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May 30, 2025

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### **Notice Concerning Disposal of Treasury Shares as a Restricted Stock Incentive for the Employee Stock Ownership Association**

Bank of The Ryukyus, Ltd. (hereinafter, the “Bank”) hereby announces that, at a meeting of the Board of Directors held on May 30, 2025, it resolved to introduce a Restricted Stock Incentive Plan (hereinafter, the “Plan”) for the employee stock ownership association and to dispose of treasury shares as restricted stock (hereinafter, “Disposal of Treasury Shares” or “Disposal”) to the Bank of The Ryukyus Employee Stock Ownership Association (hereinafter, the “ESOA”) as the scheduled allottee.

#### **1. Overview of the Disposal**

(1) Disposal date	September 19, 2025
(2) Number of shares to be disposed of	42,366 shares of the Bank’s common stock (Note)
(3) Disposal price	1,162 yen per share
(4) Total value of shares to be disposed of	49,229,292 yen
(5) Disposal method	The number of shares to be disposed of will be allotted to the ESOA by way of the third-party allotment method, subject to the ESOA submitting a subscription application. The number of shares allotted to the ESOA will be determined based on the number of shares applied for by the ESOA, within the range specified in the foregoing item (2) (which will constitute the number of shares to be disposed of). Furthermore, partial applications for the allotted shares from any individual Eligible Employee (as defined below) shall not be accepted.
(6) Scheduled allottee	Bank of The Ryukyus Employee Stock Ownership Association

(Note) The “number of shares to be disposed of” and the “total value of shares to be disposed of” have been calculated based on the assumption that these will be granted as restricted stock to each of the 1,504 employees of the Bank, representing the maximum number of individuals eligible under the Plan. The actual number of shares to be disposed of and the total value of shares to be disposed of will be determined based on the number of employees of the Bank who agree to the Plan and the number of shares to be granted to each following the completion of promotional activities for employees who are not yet members of the ESOA and the confirmation of agreement to the Plan from the ESOA members (the “Eligible Employees”) (up to 1,504 employees). Specifically, as stated in the foregoing “(5) Disposal method,” the “number of shares to be

disposed of" shall be the number of shares applied for, as determined by the ESOA. The "total value of shares to be disposed of" shall be calculated by multiplying this number by the disposal price per share.

## 2. Purpose of and reason for the Disposal

The Bank resolved to introduce the Plan to support asset building of the Eligible Employees, foster a sense of participation in management, provide the Eligible Employees with an incentive for sustainable improvement of corporate value, and further encourage the Eligible Employees to share values with our shareholders, by providing opportunities for the Eligible Employees to acquire the Bank's common stock to be disposed of by the Bank as restricted stock through the ESOA.

The overview of the Plan is as follows.

### Overview of the Plan

In the Plan, the Bank will provide monetary claims as a special incentive for granting restricted stock (hereinafter, "Special Incentive") to the Eligible Employees, and the Eligible Employees shall contribute their Special Incentive to the ESOA. Subsequently, the ESOA will provide to the Bank the Special Incentive contributed by the Eligible Employees in the form of property contributed in kind, and in turn shall receive the disposal of the Bank's common stock as the restricted stock.

The amount per share to be paid for the Bank's common stock in cases where such common stock is to be disposed of based on the Plan will be determined by the Board of Directors to the extent that it is not particularly advantageous to the ESOA (and by extension to the Eligible Employees) based on the closing price of the Bank's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution of the Board of Directors pertaining to the issuance or disposal thereof (if there are no trades on this day, the closing price on the most recent preceding trading day).

When disposing of the Bank's common stock under the Plan, the Bank and the ESOA will enter into a restricted stock allotment agreement that includes clauses, such as: (i) the prohibition of the transfer of the allotted shares to a third party, the establishment of security interests, or any other form of disposal for a certain period (hereinafter, "Transfer Restrictions"); (ii) the Bank's right to acquire the allotted shares without consideration in the event that certain conditions arise. Furthermore, the granting of the Special Incentive to the Eligible Employees shall be subject to the execution of the restricted stock allotment agreement between the Bank and the ESOA.

In accordance with the ESOA Regulations and the Detailed Regulations on Operation of the ESOA (hereinafter, "ESOA Regulations, Etc."), the Eligible Employees shall be restricted from withdrawing restricted stock corresponding to their member equity interest pertaining to the allotted restricted stock acquired by the ESOA through the disposal (hereinafter, "Restricted Stock Equity Interest") until the Transfer Restrictions on the said restricted stock are lifted.

As for the Disposal of Treasury Shares under the Plan, the Bank shall dispose of its common stock (hereinafter, the "Allotted Shares") to the ESOA, which is the scheduled allottee, in exchange for all of the Special Incentive contributed by the Eligible Employees as property contributed in kind. The overview of the restricted stock allotment agreement (hereinafter, the "Allotment Agreement") to be entered into by the Bank and the ESOA for the Disposal of Treasury Shares is provided in "3. Overview 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 the Note under the foregoing item 1. However, if all 1,504 employees of the Bank, who represent the maximum number of individuals eligible for the Plan, join the ESOA and agree to the Plan, the number of shares to be disposed of is expected to be 42,366 shares. Assuming this number of shares to be disposed of, the scale of dilution resulting from the Disposal of Treasury Shares will be 0.10% of the total number of issued shares, 41,353,457 shares, as of March 31, 2025 (rounded to the second decimal place; the same rounding method applies to all percentage calculations below.), and 0.10% of the total number of voting rights, 411,818 units, as of March 31, 2025.

The Disposal of Treasury Shares will be executed on the condition that the revised ESOA Regulations, Etc. take effect by the day immediately preceding the date of the Disposal of Treasury Shares and that the

Bank and the ESOA enter into the Allotment Agreement during the application period.

### 3. Overview of the Allotment Agreement

#### (1) Transfer restriction period

From September 19, 2025 to June 1, 2028

#### (2) Condition for the lifting of Transfer Restrictions

The Bank will lift the Transfer Restrictions on all of the Restricted Stock Equity Interest held by the Eligible Employees when the transfer restriction period ends, subject to the Eligible Employees serving continuously during the transfer restriction period. In cases where an Eligible Employee terminates membership in the ESOA during the transfer restriction period due to retirement at the mandatory retirement age or any other justifiable cause specified by the Bank, effective on the first business day of the month in which the ESOA processes the termination (the “Restrictions Lifting Date”), the Bank will lift the Transfer Restrictions on the total number of Allotted Shares corresponding to the Restricted Stock Equity Interest held by the Eligible Employee. In this case, the Bank shall inform the ESOA that the Transfer Restrictions will be lifted and the number of Allotted Shares for which the Transfer Restrictions will be lifted.

#### (3) Acquisition by the Bank without consideration

The Bank will automatically acquire, without consideration, any Allotted Shares on which Transfer Restrictions have not been lifted, as of the time immediately after the transfer restriction period ends or an Eligible Employee terminates membership in the ESOA during the transfer restriction period if none of the causes for lifting Transfer Restrictions separately specified by the Bank apply to the Eligible Employee.

#### (4) Treatment in the Event of Becoming a Non-Resident

If the Bank determines that an Eligible Employee qualifies as a non-resident as defined in Article 2 of the Income Tax Act during the transfer restriction period due to an overseas transfer or other similar circumstances, the Transfer Restrictions on the total number of Allotted Shares corresponding to the Restricted Stock Equity Interest held by the Eligible Employee as of the date such determination is made (hereinafter, the “Overseas Transfer Determination Date”) will be lifted.

#### (5) Management of shares

The Allotted Shares will be managed in a dedicated account opened by the ESOA at Mizuho Securities Co., Ltd. to prevent the ESOA from transferring, creating security interests on, or otherwise disposing of the Allotted Shares during the transfer restriction period. Furthermore, the ESOA will register and manage the Restricted Stock Equity Interest held by the Eligible Employees separately from other member interests held by the Eligible Employees.

#### (6) Treatment in organizational restructuring, etc.

If, during the transfer restriction period, the General Meeting of Shareholders of the Bank (or the Board of Directors of the Bank in cases where approval by the General Meeting of Shareholders of the Bank is not required in regard to the organizational restructuring, etc., or the board of directors of the share delivery parent company in case of share delivery plans) approves a merger agreement with the Bank as the disappearing company, share exchange agreement or share transfer plan where the Bank will become a wholly owned subsidiary, share delivery plan where the Bank will become a subsidiary through exchange or transfer of shares, or other items related to organizational restructuring, etc., the Bank will lift the Transfer Restrictions as of the time immediately before the business day preceding the effective date of the organizational restructuring, etc.

#### 4. Basis of calculation of the Disposal Price and specific details thereof

The Disposal of Treasury Shares to the ESOA as the scheduled allottee shall be conducted by the Eligible Employees contributing to the ESOA the Special Incentive provided to the Eligible Employees for the granting of restricted stock as property contributed in kind. The disposal price is set at the closing price of the Bank's common stock, which is 1,162 yen, on the Tokyo Stock Exchange Prime Market on May 29, 2025 (the business day preceding the date of the resolution of the Board of Directors) to avoid disposing of the shares at an arbitrary price. This is the market price of the day immediately preceding the date of the resolution of the Board of Directors, and thus the Bank considers it reasonable and not a particularly advantageous price.

Note that the deviation rate (rounded off to two decimal places) of this price from the average closing price of the Bank's common stock on the Tokyo Stock Exchange Prime Market is as follows.

Period	Average closing price (rounded down to the nearest yen)	Deviation rate
1 Month (April 30, 2025-May 29, 2025)	1,101 yen	5.54%
3 Months (March 3, 2025-May 29, 2025)	1,091 yen	6.51%
6 Months (December 30, 2024-May 29, 2025)	1,098 yen	5.83%

#### 5. Matters concerning procedures under the Code of Conduct

The Disposal of Treasury Shares does not require procedures for obtaining an independent, unbiased third-party opinion or for confirming shareholder intent as set forth in Article 432 of the Tokyo Stock Exchange Securities Listing Regulations because (i) it will result in a dilution of less than 25%, and (ii) it will not result in any changes to the controlling shareholders.

(Reference)

Scheme of the Plan

1. The Bank will pay the Eligible Employees who agree to the Plan (members of the ESOA) monetary claims as a Special Incentive for the grant of restricted stock.
2. The Eligible Employees will contribute the monetary claims in the foregoing item 1 to the ESOA.
3. The ESOA will collect the monetary claims contributed in the foregoing item 2 and pay these to the Bank.
4. The Bank will enter into an Allotment Agreement with the ESOA and allot the Allotted Shares as restricted stock. The ESOA will manage the Allotted Shares as a Restricted Stock Equity Interest (RS Equity Interest) separately from the ordinary equity interest.
5. Withdrawals of the Restricted Stock Equity Interest to a member's security account will be restricted until the Transfer Restrictions are lifted. After the Transfer Restrictions are lifted, the Restricted Stock Equity Interest will be transferred to either the ordinary equity interest of the ESOA or to a member's security account.

