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February 27, 2026

To whom it may concern,

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Notice Concerning Disposal of Treasury Shares as Restricted Stock Compensation

SENSHU ELECTRIC CO.,LTD. (the “Company”) hereby announces that the Board of Directors meeting held today resolved to dispose of treasury shares as restricted stock compensation (hereinafter referred to as the “Disposal of Treasury Shares”) as follows.

1. Outline of the disposal

(1) Disposition date	March 26, 2026
(2) Class and number of shares to be disposed of	Common shares of the Company 9,300 shares
(3) Disposal value	6,420 yen per share
(4) Total disposal value	59,706,000 yen
(5) Scheduled Allottees	Seven directors (*Excluding Directors who are Audit and Supervisory Committee Members and Outside Directors.) 9,300 shares

2. Purpose and reason for the disposal

At the Board of Directors Meeting held on December 10, 2018, the Company resolved to introduce a restricted stock compensation plan (hereinafter referred to as the “Plan”) for the purpose of providing the Company’s directors (excluding Outside Directors, the same shall apply below) with incentives to continuously enhance the corporate values of the Company and to further share the values with shareholders. In addition, at the 71st Ordinary General Meeting of Shareholders held on January 28, 2021, it obtained approval to (1) provide the Company’s directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors, hereinafter referred to as

the “Directors”) with monetary compensation claims of up to 100 million yen per annum (however, this does not include employee salaries for Directors who concurrently serve as employees) as asset contribution in kind in relation to the grant of restricted stock under the Plan, separately from the existing monetary compensation framework, (2) set the transfer restriction period at 30 years from the date of disposal of the restricted stocks (the share delivery date), and (3) cancel the transfer restriction if the Director of the Company resigns prior to the expiration of the transfer restriction period due to expiration of his/her term of office or for other justifiable reasons.

Overview of the Plan is as follows.

< Overview of the Plan >

The Directors of the Company will pay all of the monetary compensation claims provided by the Company under the Plan as asset contribution in kind and will be issued or disposed of the Company’s common shares.

The total number of common shares of the Company to be issued or disposed of under the Plan shall be not more than 100,000 shares per year for the Eligible Directors, and the disposal value per share shall be determined by the Board of Directors, based on the closing price of common shares of the Company on the Tokyo Stock Exchange on the business day immediately preceding the day of the resolution of the Board of Directors (if no transaction has been closed on the same day, the closing price of the most recent transaction day), to the extent that is not particularly favorable to the Directors to be allotted.

In addition, upon the issuance or disposition of the Company’s common shares under the Plan, the Company and the Directors to whom the shares will be allotted shall enter into a restricted share allocation agreement, which shall include provisions such as (1) that, for a predetermined period, the common shares of the Company allotted under the restricted share allocation agreement shall not be transferred, pledged as security interests, or otherwise disposed of, and (2) that, in case certain events arise, the Company shall acquire such common shares without consideration.

On this basis, the Company has resolved at the Board of Directors meeting held on February 27, 2026 to dispose of monetary compensation claims of 59,706,000 yen in total (hereinafter referred to as the “Monetary Compensation Claims”) and 9,300 shares of the Company common shares (hereinafter referred to as the “Allotted Shares”) to seven Directors of the Company (hereinafter referred to as the “Eligible Directors”), taking into consideration the scope of responsibilities of each Eligible Director and various circumstances, in addition to the purpose of the Plan and the Company’s business performance. Additionally, the Company has set a transfer restriction period of 30 years for the purpose of providing incentives to continuously enhance the Company’s corporate values and to further share values with shareholders.

In the Disposal of Treasury Shares, the seven Eligible Directors who are the Scheduled Allottees will pay all of the Monetary Compensation Claims to the Company as asset contribution in kind and receive the Disposal of the Allotted Shares under the Plan.

3. Overview of the restricted share allocation agreement

In connection with the Disposal of Treasury Shares, the Company and the Eligible Directors will individually enter into a restricted share allocation agreement, an outline of which is as follows.

(1) Transfer restriction period

During the period from March 26, 2026 (date of disposal) to March 25, 2056, the Eligible Directors shall not transfer, pledged as security interests or otherwise dispose of the Allotted Shares.

(2) Conditions for Cancellation of the Transfer Restrictions

Upon the expiration of the Transfer Restriction Period, restrictions on all of the Allotted Shares shall be cancelled on the condition that the Eligible Directors have continued to hold the position of the Directors of the Company during the Transfer Restriction Period. However, if the Eligible Director resigns from the position of the Director of the Company during the Transfer Restriction Period due to death, expiration of his/her term of office, or for any other justifiable reason the transfer restriction shall be cancelled, at expiration of the Transfer Restriction Period, for the Allotted Shares of which number obtained by multiplying the number of Allotted Shares by the number obtained by dividing the number of months from February 2026 until the month including the day of such resignation by 12 (however, if the result of the calculation exceeds 1, the value shall be 1) (however, if a fraction less than one share occurs as a result of the calculation, such fraction shall be discarded).

(3) Acquisition by the Company without consideration

At the expiration of the Transfer Restriction Period, the Company shall naturally acquire the Allotted Shares for which the Transfer Restriction has not been cancelled without consideration.

(4) Management of shares

During the Transfer Restriction Period, the Allotted Shares shall be managed in a dedicated account for the Restricted Shares opened by the Eligible Director at Okasan Securities Co., Ltd. so that they may not be transferred, pledged as security interests, or otherwise disposed of during the Transfer Restriction Period.

(5) Treatment in Reorganization, etc.

During the transfer restriction period, if a merger agreement under which the Company becomes the dissolved company, or a share exchange agreement, share transfer plan or other matters related to organizational restructuring, etc. under which the Company becomes a wholly-owned subsidiary, is approved at a general meeting of shareholders of the Company (however, in cases where the organizational restructuring, etc. does not require approval at a Shareholders Meeting of the Company, the Board of Directors of the Company), the transfer restriction of the Allotted Shares number of which obtained by multiplying the number of the Allotted Shares held at that time by the number obtained by dividing the number of months from February 2026 until the month including the date of approval of such organizational restructuring, etc. by 12 (however, if the result of the division exceeds 1, the value shall be 1) (however, if a fraction less than one share occurs as a result of the calculation, such fraction shall be discarded) shall be cancelled by a resolution of the Board of Directors immediately prior to the business day immediately preceding the effective date of the organizational restructuring, etc.

4. Basis of calculation and specific details of amount of the disposal

The Disposal of Treasury Shares will be conducted using monetary compensation claims provided to the Scheduled Allottee under the Plan as investment assets, and in order to eliminate arbitrariness, the disposal price has been set at 6,420 yen, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on February 26, 2026 (the business day immediately preceding the date of the resolution by the Board of Directors). This is the market share price immediately prior to the date of the resolution of the Board of Directors. The Company believes that it is a reasonable price that appropriately reflects the corporate value of the Company and does not fall under a price that is particularly advantageous to the Eligible Directors in circumstances where there are no special conditions indicating that the latest share price cannot be relied on.