



May 23, 2025

To whom it may concern

Company name:	Densan System Holdings Co., Ltd.
Name of representative:	Ryoji Kobayashi, Representative Director and President (Securities Code: 4072, TSE and NSE)
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Notice Concerning Contract Cancellation of System Development Project

Densan System Co., Ltd., a subsidiary of Densan System Holdings Co., Ltd. (the "Company"), hereby announces that the company has decided to cancel the contract with the contracting party for a system development project that was received in 2022, as detailed below.

(1) Background and Reasons for the Contract Cancellation

Due to system development circumstances the company has faced, it became difficult to complete the project by the delivery date originally scheduled and the company proposed the contract cancellation to the contractual party. As a result, the contract cancellation has been decided in accordance with the terms of the contract.

(2) Impact on Our Business Performance

The impact of the contract cancellation on our business performance for the current fiscal year is currently under review. We posted a provision for losses on orders received as a result of the system development project being unprofitable in the previous consolidated fiscal year. If any matters requiring further disclosure arise in the future, we will notify you promptly.