

Dear all,

Company Name :	NITTOSEIKO CO., LTD.
Name of Representative :	Makoto Araga, Representative of Director and President (Securities code: 5957; Tokyo Stock Exchange Prime Market)
Contact information :	Shinichi Matsumoto, Director and General Manager of Financial Strategy Division (Telephone: +81-773-42-3111)

Notice Concerning the Disposal of Treasury Shares in Connection with the Continuation of the Directors' Stock-Based Remuneration System

NITTOSEIKO Co., Ltd. (the "Company") hereby announces that at a Board of Directors meeting held today, it has resolved to dispose of treasury shares as stock-based remuneration (the "Disposal of Treasury Shares").

1. Overview of Disposal

(1) Date of disposal	March 31, 2026
(2) Class and number of shares for disposal	78,100 common shares of the Company
(3) Disposal price	¥768 per share
(4) Total disposal amount	¥59,980,800
(5) Scheduled allottee	Sumitomo Mitsui Trust Bank, Limited (trust account) (Re-entrustment trustee: Custody Bank of Japan, Ltd. (trust account))
(6) Other matters	Regarding the Disposal of Treasury Shares, a Securities Notice under the Financial Instruments and Exchange Act shall be submitted.

2. Purpose and reason for disposal

At the Board of Directors meeting held on February 19, 2026, the Company resolved to introduce a stock-based remuneration system (the "System") for the Company's Directors (excluding External Directors; the same applies hereinafter) and for Executive Officers and certain employees (the "Directors, etc."). This Disposal of Treasury Shares is to be made to the trustee designated for the Directors' Stock Grant Trust (the "Directors' Stock Grant Trust") established by the Company for the operation of the System; the re-entrustee is Custody Bank of Japan, Ltd. (Trustee). It should be noted that no stock acquisitions are required in connection with the continuation of the Employee Stock-Based Remuneration System (the "Employee Stock Grant Trust"). For an overview of the System, please refer to the notice dated February 14, 2023, titled "Notice Regarding Partial Amendments to the Stock-Based Remuneration System and Continuation of the System by Adding Performance-Linked Elements."

The quantity of shares to be disposed corresponds to the number of shares expected to be delivered to the Directors, etc., taking into consideration factors such as the positions of the Company's Directors and changes in their composition during the trust period, based on the share delivery rules established by the Company at the introduction of the System. The scale of dilution is calculated to be 0.20% of the total number of shares outstanding as of December 31, 2025 (39,985,017 shares) and 0.21% of the total voting rights as of December 31, 2025 (367,791 votes), with all values rounded to the nearest two decimal places.

The Company believes that the Directors' Stock-Based Remuneration System will clearly link remuneration with the Company's stock value and will contribute to the enhancement of the Company's corporate value over the medium to long term. The Company has determined that the disposal quantity and the scale of dilution resulting from the Disposal are reasonable, and that the impact on the trading market will be negligible.

(Reference) Overview of the Trust Agreements for the Directors' Stock Grant Trust and the Employee Stock Grant Trust.

Name	Directors' Stock Grant Trust	Employee Stock Grant Trust
Trustor	The Company	
Trustee	Sumitomo Mitsui Trust Bank, Limited (Re-entrustment trustee: Custody Bank of Japan, Ltd.)	
Beneficiaries	Directors meeting the beneficiary requirements	Executives and certain employees meeting the beneficiary requirements
Trust administrator	A third party to be selected that is independent of the Company and its officers	
Exercise of voting rights	The voting rights of the shares held in the trust will not be exercised at any time during the trust period.	The Trustee shall exercise the voting rights during the trust period in accordance with instructions from the Trust Manager
Type of trust	Trust of money other than "money trust" (<i>kinsen-shintaku</i>) (third-party-benefit trust)	
Date of trust agreement	June 1, 2017	June 1, 2023
Trust period	June 1, 2017 to May 31, 2029 (scheduled)	June 1, 2023 to May 31, 2029 (scheduled)
Trust purpose	To deliver shares of the Company to the beneficiary pursuant to the Share Delivery Regulations	

3. Basis for calculation and specific details of the disposal price amount

Considering recent share price trends, the disposal price is set at ¥768, the closing price of the Company's shares on the Tokyo Stock Exchange Prime Market on the business day immediately prior to the date of the Board of Directors' resolution February 18, 2026, in order to eliminate arbitrariness in pricing. The Company chose the closing price of the business day immediately preceding the Board of Directors' resolution because it reflects the market value immediately prior to the Board of Directors' resolution date, which the Company has determined to be a highly objective and reasonable basis for calculation.