



May 25, 2026

Company name: The Shikoku Bank, Ltd.
Representative: Tatsuji Kobayashi, President
(Code No: 8387; TSE Prime Market)
Inquiry: Masayuki Kumon, General Manager,
General Planning Division
(Telephone: +81-88-823-2111)

Notice of Disposal of Treasury Shares as Restricted Stock Compensation

The Shikoku Bank, Ltd. (the “Bank”) hereby announces that it has resolved at the meeting of its board of directors held on May 25, 2026, to dispose of its treasury shares as restricted stock compensation (the “Disposal of Treasury Shares”), as follows.

1. Overview of disposal

(1) Payment date	September 25, 2026
(2) Class and number of shares to be disposed of	52,604 shares of the Bank’s common stock
(3) Disposal value	2,826 yen per share
(4) Total disposal value	148,658,904 yen
(5) Recipients of disposed shares	1,472 Bank employees 52,604 shares
(6) Other	The Bank has submitted an extraordinary report under the Financial Instruments and Exchange Act in connection with the Disposal of Treasury Shares.

2. Purpose of and reasons for disposal

The Bank resolved at the meeting of its board of directors held on March 23, 2026, to introduce a stock compensation plan (the “Plan”) to deliver shares with restriction on transfer as an investment in human capital aimed at improving employee engagement and financial well-being for the purpose of giving incentives to the Bank employees to sustainably increase the Bank’s corporate value as well as further encouraging those employees to share the same values as the Bank’s shareholders.

The Bank resolved at the meeting of its board of directors today to allot 52,604 shares of its common stock as specified shares with restriction on transfer. Specifically, the Bank will grant monetary remuneration receivables totaling 148,658,904 yen to 1,472 Bank employees, who have met certain criteria (the “Eligible Allottees”), as restricted stock compensation for the period from September 25, 2026 to June 30, 2029. Thereafter, the Eligible Allottees will pay all the monetary remuneration receivables so granted in the form of property contributed in kind. The amount of monetary remuneration receivables payable to each Eligible Allottee has been determined after comprehensively considering various factors, including each recipient’s level of contribution to the Bank. As the scale of dilution

by the Disposal of Treasury Shares is minor at 0.13% (rounded to two decimal places) against 41,884,149 total issued shares (excluding treasury shares) of the Bank as of March 31, 2026, it is considered reasonable in light of the purpose of the Plan. The aforementioned monetary remuneration receivables are paid subject to the respective Eligible Allottees executing an allotment agreement for Restricted Shares (the “Allotment Agreement”) with the Bank that substantially includes the following details as the content thereof.

3. Overview of the Allotment Agreement

① Restriction period

Period from September 25, 2026 to June 30, 2029

During the above transfer restriction period (the “Restriction Period”), no Eligible Allottees shall transfer, create a pledge or assignment by way of security, offer as an inter vivos gift, make a bequest of, or otherwise dispose of, the Restricted Shares allotted to them (the “Allotted Shares”) to or in favor of any third parties (the “Transfer Restrictions”).

② Acquisition of Restricted Shares without contribution

If an Eligible Allottee retires from his or her position as either a regular employee or a contract employee of the Bank prior to expiration of the Restriction Period, the Bank shall automatically acquire the Allotted Shares without contribution upon the retirement, unless there is a reason deemed valid by the Bank’s board of directors.

If there are Allotted Shares on which Transfer Restrictions have not been lifted at the expiration of the Restriction Period (the “Expiration”) pursuant to any of the Transfer Restriction lifting events set forth in ③ below, the Bank shall automatically acquire those Allotted Shares without contribution, immediately after the Expiration.

③ Lifting of Transfer Restrictions

The Bank shall lift the Transfer Restrictions on all of the Allotted Shares held by the Eligible Allottees as of the expiration of the Restriction Period, provided that the Eligible Allottees have continuously held the status of either a regular employee or a contract employee of the Bank during the Restriction Period.

However, if the Eligible Allottees resign from their position as either a regular employee or a contract employee of the Bank prior to the expiration of the Restriction Period for reasons deemed valid by the Bank’s Board of Directors, the Transfer Restrictions on the number of Allotted Shares calculated as follows shall be lifted immediately after such retirement.

The number of months from September, 2026 to the month including the date on which the Eligible Allottee retired from the position of either a regular employee or a contract employee of the Bank, divided by 34, multiplied by the number of Allotted Shares held by the Eligible Allottees at that time (any fractional shares less than one share resulting from the calculation will be rounded down).

④ Management of shares

The Eligible Allottees shall complete the opening of an account with SMBC Nikko Securities Inc. to enter or record the Allotted Shares in a manner designated by the Bank and shall keep and maintain the Allotted Shares in the account until the Transfer Restrictions are lifted.

⑤ Treatment during reorganization

If, during the Restriction Period, a proposition relating to a merger agreement in which the Bank is the disappearing company, a share exchange agreement or share transfer plan in which the Bank becomes a wholly owned subsidiary, or other reorganization or other similar procedures (the “Reorganization”) is approved at the Bank’s General Meeting of Shareholders (or at a meeting of its board of directors in cases where approval at the Bank’s General Meeting of Shareholders is not required in relation to the Reorganization), then the Transfer Restrictions on the number of Allotted Shares calculated as follows shall be lifted on the business day immediately prior to the effective date of the Reorganization. The number of months from September, 2026 to the month including the date of such approval, divided by 34, multiplied by the number of Allotted Shares held by the Eligible Allottees on the date of such approval (any fractional shares less than one share resulting from the calculation will be rounded down).

In such case, the Bank shall, as of the business day immediately prior to the effective date of the Reorganization, automatically acquire without contribution all Allotted Shares on which Transfer Restrictions have not been lifted on that day.

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

To eliminate any arbitrariness in the disposal value in the Disposal of Treasury Shares, 2,826 yen, which is the closing price of shares of the Bank’s common stock on the Tokyo Stock Exchange on the business day immediately prior to the date of resolution by the Bank’s board of directors (May 22, 2026), is used as the disposal value. The value is the Bank’s market stock price immediately prior to the date of resolution of its board of directors, which the Bank considers is a rational value and not particularly favorable.

*This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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