



May 9, 2025

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## Notice Concerning Partial Revisions to Share-Based Remuneration Plan

At the Board of Directors meeting held on May 15, 2018, San ju San Financial Group, Inc. (the “Company”) resolved to introduce a share-based remuneration plan known as the “Board Benefit Trust (BBT)” (hereinafter the “Current BBT Plan”) for Directors (excluding those who are also Audit Committee Members and outside directors) and executive officers (hereinafter collectively referred to as “Directors, etc. of the Subsidiary Bank”) of its subsidiaries, The Mie Bank, Ltd. and The Daisan Bank, Ltd. (at the time; the two banks subsequently merged on May 1, 2021 to form San ju San Bank, Ltd. (hereinafter the “Subsidiary Bank”). At today’s Board of Directors meeting, the Company resolved to partially revise the Current BBT Plan and introduce the “Board Benefit Trust - Restricted Stock (BBT-RS)” (hereinafter the “Plan”), under which shares provided to Directors, etc. of the Subsidiary Bank will be subject to transfer restrictions until their retirement. Details of this revision are outlined below.

A proposal regarding the Plan is scheduled to be submitted at the Subsidiary Bank’s General Meeting of Shareholders planned for June 2025.

### 1. Background and Purpose of the Introduction

The Company introduced the Current BBT plan to more clearly align the remuneration of Directors, etc. of the Subsidiary Bank with the Company’s stock value, aiming to enhance their awareness of contributing to the medium- to long-term performance enhancement of the Company and increase in corporate value by ensuring that they share not only the benefits from the stock price appreciation of the Company’s common shares but also the risks of stock price decline with the holders of the Company’s common shares.

By revising the Current BBT Plan to the Plan, in addition to the original objectives of the Current BBT Plan, Directors, etc. of the Subsidiary Bank will be entitled to rights equivalent to those of shareholders, such as being able to exercise voting rights associated with shares and being entitled to receive dividends during their tenure. This would allow them to share value with shareholders from a more aligned perspective, enhancing their awareness to contribute to the Company’s medium- to long-term performance enhancement and increase in corporate value. Therefore, the Board of Directors of the Company resolved to revise the Current BBT Plan to the Plan.

## 2. Overview of the Plan

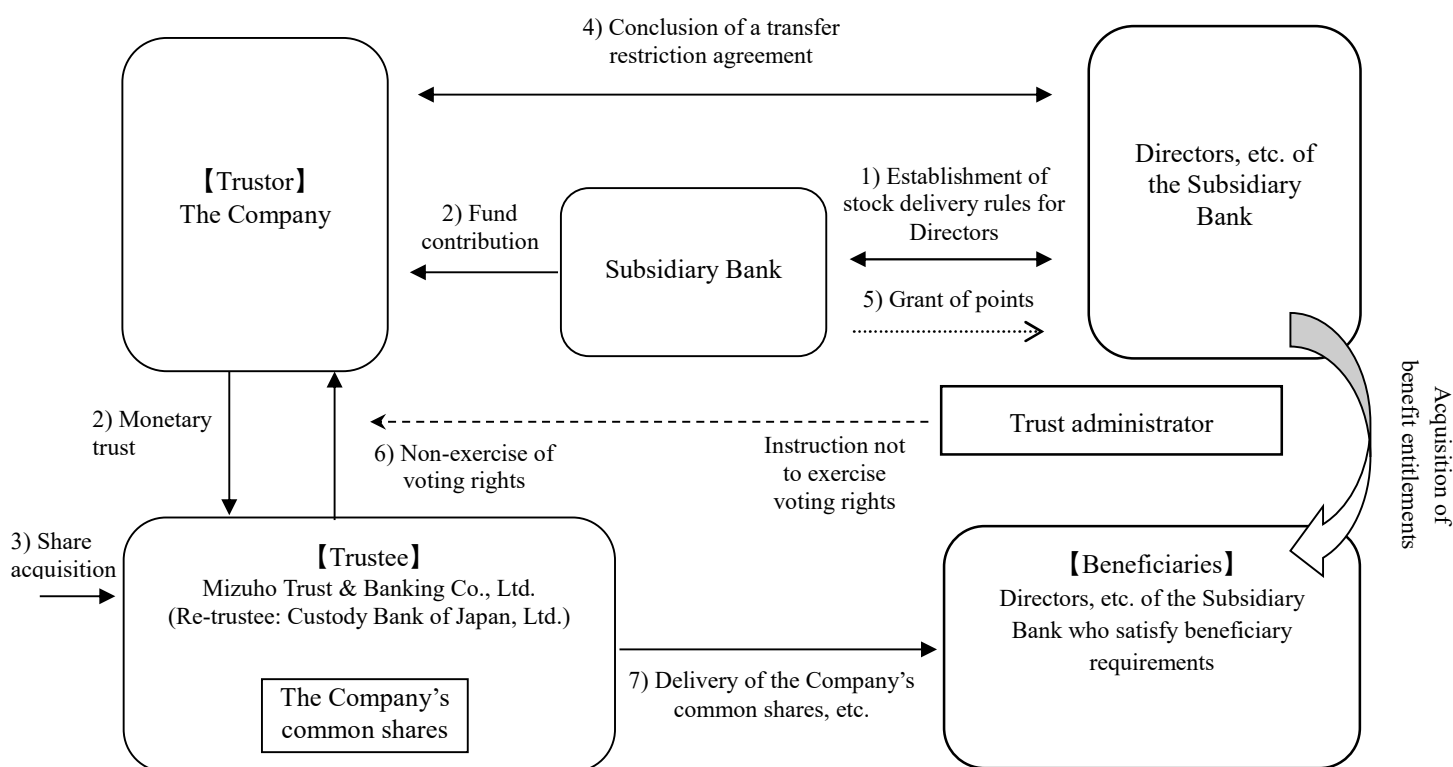
### (1) Outline of the Plan

Under the Plan, funds contributed by the Subsidiary Bank to the Company will be used to acquire the Company's common shares. (The Company has established a trust with Mizuho Trust & Banking Co., Ltd. as the trustee under the Current BBT Plan. Under the Plan, the contribution of funds for share acquisition, etc., the acquisition of the Company's common shares, and their delivery to Directors, etc. of the Subsidiary Bank will be also executed via this trust (hereinafter the "Trust")). The Company's common shares acquired and cash equivalent to the market value of such shares (hereinafter collectively referred to as "the Company's common shares, etc.") will then be delivered through the Trust to Directors, etc. of the Subsidiary Bank, based on the stock delivery rules for Directors stipulated by the Subsidiary Bank. Directors, etc. of the Subsidiary Bank will in principle receive the Company's common shares at a specified period every year, while cash equivalent to the market value of the Company's common shares will generally be delivered upon their retirement.

With the revision to the Plan, points already granted to Directors, etc. of the Subsidiary Bank under the Current BBT Plan will, subject to approval at the Subsidiary Bank's General Meeting of Shareholders, be partially delivered to them as the Company's common shares at a separately determined time after the Subsidiary Bank's shareholders' meeting. The remainder will be delivered in cash equivalent to the market value of the Company's common shares upon their retirement.

When Directors, etc. of the Subsidiary Bank receive shares during their tenure, they are required to enter into a transfer restriction agreement with the Company, as described in 3. below, before receiving the Company's common shares. Consequently, the Company's common shares delivered to Directors, etc. of the Subsidiary Bank during their tenure will be restricted from disposal through transfer, etc. until their retirement.

#### <Structure of the Plan>



- 1) The Subsidiary Bank will establish stock delivery rules for Directors.
- 2) The Subsidiary Bank will contribute funds to the Company. The Company will place these funds into a monetary trust.
- 3) The Trust will use the funds contributed in 2) to acquire the Company's common shares either through market purchase on the stock exchange or by underwriting the disposal of the Company's own shares.
- 4) Directors, etc. of the Subsidiary Bank shall enter into a transfer restriction agreement with the Company regarding the Company's common shares received during their tenure. This agreement includes provisions restricting the disposal of these shares through transfer, etc. until their retirement, as well as certain clauses enabling the Company's acquisition of shares without compensation under specific conditions.
- 5) The Subsidiary Bank will grant points to Directors, etc. of the Subsidiary Bank according to its stock delivery rules for Directors.
- 6) In accordance with instructions from a trust administrator, independent from both the Company and the Subsidiary Bank, the Trust will not exercise voting rights associated with the Company's common shares held within the trust account.
- 7) At a specified period every year, the Trust will deliver the Company's common shares to Directors, etc. of the Subsidiary Bank who meet beneficiary requirements specified in the stock delivery rules for Directors (hereinafter the "Beneficiaries"), based on the number of points allocated to each of the Beneficiaries. However, if Directors, etc. of the Subsidiary Bank meet certain conditions stipulated in the stock delivery rules for Directors, a certain percentage of these points will be converted into cash equivalent to the market value of the Company's common shares and delivered upon their retirement.

## (2) Eligible persons under the Plan

Directors and executive officers of the Subsidiary Bank

(Directors who are also Audit Committee Members and outside directors are not eligible for the Plan.)

## (3) Trust period

From August 2018 until the termination of the Trust. (The Trust does not have a fixed end date and will continue as long as the Plan remains in effect. The Plan will terminate in the event of a delisting of the Company's common shares, the abolition of the stock delivery rules for Directors, or other similar events.)

## (4) Trust amount

Under the Current BBT Plan, the Company has established the Trust by contributing funds necessary for the Trust to acquire in advance the number of shares reasonably expected to be required for delivering shares over a certain period. At the start of the trust period (August 2018), the Company contributed ¥348,660,000 to the Trust as funds to acquire the Company's common shares to be delivered to Directors, etc. of the Subsidiary Bank for the three fiscal years from the fiscal year ended March 31, 2019 to the fiscal year ended March 31, 2021. Subsequently, the Company contributed an additional ¥85,440,000 to the Trust in August 2022. Following the approval of the Plan at the Subsidiary Bank's General Meeting of Shareholders, any common shares of the Company and cash remaining within the trust assets of the Trust will be utilized as funds for delivering shares under the Plan.

Upon revising the Current BBT Plan to the Plan, the Company will, in principle, estimate the number of shares necessary for delivering shares to Directors, etc. of the Subsidiary Bank for each target period, including the three fiscal years from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2028 (such

three-year period and each subsequent three-year period shall be referred to as a “Target Period”), and contribute in advance to the Trust the funds deemed necessary for the Trust to acquire such shares. These funds will be additionally contributed by the Company after receiving an advance contribution from the Subsidiary Bank. However, if at the time of an additional contribution there remain the Company’s common shares (excluding the Company’s common shares corresponding to the number of points allocated to Directors, etc. of the Subsidiary Bank in each of the previous Target Period and for which delivery has not yet been completed) and cash within the Trust (hereinafter collectively referred to as “Residual Shares, etc.”), such Residual Shares, etc. shall be utilized as sources for delivering shares under the Plan in subsequent Target Periods. The amount of additional contributions will be calculated after considering the Residual Shares, etc. When the Company decides to make an additional contribution, it will disclose such information in a timely and appropriate manner.

(5) Method of acquisition of the Company’s common shares and number of shares to be acquired

The Trust will acquire the Company’s common shares using the funds contributed as described in (4) above, either through market purchase on the stock exchange or by underwriting the disposal of the Company’s own shares.

Given that the maximum number of points granted to Directors, etc. of the Subsidiary Bank is limited to 45,000 points per fiscal year as stated in (6) below, the maximum number of the Company’s shares acquired by the Trust for each Target Period will be 135,000 shares. Details concerning the acquisition of the Company’s common shares by the Trust will be disclosed in a timely and appropriate manner.

(6) Maximum number of the Company’s shares, etc. granted to Directors, etc. of the Subsidiary Bank

Directors, etc. of the Subsidiary Bank will be granted points for each fiscal year based on their positions and other factors, in accordance with the stock delivery rules for Directors. The total number of points granted per fiscal year to Directors, etc. of the Subsidiary Bank shall be capped at 45,000 points (including a maximum of 21,000 points for Directors of the Subsidiary Bank). This cap has been set after comprehensive consideration of current executive compensation levels, trends in the number of Directors, etc. of the Subsidiary Bank, future outlook, and other factors, and is deemed appropriate.

Points granted to Directors, etc. of the Subsidiary Bank will be converted into the Company’s common shares at a ratio of one share per point, when delivering the Company’s common shares, etc. as described in (7) below. (In the event of a stock split, gratis allotment of shares, share consolidation, or similar corporate actions involving the Company’s common shares, reasonable adjustments will be made to the maximum number of points, the number of points already granted, or the conversion ratio, based on the relevant ratio.)

In principle, the reference number of points for Directors, etc. of the Subsidiary Bank, used as the basis for granting the Company’s common shares, etc. as outlined in (7) below, shall be the cumulative total number of points awarded to each Director, etc. up to the time of their retirement (hereinafter the “Number of Confirmed Points”).

(7) Delivery of the Company’s common shares, etc.

Directors, etc. of the Subsidiary Bank who meet the beneficiary requirements will, upon completion of the prescribed beneficiary determination procedures, receive the Company’s common shares at a specified period each year from the Trust, generally corresponding to the Number of Confirmed Points determined according to (6) above. However, if certain conditions outlined in the stock delivery rules for Directors are satisfied, a specified portion may, in principle, be paid in cash equivalent to the market value of the Company’s common shares at the time of their retirement, instead of receiving the Company’s common shares. To fund such cash payments, the Trust may sell the Company’s common shares.

In addition, when Directors, etc. of the Subsidiary Bank receive the Company’s common shares during their tenure, they are required to conclude a transfer restriction agreement with the Company, as described in 3.

below, prior to receiving the shares. Consequently, disposal through transfer, etc. of the Company's common shares delivered to Directors, etc. of the Subsidiary Bank during their tenure is restricted until their retirement.

Moreover, even if points have been granted, Directors, etc. of the Subsidiary Bank shall lose their entitlement to receive shares if they are dismissed by resolution of the Subsidiary Bank's General Meeting of Shareholders or if the Subsidiary Bank's Board of Directors determines that their retirement resulted from specific misconduct during their tenure.

(8) Exercise of voting rights

The voting rights associated with the Company's common shares held in the Trust account shall not be exercised uniformly, based on the instructions of the trust administrator. By adopting this approach, the Trust aims to maintain neutrality in the Company's management regarding the exercise of voting rights for the Company's common shares held in the Trust account.

(9) Handling of dividends

Dividends on the Company's common shares held in the Trust account will be received by the Trust and used to acquire the Company's common shares, pay trust fees, and other expenses. Upon termination of the Trust, any remaining dividends or similar amounts held within the Trust will be distributed proportionally to Directors, etc. of the Subsidiary Bank serving at that time, based on the number of their respective accumulated points.

(10) Treatment upon trust termination

The Trust shall terminate upon events such as the delisting of the Company's common shares or the abolition of stock delivery rules for Directors. Upon termination, any residual common shares of the Company remaining in the Trust will be acquired by the Company without compensation and subsequently canceled by resolution of the Company's Board of Directors. Any residual cash remaining in the Trust at the time of its termination will be paid to the Company, after deducting amounts distributed to Directors, etc. of the Subsidiary Bank as described in (9) above.

**3. Overview of Transfer Restriction Agreement for the Company's Common Shares Delivered to Directors, etc. of the Subsidiary Bank**

When Directors, etc. of the Subsidiary Bank receive the Company's common shares during their tenure, they shall enter into a transfer restriction agreement (hereinafter the "Restriction Agreement"), which includes the provisions outlined below, with the Company prior to receiving such shares (entering into the Restriction Agreement is a condition for Directors, etc. of the Subsidiary Bank to receive the Company's common shares.). However, if at the time of share delivery, Directors, etc. of the Subsidiary Bank have already retired, etc., the Company's common shares may be provided without concluding the Restriction Agreement.

1) Details of transfer restriction

Directors, etc. of the Subsidiary Bank may not transfer, pledge, or otherwise dispose of the Company's common shares received, from the date of share delivery until the date they retire from all positions as directors or officers at the Subsidiary Bank.

2) Acquisition by the Company without compensation

If certain misconduct or similar actions occur, or if the conditions for lifting the transfer restrictions described in 3) below are not met, the Company shall acquire the relevant shares without compensation.

3) Lifting of transfer restrictions

Transfer restrictions shall be lifted when Directors, etc. of the Subsidiary Bank retire from all director or officer positions at the Subsidiary Bank for legitimate reasons or due to death.

4) Handling in case of corporate reorganization, etc.

If, during the restriction period, a merger agreement or other corporate reorganization transaction in which the Company is the absorbed entity is approved at the Company's general meeting of shareholders, etc., transfer restrictions shall be lifted on the business day immediately preceding the effective date of such corporate reorganization, etc., by resolution of the Company's Board of Directors.

In addition, the Company's common shares subject to transfer restrictions under the Restriction Agreement shall be managed in dedicated accounts opened by the relevant Directors, etc. of the Subsidiary Bank at securities firms designated by the Subsidiary Bank, to prevent any transfer, pledge, or other disposition during the restriction period.

Furthermore, in addition to the above, the Restriction Agreement shall include provisions regarding the method of expressing intent and giving notices, procedures for amending the Restriction Agreement, and other matters determined by the Board of Directors.

[Overview of the Trust]

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| 1) Name:                        | Board Benefit Trust - Restricted Stock (BBT-RS)  |
| 2) Trustor:                     | The Company  |
| 3) Trustee:                     | Mizuho Trust & Banking Co., Ltd.<br>(Re-trustee: Custody Bank of Japan, Ltd.)  |
| 4) Beneficiaries:               | Directors, etc. of the Subsidiary Bank who meet beneficiary requirements as stipulated in the stock delivery rules for Directors                       |
| 5) Trust administrator:         | A third party with no conflicts of interest with the Company or the Subsidiary Bank  |
| 6) Type of trust:               | Monetary trust other than a money trust (trust for the benefit of third parties)   |
| 7) Date of the Trust Agreement: | August 2018  |
| 8) Date of monetary trust:      | August 2018  |
| 9) Term of trust:               | From August 2018 until termination of the Trust<br>(The Trust does not have a fixed end date and will continue as long as the Plan remains in effect.) |