



May 11, 2026

To whom it may concern:

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## **Notice Concerning a Decision on the Details of a Stock-Grant Plan for Employees of the Company, its Subsidiaries, and Other Affiliated Companies**

NICHIAS Corporation (the “Company”) resolved, at a meeting of its Board of Directors held on March 23, 2026, to introduce a stock-grant plan (the “Plan”) for employees of the Company, its subsidiaries, and other affiliated companies (“Eligible Employees”). The Company hereby announces that it has decided, at the meeting of its Board of Directors held today, on the details of the Plan, as described below.

In addition to deciding on the details of the Plan, the Company has also resolved to dispose of 156,080 shares (496,178,320 yen) out of the 1,896,869 shares of treasury stock currently held by the Company (as of April 30, 2026; the Company conducted a 3-for-1 share split of common stock on April 1, 2026, and the number of treasury shares is calculated taking the share split into account) to a trust established for the Plan. For more details, please refer to “Notice Concerning the Disposition of Treasury Shares Pursuant to the Introduction of a Stock-Grant Plan” announced today.

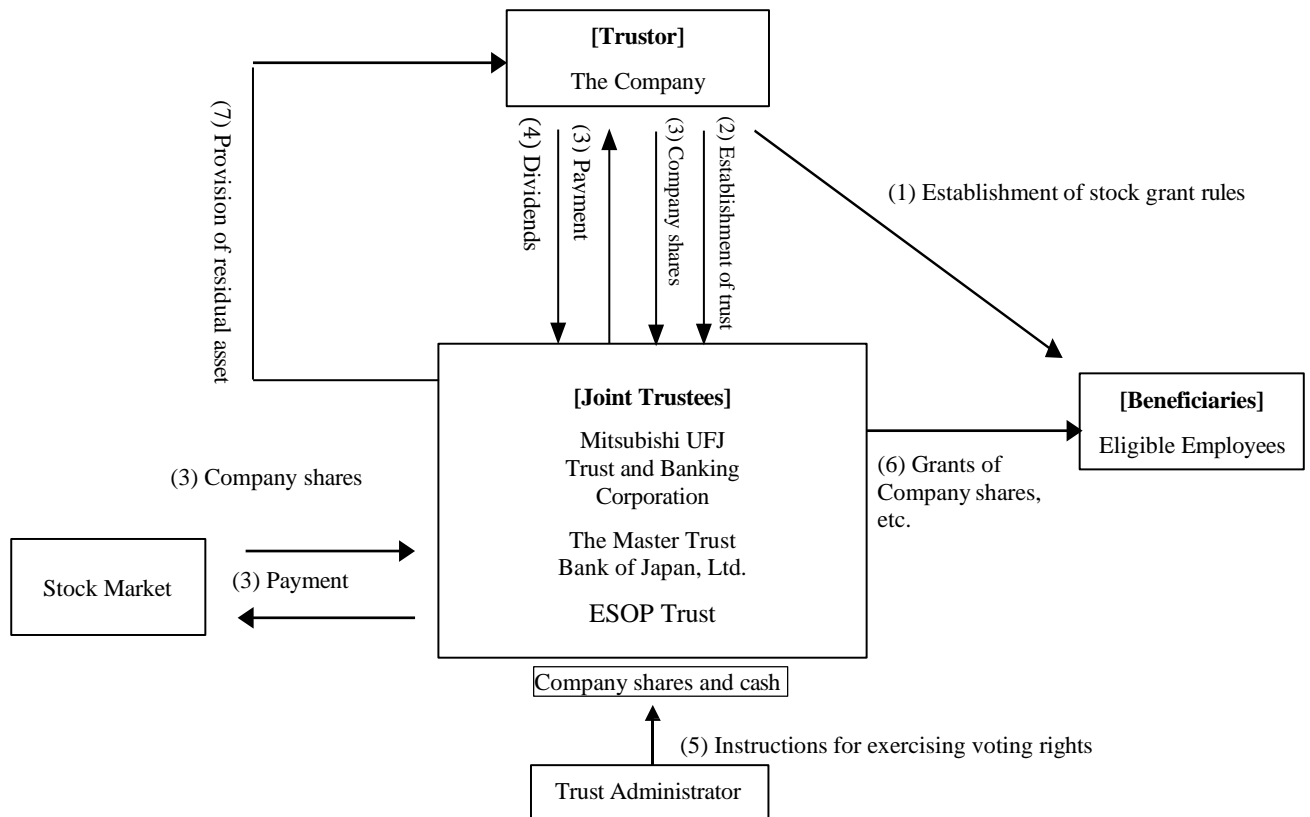
### **1. Purpose of introducing the Plan**

The Company’s Group celebrated the 130th anniversary of its founding on April 9, 2026. The Board of Directors resolved at its meeting held today on the details of the Plan, to express appreciation for employees’ efforts and support through the provision of Company shares, and to continue to foster a sense of belonging, encourage engagement in management, and enhance awareness of contributing to medium- to long-term performance and corporate value.

The Plan will adopt a stock-grant employee stock ownership plan trust (“ESOP Trust”) structure. Under the Plan, in accordance with predetermined stock grant rules, Company shares and an amount of cash equivalent to the converted value of such Company shares (collectively, the “Company Shares, etc.”) will be granted and provided (“Granted” or “Grant” as the case may be) to Eligible Employees.

Eligible Employees are employees and special employees (i.e., those re-employed after reaching retirement age) of the Company, its subsidiaries, or other affiliated companies, excluding non-residents.

## 2. Structure of the Plan



- (1) Each target company within the Company and its subsidiaries, etc., establishes stock grant rules as internal regulations for the Plan.
- (2) The Company contributes cash and establishes the ESOP Trust, designating Eligible Employees who meet the beneficiary requirements as Beneficiaries.
- (3) The Stock Grant Trust, under the instructions of the Trust Administrator, acquires Company shares from the market or from the Company (through the disposition of treasury shares) using the cash contributed as stated in (2) above.
- (4) Dividends on the Company shares held in the Stock Grant Trust are paid in the same manner as dividends on other Company shares.
- (5) Throughout the trust period, the Trust Administrator instructs the exercise of shareholder rights, including voting rights, and the ESOP Trust exercises such shareholder rights accordingly.
- (6) During the trust period, Eligible Employees are awarded predetermined points in accordance with the stock grant rules. Company shares corresponding to the number of points awarded are granted to Eligible Employees who meet the prescribed beneficiary requirements. Under the trust agreement, Company shares held in the ESOP Trust may be converted into cash, and an amount equivalent to the converted value may be provided instead.
- (7) If any residual shares arise at the expiration of the trust period, the ESOP Trust may continue to be used as a stock-grant plan of the same type by modifying the trust agreement and making an additional trust. If the ESOP Trust is terminated upon expiration of the trust period, the portion exceeding the reserve for trust expenses is scheduled to be donated to organizations without conflicting interests.

- (8) The residual dividends on any shares of the Company held within the ESOP Trust at the expiration of the trust period will be used to fund the acquisition of shares if the Stock Grant Trust remains in use. However, if the Stock Grant Trust is terminated upon the expiration of the trust period, the portion exceeding the reserve for trust expenses is scheduled to be donated to organizations without conflicting interests.

(Note) If the Company shares held in the ESOP Trust are exhausted as a result of the Grants of Company shares, etc., to Eligible Employees, the trust will terminate before the expiration of the trust period. The Company may additionally entrust cash to the ESOP Trust as funds for acquiring Company shares, and may cause the trust to acquire additional Company shares.

(Reference)

[Content of the Trust Agreement]

- (1) Type of trust: Trust of money other than money trusts for specified individual management (other-benefit trust)
- (2) Purpose of trust: Providing an incentive for Eligible Employees
- (3) Trustor: The Company
- (4) Trustee: Mitsubishi UFJ Trust and Banking Corporation  
(Joint trustee: The Master Trust Bank of Japan, Ltd.)
- (5) Beneficiaries: Eligible Employees who satisfy the beneficiary requirements
- (6) Trust administrator: Third-party organization to be selected that has no conflicting interests with the Company
- (7) Date of trust agreement: May 25, 2026
- (8) Trust period: May 25, 2026 to July 31, 2028 (planned)
- (9) Plan commencement date: May 25, 2026
- (10) Voting rights: The trustee shall exercise the voting rights of the Company's shares in accordance with the instructions of the trust administrator, which reflect the voting behavior of the potential beneficiaries.
- (11) Class of shares acquired: Shares of the Company's common stock
- (12) Trust amount: 500 million yen (including trust fees and expenses)
- (13) Timing of share acquisition: May 28, 2026
- (14) Method of share acquisition: To be acquired from the Company (disposition of treasury shares)
- (15) Attribution rights holder: The Company
- (16) Residual assets: The residual assets that the Company can receive as the attribution rights holder shall be limited to the amount of the partial redemption charge.

(Note) The scheduled timing mentioned above may be amended appropriately based on the applicable laws and regulations.