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For immediate release

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Notice Regarding Disposal of Treasury Shares as Restricted Stock to the Employee Shareholding Association

Nitta Corporation (the "Company") resolved to introduce a plan through Nitta Employee Shareholding Association (the "ESA") to grant restricted stock (the "Plan") at a meeting of its Board of Directors held on May 15, 2026. The Company hereby announces that it has resolved, at the meeting of the Board of Directors held today, to dispose of its treasury shares as restricted stock (the "Disposal of Treasury Shares" or "Disposal") and allot this stock to the ESA. Details are as follows.

1. Overview of the Disposal

(1) Payment date	September 25, 2026
(2) Class and number of shares to be disposed	The Company's common stock 43,500 shares (Note 1)
(3) Disposal amount	6,230 yen per share
(4) Total disposal amount	271,005,000 yen (Note 2)
(5) Disposal methods	Third-party allotment
(6) Allottees	Nitta Employee Shareholding Association 43,500 Shares
(7) Other	An extraordinary report regarding the Disposal of Treasury Shares has been submitted in accordance with the Financial Instruments and Exchange Act.

(Note 1) The "Class and number of shares to be disposed" listed in (2) above represents the estimated number of shares to be disposed as of this time; the actual number of shares to be disposed and the total disposal amount will be determined after the completion of a membership promotion for non-members of the ESA and the confirmation of consent of the eligible employees (as defined below) to the Plan is confirmed.

(Note 2) This is the estimated price as of today, calculated by multiplying the "class and number of shares to be disposed" listed in (2) above by the "disposal amount" listed in (3) above.

2. Purpose and reasons for the Disposal

The Company has introduced the Plan to enable eligible employees to acquire common stock issued or disposed of by the Company (restricted stock) through the ESA. These eligible employees are employees who are members of the ESA and managerial employees: that is, employees of the Company who belong to the qualification grades [MG / SP Grades 1–2] under the Company's competency-based qualification system (excluding those who have already retired due to reaching the mandatory retirement age as of the payment date; the same applies hereinafter) and agree to the Plan; hereinafter referred

to as “Eligible Employees.” The purpose of the Plan is to contribute to the Eligible Employees’ asset accumulation. Furthermore, by providing incentives aimed at the sustainable enhancement of the Company’s corporate value, the Plan is designed to encourage Eligible Employees to further share value with our shareholders. The Company has recently resolved to proceed with the Disposal of treasury shares as part of the Plan.

The outline of the Plan is as follows.

Overview of the Plan

Under the Plan, Eligible Employees will be granted monetary claims (hereinafter referred to as the “Monetary Claims”) for the grant of the Company’s common stock (restricted stock), and such employees will contribute their Monetary Claims to the ESA. The ESA will then provide to the Company the Monetary Claims contributed by the Eligible Employees by way of in-kind contribution, and in turn shall receive the issuance or disposal of the Company’s common stock as restricted stock.

Under the Plan, in the event of a new issuance or disposition of the Company’s common stock, the subscription price per share of such common stock shall be determined by the Board of Directors, based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day preceding the date of each Board resolution regarding such issuance or disposition (or, if no trades were executed on that day, the closing price on the most recent preceding trading day), to the extent that it does not result in a price that is particularly favorable to the ESA.

In issuing or disposing of the Company’s common stock based on the Plan, the Company and the ESA will execute a restricted stock allotment agreement (the “Allotment Agreement”), the outline of which includes (1) transferring, creating any security interest on, or otherwise disposing of the allotted shares to a third party during a certain restriction period is prohibited (“Transfer Restrictions”), and (2) the Company shall make acquisition of the allotted shares without payment of any contribution if certain events occur. Please note that the payment of the Monetary Claims to the Eligible Employees will be made subject to the conclusion of the Allotment Agreement between the Company and the ESA.

In accordance with the bylaws of the ESA (the “Plan Bylaws”), there will be restrictions on the Eligible Employees’ withdrawal of their shares of the restricted stock issued or disposed of by the Company and acquired by the ESA (“Shares of Restricted Stock”) until the Transfer Restrictions on the restricted stock are lifted.

Outline of the Disposal of Treasury Shares

The Company has resolved to grant Eligible Employees Monetary Claims totaling 271,005,000 yen as special incentive bonuses and grant a total of 43,500 common shares (“Allotted Shares”) to the ESA in exchange for the ESA’s transfer of the Monetary Claims contributed from the Eligible Employees to the Company as property contributed in kind.

The Disposal of treasury shares involves the Company granting monetary claims to Eligible Employees, who will then contribute these claims to the ESA. The Company will provide treasury share to the ESA in exchange for these claims. This process is a third-party allotment. With regard to the number of shares to be disposed, the Company plans to transfer 43,500 shares to the ESA.

The Disposal of treasury shares leads to stock dilution. The number of outstanding shares will increase by 0.15% of the 29,272,503 shares as of March 31, 2026. The number of voting rights will decline by 0.16% from the number as of March 31, 2026, which is 273,613. These percentages are rounded to the second decimal place. The impact of the Disposal is minor and insignificant.

Overview of the Allotment Agreement

The Company will enter into the Allotment Agreement with the ESA, and the outline of the agreement is as follows.

(1) Transfer Restriction Period

From September 25, 2026 (the payment date) until the date on which the employee retires from the Company or any other company specified in the Allotment Agreement (provided, however, that in the case of reemployment following mandatory retirement, the date of mandatory retirement shall apply).

During the transfer restriction period specified above (the "Transfer Restriction Period"), the ESA may not transfer, create security interests in, or otherwise dispose of the Allotted Shares.

(2) Condition for lifting of Transfer Restrictions

If Eligible Employees continue to serve in their positions as managerial employees (collectively the "Position") during the period from September 25, 2026 (payment date) until the date five years thereafter (the "Eligibility Period"), the Transfer Restrictions on the Allotted Shares, in a number corresponding to the Eligible Employee's shareholding subject to Transfer Restrictions, shall be lifted on the expiration date of the Transfer Restriction Period. In addition, if an Eligible Employee loses the Position during the Eligible Period due to reaching the mandatory retirement age, the expiration of their contract term, death, transfer to an affiliate of the Company, promotion to an executive position, or any other reason deemed valid by the Company's Board of Directors, the Company shall lift the transfer restrictions on all of the Allotted Shares corresponding to the number of shares subject to transfer restrictions held by such Eligible Employee, effective as of the date specified in the Allotment Agreement.

In the event that the Transfer Restrictions are lifted, the Company shall notify the ESA of the lifting of the Transfer Restrictions and the number of Allotted Shares subject to such lifting; and the ESA shall, in accordance with the provisions of the ESA Bylaws and other relevant regulations, transfer the entire number of Allotted Shares corresponding to the Shares of Restricted Stock of the Eligible Employee to membership shares held by this employee acquired by the ESA outside the scope of the Plan ("Regular Shares").

(3) Treatment upon terminating membership of the ESA

Even if the conditions for lifting the Transfer Restrictions set forth above are met, if the Eligible Employee withdraws from the ESA during the Transfer Restriction Period (meaning either the loss of membership status or the submission of a withdrawal application, including withdrawal due to death; the same shall apply hereinafter) except when the Eligible Employee withdraws from the ESA in connection with retirement from both the Company and any other company specified in the Allotment Agreement, the Company shall automatically acquire, without compensation, all of the Allotted Shares corresponding to the number of Shares of Restricted Stock held by the Eligible Employee, effective as of the date of withdrawal.

(4) Acquisition without consideration by the Company

If the Eligible Employee commits a violation of laws or regulations during the Transfer Restriction Period, or if any other specific grounds set forth in this Allotment Agreement apply, the Company shall, as of that time or any other time specified in this Allotment Agreement, automatically acquire, without compensation, all of the Allotted Shares corresponding to the Eligible Employee's Shares of Restricted Stock.

The Company will acquire all Allotted Shares on which the Transfer Restrictions are not yet lifted at the time of expiration of the Transfer Restriction Period or at a given time specified in the Allotment Agreement without

consideration at the time immediately after such time as a matter of course. In the event of a transfer without consideration, the Company shall notify the ESA of its intention to acquire the Allotted Shares without consideration and of the number of Allotted Shares to be acquired without consideration, and the ESA shall, in accordance with the provisions of the ESA Bylaws, deduct all of the Allotted Shares corresponding to the number of Shares of Restricted Stock held by the relevant Eligible Employee as of the time such notice is received.

(5) Treatment in the event of becoming a nonresident

If, during the Transfer Restriction Period, an Eligible Employee becomes a non-resident of Japan due to an overseas transfer or similar circumstances determined by the Company, regardless of whether the conditions for lifting the Transfer Restrictions set forth above have been met, the Transfer Restrictions shall be lifted as of the date specified in the Allotment Agreement for all of the Allotted Shares corresponding to the number of Shares of Restricted Stock held by the Eligible Employee as of the date of such decision.

(6) Management of shares

The Allotted Shares shall be managed in the accounts exclusively for restricted stock shares that are opened by the ESA at Daiwa Securities Co. Ltd. during the period of transfer restrictions to prevent the transfer of shares, the establishment of security interests on shares, or other dispositions. In addition, in accordance with the provisions of the ESA Bylaws and other relevant regulations, the ESA shall separately register and manage the Shares of Restricted Stock held by Eligible Employees with respect to the Allotted Shares and the Regular Shares that Eligible Employees hold with respect to shares acquired by the ESA outside the scope of the Plan.

(7) Measures to be taken in relation to organizational restructuring, etc.

In cases where, during the Transfer Restriction Period, a general meeting of shareholders of the Company (however, in cases where the reorganization, etc., in question does not require approval from a general meeting of shareholders of the Company, the Board of Directors of the Company) approves a merger agreement wherein the Company becomes the extinct company, or a share exchange agreement or a share transfer plan wherein the Company becomes a wholly owned subsidiary, or other matters regarding reorganization, etc., based on the resolution of the Board of Directors, the Transfer Restrictions may be lifted for the total number of the Allotted Shares according to the number of Shares of Restricted Stock held by the Eligible Employees among the Allotted Shares held by the ESA on the date of the approval in question immediately before the business day preceding the effective date of the reorganization, etc.

3. Basis and details of calculation of the amount to be paid

The Disposal of treasury shares involves the Eligible Employees contributing to the ESA the monetary claims granted to them under the Plan for the purpose of awarding restricted stock. To ensure the payment price is free from arbitrariness, it will be set at 6,230 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on June 24, 2026 (the business day prior to the date of the Board of Directors' resolution). The amount is the market price immediately before the date of resolution of the Board of Directors and a reasonable amount reflecting the Company's corporate value properly unless there are any special circumstances that indicate the latest stock price is unreliable. We believe the amount is not particularly advantageous for the ESA.

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

Period	Average Closing Price (Amounts less than one yen are rounded down)	Deviation rate
1 month (May 25, 2026 to June 24, 2026)	5,991 yen	3.99%
3 months (March 25, 2026 to June 24, 2026)	5,229 yen	19.14%
6 months (December 25, 2025 to June 24, 2026)	4,791 yen	30.04%

4. Matters related to procedures under the Code of Corporate Conduct

With regard to the Disposal of treasury shares, since (i) the dilution rate is less than 25% and (ii) it does not involve the change of the controlling shareholder, there is no need to take procedures for acquiring the opinion of an independent third party or confirming the intention of shareholders as set forth in Article 432 of the listing regulations prescribed by the Tokyo Stock Exchange.