

July 9, 2026

KYB Corporation

Masahiro Kawase, Representative Director, President Chief Executive Officer (CEO)

Code number: 7242 (Tokyo Stock Exchange)

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Notice Concerning Disposal of Treasury Shares as Restricted Stock Compensation for Executive Officers

KYB Corporation hereby announces that, at a meeting of its Board of Directors held today, it resolved to dispose of treasury shares, hereinafter referred to as the “Disposal of Treasury Shares,” as stock compensation under the Performance Share Unit Plan, hereinafter referred to as the “Plan,” a post-delivery performance-linked stock compensation plan, as described below.

1. Overview of the Disposal

(1) Payment Date	July 31, 2026
(2) Class and Number of Shares to Be Disposed of	3,720 common shares of the Company
(3) Planned Allottees	9 Executive Officers of the Company who do not concurrently serve as Directors: 3,720 shares
(4) Disposal Price per Share	4,140 yen per share
(5) Total Disposal Price	15,400,800 yen

2. Purpose and Rationale for the Treasury Share Disposal

At the Board of Directors meeting held on June 24, 2025, the Company introduced a performance-linked stock compensation plan, similar to the plan for the Company’s Directors, for Executive Officers of the Company who do not concurrently serve as Directors, hereinafter referred to as the “Eligible Executive Officers,” for the purpose of providing them with an incentive to achieve a sustainable increase in the corporate value of the Company Group and further promoting value sharing with shareholders.

The evaluation period for this treasury share disposal (the one fiscal year from April 1, 2025 to March 31, 2026) has now ended. Accordingly, based on a resolution of the Board of Directors passed today, the Company has resolved to grant a total of 3,720 shares of the Company’s common stock to nine Eligible Executive Officers, based on the performance results during the evaluation period, in exchange for the contribution in kind of monetary compensation claims against the Company totaling 15,400,800 yen, which will be granted to the Eligible Executive Officers as property contributed in kind. The amount of the monetary compensation claim to be contributed per share to be subscribed for will be 4,140 yen.

The outline of the Plan is as follows.

Overview of the Plan

Eligible Executive Officers shall receive the issuance or disposal of a number of common shares of the Company calculated in accordance with the method approved at the 100th Annual General Meeting of Shareholders held on June 23, 2022. In connection with such issuance or disposal, the Company shall enter into a Restricted Stock Allotment Agreement with each Eligible Executive Officers receiving the allotment.

The key terms of the Restricted Stock Allotment Agreement, hereinafter referred to as the “Allotment Agreement,” are as follows.

(1) Transfer Restriction Period

Eligible Executive Officers may not transfer, create a security interest over, or otherwise dispose of the Allotted Shares during the period from July 3, 2026, the payment date, until the date on which they cease to hold all positions as Director, Audit & Supervisory Board Member, Executive Officer, Advisor or employee of the Company or any of its subsidiaries, hereinafter referred to as the “Applicable Positions.”

(2) Release of Transfer Restrictions

The Company shall lift the transfer restrictions on all of the Allotted Shares upon the expiration of the Transfer Restriction Period, provided that the Eligible Executive Officers have continuously held at least one of the Applicable Positions from the Payment Date until the submission of the Company’s semi-annual report for the fiscal year ending March 31, 2027.

Notwithstanding the foregoing, if an Eligible Executive Officer ceases to hold all Applicable Positions during the above period due to death or any other reason deemed legitimate by the Board of Directors of the Company, the transfer restrictions on all of the Allotted Shares shall be lifted upon the expiration of the Transfer Restriction Period.

(3) Acquisition Without Consideration by the Company

The Company shall automatically acquire, without consideration, any Allotted Shares for which the transfer restrictions have not been lifted at the time of expiration of the transfer restriction period or at any other time specified in the Allotment Agreement.

(4) Management of Shares

During the transfer restriction period, the Allotted Shares shall be managed in a dedicated restricted stock account opened by each Eligible Executive Officer at Daiwa Securities Co. Ltd., in order to prevent any transfer, creation of a security interest over, or other disposal of the Allotted Shares during such period.

(5) Treatment in the Event of Organizational Restructuring, etc.

If, during the transfer restriction period, any matter relating to a merger agreement under which the Company becomes the disappearing company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other organizational restructuring, etc. is approved at a General Meeting of Shareholders of the Company, or, if approval at a General Meeting of Shareholders is not required for such organizational restructuring, etc., by the Board of Directors of the Company, the Company shall, by resolution of the Board of Directors, lift the

transfer restrictions on all of the Allotted Shares prior to the effective date of such organizational restructuring, etc.

(6) Basis for Calculation and Specific Details

The treasury share disposal will be conducted based on a resolution of the Company's Board of Directors, with the monetary compensation claims granted to the Eligible Executive Officers contributed as property contributed in kind. In order to eliminate arbitrariness, the paid-in amount has been set at 4,140 yen per share, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on July 8, 2026 (the business day immediately preceding the date of the Board of Directors resolution).

This price represents the market price immediately prior to the Board of Directors resolution. In the absence of any special circumstances indicating that the most recent market price is not an appropriate reference, the Company believes that the price reasonably reflects the Company's corporate value and does not constitute a particularly advantageous price for the Eligible Executive Officers.