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August 6, 2026

Company name:	Morinaga & Co., Ltd.
Name of representative:	Shinya Mori, Representative Director, President, COO (Securities code: 2201; Prime Market of the Tokyo Stock Exchange)
Inquiries:	Natsuko Okamoto, General Manager, Corporate Communication Division (Telephone: +81-3-3456-0150)

Notice Regarding Disposal of Treasury Stock as Stock Compensation Due to Continuation of Performance-Linked Stock Compensation Plan for Officers

Morinaga & Co., Ltd. (“the Company”) hereby announces that, at a Board of Directors meeting held on August 6, 2026 (hereinafter referred to as the "Board of Directors Meeting"), the Company resolved to dispose of treasury stock as stock compensation as described below.

1. Overview of Disposal

(1) Disposal date	August 26, 2026
(2) Class and number of shares to be disposed of	132,800 shares of common stock
(3) Disposal price	2,513.5 yen per share
(4) Total value of shares to be disposed of	333,792,800 yen
(5) Expected allottee	The Master Trust Bank of Japan, Ltd. (Board Incentive Plan Trust Account)
(6) Other	For this disposal of treasury stock, the Company has submitted an extraordinary report pursuant to the Financial Instruments and Exchange Act.

2. Purpose and Reasons for Disposal

To realize the 2030 Vision, the Company obtained approval at the 178th Annual General Meeting of Shareholders held on June 26, 2026, for the partial revision and continuation of the stock compensation plan through the Board Incentive Plan Trust (hereinafter referred to as the "Plan") for Directors (excluding Outside Directors and non-residents; the same shall apply hereinafter) and senior executive officers (excluding non-residents and persons who concurrently serve as Directors; the same applies hereinafter, and those Directors and senior executive officers are hereinafter collectively referred to as "Directors, etc.") of the Company with the aim of supporting ambitious initiatives of Directors, etc. and further promoting the alignment of interests with shareholders by encouraging Directors, etc. to own the Company shares.

For the overview and partial revision of the Plan, please refer to "Notice Regarding Performance-Linked Stock Compensation System for Directors" announced on May 11, 2018, and "Notice Regarding Partial Revision of Performance-Linked Stock Compensation Plan for Officers" announced on May 25, 2026.

For this disposal of treasury stock, the Company will dispose of its treasury stock to The Master Trust Bank of Japan, Ltd. (Board Incentive Plan Trust Account), which is a co-trustee of the board incentive plan trust agreement concluded between the Company and Mitsubishi UFJ Trust and Banking Corporation, for additional monetary contributions to the Plan.

The number of shares to be disposed of is a part of the number of shares expected to be delivered to Directors, etc., during the trust period in accordance with the stock issue regulations, and the scale of dilution will be 0.02% of the total number of shares issued and outstanding of 86,111,638 shares as of March 31, 2026 (rounded off to the second decimal place, 0.16% of the total number of voting rights of 837,725 as of March 31, 2026).

Shares of the Company allotted through this disposal of treasury stock will be delivered to Directors, etc., in accordance with the stock issue regulations. Since it is not expected that shares resulting from this disposal of treasury stock will flow out to the stock market all at once, the Company has determined that the impact on the stock market will be minimal and that the number of shares to be disposed of and the scale of dilution are reasonable.

[Overview of the trust agreement]

Type of trust	Money in trust other than money in trust for specific and single management (non-grantor trust)
Purpose of the trust	Granting incentives to Directors, etc.
Trustor	Morinaga & Co., Ltd.
Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
Beneficiary	Retired Directors, etc., who meet the beneficiary requirements
Trust administrator	A third party who is a professional practitioner and has no interest in the Company
Trust agreement date	September 3, 2018 (to be changed to August 21, 2026)
Term of trust after extension	September 3, 2018 – August 31, 2030 (tentative)
Exercise of voting rights	They shall not be exercised.

3. Basis of calculation of the disposal price and details thereof

The disposal price is 2,513.5 yen, which is the closing price of the Company's shares on the Tokyo Stock Exchange, Inc. (hereinafter referred to as the "Tokyo Stock Exchange") on the business day preceding the date of the resolution at the Board of Directors Meeting concerning this disposal of treasury stock (August 5, 2026), in order to make the disposal price without arbitrariness in light of recent trends in share prices. The Company decided to adopt the closing price of the Company's shares on the business day preceding the date of the resolution at the Board of Directors Meeting because it is the market value immediately prior to the resolution at the Board of Directors Meeting and the Company judged that it was highly objective and reasonable as a basis for calculation.

In addition, the said price is an amount obtained by multiplying 2,673yen, which is the average closing price (rounded down to the nearest yen) of the Company's shares at the Tokyo Stock Exchange during the one month immediately preceding the date of the resolution at the Board of Directors Meeting (from July 6, 2026 to August 5, 2026), by 94.03%, an amount obtained by multiplying 2,584 yen, which is the average closing price (rounded down to the nearest yen) during the three months immediately preceding the date of the resolution at the Board of Directors Meeting (from May 6, 2026 to August 5, 2026), by 97.27%, and an amount obtained by multiplying 2,667 yen, which is the average closing price (rounded down to the nearest yen) during the six months immediately preceding the date of the resolution at the Board of Directors Meeting (from February 6, 2026 to August 5, 2026), by 94.24%. Therefore, the Company has determined that the said price is not a particularly favorable disposal price.

With regard to the disposal price above, all Audit & Supervisory Board Members of the Company (four persons, including three Outside Audit & Supervisory Board Members) have expressed their opinion that the basis of calculation of the disposal price is reasonable and that it is not a particularly favorable disposal price.

4. Procedures under the Code of Corporate Conduct

Since the dilution ratio of shares in this disposal is less than 25% and there is no change in controlling shareholders, it is not necessary to obtain an opinion from an independent third party or to implement the procedure to confirm the intent of shareholders as prescribed in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange.