



July 4, 2024

Company name: Nippon Soda Co., Ltd.
Name of representative: Eiji Aga, Representative
Director and President
(Securities code: 4041; TSE
Prime Market)
Inquiries: Nobuki Minabe, Manager of
General Affairs Department
(Telephone: +81-3-6366-1920)

Notice Concerning Disposal of Treasury Shares as Restricted Share Remuneration

Nippon Soda Co., Ltd. (the "Company") hereby announces that the Company has resolved, at the Board of Directors Meeting held today, to dispose of treasury shares as restricted share remuneration (hereinafter referred to as the "Disposal of Treasury Shares"), as follows.

1. Overview of the Disposal of Treasury Shares

(1) Payment date	July 26, 2024
(2) Type and number of shares to be disposed of	5,836 common shares of the Company
(3) Disposal price	5,340 yen per share
(4) Total disposal amount	31,164,240 yen
(5) Allottees and number thereof; number of shares to be disposed of	Directors (excluding Directors who are Audit & Supervisory Committee Members, Outside Directors, and part-time Directors): 4 persons, 4,044 shares Executive Officers: 8 persons, 1,792 shares

2. Purpose and Reason for the Disposal of Treasury Shares

The Company resolved at the Board of Directors Meeting held on April 22, 2022, to introduce a restricted share remuneration system (hereinafter referred to as the "System") for the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members, Outside Directors, and part-time Directors; hereinafter referred to as "Eligible Directors"), Executive Officers, and Senior Advisors (hereinafter collectively referred to as "Eligible Persons"), in place of the performance-based share remuneration system using a Board Benefit Trust, for the purpose of further promoting the sharing of value with shareholders and increasing the motivation to contribute to the enhancement of the Company's corporate value. In addition, at the 153rd Ordinary General Meeting of Shareholders held on June 29, 2022 (hereinafter referred to as the "OGM"), it was approved that, based on the System, monetary remuneration claims of up to 60 million yen per year will be granted to Eligible Directors as monetary remuneration claims to be contributed as assets for acquisition of restricted transfer share, the total number of the Company's common shares to be issued or disposed of by the Company to Eligible Directors under the System will be up to 30,000 shares per year (provided,

however, that in the event of a share split (including gratis allotment of shares of the Company's common share) or a reverse share split of the Company's common shares with an effective date on or after the date of the resolution of the OGM, the number of shares may be adjusted to a reasonable extent as necessary on or after such effective date), and the transfer restriction period shall be the period until each Eligible Person retires or resigns from the position determined by the Company's Board of Directors.

Subsequently, at the Board of Directors Meeting held today, the Company resolved to grant a total of 31,164,240 yen in monetary remuneration claims (hereinafter referred to as the "Monetary Remuneration Claims") to 12 Eligible Persons, taking into consideration the purpose of the System, the Company's business performance, and other various circumstances, and to dispose of 5,836 common shares of the Company (hereinafter referred to as the "Allotted Shares").

The outline of the restricted share allotment agreement (hereinafter referred to as the "Allotment Agreement") to be entered into between the Company and the allottees in the Disposal of Treasury Shares is as follows. In order to achieve the purpose of introducing the System, which is to share value with shareholders and enhance the Company's corporate value over the medium to long term, the transfer restriction period is set as the period until the date on which the Eligible Person retires or resigns from the position of Director or any other position determined by the Company's Board of Directors.

<Outline of the Allotment Agreement>

(1) Transfer Restriction Period

The Eligible Persons shall not transfer, create a security interest on, make an inter vivos gift of, or otherwise dispose of the Allotted Shares during the period from the payment date of the Allotted Shares until the date on which the Eligible Person retires or resigns from the position of Director, Executive Officer, Senior Advisor, other employee, or any other equivalent position of the Company (hereinafter referred to as the "Transfer Restriction Period").

(2) Conditions for Lifting Transfer Restriction

The transfer restrictions shall be lifted for all of the Allotted Shares at the time of retirement or resignation for justifiable reasons or death, on the condition that the Eligible Person has continuously held any of the positions of Director, Executive Officer, Senior Advisor, other employee, or any other equivalent position of the Company from the payment date of the Allotted Shares until the conclusion of the first Ordinary General Meeting of Shareholders of the Company to be held thereafter.

However, if the Eligible Person retires or resigns from any of the positions of Director, Executive Officer, Senior Advisor, other employee, or any other equivalent position of the Company for justifiable reasons or death during the period from the payment date of the Allotted Shares until the conclusion of the first Ordinary General Meeting of Shareholders of the Company to be held thereafter, the transfer restrictions shall be lifted for the number of shares calculated by multiplying the number of Allotted Shares held by the Eligible Person at that time by the number obtained by dividing the number of months from the month following the month containing the date of the Ordinary General Meeting of Shareholders immediately preceding the payment date to the month containing the date of retirement or resignation of the Eligible Person by 12 (provided, however, that if the

calculation results in a number greater than 1, the number shall be deemed to be 1) (provided, however, that any fraction of less than one share resulting from the calculation shall be disregarded).

(3) Grounds for Acquisition without Consideration

If the Eligible Person retires or resigns from any of the positions of Director, Executive Officer, Senior Advisor, other employee, or any other equivalent position of the Company without justifiable reasons, the Company shall naturally acquire the Allotted Shares without consideration. In addition, if there are any Allotted Shares for which the transfer restrictions have not been lifted at the time of lifting the transfer restriction as set forth in (2) above, the Company shall naturally acquire such shares without consideration.

(4) Treatment in the Event of Organizational Restructuring, etc.

Notwithstanding the provisions of (1) above, if, during the Transfer Restriction Period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or other organizational restructuring, etc. are approved at the Company's General Meeting of Shareholders (or by the Company's Board of Directors in cases where approval of the Company's General Meeting of Shareholders is not required for the said organizational restructuring, etc.), the Company shall, by resolution of the Board of Directors, lift the transfer restriction for the number of shares calculated by multiplying the number of Allotted Shares held by the Eligible Person as of the date of the approval of the organizational restructuring, etc. (hereinafter referred to as the "Approval Date) by the number obtained by dividing the number of months from the month following the month containing the date of the Ordinary General Meeting of Shareholders immediately preceding the payment date to the month containing the Approval Date by 12 (provided, however, that if the calculation results in a number greater than 1, the number shall be deemed to be 1) (provided, however, that any fraction of less than one share resulting from the calculation shall be disregarded), immediately before the business day preceding the effective date of the said organizational restructuring, etc. In such case, the Company shall naturally acquire without consideration any of the Allotted Shares for which the transfer restrictions have not been lifted immediately after the transfer restrictions are lifted.

(5) Management of Shares

The Eligible Persons shall open a dedicated account with Mizuho Securities Co., Ltd. in the manner designated by the Company to describe or record the Allotted Shares, and shall keep and maintain all of the Allotted Shares in the said dedicated account until the transfer restrictions are lifted.

3. Basis of Calculation and Specific Details of the Payment Amount

The disposal price for the Disposal of Treasury Shares shall be 5,340 yen, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Board of Directors (July 3, 2024), in order to eliminate arbitrariness.

This is the market share price immediately prior to the date of the resolution of the Board of Directors, and the Company believes that this does not constitute a particularly favorable price.