintaining its strength as an independent company while continuing to grow, by supplementing the improvement of our creditworthiness and name recognition, and strengthening our global expansion capabilities which have been important factors.

Among them, the Group determined that ITOCHU, which possesses high name recognition, a market-in approach rooted in the challenges of the market and customers, and an extensive track record in the mobility domain both in Japan and overseas, is a partner with a high affinity for the Group’s strategies, and has proceeded with considerations for further collaboration.

ITOCHU has set “Sampo-yoshi (Good for the seller, Good for the buyer, and Good for society)” as its corporate philosophy and is one of the leading general trading companies. The company is engaging in domestic trading, import/export, and overseas trading of various products such as textiles, machinery, metals, energy, chemicals, food, living and lifestyle, information and communications technology, and finance, as well as business investment in Japan and overseas.

To date, the Group and the ITOCHU Group have collaborated by leveraging their mutual strengths, including initiatives such as strengthening the management of Eastern Commercial Leasing p.l.c. (hereinafter “EAST”), which operates an auto finance business in the Kingdom of Thailand, through the simultaneous acquisition of its third-party allotment.

Both companies mutually agreed to aim for the realization of an increase in their medium- to long-term corporate value by strongly linking the Group’s service capabilities in the auto mobility field with ITOCHU’s sales and business development capabilities both in Japan and overseas through the strengthening and expansion of existing businesses and the creation of new businesses, and have thereby reached the conclusion of the Capital and Business Alliance.

Both companies will proactively prioritize the evaluation and advancement of initiatives in the auto finance sector, both within Thailand and across domestic and international markets.

Through the Capital and Business Alliance, the Group will realize an expansion of customer touchpoints and services in the used car domain ecosystem centered on the Car Premium Club, which will lead to the further acceleration and strengthening of the Group’s growth strategies.

2. Details of the Capital and Business Alliance

(a) Details of the Capital Alliance

The Group entered into the capital and business alliance agreement with ITOCHU on August 8, 2025, and in conjunction with this, the Group plans to allot 800,000 shares of its treasury shares to ITOCHU, and ITOCHU’s shareholding ratio to the Group’s total number of issued shares is expected to be 1.97%. Furthermore, ITOCHU plans to acquire all shares to be issued through this disposal of treasury shares.

(Details of the acquisition by ITOCHU)

Class and number of shares to be acquired: 800,000 shares of common stock (1.97% of the Group’s total number of issued shares)

Acquisition price: Total of JPY 1,764,000,000 (JPY 2,205 per share)

Payment due date (scheduled): August 25, 2025

Allotment method: By disposal of treasury shares

(b) Details of the Business Alliance

The Group and ITOCHU have agreed to mutually cooperate on the following items to improve the business performance and corporate value of both companies:

- Introduction and sale of the Group’s products and services to the ITOCHU Group
- Introduction and sale of the ITOCHU Group’s finance, insurance, IT ,and other services to the Group or the Group’s customers or business partners
- Joint business development, creation of new businesses, and acquisitions in the auto finance, automobile warranty and auto mobility domains both in Japan and overseas
- Implementation of personnel exchanges necessary for the smooth progress of the Business Alliance

3. Overview of the other party to the Capital and Business Alliance

For an overview of the scheduled allottee, which is the other party to the Capital and Business Alliance, please refer to “II. Disposal of Treasury Shares by Third-Party Allotment 6. Reasons for selecting the scheduled allottee, etc. (1) Overview of the scheduled allottee.”

4. Schedule

(1) Date of the Board of Directors’ resolution	August 8, 2025
(2) Date of conclusion of the Capital and Business Alliance agreement	August 8, 2025
(3) Payment period for the Disposal of Treasury Shares	From August 24, 2025, to August 25, 2025

5. Future outlook

Regarding the future outlook, please refer to “II. Disposal of Treasury Shares by Third-Party Allotment 8. Future outlook.”

II. Disposal of Treasury Shares by Third-Party Allotment

1. Overview of disposition

(1) Disposition date	August 25, 2025 (scheduled)
(2) Total number of shares to be disposed	800,000 shares
(3) Disposition price	JPY 2,205
(4) Amount of funds to be raised	JPY 1,764,000,000
(5) Method of offering or disposition (scheduled allottee)	Third-party allotment to ITOCHU
(6) Other	Each of the items above is conditional upon the entry into force of a Registration Statement in accordance with the Financial Instruments and Exchange Act.

2. Purpose and reasons for the disposition

Please refer to “I. Overview of the Capital and Business Alliance 1. Purpose and reasons for the Capital and Business Alliance” above.

3. Amount, use, and scheduled timing of expenditure of funds to be raised

(1) Amount of funds to be raised

(i) Total paid-in amount	JPY 1,764,000,000
(ii) Estimated amount of issuance expenses	JPY 500,000
(iii) Estimated net proceeds	JPY 1,763,500,000

(Note) 1. The estimated amount of issuance expenses does not include consumption tax, etc.

2. The estimated amount of issuance expenses consists of document preparation fees for the securities registration statement, etc., and legal fees, etc.

(2) Specific use of funds to be raised

Specific use of proceeds	Amount (JPY million)	Scheduled timing of expenditure
Business development investment in the auto mobility domain	JPY 1,763 million	From the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2029

(Note) 1. The Group's policy is to appropriately manage the funds raised, with full consideration for the interests of existing shareholders, in accordance with the future business environment and strategic decisions. The net proceeds from the Disposal of Treasury Shares will be used to aim for the establishment of the Car Premium business model in order to realize the long-term vision of becoming "the ONE & ONLY auto mobility company" as stated in the medium-term management plan(from the fiscal year ended March 31, 2024, to the fiscal year ending March 31, 2026). In line with the purpose of the Capital and Business Alliance, the Group and ITOCHU will combine their resources and know-how to promote business development in the auto mobility domain that responds to the market and its needs. The Group believes that it will realize an increase in shareholder value by contributing to the creation of a prosperous society for people around the world through these initiatives. Furthermore, regarding the business development investment, which is the use of the net proceeds from the Disposal of Treasury Shares, the amount and details may fluctuate depending on the actual progress of business development and trends in business performance. Therefore, as of the filing date of this Securities Registration Statement, it is not possible to specify the detailed timing of expenditure, and we have stated that the funds will be allocated sequentially within the range of the scheduled timing of expenditure.

2. The funds raised will be managed by the Group in its bank accounts until the actual expenditure occurs.

4. Stance on the reasonableness of the use of proceeds

The Group believes that allocating the funds for the use as described in "3. Amount, use, and scheduled timing of expenditure of funds to be raised (2) Specific use of funds to be raised" above will contribute to the medium- to long-term increase of the Group's corporate value and the improvement of the interests of its existing shareholders from the perspective of maintaining the Group's financial soundness, and has determined that the use of proceeds from the funds to be raised by the Third-Party Allotment is reasonable.

5. Reasonableness of the terms and conditions of the disposition, etc.

(1) Basis for calculating the paid-in amount and its specific details

The disposition price has been set at JPY 2,205, which is the amount equivalent to the simple average of the closing prices of the Group's common stock on the Tokyo Stock Exchange for the recent one-month period up to August 7, 2025 (from July 8, 2025, to August 7, 2025), the business day immediately preceding the date of the Board of Directors' resolution regarding the Third-Party Allotment associated with the Disposal of Treasury Shares. The reason for adopting the simple average of the closing prices for the one-month period up to the business day immediately preceding the date of the Board of Directors' resolution regarding the Disposal of Treasury Shares is that the Group determined that using a leveled value such as an average stock price over a certain period is more objective and reasonable as a basis for calculation, as it can eliminate special factors such as the effects of temporary stock price fluctuations, rather than using only the stock price on a specific day such as the immediately preceding business day. In addition, the reason for setting the calculation period as the most recent one month is that the Group determined that using a more recent fixed period is more reasonable for reflecting the current value of the Group's shares compared to the most recent three or six months, and this was decided upon consultation with the scheduled allottee.

Based on this judgment, the Group's Board of Directors fully discussed and considered the terms of the Third-Party Allotment, and resolved the Third-Party Allotment with the unanimous approval of all directors.

The said disposition price, under the "Guidelines Concerning the Handling of Capital Increases by Third-Party Allotment" established by the Japan Securities Dealers Association, is required, in principle, to be at a price of at least 0.9 times the stock price on the business day immediately preceding the date of the Board of Directors' resolution. In light of this standard, the Group recognizes that the said disposition price is at a reasonable level. In addition, the Group has determined that the said disposition price is a market price, is reasonable and appropriately reflects the Group's corporate value in the absence of any special business circumstances indicating that the recent stock price cannot be relied upon, and does not fall under an amount that is particularly favorable to the scheduled allottee.

Furthermore, this represents a 4.96% discount to the closing price (JPY 2,320) on the business day preceding the date of this Board of Directors' resolution (rounded to the third decimal place; hereinafter, the calculation of figures for discount or premium rates against the stock price is calculated in the same manner), a 4.90% premium to the average closing price for the three-month period up to the business day immediately preceding the date of this Board of Directors' resolution (from May 8, 2025, to August 7, 2025) (JPY 2,102), and a 4.70% premium to the average closing price for the six-month period (from February 8, 2025, to August 7, 2025) (JPY 2,106).

Regarding the disposition price above, an opinion has been obtained from all three auditors (of whom two are outside auditors) stating that the determination of the disposition price based on the above calculation basis is proper and appropriate, is in compliance with the "Guidelines Concerning the Handling of Capital Increases by Third-Party Allotment" of the Japan Securities Dealers Association, does not fall under a particularly favorable disposition price, and is legal.

(2) Basis for determining that the disposition quantity and the scale of share dilution are reasonable

Through the disposal of treasury shares by the Third-Party Allotment, the number of shares to be allotted to the allottee is 800,000 shares (8,000 voting rights), and this is equivalent to 1.97% of the Group's total number of issued shares of 40,540,170 as of March 31, 2025 (2.10% of the total number of voting rights of 380,135), which will result in a certain degree of dilution.

However, as the Third-Party Allotment will be implemented as a part of the Capital and Business Alliance, and since strengthening the alliance relationship with the allottee through this will contribute to the medium- to long-term increase of the Group's corporate value and the improvement of the interests of its existing shareholders, the Group has determined that the disposition quantity and the scale of share dilution are at a reasonable level.

6. Reasons for selecting the scheduled allottee, etc.

(1) Overview of the scheduled allottee

(1) Name	ITOCHU Corporation	
(2) Location	1-3, Umeda 3-chome, Kita-ku, Osaka-shi, Osaka	
(3) Title and name of representative	Keita Ishii, President & Chief Operating Officer	
(4) Description of business	General trading company	
(5) Capital	JPY 253,448 million (as of March 31, 2025)	
(6) Date of establishment	December 1, 1949	
(7) Number of issued shares	1,584,889,504 shares (as of March 31, 2025)	
(8) Fiscal year-end	March	
(9) Number of employees	(Consolidated) 115,089 (as of March 31, 2025)	
(10) Major correspondent banks	Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited	
(11) Major shareholders and shareholding ratios	The Master Trust Bank of Japan, Ltd. (trust account)	16.36%
	BNYM AS AGT / CLTS 10 PERCENT (Standing proxy: MUFG Bank, Ltd.)	10.29%
	Custody Bank of Japan, Ltd. (trust account)	5.14%
	JPMorgan Securities Japan Co., Ltd.	2.58%
	Nippon Life Insurance Company	2.40%
	Mizuho Bank, Ltd.	2.20%
	STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	2.19%
	STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing proxy: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	1.72%

	JP MORGAN CHASE BANK 385781 (Standing proxy: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)			1.33%
	Asahi Mutual Life Insurance Company			1.32%
(12) Relationship between the parties	Capital relationship	Not applicable.		
	Personnel relationship	Not applicable.		
	Business relationship	Not applicable.		
	Status as a related party	Not applicable.		
(13) Business performance and financial position for the last three years				
Fiscal year	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	
Total shareholders' equity (JPY million)	4,823,259	5,426,962	5,755,072	
Total assets (JPY million)	13,115,400	14,489,701	15,134,264	
Shareholders' equity per share (JPY)	3,314.35	3,771.77	4,059.19	
Revenue (JPY million)	13,945,633	14,029,910	14,724,234	
Gross profit (JPY million)	2,129,903	2,232,360	2,376,456	
Net income attributable to owners of parent (JPY million)	800,519	801,770	880,251	
Basic net income per share attributable to owners of parent (JPY)	546.10	553.00	615.65	
Dividend per share (JPY)	140.00	160.00	200.00	

- (Note) 1. "Major shareholders and shareholding ratios" is stated based on the "Major Shareholders" section described in the 101st Annual Securities Report submitted by ITOCHU on June 18, 2025.
2. ITOCHU, the scheduled allottee, is listed on the Prime Market of the Tokyo Stock Exchange. In the "VI. Items Related to the Internal Control System 2. Basic Policy and Efforts Against Anti-social Forces" section of the Corporate Governance Report (last updated June 20, 2025) submitted to the Tokyo Stock Exchange, ITOCHU has declared its policy to block all relationships and business with anti-social forces that threaten the order and safety of civic society. It has also stated that it will develop and strengthen the necessary internal systems, which includes periodically conducting educational awareness programs for its employees and thoroughly conducting prior checks to confirm that business counterparts, etc. do not fall under the category of anti-social forces. Based on this, the Group has determined that the scheduled allottee and its officers have no relationship with anti-social forces. Furthermore, the Group, based also on the content of interviews with representatives of the scheduled allottee, has determined that the company and its officers do not fall under the category of individuals, corporations, or other groups that seek to enjoy economic benefits by using violence or force, or by committing fraud or other criminal acts (hereinafter "Specified Groups, etc."), and have no relationship whatsoever with Specified Groups, etc.

(2) Reasons for selecting the scheduled allottee

Please refer to “II. Disposal of Treasury Shares by Third-Party Allotment 2. Purpose and reasons for the disposition.”

(3) Holding policy of the scheduled allottee

The Group has confirmed with the scheduled allottee that its policy is to continuously hold these shares on a medium- to long-term basis.

Furthermore, the Group plans to receive a letter of undertaking from the scheduled allottee, in which the scheduled allottee agrees that if it transfers all or part of these shares within two years from the payment due date, it will report the details thereof to the Group in writing; that the Group will report the content of said report to the Tokyo Stock Exchange, Inc. (hereinafter “the Tokyo Stock Exchange”); and that it consents to the content of said report being made available for public inspection.

(4) Content of the confirmation of the existence of assets required for payment by the scheduled allottee

From the consolidated statement of financial position described in the 101st Annual Securities Report (from April 1, 2024, to March 31, 2025) that the scheduled allottee submitted to the Director-General of the Kanto Local Finance Bureau on June 18, 2025, the Group has confirmed that the scheduled allottee has secured cash and cash equivalents (JPY 549,573 million) necessary and sufficient for the payment for the Disposal of Treasury Shares.

7. Major shareholders and shareholding ratios after the disposition

Before disposition (as of March 31, 2025)		After disposition	
The Master Trust Bank of Japan, Ltd. (trust account)	15.90%	The Master Trust Bank of Japan, Ltd. (trust account)	15.57%
Custody Bank of Japan, Ltd. (trust account)	15.43%	Custody Bank of Japan, Ltd. (trust account)	15.11%
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd.)	8.24%	STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd.)	8.07%
Recruit Co., Ltd.	4.73%	Recruit Co., Ltd.	4.64%
Yohichi Shibata	2.31%	Yohichi Shibata	2.26%
ITOCHU Corporation	–	ITOCHU Corporation	2.06%
Aozora Bank, Ltd.	2.04%	Aozora Bank, Ltd.	2.00%
Sompo Japan Insurance Inc. (Standing proxy: Custody Bank of Japan, Ltd.)	2.04%	Sompo Japan Insurance Inc. (Standing proxy: Custody Bank of Japan, Ltd.)	2.00%
JPMorgan Securities Japan Co., Ltd.	1.68%	JPMorgan Securities Japan Co., Ltd.	1.64%
GOVERNMENT OF NORWAY (Standing proxy: Citibank, N.A., Tokyo Branch)	1.43%	GOVERNMENT OF NORWAY (Standing proxy: Citibank, N.A., Tokyo Branch)	1.40%
Total	53.79%	Total	54.74%

- (Note) 1. Shareholding ratios are calculated by deducting treasury shares.
2. Regarding the major shareholders and shareholding ratios after the disposition, the value obtained by dividing ① Number of shares held prior to disposal plus the number of shares increased by the disposal of treasury stock by ② Total number of shares issued as of March 31, 2025(40,540,170 shares) minus treasury shares as of March 31, 2025(2,509,334 shares), plus the number of shares of the present stock is stated as the percentage of shares held.
3. As a result of the Disposal of Treasury Shares, the 2,509,334 treasury shares held by the Group will decrease to 1,709,334 shares after the allotment. (Calculated based on the number of treasury shares held as of March 31, 2025)

8. Future outlook

While the Group believes that its corporate value and shareholder value will increase as a result of the Capital and Business Alliance and the Disposal of Treasury Shares, the specific amount of the impact on its consolidated financial results for the fiscal year ending March 31, 2026, and subsequent fiscal years is currently undetermined. If any matters requiring disclosure arise in the future, the Group will promptly disclose them.

9. Matters concerning procedures under the Code of Corporate Conduct

Because the Disposal of Treasury Shares (i) has a dilution ratio of less than 25%, and (ii) does not involve a change in the controlling shareholder (even if all share warrants or rights to demand acquisition are exercised, a change in the controlling shareholder is not expected), it does not require the procedures for obtaining an opinion from an independent third party and confirming the intent of shareholders, as stipulated in Article 432 of the Listing Regulations established by the Tokyo Stock Exchange.

10. Financial performance for the last three years and status of equity financing

(1) Financial performance for the last three years (consolidated)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Operating revenue (JPY million)	25,465	31,546	36,409
Operating profit (JPY million)	4,245	6,195	6,815
Profit attributable to owners of parent (JPY million)	3,994	4,608	4,651
Total assets (JPY million)	101,431	125,274	184,988
Basic earnings per share (JPY)	103.17	119.39	122.61
Dividend per share (JPY)	21.00	28.00	40.00

(2) Status of issued shares and potential shares (as of March 31, 2025)

	Number of shares	Ratio to total number of issued shares
Total number of issued shares	40,540,170	100.00%
Number of potential shares at the current conversion price (exercise price)	661,200	1.63%
Number of potential shares at the lower limit of the conversion price (exercise price)	—	—
Number of potential shares at the upper limit of the conversion price (exercise price)	—	—

(Note) “Ratio to total number of issued shares” is stated rounded to the second decimal place.

(3) Recent stock price status

(i) Status for the last three years

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Opening price	JPY 1,333	JPY 1,710	JPY 2,062
High price	JPY 1,983	JPY 2,091	JPY 2,668
Low price	JPY 1,180	JPY 1,350	JPY 1,570
Closing price	JPY 1,695	JPY 2,061	JPY 2,105

(Note)

(ii) Status for the last six months

	February 2025	March	April	May	June	July
Opening price	JPY 2,597	JPY 2,203	JPY 2,112	JPY 2,123	JPY 1,987	JPY 2,089
High price	JPY 2,613	JPY 2,250	JPY 2,145	JPY 2,198	JPY 2,150	JPY 2,308
Low price	JPY 2,122	JPY 2,018	JPY 1,683	JPY 1,877	JPY 1,987	JPY 1,987
Closing price	JPY 2,182	JPY 2,080	JPY 2,123	JPY 2,034	JPY 2,099	JPY 2,284

(iii) Stock price on the business day preceding the date of the disposition resolution

	August 7, 2025
Opening price	2,330
High price	2,352
Low price	2,313
Closing price	2,320

(4) Status of equity financing for the last three years

(i) Disposal of treasury shares as restricted stock remuneration

Disposition date	July 27, 2023
Class and number of shares to be disposed	54,000 shares of common stock of the Group
Disposition price	JPY 1,727 per share
Total disposition amount	JPY 93,258,000
Allottees for the shares, number of allottees, and number of shares to be allotted	3 directors of the Group (excluding external directors): 22,680 shares 7 entrusted executive officers who are not directors of the Group: 27,000 shares 3 directors of the Group's subsidiaries: 4,320 shares

(ii) Disposal of treasury shares as restricted stock remuneration

Disposition date	July 26, 2024
Class and number of shares to be disposed	75,000 shares of common stock of the Group
Disposition price	JPY 2,181 per share
Total disposition amount	JPY 163,575,000
Allottees for the shares, number of allottees, and number of shares to be allotted	3 directors of the Group (excluding external directors): 20,250 shares 7 entrusted executive officers who are not directors of the Group: 22,500 shares 3 directors of the Group's subsidiaries: 2,250 shares 5 employees of the Group: 30,000 shares

(iii) Disposal of treasury shares as restricted stock remuneration

Disposition date	July 24, 2025
Class and number of shares to be disposed	67,000 shares of common stock of the Group
Disposition price	JPY 2,114 per share
Total disposition amount	JPY 141,638,000
Allottees for the shares, number of allottees, and number of shares to be allotted	<p>3 directors of the Group (excluding external directors): 27,000 shares</p> <p>6 entrusted executive officers who are not directors of the Group: 27,000 shares</p> <p>3 employees of the Group: 13,000 shares</p>

11. Terms of disposition

(1) Number of shares to be disposed	800,000 shares
(2) Disposition price	JPY 2,205
(3) Total disposition amount	JPY 1,764,000,000
(4) Disposition method	Disposal of treasury shares by the method of third-party allotment
(5) Scheduled allottee	ITOCHU Corporation
(6) Subscription period	From August 24, 2025, to August 25, 2025
(7) Disposition date	August 25, 2025
(8) Other	Each of the items above is conditional upon the entry into force of a Registration Statement in accordance with the Financial Instruments and Exchange Act.