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January 25, 2023

**Notice Concerning Abolition of the Response Policy to Large-Scale Purchase Actions  
for the Company Shares (Anti-Takeover Measures)**

JAFCO Group Co., Ltd. (the “Company”) hereby announces that, at the meeting of Board of Directors held today, the Company has resolved to abolish the response policies to large-scale purchases actions, etc. of the Company shares introduced as of August 15, 2022 (the “Response Policies”; for details, please refer to the press release “Notice Concerning the Introduction of the Company’s Basic Policies for the Control of the Company Based on Specific Concerns that City Index Eleventh Co., Ltd. and Other Parties will Carry Out Large-scale Purchase Actions, etc. of the Company Shares and Response Policies to Large-scale Purchase Actions, etc. of the Company Shares” on August 15, 2022.).

**I. Reasons for the abolition of the Response Policies**

Given that the Company reasonably determined that there had been a specific concern since around May 2022 over large-scale purchase actions for the Company’s common shares (the “Company Shares”) for the purpose of increasing the holding ratio of voting rights of Ms. Aya Nomura (Mr. Yoshiaki Murakami's biological child), City Index Eleventh Co., Ltd. (hereinafter “City Index Eleventh”) and Kabushiki Kaisha Minami-Aoyama Fudosan (collectively with Ms. Aya Nomura and City Index Eleventh, “City and Other Parties”), which are under the influence of Mr. Yoshiaki Murakami (“Mr. Murakami”), to 20% or more (the “Large-scale Purchase Actions, etc.”), and assumed that other parties might intend to conduct Large-scale Purchase Actions, etc. under the circumstances where there was a specific concern that City and Other Parties would conduct Large-scale Purchase Actions, etc. of the Company Shares, the Company’s Board of Directors decided basic policies regarding how a person should control the decisions of the Company’s financial and business policies (Article 118, item (iii) of the Regulations for Enforcement of the Companies Act) in order to secure and improve its corporate value and its shareholders’ common interests, and resolved to introduce the Response Policies for (i) the Large-scale Purchase Actions, etc. by City and Other Parties for the Company Shares, which were of specific concern, and (ii) other Large-scale Purchase Actions, etc. that may be intended under the circumstances where there was a specific concern that City and Other Parties would conduct the Large-scale Purchase Actions, etc. for the Company Shares, as an effort to prevent an inappropriate person from controlling the decisions on financial and business policies of the Company in light of the basic policies (Article 118, item (iii), (b).2 of the Regulation for Enforcement of the Companies Act).

As announced in the press release titled “Notice Concerning Share Buyback and Tender Offer by Issuer” dated December 21, 2022 (the “Press Release”), the Company executed a tender offer agreement (the “TOB Agreement”) with City and Other Parties, under which City and Other Parties tender their entire holdings of Company Shares (13,904,500 shares, the “City Tendering Shares”), and conducted a share buyback and implemented a tender offer by an issuer as a specific means to achieve the share buyback commenced from December 22, 2022 and concluded on January 25, 2023 (the “TOB by Issuer”).

Today, the purchase period for the TOB by Issuer expired and it was confirmed that City Tendering Shares were tendered in the TOB by Issuer. Also, in the TOB Agreement, City and Other Parties stated that (i) the Company's shares held by City and Other Parties that were tendered in the TOB by Issuer but not acquired by the Company will be sold promptly at or above an appropriate share price so as not to affect the share price to the extent possible, and (ii) City and Other Parties and their related parties will not acquire, or attempt to make others acquire, the Company's shares on or after the execution date of the TOB Agreement and even after the completion of the TOB by Issuer. In view of the fact that it is also stipulated that such statements shall not be withdrawn, the Company determined that the need to maintain the Response Policies declined relative to when this policy was introduced.

Therefore, as announced in the Press Release, the Company determined to abolish the Response Policies today without waiting for the expiration of the effective period (from August 15, 2022 to August 15, 2023) subject to the provisions of the TOB Agreement.

The Company also determined to abolish the Independent Committee, consisting of the independent directors who are independent from the management team that executes the Company's business, today. As announced in the press release titled "Notice Concerning Establishment of Independent Committee and Appointment of Independent Committee Members" dated August 15, 2022, the Committee was established in order to prevent arbitrary decisions by the Board of Directors and to further enhance the fairness and objectiveness of the operation of the Response Policies.

After abolition of the Response Policies, the Company will take measures deemed appropriate in accordance with the Corporate Governance Policy of the Company when it is deemed necessary to enhance the Company's corporate value over medium to long term and the shareholders' common interests.