June 25, 2026

To whom it may concern

Company name: Stanley Electric Co., Ltd.
Representative: Yasuaki Kaizumi, Representative Director, President
Securities code: 6923 (TSE Prime Market)
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Notice Concerning Disposal of Treasury Stock as Stock Compensation

Stanley Electric Co., Ltd. (hereinafter, the "Company") hereby announces that it has resolved at a meeting of the Board of Directors held today to dispose of treasury stock as stock compensation (hereinafter the "Disposal of Treasury Stock") as follows.

1. Overview of the disposal

(1) Date of disposal	July 14, 2026
(2) Type and number of shares to be disposed of	200,000 shares of common stock
(3) Disposal price	3,545 yen per share
(4) Total disposal amount	709,000,000 yen
(5) Allottees of shares	The Master Trust Bank of Japan, Ltd. (Executive Compensation BIP Trust account)
(6) Other	An extraordinary report has been filed in accordance with the Financial Instruments and Exchange Act regarding the Disposal of Treasury Stock.

2. Purpose of and reasons for the disposal

The Company resolved at a meeting of the Board of Directors held on May 20, 2026 to introduce a new stock-based compensation plan utilizing an "Executive Compensation BIP Trust" (hereinafter "BIP Trust") for the Company's directors (excluding outside directors and non-residents of Japan; hereinafter, "Eligible Directors") to increase the stock price, enhance shareholder value, and raise corporate value, and to share further value with shareholders, and the resolution was approved at the 121st Ordinary General Meeting of Shareholders held today. For an overview of the BIP Trust, please refer to the "Notice Concerning Introduction of a Stock-Based Compensation Plan (Executive Compensation BIP Trust)" announced on May 20, 2026.

The Disposal of Treasury Stock will be conducted to The Master Trust Bank of Japan, Ltd. (Executive Compensation BIP Trust account), which serves as a joint trustee under the Executive Compensation BIP Trust Agreement to be entered into between the Company and Mitsubishi UFJ Trust and Banking Corporation, in connection with the introduction of the BIP Trust.
The number of shares to be disposed of represents the number of shares expected to be granted to Eligible Directors during the trust period in accordance with the stock granting rules. The extent of dilution will amount to 0.16% of the total number of issued shares (rounded to the nearest hundredth; 0.16% of the total number of voting rights as of March 31, 2026, which is 1,227,586).
The Company's shares allotted through the Disposal of Treasury Stock will be granted to Eligible Directors in accordance with the stock granting rules. Since it is not anticipated that the shares to be disposed of through the Disposal of Treasury Stock will be released into the stock market all at once, the Company believes that the impact on the stock market will be minimal and that the number of shares to be disposed of and the extent of dilution are reasonable.

3. Basis for calculation of the disposal price and specific details thereof
In order to eliminate any arbitrary pricing in light of recent stock price trends, the disposal price is set at 3,545 yen, which is the closing price of the Company's share on the Tokyo Stock Exchange, Inc. (hereinafter the "Tokyo Stock Exchange") on the business day immediately preceding the date of resolution on the Disposal of Treasury Stock by the Board of Directors (June 24, 2026). The Company has decided to adopt this price because it represents the market price immediately before the resolution by the Board of Directors and the Company determines that it is highly objective and reasonable as a basis for calculation.
Furthermore, regarding the disposal price mentioned above, all the Audit & Supervisory Board Members (consisting of 5 members, 3 of whom are Outside Audit & Supervisory Board Members) have expressed their opinion that the basis for calculating the disposal price is reasonable and that it is not a particularly advantageous disposal price.

4. Procedures under the corporate code of conduct
Since the dilution ratio of the Company's shares under the Disposal of Treasury Stock is less than 25% and there is no change in controlling shareholders, it is not necessary to obtain the opinion of an independent third party or to confirm the intent of shareholders as stipulated in Rule 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange.