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November 13, 2025

To whom it may concern,

Company Name: Denyo Co., Ltd.  
Representative: Takanori Yoshinaga, President  
(TSE Prime Market, Code: 6517)  
Inquiries: Makoto Tanabe, Director & Managing Executive  
Officer, Chief Executive, Administration Division  
(TEL +81-3-6861-1111)

Notice Regarding Disposal of Treasury Shares through Third-Party Allotment in Association with  
Additional Contributions to BBT

Denyo Co., Ltd. (the “Company”) hereby announces that its Board of Directors resolved at its meeting held today to conduct disposal of treasury shares by way of third-party allotment (the “Disposal of Treasury Shares”). Details are described below. The Disposal of Treasury Shares will be conducted formally with Custody Bank of Japan, Ltd. (Trust E Account) as the allottee. Custody Bank of Japan, Ltd. is the re-trustee that has been re-entrusted by the trustee of the trust established under the trust agreement concluded with Mizuho Trust & Banking Co., Ltd. (the “Trust”) concerning the performance-based share-based remuneration plan “Board Benefit Trust (BBT)” (the “Plan”). However, this is substantially the same as allocation of shares to Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors. The same shall apply hereinafter unless otherwise specified) as consideration for the provision of services to the Company.

1. Outline of disposal

|     |                                              |                                                            |
|-----|----------------------------------------------|------------------------------------------------------------|
| (1) | Date of disposal                             | Friday, November 28, 2025                                  |
| (2) | Class and number of shares to be disposed of | 22,000 shares of common shares                             |
| (3) | Disposal price                               | 2,911 yen per share                                        |
| (4) | Total disposal amount                        | 64,042,000 yen                                             |
| (5) | Planned allottee                             | The Company’s six Directors, 22,000 shares<br>(Notes 1, 2) |

(Note 1) The formal allottee for the Disposal of Treasury Shares is the Custody Bank of Japan, Ltd. (Trust E Account). Custody Bank of Japan, Ltd. (Trust E Account) is the trust account established by a trust

agreement between the Company and Mizuho Trust & Banking Co., Ltd., wherein the Company is the settlor and Mizuho Trust & Banking, Ltd. is the trustee (the re-trustee is Custody Bank of Japan, Ltd.). Meanwhile, the Disposal of Treasury Shares is conducted to make payments to Directors under the Plan, and since it is substantially the same as the case where shares are allotted to Directors as consideration for the provision of services to the Company, Directors are listed as the planned allottee.

(Note 2) Under the Plan, Directors shall be awarded points based on their position, performance achievement levels, and other factors. Upon acquisition of the right to receive benefits under certain conditions, Directors shall be granted shares of the Company equivalent to the points awarded. Therefore, the above number of shares is the maximum number, and the actual number of the Company shares to be granted to Directors will vary depending on their position, performance achievement levels, and other factors.

## 2. Purpose and reason for the disposal

The Company introduced the Plan based on a resolution adopted at the 67th Ordinary General Meeting of Shareholders held on June 26, 2015 (for an outline of the Plan, please refer to “Notice Concerning the Introduction of a Director Stock Compensation Plan” dated May 14, 2015 and Proposal No. 7 “Determination of the Amount and Details of Performance-Linked Share-Based Remuneration, Etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” in the Notice of the 73rd Ordinary General Meeting of Shareholders dated June 29, 2021).

In continuing the Plan, the Company has decided to make an additional monetary contribution to the Trust (the “Additional Trust”) to enable the Trust to acquire shares deemed necessary for future benefit, and to dispose of its treasury shares through third-party allotment to Trust E Account established with Custody Bank of Japan, Ltd. (the re-trustee who has been re-entrusted by Mizuho Trust & Banking Co., Ltd., the trustee of the Trust) for the purpose of holding and disposing of the Company’s shares in the operation of the Plan (the Disposal of Treasury Shares). Although the Disposal of Treasury Shares is formally conducted to Custody Bank of Japan, Ltd. (Trust E Account) as the allottee, it is substantially the same as the case where shares are allotted to Directors as consideration for the provision of services to the Company.

The number of shares to be disposed of is equivalent to the number of shares that are expected to be granted to Directors during the trust period in accordance with the “regulations for provision of shares to Directors” (for five fiscal years from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2030). This represents 0.10% against the total number of 21,859,660 shares issued as of September 30, 2025 (representing 0.10% of the total voting rights, 212,142, as of September 30, 2025 (all figures rounded to the nearest hundredth)). The Company has determined that the level of dilution is reasonable in light of the purpose of the Plan described in the “Notice Concerning the Introduction of a Director Stock Benefit Plan” dated May 14, 2015.

### \* Outline of the Additional Trust

|                                 |                                                                                            |
|---------------------------------|--------------------------------------------------------------------------------------------|
| Date of Additional Trust        | November 28, 2025                                                                          |
| Amount of Additional Trust      | 64,042,000 yen                                                                             |
| Type of shares to be acquired   | Common shares of the Company                                                               |
| Number of shares to be acquired | 22,000 shares                                                                              |
| Date of acquisition of shares   | November 28, 2025                                                                          |
| Method of share acquisition     | Acquisition by undertaking the Company’s treasury shares (the Disposal of Treasury Shares) |

### 3. Basis of calculation and specific details of the disposal price

The disposal price was 2,911 yen (rounded down to the nearest yen), which represents the average closing price of the Company's common shares on the Tokyo Stock Exchange for one month (from October 14, 2025 to November 12, 2025) until the business day immediately preceding the date of the Board of Directors' resolution regarding the Disposal of Treasury Shares.

The Company uses the average closing price for the one-month period up to the business day immediately preceding the resolution date of the Board of Directors as the basis, because greater objectivity and rationality are assumed to be achieved by adoption of a leveled value of the average stock price over a certain period of time, rather than use of a specific point in time as the basis. This approach can eliminate the influence of temporary stock price fluctuations and other special factors. Furthermore, the calculation period was set to the most recent month because it was deemed reasonable to adopt a fixed period closest to the latest market price compared with the most recent three months or six months.

The disposal price of 2,911 yen is calculated by multiplying the closing price of 2,860 yen on the business day immediately preceding the resolution date of the Board of Directors by 101.78%. It is also calculated by multiplying the average closing price of 2,918 yen (rounded down to the nearest yen) for the most recent three months preceding the business day immediately preceding the resolution date of the Board of Directors by 99.76%. It is further calculated by multiplying the average closing price of 2,865 yen (rounded down to the nearest yen) for the most recent six months by 101.61%. After considering the above, the Company has determined that the disposal price for the Disposal of Treasury Shares is not particularly advantageous but is reasonable.

The Audit and Supervisory Committee has expressed its opinion that the above disposal price does not correspond to a particularly favorable disposal price.

### 4. Matters concerning procedures under the Corporate Code of Conduct

The Disposal of Treasury Shares does not require the procurement of an opinion from an independent third party or require procedures for confirming the intent of shareholders, which are provided for under Rule 432 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc., because (i) the dilution ratio is less than 25% and (ii) this Disposal of Treasury Shares does not involve a change in controlling shareholder.