



November 12, 2025

To Whom It May Concern:

Company Name: NITTO KOHKI CO., LTD.
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(Code No. 6151 Tokyo Stock Exchange Prime)
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Notice Regarding Disposal of Treasury Shares as Restricted Stock Incentives for the Employee Shareholding Association

NITTO KOHKI CO., LTD. (the “Company” hereinafter) hereby announces that, at the meeting of the Board of Directors held today, the Company resolved to implement the Employee Shareholding Association—Restricted Stock Incentive plan (the “Plan”) and to dispose of the Company’s treasury shares as restricted shares (the “Treasury Share Disposal” or the “Disposal”), with the NITTO KOHKI Employee Shareholding Association (the “ESA”) as the scheduled allottee, as outlined below.

1. Overview of the Disposal

(1) Date of Disposal	March 19, 2026
(2) Class and Number of Shares to be Disposed	70,360 shares of the Company’s common shares (Note)
(3) Disposal Price	1,767 yen per share
(4) Total Disposal Value	124,326,120 yen (Note)
(5) Method of Disposal (Scheduled Allottee)	The number of subscription shares determined by the ESA within the scope of the number of shares stated in (2) above shall be allotted to the ESA on the condition that the ESA applies for subscription by way of third-party allotment (the number allotted shall be the “number of shares to be disposed”). (Scheduled allottee: NITTO KOHKI Employee Shareholding Association 70,360 shares) Partial applications by individual Eligible Employees (as defined below) for only a portion of the shares to be granted will not be accepted.
(6) Other Matters	An Extraordinary Report has been submitted for the Treasury Share Disposal in accordance with the Financial Instruments and Exchange Act.

Note: The “number of shares to be disposed” and the “total disposal value” are calculated on the assumption that restricted shares will be granted to the maximum possible number of employees potentially eligible under the Plan, namely 826 employees of the Company. The actual number of shares and the total disposal value will be determined, after promotional activities for non-members of the ESA and confirmation of consent among ESA members, based on: (i) the number of employees of the Company and its subsidiaries who agree to the Plan (the “Eligible Employees”; up to 826), and (ii) the number of shares granted per person as prescribed by the

Company according to years of service classification (Employees with 10 or more years of service: up to 451 persons, 100 shares each; Employees with 5 years or more but less than 10 years of service: up to 138 persons, 80 shares each; Employees with less than 5 years of service: up to 237 persons, 60 shares each). Specifically, as stated in (5) above, the number of shares for which the ESA applies shall constitute the “number of shares to be disposed,” and the amount obtained by multiplying such number by the per-share disposal price shall constitute the “total disposal value.”

2. Purpose and Reason for the Disposal; Outline of the Plan

At today's meeting of the Board of Directors, the Company resolved to introduce the Plan in order to provide, through the ESA, an opportunity for Eligible Employees of the Company and its subsidiaries who are members of the ESA to acquire the Company's common shares as restricted shares to be issued or disposed of by the Company. The Plan is intended not only to support asset-building by Eligible Employees as a means of enhancing their welfare benefits, but also to grant incentives designed to sustainably enhance the Company's corporate value. Furthermore, by promoting greater value sharing between Eligible Employees and the Company's shareholders, the Plan aims to improve employee motivation and engagement.

The outline of the Plan is as follows.

[Overview of the Plan]

Under the Plan, the Company will grant to Eligible Employees monetary claims as a special incentive for the grant of restricted shares (the “Special Incentive”). Eligible Employees will contribute the Special Incentive to the ESA. The ESA will then contribute the Special Incentive to the Company as a contribution in kind and, in return, will receive the issue or disposal of the Company's common shares as restricted shares. The per-share payment amount for the Company's common shares to be issued or disposed of under the Plan shall be determined by resolution of the Board of Directors within a scope that is not particularly advantageous to the ESA (and, by extension, to the Eligible Employees), based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the relevant Board resolution (or, if no transaction is made on such business day, the closing price on the most recent prior trading day). In connection with issuance or disposal under the Plan, the Company and the ESA will enter into a restricted share allotment agreement that provides, among other matters, that (i) the ESA shall be prohibited, for a certain period, from transferring, creating any security interest on, or otherwise disposing of the allotted shares to a third party (the “Transfer Restrictions”), and (ii) the Company shall acquire the allotted shares without consideration if certain events occur. Payment of the Special Incentive to Eligible Employees is conditional upon execution of the restricted share allotment agreement between the Company and the ESA. Until the Transfer Restrictions are lifted, and pursuant to the ESA's rules and operating bylaws (the “ESA Rules, etc.”), Eligible Employees will be restricted from withdrawing their member equity interests pertaining to the restricted shares to be held in proportion to the Special Incentive contributed to the ESA (the “Restricted Share Equity Interests”). The ESA intends to resolve amendments to the ESA Rules, etc. promptly after the Board resolution for the Disposal; such amendments are scheduled to become effective two weeks after notice to ESA members, provided that objections are received from less than one-third of all members.

In the Treasury Share Disposal, the ESA—as the scheduled allottee—will make payment by way of in-kind contribution of the entire Special Incentive contributed by Eligible Employees, and the Company will dispose of the Company's common shares to the ESA (the “Allotted Shares”). The overview of the restricted share allotment agreement (the “Allotment Agreement”) to be executed between the Company and the ESA is described in Section 3 below. Assuming that all 826 employees potentially eligible under the Plan join the ESA and consent to

the Plan, the number of shares to be disposed will be 70,360. On this basis, the scale of dilution is 0.37% of the total number of issued shares (19,154,495 shares as of September 30, 2025) and 0.38% of the total number of voting rights (187,017 as of September 30, 2025). The introduction of the Plan is intended to provide Eligible Employees, through the ESA, with an opportunity to acquire the Company's common shares to be issued or disposed of by the Company as restricted shares, as a means of enhancing their welfare benefits and supporting asset-building. In addition, by granting incentives designed to sustainably enhance corporate value, the Plan aims to promote greater value sharing between Eligible Employees and the Company's shareholders. The Company believes that the Plan will contribute to the enhancement of corporate value not only for the Company but also for its subsidiaries. The Company also believes that both the number of shares to be disposed of and the scale of dilution are reasonable, and that the market impact will be minor even after taking the dilution into account. The Disposal is conditional upon the amended ESA Rules, etc. becoming effective by the day preceding the disposal date and upon execution of the Allotment Agreement between the Company and the ESA within the prescribed period.

3. Overview of the Allotment Agreement

(1) Transfer restriction period: From March 19, 2026 to May 31, 2029

(2) Conditions for lifting of the Transfer Restrictions:

Provided that an Eligible Employee has remained a member of the ESA on a continuing basis throughout the transfer restriction period, the Transfer Restrictions shall be lifted, as of the expiration of such period, for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interest held by the Eligible Employee who satisfies the foregoing condition.

(3) Treatment upon terminating ESA membership:

If an Eligible Employee terminates ESA membership during the transfer restriction period due to appointment as a corporate officer, retirement upon reaching mandatory retirement age, expiration of an employment agreement, or other justifiable reasons (including loss of membership qualification or application for withdrawal, and including termination due to death), the Company shall lift the Transfer Restrictions, effective on the date on which the ESA receives the employee's application for termination (or, in the case of loss of membership qualification or death, the date of such loss or death; hereinafter referred to as the "Termination Application Receipt Date"), for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interest held by the Eligible Employee as of such date.

(4) Treatment upon becoming a non-resident:

If the Company determines that an Eligible Employee will become a non-resident during the transfer restriction period due to overseas reassignment or otherwise, the Company shall lift the Transfer Restrictions, effective on the date of such determination, for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interest held by the Eligible Employee on that date.

(5) Acquisition without consideration by the Company:

If an Eligible Employee commits any act in violation of laws and regulations during the transfer restriction period or falls under certain events prescribed in the Allotment Agreement, the Company shall, as a matter of course, acquire without consideration all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interest held by the Eligible Employee at such time. The Company shall also naturally acquire, without

consideration, any Allotted Shares for which the Transfer Restrictions are not lifted at the expiration of the transfer restriction period or at the time of lifting under (3) or (4) above.

(6) Administration of shares:

During the transfer restriction period, to ensure that the Allotted Shares cannot be transferred, pledged, or otherwise disposed of, they shall be administered in a dedicated account opened by the ESA with Nomura Securities Co., Ltd. In addition, pursuant to the ESA Rules, etc., the ESA shall register and administer the Restricted Share Equity Interests separately from the member equity interests relating to shares not based on the Plan (the “Ordinary Equity Interests”).

(7) Treatment upon reorganization, etc.:

If, during the transfer restriction period, matters relating to a merger agreement in which the Company becomes the extinct company, a share exchange agreement or a share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company’s general meeting of shareholders (or, where such approval is not required, at a meeting of the Board of Directors), the Company shall, by resolution of the Board of Directors, lift the Transfer Restrictions, as of a time immediately before the business day preceding the effective date of such reorganization, etc., for all of the Allotted Shares in the number corresponding to the Restricted Share Equity Interests held by the Eligible Employees among the Allotted Shares held by the ESA as of the date of such approval.

4. Basis of Calculation and Specifics of the Disposal Price

The Treasury Share Disposal to the ESA as the scheduled allottee will be conducted by way of in-kind contribution of the Special Incentive granted to Eligible Employees for the grant of restricted shares and contributed by them to the ESA. To eliminate arbitrariness, the disposal price is set at 1,767 yen, which is the closing price of the Company’s common shares on the Tokyo Stock Exchange Prime Market on November 11, 2025 (the business day prior to the date of the Board resolution). As this is the market price immediately prior to the Board resolution, the Company believes the price is rational and does not constitute a particularly advantageous amount. The deviation rate (rounded to the nearest two decimal places) of this price from the average closing price of the Company’s common shares on the Tokyo Stock Exchange Prime Market is as follows:

Period	Average closing price (amounts less than 1 yen rounded down)	Deviation rate
One month (October 14, 2025 to November 11, 2025)	1,751 yen	0.91%
Three months (August 12, 2025 to November 11, 2025)	1,790 yen	(1.28)%
Six months (May 12, 2025 to November 11, 2025)	1,797 yen	(1.67)%

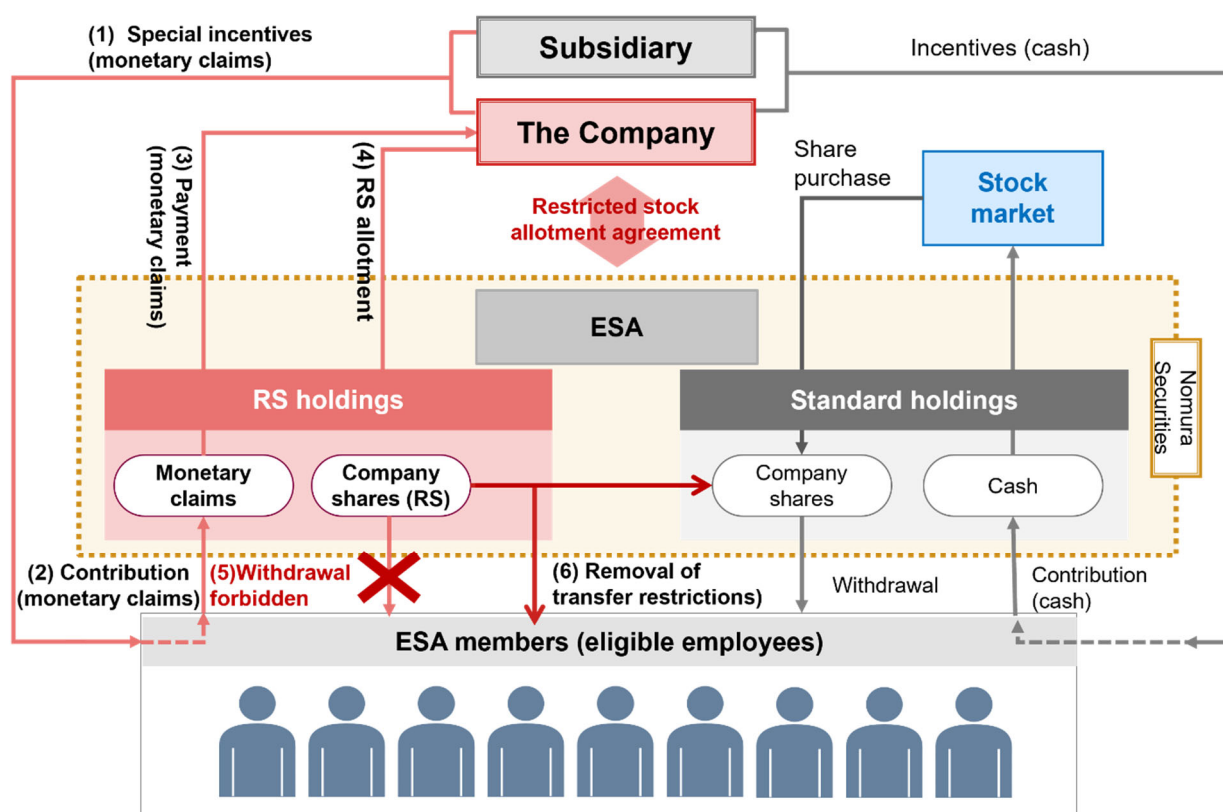
The Company’s Audit & Supervisory Committee (three members, including two outside directors) has stated its opinion that, in light of the Plan’s purpose and the fact that the disposal price is the closing price on the business day prior to the Board resolution, the foregoing price is not particularly advantageous to the scheduled allottee and is lawful.

5. Matters Related to Procedures under the Company's Code of Conduct

Given that (i) the dilution ratio is less than 25% and (ii) the Disposal does not involve a change in the controlling shareholder, procedures to obtain an opinion from an independent third party and to confirm the intention of shareholders, as set forth in Article 432 of the Securities Listing Regulations prescribed by the Tokyo Stock Exchange, are not required.

(Reference) Scheme of the Plan

- (i) The Company grants, to Eligible Employees, monetary claims as the Special Incentive for the grant of restricted shares.
- (ii) Eligible Employees contribute the monetary claims in (i) above to the ESA.
- (iii) The ESA collects and contributes the monetary claims in (ii) above to the Company as a contribution in kind.
- (iv) The Company allots the Allotted Shares to the ESA as restricted shares ("RS").
- (v) The Allotted Shares are deposited in a dedicated account opened by the ESA through Nomura Securities Co., Ltd., and withdrawals are restricted during the transfer restriction period.
- (vi) After the Transfer Restrictions are lifted, the Allotted Shares are transferred to the Ordinary Equity Interests or to a securities account in the name of the Eligible Employee



End of news release