

December 19, 2025

To Whom It May Concern:

Company name Nishio Holdings Co., Ltd.
 Name of representative Masashi Nishio, President
 (Stock code 9699, Tokyo Stock Exchange Prime Market)
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Notice Concerning Disposal of Treasury Stock as Remuneration for Restricted Stock

NISHIO HOLDINGS CO., LTD. (the “Company”) hereby announces that at a meeting of its Board of Directors held on December 19, 2025, it was resolved to dispose of treasury stock (“Treasury Stock Disposal” or “Disposal”) as follows.

1. Outline of Disposal

(1) Disposal date	January 15, 2026
(2) Type and number of shares to be disposed of	Common stock of the Company: 900 shares
(3) Disposal price	4,490 yen per share
(4) Total disposal amount	4,041,000 yen
(5) Disposal recipients, number of persons, and number of shares	Company Directors (excluding Outside Directors) 4 persons, 900 shares
(6) Other	Not applicable.

2. Purpose and reason for Disposal

At a meeting of the Board of Directors held on October 28, 2016, the Company resolved to introduce a restricted stock compensation system (the “System”) as a new method of remuneration for Directors (excluding Outside Directors) of the Company (“Eligible Directors”) with the aim of providing incentives for the Company’s Directors to continuously improve the Company’s corporate value and promote further value sharing between Directors and shareholders. Furthermore, at the 58th Annual General Meeting of Shareholders held on December 20, 2016, approval was obtained for the payment of monetary compensation of up to 10,000,000 yen per year to Eligible Directors (not including the amount equivalent to employee salaries for Directors concurrently serving as employees) in order to grant restricted stock based on the System, and for the transfer restriction period for the restricted stock to be determined by the Board of Directors, between 10 and 30 years.

An outline, etc., of the System is as follows.

Eligible Directors will pay in all of the monetary compensation claims paid by the Company under the System as assets contributed in kind, and will be issued or disposed of shares of common stock of the Company. The total number of shares of common stock to be issued or disposed of by the Company pursuant to the System shall not exceed 12,500 shares per year, and the amount to be paid per share shall be the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors resolution (or if no trading was conducted on that date, the closing price of the most recent preceding trading day).

In addition, upon the issuance or disposal of shares of the Company’s common stock under the System, the Company and the Eligible Directors shall enter into a restricted share allocation agreement, which shall include, among other things, (i) that the Eligible Directors shall not transfer, pledge, or otherwise dispose of the shares of common stock allocated under said restricted share allocation agreement for a certain period of time, and (ii) that the Company shall acquire the shares of common stock without consideration if certain events occur.

Taking into consideration the purpose of the System, the Company's business conditions, the scope of responsibilities of the Eligible Directors, and various other circumstances, the Company has decided to grant monetary compensation claims totaling 4,041,000 yen (the "Monetary Compensation Claims") and a total of 900 shares of common stock to the four Eligible Directors.

In the Treasury Stock Disposal, the four Eligible Directors to whom the treasury stock will be disposed of under the System will pay all of their Monetary Compensation Claims to the Company as assets contributed in kind and will receive the Company's common stock disposed of to them.

In addition, in order to realize the purpose of introducing the System, which is to share shareholder value for as long as possible and to provide an incentive for the Eligible Directors to continuously improve the Company's corporate value during their tenure, the transfer restriction period shall be 30 years, and, as described in 3. (2) below, if an Eligible Director retires or resigns due to expiration of their term of office, mandatory retirement age, or other justifiable reason, the transfer restriction will be lifted as of the time immediately following said retirement or resignation.

3. Outline of the restricted share allocation agreement

Upon Treasury Stock Disposal pursuant to the System, the Company and each of the Eligible Directors will individually enter into a restricted share allocation agreement (the "Allocation Agreement"), the outline of which is as follows.

(1) Transfer restriction period: January 15, 2026 to January 14, 2056

(2) Conditions for the lifting of transfer restrictions

In principle, the Company will lift the transfer restrictions on all of the Company's common stock allocated under the Allocation Agreement (the "Allocated Shares"), upon the expiration of the transfer restriction period, provided that the Eligible Directors have continuously held the position of director, executive officer, corporate officer, auditor, advisor, consultant, or employee of the Company or its subsidiaries during the transfer restriction period. However, in the event that an Eligible Director resigns or retires (including resignation or retirement due to death) from the position of director, executive officer, corporate officer, auditor, advisor, consultant, or employee of the Company or its subsidiaries due to expiration of their term of office, mandatory retirement age, or other justifiable reason, the Company shall lift the transfer restrictions on the Allocated Shares held at the time of such resignation or retirement immediately after said resignation or retirement.

(3) Acquisition by the Company without consideration

The Company shall automatically acquire, without consideration, any Allocated Shares for which the transfer restrictions have not been lifted at the time of expiration of the transfer restriction period or the time of lifting the transfer restrictions as set forth in (2) above.

(4) Management of shares

The Allocated Shares shall be managed in a dedicated account opened by the Eligible Directors at Nomura Securities Co., Ltd. during the transfer restriction period so that they cannot be transferred, pledged, or otherwise disposed of during the transfer restriction period. In order to ensure the effectiveness of the transfer restrictions, etc. on the Allocated Shares, the Company has entered into an agreement with Nomura Securities Co., Ltd. regarding the management of the accounts for the Allocated Shares held by each Eligible Director, and the Company has separately obtained consent from the Eligible Directors regarding the details of managing said accounts.

(5) Handling in the case of organizational restructuring, etc.

During the transfer restriction period, if a merger agreement in which the Company becomes a defunct company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other matters related to organizational restructuring, etc. are approved at a General Meeting of Shareholders of the Company (or if approval by a General Meeting of Shareholders of the Company is not required, the Board of Directors of the Company), the Company shall, by resolution of the Board of Directors, lift the transfer restrictions on all of the Allocated Shares immediately prior to the business day before the effective date of the organizational restructuring, etc.

4. Basis for calculating the payment amount and specifics thereof

The Treasury Stock Disposal to the planned Directors will be made with the monetary compensation claims paid as restricted stock compensation for the Company's 68th fiscal year under the System as contributions. In order to eliminate arbitrariness, the disposal price is set at 4,490 yen, which is the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on December 18, 2025 (the business day before the date of the Board of Directors' resolution). This is the market share price immediately prior to the date of the Board of Directors' resolution, which we believe is reasonable and does not constitute a particularly favorable price.

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