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January 14, 2025

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Representative: Shin Kojima, President
(Securities code: 3139 TSE Prime Market)
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Notice Regarding Changes to Shareholder Benefit Program

Lacto Japan Co., Ltd. hereby announces that our Board of Directors passed a resolution on January 14, 2025 to revise our shareholder benefit program as follows.

1. Reasons for the revision

We have a shareholder benefit program to express our appreciation to shareholders for their continuous support and to encourage many people to hold our shares. We have decided to change our shareholder benefit program starting from the record date of November 30, 2025 to strengthen our relationship with our shareholders and to encourage more people to hold our shares over the medium to long term.

2. Details of the revision

Until now, we have been offering shareholder benefits to those holding 100 or more shares, providing different benefits according to the duration of their shareholding. However, we will revise the program as detailed below. There are no changes to the record date for determining the eligibility for benefits or the timing of the conferral of benefits.

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[Before]

Record date: November 30

Conferral of benefits: late February every year

Number of shares held	Benefits	
	Duration of holding: Less than three years	Duration of holding: Three years or longer
100 shares or more	QUO card worth 1,000 yen	Shareholders select any one item from the products worth 3,000 yen listed in our catalog

[After] (Changes are underlined)

Record date: November 30

Conferral of benefits: late February every year

Number of shares held	Benefits	
	Duration of holding: <u>Less than two years</u>	Duration of holding: <u>Two years or longer</u>
<u>100 shares or more but less than 300 shares</u>	<u>Not eligible for benefits</u>	Shareholders select any one item from the products worth <u>3,000 yen</u> listed in our catalog
<u>300 shares or more</u>	<u>Not eligible for benefits</u>	Shareholders select any one item from the products worth <u>5,000 yen</u> listed in our catalog

[Changes]

- (1) Benefits according to the number of shares held:
Until now, the minimum number of shares required for the conferral of shareholder benefits was 100. Under the new program, eligible shareholders will be divided into two categories: those holding 100 or more shares but less than 300 shares and those holding 300 or more shares. Accordingly, we have enhanced the benefits for shareholders who hold 300 or more shares.
- (2) Duration of holding required for the conferral of benefits:
Until now, eligible shareholders have been divided into two categories according to the duration of their shareholding: those who have been holding our shares for less than three years and those who have been holding our shares for three years or longer. Under the new program, the required duration will be two years or longer for all shareholders.
Consequently, shareholder benefits will be abolished for those who have been holding our shares for less than two years.

* Shareholders eligible for benefits are those who meet the requirement regarding the number of shares in each category and have the same shareholder number recorded five or more times in a row in the shareholder register as of the record date for each continuous holding period; the record date for the conferral of benefits is November 30 of each year. In addition, the record dates for confirming the shareholder register are May 31 and November 30 of each year.

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Example)

To be eligible for a 5,000 yen catalog gift, shareholders must hold at least 300 shares as of each record date of the shareholder register, and have the same shareholder number recorded at least five consecutive times.

3. Launch of the new program

The new shareholder benefit program will apply to shareholders of record as of November 30, 2025. For those who have been holding our shares since before this record date, the classification will be determined based on the number of shares held as of November 30, 2025, and the holding period will be determined retroactively.

Shareholder benefits (catalog gifts) under the new program are scheduled to be distributed in late February 2026. Shareholder benefits to be distributed in late February 2025 are based the record date of November 30, 2024 (QUO cards, catalog gifts).