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Notice Concerning Disposal of Treasury Shares as Restricted Stock Incentive For Employee Stock Ownership Association

Tokyo Kiraboshi Financial Group, Inc. (“the Company”) hereby announces that, at the meeting of the Board of Directors held today, it resolved to dispose of treasury shares as restricted stock (the “Disposal of Treasury Shares” or the “Disposal”) with the Tokyo Kiraboshi Financial Group Employee Stock Ownership Association (the “Association”) as the scheduled allottee under the Restricted Stock Incentive Plan for Employee Stock Ownership Association (the “Plan”). Details are as follows.

1. Overview of the Disposal

(1) Date of disposal	August 31, 2026
(2) Class and number of shares to be disposed of	33,435 shares of the common stock of the Company (Notes 1, 2)
(3) Disposal price	¥12,940 per share (Note 2)
(4) Total value of disposal	¥432,648,900 (Notes 1, 2)
(5) Method of disposal (Scheduled allottee)	By way of third-party allotment, the Company shall allot to the Association the number of shares for which the Association has applied, up to the number of shares to be disposed of as specified in (2) above, subject to the Association’s application to subscribe for such shares (the number of shares so allotted shall be the number of shares to be disposed of). (The Tokyo Kiraboshi Financial Group Employee Stock Ownership Association: 33,435 shares) Note that application from Eligible Employees (as defined below) for only a portion of the shares to be granted shall not be accepted.
(6) Others	An extraordinary report on the Disposal of Treasury Shares has been filed in accordance with the Financial Instruments and Exchange Act

(Note 1) The “number of shares to be disposed of” and the “total value of disposal” have been calculated on the assumption that the Company’s common shares will be allotted as restricted stock to all 3,868 employees of the Company’s subsidiaries who could be eligible to participate in the Plan. The actual number of shares to be disposed of and the actual total value of disposal will be determined based on (i) the number of employees of the Company’s subsidiaries who agree to participate in the Plan (the “Eligible Employees,” up to a maximum of 3,868 employees) after completion of promotional activities for encouraging non-members to join the Association and confirmation of agreement to the Plan from

members of the Association, and (ii) the amount of monetary claims and the number of shares to be allotted per employee prescribed according to the employee classification designated by the Company (Pattern A: up to 747 employees, ¥207,040 per employee, 16 shares; Pattern B: up to 1,426 employees, ¥116,460 per employee, 9 shares; Pattern C: up to 1,188 employees, ¥77,640 per employee, 6 shares; Pattern D: up to 507 employees, ¥38,820 per employee, 3 shares). Specifically, as described in (5) above, the number of shares applied for by the Association shall constitute the “number of shares to be disposed of,” and the amount obtained by multiplying said number by the disposal price per share shall constitute the “total value of disposal.”

(Note 2) As announced in the “Notice Concerning Share Split, Partial Amendment to the Articles of Incorporation in Connection Therewith, and Changes to Shareholder Benefits Program” released on May 8, 2026, the Company resolved at its 12th Annual General Meeting of Shareholders held today to conduct a share split at a ratio of eight shares for every one share of its common stock, with June 30, 2026, as the record date and July 1, 2026, as the effective date (the “Effective Date”). The disposal date of the Disposal of Treasury Shares is August 31, 2026, which comes after the Effective Date. Therefore, as a result of the share split, the number of shares to be disposed of in the Disposal of Treasury Shares will be 267,480 shares, and the number of the Company’s common shares to be allotted to each Eligible Employee will be as follows: Pattern A: up to 747 employees, 128 shares each; Pattern B: up to 1,426 employees, 72 shares each; Pattern C: up to 1,188 employees, 48 shares each; Pattern D: up to 507 employees, 24 shares each. The disposal price per share is expected to be ¥1,617.5, and the total value of disposal is expected to be ¥432,648,900.

2. Purposes and Reasons for the Disposal

At the meeting of the Board of Directors held on June 5, 2023, the Company resolved to introduce the Plan as a measure to enhance the welfare of Eligible Employees among employees of the Company’s subsidiaries by creating opportunities to acquire, via the Association, the Company’s common shares as restricted stock issued or disposed of by the Company and thereby assisting them in building their assets, as well as to provide Eligible Employees with incentives to contribute to the enhancement of the Company’s corporate value and to encourage employees of the Company’s subsidiaries to participate in the Association.

The outline of the Plan and related matters are as follows.

[Outline of the Plan and related matters]

Under the Plan, monetary claims (the “Special Incentive Funds”) are granted to Eligible Employees as special incentives for the purpose of granting the Company’s common shares as restricted stock, and Eligible Employees contribute the Special Incentive Funds to the Association. The Association then makes an in-kind contribution to the Company of the Special Incentive Funds contributed by Eligible Employees, following which the Company’s common shares are issued or disposed of as restricted stock to the Association.

In the event the Company newly issues or disposes of common shares under the Plan, the amount to be paid per share shall be determined by the Board of Directors on the basis of the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the relevant resolution of the Board of Directors (or, if no trading is executed on that day, the closing price on the most recent trading day preceding that day), within a range that does not constitute a particularly favorable price for the Association (and, consequently, for Eligible Employees).

In connection with the issuance or disposal of the Company’s common shares under the Plan, the Company and the Association will enter into a restricted stock allotment agreement, which includes, among other things, provisions stipulating (i) prohibition on the transfer, creation of any security interest, or any other disposition of the allotted shares to any third party for a specified period (the “Transfer Restrictions”), and (ii) the Company’s acquisition of the allotted shares without consideration if certain events occur. Furthermore, the granting of the Special Incentive Funds to Eligible Employees shall be made on the condition that such a restricted stock allotment agreement is concluded between the Company and the Association.

Pursuant to the Employee Stock Ownership Association rules, operational guidelines, and other rules pertaining to the Association (the “Association Rules, etc.”), Eligible Employees shall be restricted from withdrawing the restricted stock corresponding to their respective membership interests in the Association (“Restricted Stock Interests” or “RS Interests”) relating to the restricted stock acquired by the Association through issuance or disposal by the Company, until the Transfer Restrictions on such restricted stock are lifted.

In the Disposal of Treasury Shares, pursuant to the Plan, the Company will dispose of its common shares (the “Allotted Shares”) to the Association, which is the scheduled allottee, by having the Association make an in-kind contribution of all Special Incentive Funds contributed by Eligible Employees, which will serve as the contributed property in kind. The outline of the restricted stock allotment agreement to be entered into between the Company and the Association (the “Allotment Agreement”) in connection with the Disposal of Treasury Shares is as described in “3. Outline of the Allotment Agreement” below. The number of shares to be disposed of in the Disposal of Treasury Shares will be determined at a later date, as stated in Note (1) of Section 1 above. However, assuming that all 3,868 employees of the Company’s subsidiaries who could be eligible for the Plan join the Association and agree to the Plan, the number of shares is expected to be 33,435 shares. Assuming said number of shares to be disposed of, the dilution effect of the Disposal of Treasury Shares will be 0.10% (rounded to two decimal places, with the same applying hereinafter to the calculation of percentages) of the total number of issued shares, which is 33,400,115 shares as of March 31, 2026, and 0.11% of the total number of voting rights, which is 298,644 units as of March 31, 2026.

The Company believes that implementation of the Plan, as a measure to enhance the welfare of Eligible Employees, will assist Eligible Employees in building their assets by creating opportunities to acquire, via the Association, the Company’s common shares as restricted stock issued or disposed of by the Company, and will also provide Eligible Employees with an incentive to contribute to the enhancement of the Company’s corporate value. The Company considers that the number of shares to be disposed of in the Disposal of Treasury Shares and the dilution effect are reasonable, and that, even taking such a dilution into account, the impact on the market will be immaterial.

The Disposal of Treasury Shares will be conducted on the condition that, as of the day immediately preceding the disposal date pertaining to the Disposal of Treasury Shares, the Association Rules, etc. applicable to the Plan are in force, and that the Allotment Agreement is concluded between the Company and the Association during the subscription period.

3. Outline of the Allotment Agreement

(1) Transfer Restriction Period

From August 31, 2026, until immediately after the time when an employee of the Company or any of its subsidiaries ceases to be employed by the Company or any of its subsidiaries.

(2) Conditions for lifting the Transfer Restrictions

On the condition that an Eligible Employee has continuously remained a member of the Association throughout the transfer restriction period, the Transfer Restrictions on all of the Allotted Shares corresponding to the Restricted Stock Interests held by the relevant Eligible Employee will be lifted upon expiration of the transfer restriction period.

(3) In the event of withdrawal from the Association

If an Eligible Employee withdraws from the Association during the transfer restriction period as a result of ceasing to be employed by the Company or any of its subsidiaries (meaning loss of membership eligibility or submission of a withdrawal application, including termination of membership due to death) due to (i) appointment as an officer of the Company or any of its subsidiaries, (ii) circumstances attributable to the Company or any of its subsidiaries, or (iii) other justifiable reasons (including resignation for personal reasons without unavoidable circumstances in

the case of an Eligible Employee aged 60 or older as of the date of submission of the Company's annual securities report for the fiscal year containing the disposal date (or a semi-annual report if the disposal date falls within six months from the commencement of such fiscal year), and resignation for personal reasons without unavoidable circumstances in the case of an Eligible Employee under 60 years of age with a termination date on or after September 1, 2031), the Company shall, as of the date on which the Association accepts the withdrawal application (the "Withdrawal Application Acceptance Date"), lift the Transfer Restrictions on all Allotted Shares corresponding to the Restricted Stock Interests held by the Eligible Employee as of the Withdrawal Application Acceptance Date.

(4) Acquisition without consideration by the Company

If an Eligible Employee becomes subject to any of the events specified in the Allotment Agreement during the transfer restriction period, the Company shall automatically acquire without consideration all of the Allotted Shares corresponding to the Restricted Stock Interests held by the Eligible Employee upon the occurrence of such event. In addition, upon expiration of the transfer restriction period or immediately after the time when the Transfer Restrictions are lifted pursuant to (3) above, the Company shall automatically acquire without consideration all of the Allotted Shares for which the Transfer Restrictions have not been lifted.

(5) In the event of organizational restructuring, etc.

If, during the transfer restriction period, a merger agreement under which the Company is to be the dissolving company, a share exchange agreement or a share transfer plan under which the Company is to become a wholly owned subsidiary, or any other matter relating to an organizational restructuring, etc. is approved at a general meeting of shareholders of the Company (or by the Board of Directors of the Company where such organizational restructuring, etc. does not require approval of the general meeting of shareholders of the Company), then, by resolution of the Board of Directors, the Company shall lift the Transfer Restrictions as of the date of such approval on all of the Allotted Shares corresponding to the Restricted Stock Interests held by Eligible Employees among the Allotted Shares held by the Association, effective immediately prior to the business day preceding the effective date of the organizational restructuring, etc.

(6) Administration of shares

In order to prevent transfer, creation of security interest, or any other disposition of the Allotted Shares during the transfer restriction period, the Allotted Shares shall be administered in a dedicated account opened by the Association with Nomura Securities Co., Ltd. throughout the transfer restriction period. Further, pursuant to the provisions of the Association Rules, etc., the Association will record and administer the Restricted Stock Interests separately from other membership interests held by Eligible Employees (the "Ordinary Interests").

4. Basis for Calculation of the Disposal Price and Specific Details Thereof

The Disposal of Treasury Shares to the Association, which is the scheduled allottee, will be effected through contributions by Eligible Employees to the Association of the Special Incentive Funds that are granted to them for the purpose of granting restricted stock, which will serve as the contributed property. To eliminate any arbitrariness in pricing, the disposal price has been set at ¥12,940, which is the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on June 23, 2026 (the business day immediately preceding the date of the Board of Directors resolution). The Company believes that this price, which represents the market price immediately prior to the date of the Board of Directors resolution, is reasonable and does not constitute a particularly favorable price.

The percentage deviation of this price from the average closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange (rounded to two decimal places) is as follows.

Term	Average closing price (rounded down to the nearest yen)	Percentage deviation
One month (May 24, 2026 – June 23, 2026)	¥11,841	9.28%
Three months (March 24, 2026 – June 23, 2026)	¥11,540	12.13%
Six months (December 24, 2025 – June 23, 2026)	¥10,984	17.81%

All 4 Audit & Supervisory Board Members (including 2 Outside Audit & Supervisory Board Members) who attended the meeting of the Board of Directors held today have expressed their opinion that, in light of the fact that the Disposal of Treasury Shares is being conducted for the purpose of implementing the Plan and that the disposal price is the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on the business day immediately preceding the date of the Board resolution, the disposal price does not constitute a price particularly favorable to the Association, which is the scheduled allottee, and that such a judgment is in compliance with applicable laws and regulations.

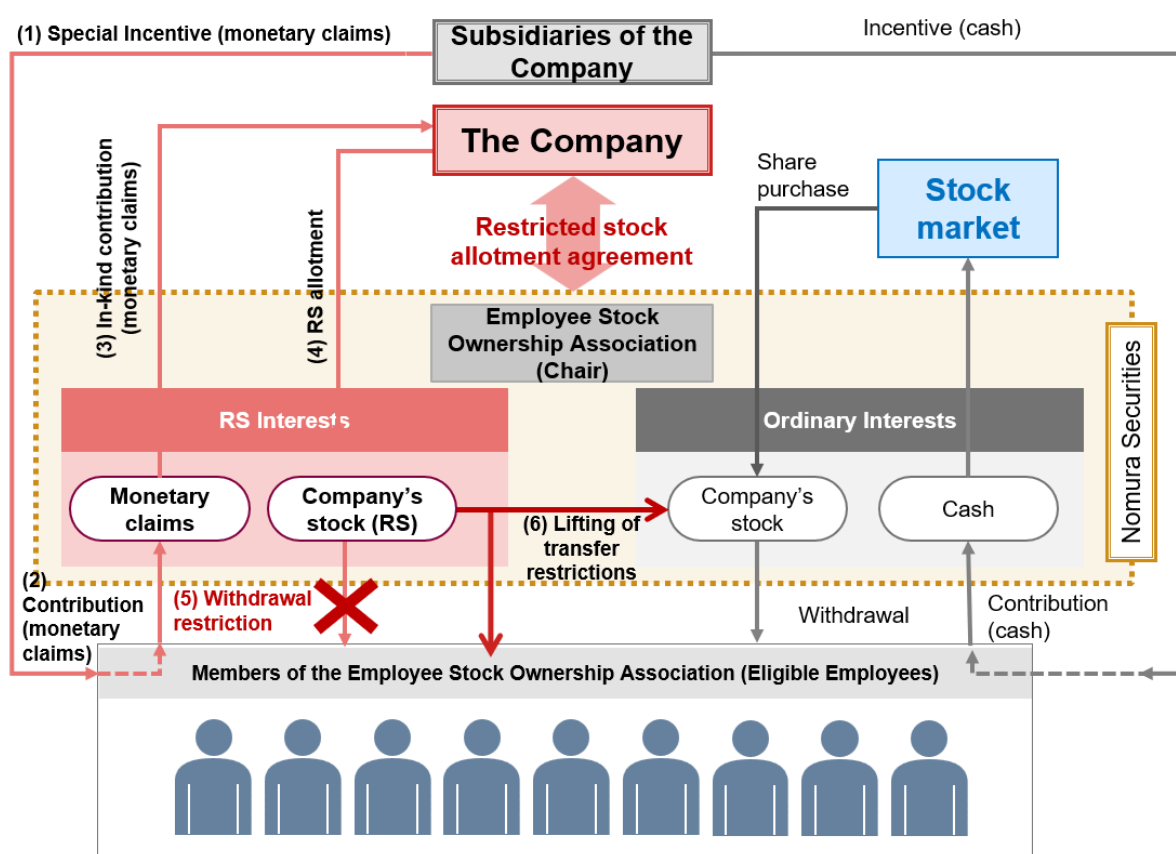
5. Matters related to Procedures under the Code of Corporate Conduct

With respect to the Disposal of Treasury Shares, since (1) the dilution percentage is less than 25% and (2) there will be no change in controlling shareholders, the Company is not required to obtain an opinion from an independent third party or to confirm the intention of shareholders as stipulated in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange.

(Reference)

[Scheme of the Plan]

- (1) The Company's subsidiaries grant Eligible Employees who have agreed to the Plan monetary claims as special incentives for the purpose of granting restricted stock.
- (2) Eligible Employees who have agreed to the Plan contribute the monetary claims mentioned in (1) above to the Association.
- (3) The Association aggregates the monetary claims contributed pursuant to (2) above and makes an in-kind contribution thereof to the Company.
- (4) The Company allots the Allotted Shares to the Association.
- (5) The Allotted Shares are deposited, via Nomura Securities Co., Ltd., in the RS Interests Account of the Association; withdrawals of the Allotted Shares are restricted during the transfer restriction period.
- (6) After the Transfer Restrictions are lifted, the restricted stock corresponding to RS Interests will be transferred, in accordance with the Association Rules, etc., either to the Ordinary Interests or to a securities account opened in the name of the relevant Eligible Employee.



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