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August 7, 2026

Company name: Yamaguchi Financial Group, Inc.
Name of representative: Keisuke Mukunashi, President and CEO
(Securities code: 8418; Tokyo Stock Exchange Prime Market)
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Notice Concerning Disposal of Treasury Shares
Associated with Additional Contribution to the Board Benefit Trust (BBT)

Yamaguchi Financial Group, Inc. (the "Company") hereby announces that, at the Board of Directors meeting held today, the Company resolved to dispose of treasury shares as described below (the "Disposal of Treasury Shares") in connection with an additional contribution to the performance-linked stock compensation system, the Board Benefit Trust ("BBT"; the "System").

1. Outline of the Disposal

(1) Disposal date	August 24, 2026
(2) Type and number of shares to be disposed of	840,000 shares of common stock
(3) Disposal price	3,074yen per share
(4) Total disposal amount	2,582,160,000yen
(5) Planned allottee	Custody Bank of Japan, Ltd. (Trust Account E)
(6) Other	The Company will submit an extraordinary report pursuant to the Financial Instruments and Exchange Act concerning the Disposal of Treasury Shares.

(Note) The planned allottee, Custody Bank of Japan, Ltd. (Trust Account E), is the trust account established through the execution of a trust agreement (the "Trust Agreement") between the Company, as trustor, and Mizuho Trust & Banking Co., Ltd., as trustee, with Custody Bank of Japan, Ltd. serving as the re-trustee. The Disposal of Treasury Shares is conducted for the purpose of providing shares under the System to the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members, part-time Directors, and Outside Directors), Executive Officers (excluding the Executive Officer serving as General Manager of the Internal Audit Department and the Executive Officer responsible for the Internal Audit Department), and Directors and Executive Officers of the Group Banks (The Yamaguchi Bank, Ltd., Momiji Bank, Ltd., and The Kitakyushu Bank, Ltd.) (collectively, the "Eligible Directors, etc."). The substance of this disposal is substantially identical to an allotment of shares as compensation for services provided by the Eligible Directors, etc. to the Group.

2. Purpose of and Reason for the Disposal

The Company introduced the System based on a resolution of the Board of Directors held on May 13, 2016. Thereafter, the System was partially revised pursuant to a resolution of the Ordinary General Meeting of Shareholders held on June 27, 2017, and was further revised pursuant to a resolution of the Board of Directors held on May 10, 2019. For details of the System, please refer to the "Notice Concerning Partial Revision of the Board Benefit Trust (BBT)" dated May 10, 2019.

In continuing the System, the Company has resolved to make an additional monetary contribution to the trust (the "Additional Trust") so that the trust can acquire shares expected to be required for future grants. In addition, for the purpose of holding and disposing of the Company's shares in the administration of the System, the Company has resolved to dispose of treasury shares to Custody Bank of Japan, Ltd. (Trust Account E), the re-trustee under the trust established pursuant to the Trust Agreement (the "Trust").

The number of shares to be disposed of corresponds to the number of shares expected to be granted to the Eligible Directors, etc. during the trust period in accordance with the Stock Benefit Regulations for Officers, covering the three fiscal years from the fiscal year ended March 31, 2026 to the fiscal year ending March 31, 2028. This represents 0.36% of the total number of issued shares (234,767,616 shares as of March 31, 2026) and 0.41% of the total voting rights (2,070,740 voting rights as of March 31, 2026) (both rounded to two decimal places). In light of the objectives of the System described in the "Notice Concerning Partial Revision of the Board Benefit Trust (BBT)" dated May 10, 2019, the Company considers the scale of dilution to be reasonable.

※ Overview of the Additional Trust

・Additional trust date: August 24, 2026
・Amount of additional trust contribution: 2,582,160,000yen
・Type of shares to be acquired: Common stock of the Company
・Number of shares to be acquired: 840,000 shares
・Share acquisition date: August 24, 2026
・Method of acquisition: Acquisition through subscription to the Disposal of Treasury Shares

3. Basis for Calculation of Disposal Price and Details Thereof

The disposal price is set at 3,074yen per share, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors resolution.

The Company determined that using the closing price of the immediately preceding business day is reasonable, as it reflects the fair corporate value of the Company in the securities market.