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For immediate release

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Stock Code:	7912 (TSE Prime Market)
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Announcement of Disposal of Treasury Shares for Share Grants through DNP Employees' Shareholding Association

Dai Nippon Printing Co., Ltd. (DNP) hereby announces that it resolved, at its Board of Directors meeting held today, to introduce a special incentive scheme (the "Scheme"), under which shares will be granted through an employee shareholding association, and to dispose of treasury stock (hereinafter, "the treasury stock disposal" or "the disposal") with the DNP Group Seiwakai, an employee shareholding association whose members are employees of the Company or its subsidiaries ("the Shareholding Association") as the expected allottee, as detailed below.

1. Outline of the disposal

(1) Disposal date	July 24, 2026
(2) Type and number of shares to be disposed of	DNP common stock, 570,570 shares ^{*Note}
(3) Disposal price	2,700 yen per share
(4) Total disposal value	1,540,539,000 yen ^{*Note}
(5) Method of disposal (expected allottee)	Subject to the Shareholding Association's application to subscribe to shares, the number of shares determined by and applied for by the Shareholding Association will be allocated to the Shareholding Association, with the number of shares allocated not exceeding the number specified in Item (2) above. The number of shares thus allotted becomes the number of shares to be disposed of. (DNP Group Seiwakai 570,570 shares) Applications from any eligible member (as defined below) for the granting of part of the number of shares will not be accepted.
(6) Other	DNP has submitted written notice of the treasury share disposal in accordance with the Financial Instruments and Exchange Act.

*Note: The number of shares to be disposed of and the total monetary value of the disposal are provisional figures calculated on the assumption that a maximum of 30,030 employees of DNP or its subsidiaries who are eligible to participate in the Scheme (hereinafter “Eligible Employees”) will each be granted 19 common shares in the Company. The actual figures/ number of shares to be disposed of and total monetary value will be determined after the completion of a campaign to promote membership in the Shareholding Association, according to the number of members who are eligible to participate in the Scheme (“Eligible Members”). In practice, the number of shares applied for as determined by the Shareholding Association will be the “number of shares to be disposed of” as described in (5) above, and the “total disposal value” will be obtained by multiplying that number of shares by the disposal price per share. The Company or one of its subsidiaries will pay a uniform 51,300 yen to each Eligible Member, and the Company will allocate a uniform 19 shares to each Eligible Member through the Shareholding Association.

2. Purpose of the disposal

The Company strives to create new value in order to realize a better, sustainable future and more fulfilling lifestyles. We are accelerating the “investment in people,” meaning investment in our employees, that we regard as essential to this endeavor. As part of this effort, we resolved to introduce a stock-based compensation system for our employees (hereinafter “the System”) as described in the “Announcement of the Introduction of a Stock-Based Compensation System for Employees” that we released today.

Meanwhile, since the System covers only some employees, the Company has considered ways to expand the Shareholding Association in order to encourage share ownership among a broader swath of our employee base, and in order to improve employee welfare and help employees build wealth. With the 150th anniversary of DNP’s founding coming up in 2026, we thought that introducing this Scheme, which creates an opportunity for employees to acquire common shares that the Company is disposing of through the Shareholding Association (“Common Shares” below), would not only serve the purpose cited above, but would also support our enhancement of human capital by increasing employees’ sense of participation in management, providing an incentive to support ongoing corporate value enhancement, and further aligning employee and shareholder interests.

Under this Scheme, the Company will award a special incentive in an amount sufficient to cover a grant of DNP shares for each Eligible Member, and this special incentive will be used to dispose of treasury shares by allotting them to the Shareholding Association. The number of shares to be disposed of will be determined later as described in the note attached to Section 1. (Outline of the disposal), but we plan to dispose of a maximum of 570,570 shares to the Shareholding Association. The special incentive granted to Eligible Members is granted as money, not as monetary claims. Eligible Members will not make any monetary contributions other than the special incentive granted by the Company.

The maximum number of employees eligible to participate in the Scheme is 30,030, and if all

of them join the Shareholding Association, we anticipate the disposal of 570,570 shares. Assuming this number of shares is disposed of, the dilution effect of this treasury stock disposal will be 0.11% based on the total number of issued shares (524,480,692 shares) as of 2025/9/30, and 0.13% based on the total number of voting rights (4,410,797 rights) as of 2025/9/30 (with both figures rounded to two decimal places).

The objectives of introducing the Scheme are to advance the welfare of Eligible Employees by creating opportunities for them to acquire Company shares through the Shareholding Association, thereby helping them to build wealth, to provide an incentive for continuously improving DNP's corporate value, and to further align the interests of our employees and shareholders. Because we believe that introduction of the Scheme will help boost the DNP Group's corporate value, our assessment is that the number of shares to be disposed of and the scale of share dilution resulting from this treasury stock disposal are reasonable and will have a negligible impact on the market.

3. Basis for calculation of payment amount and specific amount

In order to grant shares through the Shareholding Association, the treasury stock disposal, whose intended allottee is the Shareholding Association, will be carried out by having Eligible Members contribute to the Shareholding Association using the special incentive payments paid to them to be used for that purpose. In order to eliminate arbitrariness, the disposal price has been set at 2,700 yen, which was obtained by rounding up the closing price of the Company's common stock (2,699.5 yen) on the Tokyo Stock Exchange Prime Market on December 19, 2025 (the business day before the date of the Board of Directors' resolution). Since this is the market price immediately prior to the date of the Board of Directors' resolution, we consider it to be reasonable and not particularly favorable.

The deviation rate (rounded to two decimal places) of this disposal price from the average closing price of the Company's common stock on the Tokyo Stock Exchange Prime Market is as follows:

Period	Average Closing Price (rounded to the nearest yen)	Deviation Rate
1 month (Nov. 20 – Dec. 19, 2025)	2,632 yen	2.56%
3 months (Sept. 19 – Dec. 19, 2025)	2,583 yen	4.51%
6 months (June 20 – Dec. 19, 2025)	2,465 yen	9.51%

4. Procedures under the Code of Corporate Conduct

This disposal of treasury stock does not require an opinion from an independent third party or confirmation of shareholder intent as stipulated in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, because (i) the dilution rate is less than 25% and (ii) there is no change in controlling shareholders.

【Structure of the Scheme (Subsidiaries are omitted.)】

- (1) The Company and the Shareholding Association enter into a share subscription agreement regarding the disposition and subscription of treasury stock.
 - (2) The Company makes special incentive payments to be used for granting Company shares to Eligible Members.
 - (3) Eligible Members contribute to the Shareholding Association the incentive payments that they received.
 - (4) The Shareholding Association pools the special incentive payments that were contributed by Eligible Members, and makes a payment to the Company.
 - (5) The Company disposes of treasury shares to the Shareholding Association.
 - (6) The allocated Company shares are distributed to Eligible Members and managed by Nomura Securities Co., Ltd., to which the Shareholding Association has entrusted its shareholding administration.
- ※ Eligible Members may withdraw the Company shares that were allotted to them into a securities account in their own name at will.

