



July 23, 2024

To whom it may concern,

Corporate Name YUKE'S Co., Ltd.
(Code: 4334 TSE Standard Market)
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Notice of Disposition of Treasury Stock as Restricted Stock Awards

YUKE'S Co., Ltd. hereby announces that our Board of Directors has resolved to dispose of treasury stock as restricted stock awards (the "Disposition of Treasury Stock") as follows.

1. Outline of Dispositions

(1)	Payment date	August 23, 2024
(2)	Type and number of shares to be disposed of	15 thousand shares of our common stock
(3)	Disposal value	445 yen per share
(4)	Total amount disposed	6,675 thousand yen
(5)	Destination for disposal	Our Board of Directors(*) 1 person 15 thousand shares ※Excluding outside directors

2. Purpose and reason of the disposition

At our 30th Ordinary General Meeting of Shareholders held on April 27, 2022, we introduced a stock compensation plan (the "Plan") under which our directors share the benefits and risks of share price fluctuations with our shareholders and the desire to increase our corporate value. Under this plan, we set the total amount of monetary compensation receivable to be paid as compensation for restricted stock to our directors at a maximum of 60 million yen per annum (of which, the maximum amount is 10 million yen per annum for outside directors), and the total number of shares of restricted stock to be allotted to our directors in each fiscal year (of which, 20 thousand shares are for outside directors).the maximum term of restricted shares and the period between the date of issuance of such restricted shares and the date of resignation of our directors, We have received approval.

Today, at our Board of Directors meeting, we resolved to grant 15 thousand shares of our common stock as restricted stock to 1 of our directors (the "Allocated Person"), who is scheduled to be allotted, a total of 6,675 thousand yen as restricted stock compensation for the period from our 32nd Ordinary General Meeting of Shareholders to our 33rd Ordinary General Meeting of Shareholders scheduled to be held in April 2025, and the Allocated Person will provide all of such monetary compensation claim by the contribution-in-kind method. The amount of monetary compensation claim to the allocable recipient is determined after comprehensively considering various matters such as the contribution of the allocable recipient to us. In addition, the payment of such monetary compensation claim shall be made subject to the conclusion, among other things, of a transfer restricted share allotment agreement (hereinafter referred to as the "Allotment Agreement") with the Company, which shall include the following contents as a summary.

3. Overview of Allocation Contracts

① Restriction Period on Transfer

From August 23, 2024 until the date on which the Allocated Person as a director of the Company (provided, however, that May 1, 2025, if the date of such resignation is on or before April 30, 2025)

During the Restriction Period on Transfer as set forth above (hereinafter referred to as the "Restriction Period on Transfer"), the Assignee may not transfer, pledge, mortgage, give or testamentary gift to act third party, or otherwise dispose of the Shares with Restriction on Transfer allotted to such Assignee (hereinafter referred to as the "Allotted Shares") (such restrictions shall hereinafter be referred to as the "Restriction on Transfer").

② Gratuitous Acquisition of Shares with Restriction on Transfer

In the event that the Allocated Person resigns from our Directors after the commencement date of the Restriction Period on Transfer no later than the day immediately preceding the first day of our Ordinary General Meeting of Shareholders, we shall acquire the Allotted Shares without charge as of the time of such resignation, unless our Board of Directors deems it justifiable.

In addition, in the event any of the Allotted Shares has not been cancelled pursuant to the provisions of the grounds for cancellation of the restriction on transfer set forth in below at the time of expiration of the Restriction Period on Transfer (hereinafter referred to as the "Period Expiration"), the Company shall acquire the Allotted Shares without charge as of the time immediately after the Period Expiration.

③ Cancellation of Restriction on Transfer

We will terminate the restriction on the transfer of all the Allotted Shares held by the Allocated Person at the time of Restriction Period on Transfer, provided that the Allocated Person has been in the position of our Director on a continuing basis from the commencement date of the Restriction Period on Transfer to the first date of the Ordinary General Meeting of Shareholders. Provided, however, that in the event the Allotment Participant resigns from our directors on or after the commencement date of the Restriction Period on Transfer and no later than the day prior to the first date of the Ordinary General Meeting of Shareholders due to any reason deemed justifiable by our Board of Directors, the Assignment Restriction shall be terminated with respect to the Allotted Shares in the number obtained by multiplying by 12 the number of months from May 2024 to the month including the day when the Allocated Person retired from our directors by the number of Allotted Shares held by the Allocated Person at such time (provided, however, that any fraction less than 1 share arising as a result of calculation shall be discarded) at the time immediately after such resignation.

④ Rules for the management of shares

Allocated Person shall complete the opening of an account which describes or records the allotted shares in the manner designated by us in SMBC Nikko Securities Inc., and shall keep and maintain the allotted shares in such account until the transfer restrictions are lifted.

⑤ Treatment in organizational restructuring, etc.

During the Restriction Period on Transfer, if a proposal for a merger agreement, a share-for-share exchange agreement or a share-for-share transfer plan or any other reorganization by which we become a wholly-owned subsidiary is approved by our shareholders' meeting (provided, however, that in the event such reorganization is not subject to the approval of our shareholders' meeting, the number obtained by dividing the number of months from May 2024 to the date of such approval by 12 (provided, however, that such number shall be set as 1 if the calculation results are more than 1) by the number of the Allotment Shares held by the Allocated Person, in the event that a fraction less than 1 share arises as a result of such calculation, The transfer restriction of the allotted shares shall be cancelled immediately before the effective date of the organizational restructuring.

In this case, the Company shall, as of the business day prior to the effective date of the said organizational restructuring, acquire, as a matter of course, all of the Allotted Shares for which the restriction on transfer has not been terminated as of the same date in accordance with the provisions above, without charge.

4 . Basis for calculating the amount to be paid and the specific contents thereof

The disposition price of treasury stock is set at 445 yen, the closing price of our common shares on Tokyo Stock Exchange on the business day immediately preceding the resolution date of our Board of Directors meeting (July 22, 2024), in order to eliminate arbitrary transactions. This is the market share price immediately prior to the date of resolution of our Board of Directors and is not considered to be a reasonable and particularly favorable value.