



February 9, 2024

To whom it may concern:

Company name Yakult Honsha Co., Ltd.  
Representative Hiroshi Narita  
President and Representative Director  
(Securities code: 2267, TSE Prime Market)

### Notification Regarding Disposal of Treasury Shares Through Third-Party Allotment to Employee Stock Ownership Plan

Yakult Honsha Co., Ltd. (the “Company”) announced that it decided to introduce an incentive plan (the “Scheme”), designed to motivate the Company’s employees (the “Employees”) with respect to improving its corporate value over the medium to long term, at a meeting of its Board of Directors held today, and resolved to carry out disposal of treasury shares through third-party allotment (the “Disposal of Treasury Shares”).

#### 1. Overview of the Disposal

(1) Date of disposal	March 27, 2024
(2) Class and total number of shares to be disposed	229,995 shares of common stock of the Company
(3) Disposal price	¥3,070 per share
(4) Total value of shares to be disposed	¥706,084,650
(5) Disposal method	Third-party allotment of shares
(6) Scheduled allottee	Yakult Employee Stock Ownership Association
(7) Other	The Disposal of Treasury Stock is conditional on the securities registration statement taking effect in accordance with the Financial Instruments and Exchange Act.

(Note) The Yakult Employee Stock Ownership Association (the “Stock Ownership Association”) shall, after the approval by its board at a meeting to be held today, take sufficient time to notify Employees and solicit prospective members by promoting enrollment in the Stock Ownership Association. For this reason, the total number of shares to be disposed and the total value of shares to be disposed denote the maximum value, and these are expected to be finalized after the conclusion of enrollment.

#### 2. Objectives and Reasons for the Disposal

The Company, under its long-term vision “Yakult Group Global Vision 2030,” aims to respond to expectations of its stakeholders more than ever, improve its corporate value through realization of its corporate philosophy, and realize sustainable growth by working to address social issues through its corporate activities.

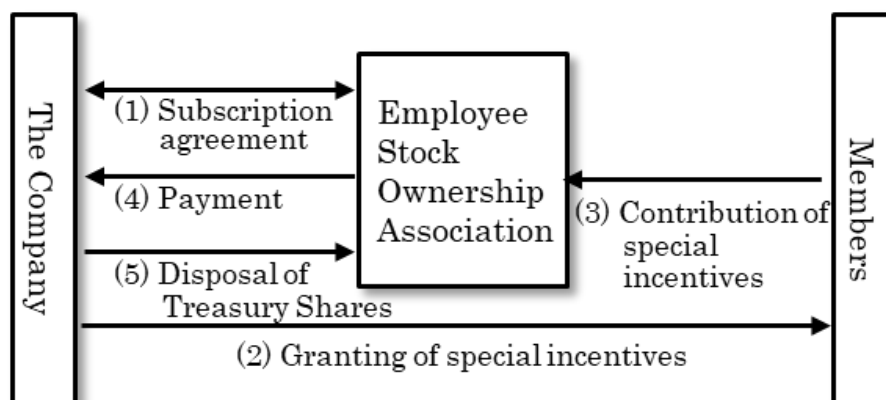
By granting a certain number of its shares to the Employees through the introduction of the Scheme, the Company aims to raise their awareness of participation in management and assist them in building wealth. Further, it believes that taking the

opportunity of the introduction of the Scheme to promote enrollment of Employees who have not yet joined the Stock Ownership Association would enable more Employees to share medium- to long-term values with the shareholders.

The Disposal of Treasury Shares will be carried out through a third-party allotment in which the Scheme grants a special incentive to the Employees who are enrolled in the Stock Ownership Association (the “Members”) and the Members contribute the special incentive to the Stock Ownership Association; and the Company disposes of the shares in its common stock to the Stock Ownership Association. The number of shares to be disposed of will be finalized later as mentioned in (Note) of 1. Overview of the Disposal, and the Company expects to dispose of a maximum of 229,995 shares to the Stock Ownership Association.

The scale of dilution with respect to the total number of issued shares of 342,090,836 shares is 0.07% as of now, and 0.07% against the total voting rights of 3,101,798 as of September 30, 2023 (percentages in both cases are rounded off to two decimal places). The Company believes that this is a reasonable level also for existing shareholders as this would lead to deeper sharing of medium- to long-term values between shareholders and even more Employees (the Company carried out a 2-for-1 split of shares in its common stock owned by shareholders listed or recorded in the final register of shareholders as of the record date of September 30, 2023, with October 1, 2023, as the effective date of the stock split. Consequently, the total number of voting rights as of September 30, 2023, are calculated at considering this stock split upon calculating the dilution ratio).

#### Overview of the Scheme



- (1) The Company and the Stock Ownership Association will enter into a share subscription agreement for the disposal and subscription of treasury shares.
- (2) The Company shall grant special incentives to Members.
- (3) Members will contribute the special incentive to the Stock Ownership Association.
- (4) The Stock Ownership Association will collect the special incentive contributed by the Members and make the payment for the third-party allotment.
- (5) The Company will dispose the treasury shares to the Stock Ownership Association.

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

The Disposal of Treasury Stock will be carried out through the contribution of the special incentives, granted to the Members, to the Stock Ownership Association with the aim of introducing the Scheme. The disposal price shall be ¥3,070, the closing price of the Company’s shares on the Tokyo Stock Exchange Prime Market on February 8, 2024, which is the business day immediately prior to the date of the resolution by the Board of

Directors to eliminate arbitrariness in the price. The Company considers that the price, which is the market value immediately prior to the date of the resolution by the Board of Directors, is at a reasonable level and is not particularly favorable to the scheduled allottee.

The deviation rate of this price from the average closing price of the Company's shares on the TSE Prime Market (rounded off to two decimal places) is as follows.

Period	Closing price (rounded down to the nearest yen)	Deviation rate
1 month (January 9, 2024 to February 8, 2024)	¥3,225	-4.81%
3 months (November 9, 2023 to February 8, 2024)	¥3,265	-5.97%
6 months (August 9, 2023 to February 8, 2024)	¥3,494	-12.14%

\*In calculating the closing price and deviation rate, the Company has used a price that took into account the stock split carried out as of the effective date September 30, 2023.

All the four Audit & Supervisory Board members (including two outside members) who attended the Board of Directors meeting held today have expressed the following opinion: Considering that the Disposal of Treasury Stock is aimed at introducing the Scheme and that the disposal price is the closing price on the business day immediately prior to the date of the resolution by the Board of Directors, the disposal price will not be particularly favorable to the scheduled allottee and is legal.

#### 4. Matters Related to Procedures under the Code of Corporate Conduct

Given that (1) the dilution resulting from the Disposal of Treasury Stock is below 25% and (2) such disposal does not involve any changes in controlling shareholders, the Company, with regard to the Disposal of Treasury Stock, is not required to obtain an independent third-party opinion and confirm the intent of shareholders, as set forth in Rule 432 of the Securities Listing Regulations of the TSE.