June 24, 2026

KYB Corporation
Masahiro Kawase, Representative Director, President Chief Executive Officer (CEO)
Code number: 7242 (Tokyo Stock Exchange)

Notice Concerning Disposal of Treasury Shares as Restricted Stock Compensation for Directors (Excluding Outside Directors)

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) Allotment Date	July 3, 2026
(2) Class and Number of Shares to Be Disposed of	11,116 common shares of the Company
(3) Planned Allottees	Three Directors of the Company
(4) Disposal Price per Share	¥3,830
(5) Total Disposal Price	¥42,574,280* * Although the Treasury Share Disposal will be made without monetary contribution as compensation, etc. for Directors pursuant to Article 202-2 of the Companies Act, the disposal price has been determined as a fair valuation amount by multiplying the closing price of the Company's common shares on the Tokyo Stock Exchange on June 23, 2026, the business day immediately preceding the date of the Board of Directors' resolution held today, which was ¥3,830, by the number of shares to be disposed of, namely 11,116 shares, resulting in ¥42,574,280.

2. Purpose and Rationale for the Treasury Share Disposal

At the Board of Directors meeting held on May 23, 2022, the Company resolved to introduce the Plan as a new compensation plan for its Directors, excluding Outside Directors and including Directors to be appointed in the future, hereinafter referred to as the "Eligible Directors." The purpose of the Plan is to provide the Eligible Directors with incentives to contribute to the sustainable enhancement of the corporate value of the Company Group and to further promote value sharing with shareholders.

Furthermore, at the 100th Annual General Meeting of Shareholders held on June 23, 2022, shareholders approved the following matters:

(i) under the Plan, the Eligible Directors shall receive the issuance or disposal of a number of common shares of the Company calculated according to the degree of achievement of performance forecasts and other indicators set by the Board of Directors during the period determined by the Board of Directors, hereinafter referred to as the "Evaluation Period." The Evaluation Period applicable to the Treasury Share Disposal is the one fiscal year from April 1, 2025 to March 31, 2026;

(ii) the total number and total amount of common shares of the Company to be issued or disposed of under the Plan shall not exceed 20,000 shares per year, or 40,000 shares per year following the stock split conducted on December 3, 2024, and ¥75,000,000 per year. In granting restricted shares, the Company's restricted shares will be issued or treasury shares will be disposed of as compensation, etc. for Directors, and no monetary contribution will be required in exchange for the shares to be subscribed for. However, the amount of compensation for each Eligible Director shall be calculated based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors'

resolution, or, if no transaction is effected on that day, the closing price on the most recent trading day prior thereto; and

(iii) the transfer restriction period for the restricted shares shall be the period from the delivery date of the restricted shares until the date on which the relevant Eligible Director ceases to hold the position of Director of the Company or any other position designated by the Board of Directors of the Company.

As the Evaluation Period for the Treasury Share Disposal, namely the one fiscal year from April 1, 2025 to March 31, 2026, has now ended, the Company resolved, at today's meeting of the Board of Directors and based on the performance results during the Evaluation Period, to grant a total of 11,116 common shares of the Company, hereinafter referred to as the "Allotted Shares," to three Eligible Directors as consideration for the performance of their duties as Directors.

The outline of the Plan is as follows.

Overview of the Plan

Eligible Directors 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 Director 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 Directors may not transfer, create a security interest over, or otherwise dispose of the Allotted Shares during the period from July 3, 2026, the allotment 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 Director has continuously held at least one of the Applicable Positions from the allotment 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 Director 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 Director 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

Although the Treasury Share Disposal will be made without monetary contribution as compensation, etc. for Directors pursuant to Article 202-2 of the Companies Act, the disposal price has been set at ¥42,574,280, which is the amount calculated by multiplying the closing price of the Company's common shares on the Tokyo Stock Exchange on June 23, 2026, the business day immediately preceding the date of the Board of Directors' resolution held today, which was ¥3,830, by the number of shares to be disposed of, namely 11,116 shares.

This price represents the market share price immediately preceding the date of the Board of Directors' resolution. In the absence of special circumstances indicating that the most recent market price cannot be relied upon, the Company believes that this price reasonably reflects the corporate value of the Company and does not constitute a particularly favorable price for the Eligible Directors.