

June 25, 2025

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Notice Concerning Disposal of Treasury Stock as Restricted Stock Remuneration

The Kita-Nippon Bank, Ltd. (the “Bank”) hereby announces that it has resolved, at a meeting of the Board of Directors held on June 25, 2025, to dispose of treasury stock (hereinafter the “Disposal of Treasury Stock” or the “Disposal”). The details are described below.

1. Overview of the Disposal

(1) Date of the Disposal	July 23, 2025
(2) Type and number of shares for the Disposal	The Bank’s common stock: 9,800shares
(3) Price of the Disposal	2,894yen per share
(4) Total amount of the Disposal	28,361,200 yen
(5) Recipients of the Disposal, number of recipients, and number of shares for the Disposal	The Bank’s Directors (excluding Outside Directors and Directors serving as Audit and Supervisory Committee Members); 7 people; and 9,800 shares
(6) Other	Regarding the Disposal of Treasury Stock, a Written Notice of Securities has been submitted in accordance with the Financial Instruments and Exchange Act.

2. Purpose and reason for the Disposal

At the Board of Directors meeting held on May 14, 2019, the Bank resolved to introduce a Restricted Stock Remuneration Plan (hereinafter the “Plan”) as a new remuneration plan for the Bank’s Directors (excluding Outside Directors), aiming to provide medium- to long-term incentives to Directors (excluding Outside Directors) and to share interests with shareholders. In addition, at the 115th Annual General Meeting of Shareholders held on June 25, 2019, the Bank obtained approval to provide monetary remuneration claims of up to 60 million yen per year to Directors (excluding Outside Directors) as monetary remuneration to be contributed for acquisition of

restricted stock (hereinafter the “Restricted Stock Remuneration”) under the Plan, and to set a transfer restriction period of 30 years for the restricted stock. However, at the 117th Annual General Meeting of Shareholders held on June 25, 2021, the Bank obtained approval for partial amendments to its Articles of Incorporation, and as a result, the Bank transitioned to a company with an Audit and Supervisory Committee as of the same date. The Bank also obtained approval to provide monetary remuneration claims of up to 60 million yen per year to Directors (excluding Outside Directors and Directors serving as Audit and Supervisory Committee Members; hereinafter the “Eligible Directors”), and to set a transfer restriction period of 30 years for the restricted stock.

The overview of the Plan, etc. is as follows.

[Overview of the Plan, etc.]

Eligible Directors shall pay all monetary remuneration claims provided by the Bank under the Plan as property contributed in kind and shall receive shares of common stock of the Bank by issuance or disposal. The total maximum number of shares of common stock to be issued or disposed of by the Bank for Eligible Directors under the Plan shall be 35,000 shares per year. The amount to be paid for each share shall be determined by the Board of Directors, within a range of amount that is not particularly advantageous to the Eligible Directors who will receive the shares of common stock, based on the closing price of the Bank’s common stock on the Tokyo Stock Exchange on the business day before the date of each resolution by the Board of Directors (if there are no trades on that day, the closing price on the most recent preceding trading day).

In addition, when issuing or disposing of the Bank’s common stock under the Plan, the Bank shall conclude a restricted stock allotment agreement with Eligible Directors. The content of the agreement shall state, among other things, that (1) Eligible Directors shall not be able to transfer, create security interests on, or otherwise dispose of shares of the Bank’s common stock allotted as a result of the restricted stock allotment agreement for a fixed period of time, and that (2) in the event of certain circumstances, the Bank shall acquire the common stock without consideration.

Taking into consideration the purpose of the Plan, the Bank’s business performance, the scope of responsibilities of each Eligible Director, and various other circumstances, the Bank has decided to grant monetary remuneration claims totaling 28,361,200yen (hereinafter the “Monetary Remuneration Claims”) as well as 9,800 shares of its common stock, with the aim of securing talented human resources as officers and providing a healthy incentive for sustainable growth of each Eligible Director. Moreover, in order to share interests with shareholders over the medium- to long-term, which is the purpose behind introducing the Plan, the transfer restriction period has been set at 30 years.

In the Disposal of Treasury Stock, seven (7) Eligible Directors who are scheduled allottees shall pay all the Monetary Remuneration Claims to the Bank as property contributed in kind under the Plan, and in turn shall receive the disposal of the Bank’s common stock (hereinafter the “Allotted Shares”). The overview of the restricted stock allotment agreement to be concluded between the Bank and the Eligible Directors (hereinafter, the “Allotment Agreement”) in relation to the Disposal of Treasury Stock is described in 3. below.

3. Overview of the Allotment Agreement

(1) Transfer restriction period: From July 23, 2025 to July 22, 2055

(2) Conditions for removal of transfer restrictions

The Bank shall remove transfer restrictions on all Allotted Shares when the transfer restriction period ends, on condition that the Eligible Director continuously served in the position of Director (including Director serving as an Audit and Supervisory Committee Member), Executive Officer, Corporate Officer who does not serve concurrently as a Director, employee, Adviser, Counselor, or other equivalent position in the Bank during the transfer restriction period.

(3) Treatment in the event that an Eligible Director resigns or retires during the transfer restriction period owing to justifiable reasons such as the expiration of their term of office or reaching the age of retirement

(i) Timing of removal of transfer restrictions

In the event that an Eligible Director resigns or retires from the position of Director (including Director serving as an Audit and Supervisory Committee Member), Executive Officer, Corporate Officer who does not serve concurrently as a Director, employee, Adviser, Counselor, or other equivalent position in the Bank owing to the expiration of their term of office, reaching the age of retirement, or other justifiable reason (excluding cases of resignation or retirement due to death), the Bank shall remove transfer restrictions immediately after the resignation or retirement of the Eligible Director. In the case of resignation or retirement due to death, the transfer restrictions shall be removed at a time separately determined by the Board of Directors after the death of the Eligible Director.

(ii) Number of shares subject to removal of transfer restrictions

The number of shares shall be calculated by multiplying the number of the Allotted Shares held at the time of resignation or retirement specified in (i) above by the number obtained (if such number exceeds 1, the number shall be rounded down to 1) by dividing the term of office (in months) of the Eligible Director during the transfer restriction period by 12 (however, if a fractional share less than one unit arises as a result of the above calculation, the fractional share shall be discarded).

(4) Gratis acquisition by the Bank

At the expiration of the transfer restriction period or at the time of removal of transfer restrictions set forth in (3) above, the Bank shall automatically acquire any Allotted Shares whose transfer restrictions have not been removed, without consideration.

(5) Administration of shares

During the transfer restriction period, the Allotted Shares shall be administered in a dedicated account opened by Eligible Directors at Nomura Securities Co., Ltd. in order to ensure that the Allotted Shares cannot be transferred, used for creation of security interests, or otherwise disposed of during the transfer restriction period. To ensure the effectiveness of the transfer restrictions, etc. on the Allotted Shares, the Bank has entered into an agreement with Nomura Securities Co., Ltd. concerning the administration of the account for the Allotted Shares held by each Eligible Director. In addition, the Eligible Directors shall consent to the details of the administration of said account.

(6) Treatment in the event of organizational restructuring, etc.

In cases where, during the transfer restriction period, a merger agreement under which the Bank will become a non-surviving company, a share exchange agreement or share transfer plan under which the Bank will become a wholly owned subsidiary, or other matters regarding organizational restructuring, etc. are approved at a General Meeting of Shareholders of the Bank (however, this shall be the Board of Directors of the Bank if the organizational restructuring, etc. does not require approval at the General Meeting of Shareholders of the Bank), the Bank shall, by resolution by the Board of Directors, remove the transfer restrictions as of the time immediately before the business day prior to the effective date of said organizational restructuring, etc. for the number of shares calculated by multiplying the number of the Allotted Shares held at such time by the number obtained (if such number exceeds 1, the number shall be rounded down to 1) by dividing the number of months from the month when the transfer restriction period started to the month to which the date of such approval belongs by 12 (however, if a fractional share less than one unit arises as a result of the above calculation, the fractional share shall be discarded). In addition, the Bank shall automatically acquire any Allotted Shares whose transfer restrictions have not been removed, without consideration, immediately after the removal of transfer restrictions.

4. Basis of calculation and specific details of the amount to be paid in

The Disposal of Treasury Stock to the scheduled allottees shall be carried out by contribution of the monetary remuneration claims provided as the Restricted Stock Remuneration under the Plan for the Bank's 122st fiscal year. In order to eliminate arbitrariness, the Bank has determined the price of the Disposal to be 2,894 yen, the closing price of the Bank's common stock on the Prime Market of the Tokyo Stock Exchange on June 24, 2025 (the business day prior to the date of the resolution by the Board of Directors). As this is the market price immediately prior to the date of the resolution by the Board of Directors, the Bank believes it to be a reasonable and not particularly advantageous price.