November 6, 2026

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Name of representative: Hiroyuki Okubo, Representative Director President and CEO
(Securities code: 4665; TSE Prime Market)
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Notice Concerning Disposal of Treasury Shares by Third-Party Allotment for the Grant of Restricted Stock through the Employee Shareholding Association

Duskin Co., Ltd. (the "Company") hereby announces that it has resolved, at the meeting of the Board of Directors held today, to grant restricted stock to its employees through the Duskin Employee Shareholding Association (the "Shareholding Association") and, for this purpose, to dispose of treasury shares as restricted stock (the "Disposal of Treasury Shares") with the Shareholding Association being the intended allottee, as described below. Only members of the Shareholding Association who are eligible for the grant of restricted stock and have agreed to receive it through the Shareholding Association shall be granted the restricted stock (the "Eligible Employees").

1. Overview of the Disposal of Treasury Shares

a. Disposal date	March 26, 2027
b. Type and number of shares for disposal	84,500 shares of the Company's common stock (Note 1)
c. Disposal price	The higher of 4,926 yen per share and the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on the trading day immediately preceding November 13, 2026, which is the date designated by the Company's Board of Directors for determining the final terms of the Disposal of Treasury Shares (the "Determination Date"), taking into consideration stock price fluctuations and other relevant factors (Note 2)
d. Total value of disposal	416,247,000 yen (Note 3)
e. Method of allotment (Intended allottee)	Third-party allotment (Duskin Employee Shareholding Association: 84,500 shares) The number of shares granted to each Eligible Employee shall be determined by the Company and applications for only a portion of that number will not be accepted.
f. Other matters	An extraordinary report has been submitted regarding the Disposal of Treasury Shares in accordance with the Financial Instruments and Exchange Act.

Notes:

1. The number of shares for disposal is the maximum share count as of today and has been calculated on the assumption that 50 shares of the Company's common stock will be granted to each of the Company's 1,690 employees, the maximum number of employees who may become Eligible Employees. The final number of shares subject to the Disposal of Treasury Shares is expected to be determined based on the number of Eligible Employees following the campaign to recruit new members for the Shareholding Association and the confirmation of existing members' consent to receive restricted stock.
2. On November 6, 2026, the Board of Directors also resolved to repurchase the Company's stock in addition to approving the Disposal of Treasury Shares. To ensure that the disposal price reflects any increase in the Company's stock price following the announcement of its stock repurchase (for details, please refer to the "Notice Concerning Determination of Matters Related to Stock Repurchase" dated November 6, 2026), the disposal price shall be set at the higher of (i) 4,926 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on November 5, 2026, the trading day immediately preceding the Board of Directors' resolution, and (ii) the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on November 12, 2026, the trading day immediately preceding the Determination Date set after a certain period following the announcement. The Disposal of Treasury Shares shall be carried out on the condition that the required number of shares has been repurchased through the aforementioned stock repurchase by the day before the disposal date.
3. This is the estimated amount calculated by multiplying the number of shares for disposal, as stated in Note 1 above, by 4,926 yen, the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on November 5, 2026. The estimated amount will vary depending on the final number of shares for disposal and the final disposal price.

2. Purpose and reason for the Disposal of Treasury Shares

At the meeting of the Board of Directors held today, the Company resolved to dispose of treasury shares as restricted stock, with the Shareholding Association being the intended allottee, for the purpose of granting restricted stock to Eligible Employees through the Shareholding Association. This resolution aims to promote greater value sharing between the Eligible Employees and the Company's shareholders by providing the employees with incentives to achieve sustainable growth of the Company's corporate value, support the Eligible Employees in building personal assets through the grant of restricted stock, and secure and retain talent who will drive the growth of the Company's group over the medium to long term.

The grant of restricted stock will be carried out through the disposal of the Company's common stock as restricted stock, following these steps: (i) the Company shall provide Eligible Employees with monetary claims as special incentives for the grant of the Company's common stock as restricted stock; (ii) Eligible Employees shall contribute these monetary claims to the Shareholding Association; and (iii) the Shareholding Association shall make a lump-sum contribution in kind to the Company of the monetary claims received from the Eligible Employees.

In accordance with the rules of the Shareholding Association, Eligible Employees shall acquire interests in the restricted stock allotted to the Shareholding Association (the "Interests"). However, they shall not be permitted to withdraw the shares underlying those Interests during the transfer restriction period. The Shareholding Association plans to amend its rules as necessary to receive the allotment of restricted stock by the day before the scheduled date for the Disposal of Treasury Shares. The amendments are expected to take effect two weeks after the Chairperson notifies the members, provided that objections from members are less than one-third of the total membership. The Disposal of Treasury Shares shall be carried out on the condition that the amendments take effect by the day before the disposal date.

In addition, when allotting its common stock, the Company plans to enter into a restricted stock allotment agreement (the "Allotment Agreement") with the Shareholding Association, which will include the following provisions outlined below.

The number of shares to be disposed of in the Disposal of Treasury Shares is expected to be determined at a later date, as stated in Note 1 above. However, the maximum is 84,500 shares. Based on this maximum number, the dilution resulting from the Disposal of Treasury Shares would be 0.18% of 48,000,000, the total number of shares issued as of September 30, 2026, and 0.18% of 470,355, the total number of voting rights as of September 30, 2026 (these percentages are rounded to the second decimal place).

Overview of the restricted stock allotment agreement

a. Transfer restriction period

During the period from the disposal date through May 31, 2031 (the "Transfer Restriction Period"), the Shareholding Association shall not transfer, create security interests over, or otherwise dispose of the Company's common stock allotted to it under the Allotment Agreement (the "Allotted Shares"), including withdrawals by Eligible Employees (the "Transfer Restrictions").

b. Conditions for lifting the transfer restrictions

The Transfer Restrictions shall be lifted upon expiration of the Transfer Restriction Period for all Allotted Shares corresponding to the Interests held by each Eligible Employee, provided that such Eligible Employee has remained a member of the Shareholding Association throughout the Transfer Restriction Period. However, if an Eligible Employee withdraws from the Shareholding Association during the Transfer Restriction Period due to mandatory retirement (or, if rehired after mandatory retirement, upon expiration of the re-employment period), death, promotion to an officer position, or any other reason deemed justifiable by the Company (including retirement after reaching 60 years of age), the Transfer Restrictions shall be lifted for all Allotted Shares corresponding to the Interests held by such Eligible Employee as of the 10th day of the month in which settlement in connection with the Eligible Employee's withdrawal from the Shareholding Association is made (or, if that day is not a business day, the next business day; the "Settlement Release Date"). In addition, if an Eligible Employee is assigned overseas for business reasons during the Transfer Restriction Period, the Transfer Restrictions shall be lifted for all Allotted Shares corresponding to the Interests held by such Eligible Employee as of the 10th day of the month following the month in which the Company issues the overseas assignment order to such Eligible Employee (or, if that day is not a business day, the next business day).

Upon lifting the Transfer Restrictions, the Company shall notify the Shareholding Association of the lifting and the number of Allotted Shares for which the Transfer Restrictions will be lifted. In accordance with its rules, the Shareholding Association shall transfer the portion of each relevant Eligible Employee's Interests corresponding to the Allotted Shares for which the Transfer Restrictions have been lifted to the ordinary membership interests (the "Ordinary Interests") held by that Eligible Employee in shares acquired through regular periodic purchases.

c. Gratis acquisition by the Company

Upon expiration of the Transfer Restriction Period or immediately following the lifting of the Transfer Restrictions specified in the preceding section, the Company shall be entitled to acquire without consideration the Allotted Shares for which the Transfer Restrictions have not been lifted.
When the Company acquires Allotted Shares without consideration, it shall notify the Shareholding Association of the acquisition and the number of Allotted Shares to be acquired. Upon receipt of such notification, the Shareholding Association, in accordance with its rules, shall deduct from each

relevant Eligible Employee's Interests, the portion corresponding to the Allotted Shares acquired by the Company without consideration.

d. Management of shares

During the Transfer Restriction Period, the Allotted Shares shall be managed in a dedicated account for restricted stock opened by the Shareholding Association with Daiwa Securities Co. Ltd. to ensure that the Allotted Shares cannot be transferred, be subject to any security interests, or otherwise disposed of during that period. In addition, the Shareholding Association shall register and manage the Interests separately from the Ordinary Interests in accordance with its rules.

e. Treatment in the event of organizational restructuring or other change in control

In the event that, during the Transfer Restriction Period, a proposal concerning a merger agreement in which the Company ceases to exist, a share exchange agreement or a share transfer plan under which the Company becomes a wholly owned subsidiary, or concerning any other change in control such as an organizational restructuring, is approved at a General Meeting of Shareholders (or by the Board of Directors if the approval at the General Meeting of Shareholders is not required), the Company may, by resolution of its Board of Directors, lift the Transfer Restrictions for all Allotted Shares corresponding to the Interests held by the Eligible Employees as of the date of approval. The lifting of the Transfer Restrictions shall take effect immediately before the business day preceding the effective date of said organizational restructuring or other change in control.

3. Basis for calculating the disposal price and its specific details

The Disposal of Treasury Shares shall be carried out through in-kind contributions of monetary claims made by the Shareholding Association. These monetary claims were contributed by Eligible Employees to the Shareholding Association and arose from special incentives paid by the Company to Eligible Employees for the grant of restricted stock. In light of the resolution passed at the Board of Directors meeting held today regarding the stock repurchase, the disposal price has been set at the higher of (i) 4,926 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on November 5, 2026, the trading day immediately preceding the Board of Directors' resolution regarding the Disposal of Treasury Shares, and (ii) the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on November 12, 2026, the trading day immediately preceding the Determination Date. This pricing method factors in the impact of the stock repurchase announcement on the Company's stock price and gives consideration to the interests of existing shareholders.

All five members of the Audit and Supervisory Board, including three outside members, have expressed the opinion that the Company's method for determining that the above disposal price does not constitute a particularly advantageous price for the Shareholding Association (the intended allottee), is reasonable and that such determination is lawful. In reaching this opinion, they considered that the Disposal of Treasury Shares is intended, among other things, to provide incentives to Eligible Employees, and that the disposal price is set at the higher of the closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market on the trading day immediately preceding the Board of Directors' resolution and the closing price on the trading day immediately preceding the Determination Date.

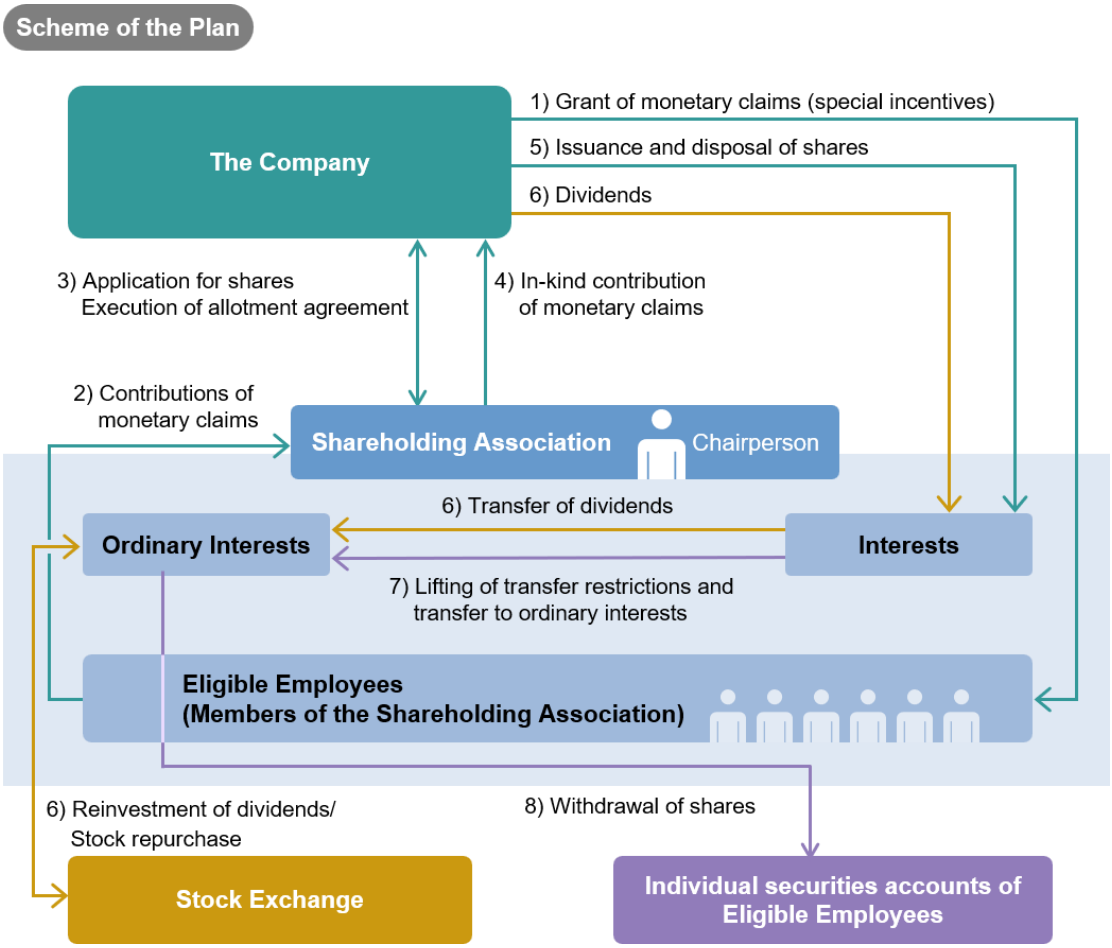
4. Matters concerning the procedures under the Corporate Code of Conduct

Since (i) the dilution ratio is less than 25% and (ii) there is no change in the controlling shareholder, the Disposal of Treasury Shares does not require an opinion from an independent third party or procedures to confirm shareholders' intentions, as stipulated in Rule 432 of the Tokyo Stock Exchange's Securities Listing Regulations.

Reference:

Overview of the Plan

(1) The Company grants monetary claims to Eligible Employees as special incentives.
(2) Eligible Employees contribute the monetary claims received from the Company to the Shareholding Association.
(3) The Shareholding Association applies to the Company for shares and enters into the Allotment Agreement with the Company.
(4) The Shareholding Association makes a lump-sum contribution in kind to the Company of the monetary claims contributed by each Eligible Employee.
(5) The Company allots the Allotted Shares to the Shareholding Association.
(6) Dividends will continue to be paid on the Allotted Shares during the Transfer Restriction Period. However, they will be reinvested together with dividends on Ordinary Interests.
(7) Upon expiration of the Transfer Restriction Period, the Shareholding Association, in accordance with its rules, transfers to the Ordinary Interests the portion of each Eligible Employee's Interests corresponding to the Allotted Shares for which the Transfer Restrictions have been lifted.
(8) Following the transfer described in (7) above, Eligible Employees may withdraw the Allotted Shares to their individual securities accounts in accordance with the rules of the Shareholding Association.



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