

To all parties concerned:

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Notice Concerning Disposal of Treasury Shares as a Restricted Stock Compensation

TSUBURAYA FIELDS HOLDINGS INC. hereby announces that the Company made a resolution to dispose the treasury shares as a restricted stock compensation (hereinafter, the “Disposal”) at the meeting of its director meeting held today.

I. Overview of the Disposal

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| (1) | Payment date | July 10, 2024 |
| (2) | Type and number of shares to be disposed of | 240,000 shares of the Company’s common shares |
| (3) | Disposal price | ¥1,648 per share |
| (4) | Disposal amount | ¥395,520,000 |
| (5) | Counterparties to be disposed of | 240,000 shares in total for six of our director* *excluding outside director |
| (6) | Other | Regarding the disposal, we have submitted the extraordinary report under the Financial Instruments and Exchange Act. |

II. Purpose and reason of the disposal

At our 36th Annual General Meeting of Shareholders held on June 19, 2024, the following proposal was approved with the aim of increasing the motivation of our directors (excluding outside directors, hereinafter, the “eligible directors”) to contribute to medium-to-long-term improvement of business performance and the sustainable improvement of corporate value, as well as to long-term further share value with our shareholders: the introduction of share-based compensation system to deliver restricted stock for the eligible directors (hereinafter, the “System”), (1) setting the total amount of monetary compensation claims to be paid as compensation, etc. for restricted stock based on the system within the amount of directors compensation etc. (within ¥1,100 million (not more than ¥50 million for outside directors) as approved at the 26th Annual General Meeting of Shareholders held on June 18, 2014, (2) setting the total number of restricted stock to be allotted to our director during each fiscal year to be limited to less than 240,000 shares, and (3) setting the transfer restriction period for restricted stock to be from the date of issuance of the restricted stock until the date of resignation or retirement from the position of director and corporate officer of us and our subsidiaries. However, the total actual number of shares of restricted stock to be allocated per fiscal year is no more than 80,000 shares. This is because it is assumed that, based on the above objectives, the Company will provide compensation to the eligible directors in a lump sum in the first year of the service period as compensation for providing services over the three fiscal years.

At our director meeting held today, we decided to allocate 240,000 shares of the Company’s common share as specified limited-transfer shares, in the way our six directors (hereinafter, the “allottees”) who are scheduled to be allotted deliver the all of monetary compensation claims, total ¥395,520,000, granted to allottees for the period from our 36th to 39th Annual General Meeting of Shareholders scheduled to be held in June 2027. The amount of monetary compensation claims for each allottee is determined by comprehensively taking into account various factors such as the degree of contribution of each allottees. In addition, such monetary compensation claims shall be paid on condition that each of the allottees concludes with the Company a stock allocation contract with restriction on transfer (hereinafter, “allocation contract”) that includes the following outline and contents.

III. Overview of the allocation contract

i. Transfer restriction period

The period shall be from July 10, 2024 until the date on which the allottee resigns or retires from any of the positions of director and corporate officer of us and our subsidiaries (or July 1, 2025, provided that if the date of such resignation or retirement is on or before June 30, 2025).

During the transfer restriction period as set forth above (hereinafter, “transfer restriction period”), the allottee shall not be permitted to transfer, pledge, mortgage, provide as an inter vivos or testamentary gift, or otherwise dispose of the shares of the Company’s common stock allotted to him/her pursuant (hereinafter, the “allotted shares”) to any third party (hereinafter, the “transfer restriction”).

ii. Company’s acquisition of restricted stock without consideration

In the event that an allottee resigns or retires from the position of director and corporate officer of us and our subsidiaries after the commencement date of the transfer restriction period and before the day prior to the date of our Annual General Meeting of Shareholders in fiscal year two years following the fiscal year that includes the commencement date of the transfer restriction period, we will naturally acquire the allotted shares without charge at the time of such resignation or retirement, unless there are reasons deemed justifiable by our director meeting.

Furthermore, if, as of the expiration of the transfer restriction period (hereinafter, “expiration period”), the transfer restriction for any of the allotted shares has not been lifted in accordance with the provisions concerning the grounds for lifting the transfer restriction as set forth in (iii) below, the Company will naturally acquire such allotted shares without consideration.

iii. Lifting of transfer restriction

Provided that the allottee has continuously held the relevant director or corporate officer position at the Company or its subsidiaries after the commencement date of the transfer restriction period and until the date of our Annual General Meeting of Shareholders in fiscal year two years following the fiscal year that includes the commencement date of the transfer restriction period, the Company will lift the transfer restriction for all of the allotted shares as of the expiration period.

However, if the allottee resigns or retires from all of his/her director and corporate officer positions at the Company and its subsidiaries after the commencement date of the transfer restriction period and before the day prior to the date of our Annual General Meeting of Shareholders in fiscal year two years following the fiscal year that includes the commencement date of the transfer restriction period, with the reasons deemed legitimate by the director meeting, the transfer restriction of the allotted shares may be lifted at the time of retirement. The number of the allotted shares to be lifted is calculated by multiplying the number of month from July 2024 to the month that includes the date when the allottee resigns, retires or is terminated from all of his/her director and corporate officer positions at the Company and its subsidiaries divided by 36, and the number of the allotted shares that the allottee has at the time (any fraction less than one share will be rounded down).

iv. Rules of management of shares

The allottee will complete opening of the account described or recorded on the allotment shares in SMBC Nikko Securities Inc., in the manner we designate, and hold and maintain the allotted shares until the transfer restriction is lifted.

v. Handling in the event of organizational restructuring or other similar circumstances

If, during the transfer restriction period, a proposal for any merger agreement under which the Company is to become an absorbed company, or a proposal for any stock-for-stock exchange or stock transfer plan, or other organizational restructuring, etc. under which the Company is to become a wholly-owned subsidiary is approved by the Company’s General Meeting of Shareholders (or by the Board of Directors, if the approval of the General Meeting of Shareholders is not required for such organizational restructuring, etc.), then the Company will, based on a resolution of the Board of Directors, lift the transfer restriction just before a business day before the effective date of such organizational restructuring, etc. The number of the allotted shares to be lifted is calculated by multiplying the number of month from July 2024 to the month that includes the date when the proposal is approved divided by 36 (If the result of the calculation exceeds one, it shall be one.), and the number of the allotted shares that the allottee has at the time (any fraction less

than one share will be rounded down).

In such case, in accordance with the above provisions, the Company will naturally acquire (without consideration) the allotted shares regarding which the transfer restriction has not been lifted as business day before the effective date of such organizational restructuring, etc.

IV. Rationale and details of the amount to be paid

The disposal price of treasury share is ¥1,648, which is the closing price of the Company's common share on the Tokyo Stock Exchange on the business day immediately before the resolution date of our director meeting (June 18, 2024), in order to eliminate arbitrary trading. This is the market price immediately before the resolution date of our director meeting, and we do not believe that this is a reasonable and particularly favorable price.