July 3, 2026

Company name: Yashima Denki Co., Ltd.
Representative: Shigeki Seimiya,
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(Stock code：3153; TSE Prime Market)
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Notice Regarding Disposal of Treasury Shares as Restricted Share Awards

1. Overview of the Disposal of Treasury Shares

(1) Disposal date	July 22, 2026
(2) Classes of shares and number of shares to be disposed of	22,625 shares of the Company's common stock
(3) Disposal price	2,757 yen per share
(4) Total disposal amount	62,377,125 yen
(5) Disposal recipient and the number thereof, and the number of shares to be disposed of	Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) 5 persons 15,535 shares
	Senior Executive Officers who do not concurrently serve as Directors of the Company 3 persons 4,350 shares
	Directors of the Company's subsidiaries who are subject to this plan 4 persons 2,740 shares

2. Purpose and Reasons for the Disposal of Treasury Shares

Our company resolved at the Board of Directors meeting held on May 15, 2018, to introduce a Restricted Stock Compensation Plan (hereinafter referred to as "the Plan") with the aim of providing incentives to sustainably enhance our corporate value and further promote value sharing with our shareholders. At the 82nd Annual General Meeting of Shareholders hold on June 24, 2026, approval was obtained to grant monetary compensation claims of up to 100 million yen per year to our board directors (excluding directors who are Audit and Supervisory Committee members and outside directors) as monetary compensation (hereinafter referred to as "Restricted Stock Compensation") to be contributed as assets for the acquisition of restricted stock under the Plan. Under the Plan, the total number of common shares to be issued or disposed of by the company to its board directors (excluding directors who are Audit and Supervisory Committee members and outside directors) shall be limited to 60,000 shares per year.

The eligible persons under the Plan are our board directors (excluding directors who are Audit and Supervisory Committee members and outside directors), vice president & executive officers who do not concurrently serve as board directors (hereinafter referred to as "Eligible Officers"), and board directors of our subsidiaries who are designated as eligible (hereinafter referred to as "Eligible Group Company Officers").

The outline of the Plan is as follows.

[Overview of the Plan]

The Eligible Officers and Eligible Group Company Officers will contribute in kind all of the monetary compensation claims paid by the Company and its subsidiaries under the Plan, and will receive the issuance or disposal of the Company's common stock.

The payment amount per share shall be the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors resolution (if no transaction is executed on that day, the closing price on the most recent trading day prior thereto).

In connection with the issuance or disposal of the Company's common stock under this system, the Company shall enter into a restricted stock allocation agreement with the eligible officers and eligible group company officers, the contents of which shall include: (1) the eligible officers and eligible group company officers shall not transfer, create security interests upon, or otherwise dispose of the Company's common stock allocated under the restricted stock allocation agreement for a certain period; (2) in the event that certain circumstances arise, the Company shall acquire such common stock without consideration.

On this occasion, taking into consideration the purpose of the Plan, the Company's business conditions, the scope of responsibilities of each Eligible Officer and Eligible Group Company Officer, and various circumstances, for the purpose of securing competent personnel as management and further enhancing the motivation of each Eligible Officer and Eligible Group Company Officer, the Company has decided to grant a total of 62,377,125 yen in monetary compensation claims (hereinafter referred to as the "Monetary Compensation Claims") and 22,625 shares of common stock (of which the monetary compensation claims for the Company's board directors (excluding directors who are Audit and Supervisory Committee members and outside directors) amount to 42,829 ,995 yen and 15,535 shares of common stock).

In addition, in order to realize value sharing with shareholders, which is the purpose of introducing the Plan, over as long a period as possible, the transfer restriction period for this occasion is set at 20 years.

In this disposal of treasury shares, under the Plan, 12 Eligible Officers and Eligible Group Company Officers who are planned allottees will contribute in kind all of the monetary compensation claims against the Company and will receive the Company's common stock (hereinafter referred to as the "Allocated Shares"). In this disposal of treasury shares,

the outline of the restricted stock allocation agreement (hereinafter referred to as the "Allocation Agreement") to be entered into between the Company and the Eligible Officers and Eligible Group Company Officers is as set forth in 3. below.

3.Outline of the Allocation Agreement

(1) Transfer restriction period: July 22, 2026 to July 22, 2046

(2) Conditions for lifting transfer restrictions

On the condition that the Eligible Officers and Eligible Group Company Officers continuously hold the position of director, executive officer who does not concurrently serve as director (including vice president of executive officer), audit and supervisory board member, or other equivalent position at the Company or its subsidiaries during the transfer restriction period, the transfer restrictions on all of the Allocated Shares shall be lifted when the transfer restriction period expires.

(3) Treatment in the event that Eligible Officers and Eligible Group Company Officers resign or retire during the transfer restriction period due to expiration of term of office or other legitimate reasons (excluding voluntary resignation)

(a) Timing of lifting transfer restrictions

If the Eligible Officers and Eligible Group Company Officers resign or retire from the positions specified in (2) above due to expiration of term of office or other legitimate reasons, taking into consideration insider trading regulations, the transfer restrictions shall be lifted on the first anniversary of the resignation or retirement of the Eligible Officers and Eligible Group Company Officers.

In the case of resignation due to death, which is a legitimate reason, the transfer restrictions shall be lifted at the time separately determined by the Company's Board of Directors after the death of the Eligible Officers and Eligible Group Company Officers.

(b) Number of shares subject to lifting of transfer restrictions

The captioned number shall be the number of Allocated Shares held at the time of resignation as specified in (a) above, multiplied by the number obtained by dividing the period of service (in months) during the transfer restriction period of the Eligible Officers and Eligible Group Company Officers by 12 (if such number exceeds 1, it shall be deemed to be 1) (provided that if the calculation results in a fraction of less than one share, such fraction shall be rounded down).

(4) Acquisition by the Company without consideration

If the Eligible Officers and Eligible Group Company Officers resign or retire from the position of director, executive officer who does not concurrently serve as director (including vice president & executive officers), audit & supervisory board member, or other equivalent position of the Company or a subsidiary of the Company before the expiration of the transfer restriction period, the Company shall automatically acquire the Allotted Shares without consideration, unless such resignation or retirement is due to expiration of term of office, death, or other justifiable reasons. In addition, at the time of lifting of transfer restrictions as set forth in (3) above, the Company shall automatically acquire without consideration any Allotted Shares for which the transfer restrictions have not been lifted.

(5) Management of shares

The Allotted Shares shall be managed in dedicated accounts opened by the Eligible Officers and Eligible Group Company Officers at Nomura Securities Co., Ltd. during the transfer restriction period so that they cannot be transferred, pledged, or otherwise disposed of during the transfer restriction period.

The Company has entered into an agreement with Nomura Securities Co., Ltd. regarding the management of accounts for the Allotted Shares held by each Eligible Officer and Eligible Group Company Officer in order to ensure the effectiveness of the transfer restrictions and other restrictions on the Allotted Shares.

In addition, the Eligible Officers and Eligible Group Company Officers shall consent to the content of the management of such accounts.

(6) Treatment in the event of corporate reorganization, etc.

If, during the transfer restriction period, a merger agreement under which the Company becomes the absorbed company, a share exchange agreement under which the Company becomes a wholly owned subsidiary, a share transfer plan, or other matters related to corporate reorganization, etc. involving changes in the status of the Company's shareholders are approved at the Company's general meeting of shareholders (or, if approval by the Company's general meeting of shareholders is not required for such corporate reorganization, etc., at the Company's Board of Directors meeting), by resolution of the Board of Directors, the transfer restrictions shall be lifted at the time immediately prior to the business day preceding the effective date of the corporate reorganization, etc. with respect to the number of shares calculated by multiplying the number of Allotted Shares held at that time by the number obtained by dividing the number of months from the month in which the transfer restriction period commenced to the month of such approval by 12 (if such number exceeds 1, it shall be 1)(provided that if the calculation results in a fraction of less than one share, such fraction shall be rounded down).

In addition, immediately after the lifting of the transfer restrictions, the Company shall automatically acquire without consideration all of the Allotted Shares for which the transfer restrictions have not been lifted.

4.Basis for calculation of payment amount and specific details thereof

The disposal of treasury shares to the planned allottees shall be made in exchange for monetary compensation claims , which are provided as restricted share awards under the Plan, paid in as contributed property.

The disposal price is set at 2,757 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on July 2, 2026 (the business day preceding the Board of Directors resolution date), in order to eliminate arbitrariness.

This is the market stock price immediately prior to the Board of Directors resolution date and is considered reasonable and not particularly favorable.