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## Notice of Disposal of Treasury Shares as Restricted Stock Compensation

Inaba Denki Sangyo Co., Ltd. (hereinafter referred to as the “Company”) resolved, at the meeting of the Board of Directors held today, to dispose of treasury shares (hereinafter referred to as the “Disposal of Treasury Shares”) as restricted stock compensation as follows.

### 1. Overview of the disposal

(1) Payment date	July 7, 2025
(2) Class and number of shares to be disposed	26,000 common shares of the Company
(3) Disposal price	3,900 yen per share
(4) Total disposal price	101,400,000 yen
(5) Allottees	5 Directors (*), 8,000 shares 8 Executive Officers, 9,000 shares 18 Employees with job title, 9,000 shares *Excluding Directors and Outside Directors who are Audit and Supervisory Committee members.
(6) Other	The Company has submitted an extraordinary report regarding the Disposal of Treasury Shares based on the Financial Instruments and Exchange Act.

### 2. Purpose of and reasons for the disposal

At the 76th Annual General Meeting of Shareholders held on June 21, 2024, the Company received approval to introduce a stock-based compensation plan (hereinafter referred to as the “Plan”) that delivers restricted stock to Directors (excluding Directors and Outside Directors who are Audit and Supervisory Committee members, hereinafter referred to as “Eligible Directors”), in lieu of the current share acquisition rights as stock options, with the purpose of encouraging Eligible Directors to further increase their willingness and morale to contribute to the improvement of the Company's corporate value and to further promote shared value with shareholders; to set the total amount of monetary compensation claims to be paid to Eligible Directors as compensation, etc. related to restricted stock under the Plan at 100 millions of yen or less per year (excluding the employee salaries of Directors who concurrently serve as employees); to set the total number of restricted stock to be allotted to Eligible Directors in each fiscal year at 20,000 shares or less; and to set the transfer restriction period of the restricted stock to be until the date of retirement from the position of Director.

Today, the Board of Directors passed a resolution to allot 26,000 common shares of the Company as specified restricted stock by paying monetary compensation claims of total 101,400,000 yen to 5 Eligible Directors, 8 Executive Officers and 18 employees with job title (hereinafter referred to

as “Eligible Employees”) (hereinafter collectively referred to as the “Eligible Person for Allotment”; among the Eligible Person for Allotment, the Eligible Directors will be referred to as “Eligible Person I,” the Executive Officers will be referred to as “Eligible Person II,” and the Eligible Employees will be referred to as “Eligible Person III”), who are the planned allottees, as restricted stock compensation for the period from the 77th Annual General Meeting of Shareholders to the 78th Annual General Meeting of Shareholders for Eligible Directors and Executive Officers and restricted stock compensation for the period from April 1, 2025 to March 31, 2026 for Eligible Employees, and by having Eligible Person for Allotment deliver all of the monetary compensation claims by way of contribution in kind. The amount of monetary compensation claims for each Eligible Person for Allotment is determined by comprehensively considering various matters such as the degree of contribution of each Eligible Person for Allotment to the Company. In addition, such monetary compensation claims will be provided on the condition that each Eligible Person for Allotment enters into a restricted stock allotment agreement (hereinafter referred to as the “Allotment Agreement”), which includes the following details, with the Company.

There are three types of restricted stock under the Plan: “Restricted Stock I” allotted to Eligible Person I, “Restricted Stock II” allotted to Eligible Person II, and “Restricted Stock III” allotted to Eligible Person III.

### 3. Overview of the Allotment Agreement

#### (i) Transfer restriction period

During the transfer restriction period set forth below, the Eligible Person for Allotment may not transfer, pledge, create a security interest in the transfer of, give before death, bequeath, or dispose of in any other way to any third party with respect to Restricted Stock I (hereinafter referred to as the “Allotted Shares I”), Restricted Stock II (hereinafter referred to as the “Allotted Shares II”), or Restricted Stock III (hereinafter referred to as the “Allotted Shares III”) allotted to the Eligible Person for Allotment (hereinafter referred to as the “Transfer Restriction”).

##### i. Restricted Stock I

From July 7, 2025 until the date on which Eligible Person I retires from the position of Director of the Company (hereinafter referred to as the “Transfer Restriction Period I”)

##### ii. Restricted Stock II

From July 7, 2025 until the date on which the Eligible Person II retires from the positions of both Director and Executive Officer of the Company (hereinafter referred to as the “Transfer Restriction Period II”)

##### iii. Restricted Stock III

From July 7, 2025 to June 22, 2028 (hereinafter referred to as the “Transfer Restriction Period III”)

#### (ii) Acquisition of restricted stock without consideration

##### i. Restricted Stock I

If Eligible Person I resigns from the position of Director of the Company by the day before the first Annual General Meeting of Shareholders to be held after the commencement date of the Transfer Restriction Period I, the Company shall automatically acquire the Allotted Shares I without consideration at the time of the resignation unless there is a reason deemed justifiable by the Board of Directors.

If, at the time of expiration of the Transfer Restriction Period I (hereinafter referred to as “Period Expiry Point I”), there are Allotted Shares I for which the Transfer Restriction has not been lifted pursuant to the provisions of the grounds for lifting the Transfer Restriction in (III) below, the Company shall automatically acquire such Allotted Shares I without consideration immediately after Period Expiry Point I.

##### ii. Restricted Stock II

If Eligible Person II resigns from the positions of both Director and Executive Officer of the Company by the day before the first Annual General Meeting of Shareholders to be held after the commencement date of the Transfer Restriction Period II, the Company shall automatically acquire the Allotted Shares II without consideration at the time of the resignation unless there is a reason deemed justifiable by the Board of Directors.

If, at the time of expiration of the Transfer Restriction Period II (hereinafter referred to as “Period Expiry Point II”), there are Allotted Shares II for which the Transfer Restriction has not been lifted pursuant to the provisions of the grounds for lifting the Transfer Restriction in (III) below, the Company shall automatically acquire such Allotted Shares II without consideration immediately after Period Expiry Point II.

iii. Restricted Stock III

If Eligible Person III resigns from any of the positions of Director, Executive Officer, or employee of the Company or retires before the expiration of the Transfer Restriction Period III, the Company shall automatically acquire the Allotted Shares III without consideration at the time of such resignation or retirement, unless there is a reason deemed justifiable by the Board of Directors.

If, at the time of expiration of the Transfer Restriction Period III (hereinafter referred to as “Period Expiry Point III”), there are Allotted Shares III for which the Transfer Restriction has not been lifted pursuant to the provisions of the grounds for lifting the Transfer Restriction in (III) below, the Company shall automatically acquire such Allotted Shares III without consideration immediately after Period Expiry Point III.

(iii) Lifting of the Transfer Restriction

i. Restricted Stock I

The Company will lift the Transfer Restriction on all of the Allotted Shares I held by the Eligible Person I as of Period Expiry Point I on the same point of time, on the condition that the Eligible Person I has held the position of Director of the Company continuously until the date of the first Annual General Meeting of Shareholders to be held after the commencement date of the Transfer Restriction Period I. However, if the Eligible Person I resigns from the position of Director of the Company by the day before the first Annual General Meeting of Shareholders to be held on or after the commencement date of the Transfer Restriction Period I for reasons deemed valid by the Board of Directors, the Transfer Restriction on the number of Allotted Shares I obtained by dividing the number of months from July 2025 to the month including the date of resignation of the Eligible Person I from the position of Director of the Company by 12 and then multiplying the result by the number of Allotted Shares I held by the Eligible Person I at that time (any fraction of less than 1 share resulting from the calculation shall be rounded down) will be lifted at the time immediately after the resignation.

ii. Restricted Stock II

The Company will lift the Transfer Restriction on all of the Allotted Shares II held by the Eligible Person II as of Period Expiry Point II on the same point of time, on the condition that the Eligible Person II has held the position of either Director or Executive Officer of the Company continuously until the date of the first Annual General Meeting of Shareholders to be held after the commencement date of the Transfer Restriction Period II. However, if the Eligible Person II resigns from the positions of both Director and Executive Officer of the Company by the day before the first Annual General Meeting of Shareholders to be held on or after the commencement date of the Transfer Restriction Period II for reasons deemed valid by the Board of Directors, the Transfer Restriction on the number of Allotted Shares II obtained by dividing the number of months from July 2025 to the month including the date of resignation of the Eligible Person II from the positions of both Director and Executive Officer of the Company by 12 and then multiplying the result by the number of Allotted Shares II held by the Eligible Person II at that time (any fraction of less than 1 share resulting from the calculation shall be rounded down) will be lifted at the time immediately after the resignation.

iii. Restricted Stock III

The Company will lift the Transfer Restriction on all of the Allotted Shares III held by the Eligible Person III as of Period Expiry Point III on the same point of time, on the condition that the Eligible Person III has held the position of any of the Director, Executive Officer, or employee of the Company continuously during the Transfer Restriction Period III. However, if the Eligible Person III resigns from any of the positions of Director, Executive Officer, or employee of the Company or retires before the expiration of the Transfer Restriction Period III for reasons deemed valid by the Board of Directors, the Transfer Restriction on the number

of Allotted Shares III obtained by dividing the number of months from April 2025 to the month including the date of resignation or retirement of the Eligible Person III from any of the positions of Director, Executive Officer, or employee of the Company by 12 (if the result of the calculation is more than 1, it shall be 1) and then multiplying the result by the number of Allotted Shares III held by the Eligible Person III at that time (any fraction of less than 1 share resulting from the calculation shall be rounded down) will be lifted at the time immediately after the resignation or retirement.

(iv) Provisions on management of shares

The Eligible Person for Allotment shall complete the opening of an account with SMBC Nikko Securities Inc. to describe or record the Allotted Shares I, Allotted Shares II and Allotted Shares III by the method designated by the Company, and shall keep and maintain the Allotted Shares I, Allotted Shares II and Allotted Shares III in the account until the Transfer Restriction is lifted.

(v) Treatment in the event of reorganization, etc.

i. Restricted Stock I

ii. Restricted Stock II

If, during the Transfer Restriction Period I or the Transfer Restriction Period II, the General Meeting of Shareholders (or the Board of Directors meeting in the event that such reorganization, etc. does not require approval at the General Meeting of Shareholders) approves a proposal related to a merger agreement under which the Company is to be dissolved, a share exchange agreement or share transfer plan under which the Company is to become a wholly-owned subsidiary, or any other reorganization, etc., the Company shall, by resolution of the Board of Directors, lift the Transfer Restriction on the number of Allotted Shares I or Allotted Shares II obtained by dividing the number of months from July 2025 to the month including the date of such approval by 12 (if the result of the calculation is more than 1, it shall be 1) and then multiplying the result by the number of the Allotted Shares I or the Allotted Shares II held by the Eligible Person I or the Eligible Person II as of the date of such approval (any fraction of less than 1 share resulting from the calculation shall be rounded down) immediately prior to the business day preceding the effective date of such reorganization, etc. In this case, the Company shall automatically acquire all of the Allotted Shares I or Allotted Shares II for which the Transfer Restriction has not been lifted as of the business day immediately preceding the effective date of the reorganization, etc. pursuant to the provisions above on the same day without consideration.

iii. Restricted Stock III

If, during the Transfer Restriction Period III, the General Meeting of Shareholders (or the Board of Directors meeting in the event that such reorganization, etc. does not require approval at the General Meeting of Shareholders) approves a proposal related to a merger agreement under which the Company is to be dissolved, a share exchange agreement or share transfer plan under which the Company is to become a wholly-owned subsidiary, or any other reorganization, etc., the Company shall, by resolution of the Board of Directors, lift the Transfer Restriction on the number of Allotted Shares III obtained by dividing the number of months from April 2025 to the month including the date of such approval by 12 (if the result of the calculation is more than 1, it shall be 1) and then multiplying the result by the number of the Allotted Shares III held by the Eligible Person III as of the date of such approval (any fraction of less than 1 share resulting from the calculation shall be rounded down) immediately prior to the business day preceding the effective date of such reorganization, etc.

In this case, the Company shall automatically acquire all of the Allotted Shares III for which the Transfer Restriction has not been lifted as of the business day immediately preceding the effective date of the reorganization, etc. pursuant to the provisions above on the same day without consideration.

4. Basis for calculation of payment amount and specific details

In order to eliminate arbitrariness, the disposal price for the Disposal of Treasury Shares shall be 3,900 yen, which is the closing price of the Company's common shares on the Tokyo Stock

Exchange on the business day immediately preceding the date of the resolution of the Board of Directors (June 19, 2025). This is the market share price immediately prior to the date of the resolution of the Board of Directors, and the Company believes that it is reasonable and does not fall under a particularly favorable price.