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June 25, 2024

To whom it may concern

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Notice of Disposal of Treasury Shares as Share-Based Remuneration to Directors and Executive Officers

Nitta Corporation (the “Company”) hereby announces that its Board of Directors resolved at a meeting held on June 25, 2024 to dispose of its treasury shares as share-based remuneration (the “Treasury Share Disposal”). Details are as follows.

1. Overview of the disposal

(1) Payment date	July 24, 2024
(2) Class and number of shares to be disposed	The Company's common stock 13,957 shares
(3) Disposal amount	4,105 yen per share
(4) Total disposal amount	57,293,485 yen
(5) Allottees	5 Directors (*) and 5 Executive Officers 13,957 shares *Excluding Outside Directors.
(6) Other	No securities notice and extraordinary report under the Financial Instruments and Exchange Act have been submitted, because this Treasury Share Disposal is attached with the condition to the effect that the Directors, etc. who will be allottees will be prohibited from transferring the shares for a period of more than three months after the lapse of the business year to which the day the allottees will receive the delivery of the shares belongs, and because the total disposal amount is less than 100 million yen.

2. Purpose and reasons for the disposal

At a meeting of the Board of Directors held on March 1, 2019, the Company introduced a restricted share-based remuneration plan (the “Plan”) for its Directors (excluding Outside Directors; the same shall apply hereunder) and Executive Officers for the purpose of incentivizing them to improve the Company’s corporate value over the

medium to long term and achieve sustained enhancement of shareholder value while promoting value sharing with shareholders. In addition, the 90th Ordinary General Meeting of Shareholders held on June 21, 2019 gave approval for the Directors of the Company to receive a monetary remuneration claim of an amount less than 100 million yen per year in the form of a capital contribution in kind in relation to the granting of restricted stock under the Plan, separately from the existing monetary remuneration portion, and that the total number of shares of the Company's common stock to be issued or disposed of under the Plan will be no more than 50,000 shares per year, among other matters.

Subsequently, the Company resolved at a meeting of the Board of Directors held on June 25, 2024 to provide a monetary remuneration claim totaling 57,293,485 yen (the "Monetary Remuneration Claim") to 5 Directors and 5 Executive Officers (the "Eligible Officers"), in consideration of the purpose of the Plan, the Company's business performance, the scope of job responsibility of each Eligible Director and other factors, and to provide 13,957 shares of its common stock ("Allotted Shares") by issuing the entire amount of the Monetary Remuneration Claim in the form of capital contribution in kind.

Outline of the Restricted Stock Allotment Agreement

The Company and each of the Eligible Officers will conclude a restricted stock allotment agreement (the "Allotment Agreement") with the Treasury Share Disposal. The outline of the Allotment Agreement is as follows.

(1) Transfer restriction period

The Eligible Officers may not transfer, attach a security interest on or otherwise dispose of the Allotted Shares from July 24, 2024 (payment date) to the date of retirement both from the position of Director and Executive Officer.

(2) Condition for lifting of transfer restriction

On the condition that an Eligible Officer continues to hold the position of Director or Executive Officer of the Company for the period from the payment date until the beginning of July 1, 2025 (the "Period of Service Provision, etc."; the period of service provision shall be from the payment date until the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2025), transfer restriction on all the Allotted Shares shall be lifted at the time of the expiry of the transfer restriction period; provided, however, that when an Eligible Officer ceases to be both Director and Executive Officer of the Company during the Period of Service Provision, etc. due to the expiration of the term of office, death or other reasons that the Board of Directors deems justifiable, the transfer restriction will terminate immediately following the day on which said Eligible Officer loses his/her position as Director and Executive Officer with respect to the Allotted Shares in the number obtained by the number of months from July 2024 until the month in which the said day falls divided by 12 (provided, however, that if the quotient exceeds 1, it shall be deemed to be 1) and multiplied by the number of the Allotted Shares (provided, however, that any fraction less than one share resulting from the calculation shall be rounded down.)

(3) Acquisition by the Company for no consideration

The Company will naturally acquire for no consideration all the Allotted Shares for which transfer restrictions were not removed at the end of the period of transfer restrictions.

(4) Management of shares

The Allotted Shares shall be managed in the accounts exclusively for restricted stock shares that are opened by the Eligible Officers 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.

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

If a resolution such as a merger agreement in which the Company is the merged company, a share exchange agreement or share transfer plan in which the Company will become a wholly owned subsidiary, or any other resolutions concerning organizational restructuring, etc. are approved at a General Meeting of Shareholders of the Company (or at a meeting of the Company's Board of Directors if approval by a General Meeting of Shareholders is not required for the said organizational restructuring, etc.) during the transfer restriction period, the Company shall, immediately prior to the business day immediately preceding the effective date of said organizational restructuring, etc., cancel upon resolution of the Company's Board of Directors the transfer restriction on the number of the Allocated Shares, which is equivalent to the number of months from July 2004 until the month in which the date of approval of organizational restructuring, etc. falls divided by 12 (provided, however, that if the quotient exceeds 1, it shall be deemed to be 1) and multiplied by the number of the Allotted Shares held by the subject Eligible Officer at that point in time (provided, however, that any fraction of less than one share resulting from the calculation shall be rounded down.)

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

The Treasury Share Disposal will be conducted using monetary remuneration claim to be granted to the Eligible Officers based on the Plan as the capital contribution, and the amount to be paid in is set at 4,105 yen, the closing price of the common stock of the Company on the Tokyo Stock Exchange on June 24, 2024 (business day before the date of resolution of the Board of Directors) to eliminate arbitrariness. 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 Eligible Officers.