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July 1, 2026

To whom it may concern

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(Securities code: 4092; TSE Prime Market)

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Notice Concerning Disposal of Treasury Shares as Restricted Share-Based Remuneration

NIPPON CHEMICAL INDUSTRIAL CO., LTD. (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors of the Company held today, to dispose of treasury shares as restricted share-based remuneration (the "Disposal of Treasury Shares") as described below.

1. Overview of disposal

(1) Due date of payment	July 31, 2026
(2) Class and number of shares to be disposed of	9,379 common shares of the Company
(3) Disposal price	¥4,660 per share
(4) Total amount of disposal	¥43,706,140
(5) Disposal recipients	Directors* of the Company: 2 persons, 1,930 shares Executive Officers or General Managers of the Company: 18 persons, 7,449 shares *Excluding Directors who are Audit and Supervisory Committee Members

2. Purpose and reason for disposal

At the 163rd Ordinary General Meeting of Shareholders of the Company held on June 24, 2021, the Company obtained approval for matters including the following: introducing a share-based remuneration plan (the "Plan") under which restricted shares are issued to Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company for the purposes of sharing the merits and risks of share price fluctuations with shareholders and increasing, to an ever higher level, such Directors' willingness to contribute to raising the share price and enhancing the corporate value; setting the total amount of monetary remuneration claims to be granted to Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company under the Plan as remuneration for restricted shares to ¥30,000,000 or less per year; setting the upper limit for the total number of restricted shares to be allotted to Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company in each fiscal year to 30,000 shares; and setting the transfer restriction period for restricted shares to a period from the date of issuance of the restricted shares to the date on which they retire as Directors of the Company.

Today, the Board of Directors of the Company has resolved to grant scheduled allottees, specifically, 2 Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company and 18 Executive Officers or General Managers of the Company, (the "Allottees") monetary remuneration claims totaling ¥43,706,140 as restricted share remuneration for the period from the 168th Ordinary General Meeting of Shareholders of the Company to the 169th Ordinary General Meeting of Shareholders of the Company to be held in June 2027, so as to allot them 9,379 common shares of the Company as restricted shares by having the Allottees provide all of the monetary remuneration claims through contribution of properties in kind. The amount of monetary remuneration claims for each Allottee has been determined with comprehensive consideration given to various matters, such as the degree of contribution of the Allottee in the Company. In addition, the monetary remuneration claims will be granted to each Allottee on conditions such as that the Allottee executes a restricted share allotment agreement (the "Allotment Agreement"), which mainly includes the following terms, with the Company.

3. Overview of the Allotment Agreement

(i) Transfer restriction period

I. Cases where the Allottee is a Director (Transfer Restriction Period I)

In cases where the Allottee is a Director, the period is from July 31, 2026 to the date on which the Allottee retires as Director of the Company.

II. Cases where the Allottee is an Executive Officer or a General Manager (Transfer Restriction Period II)

In cases where the Allottee is an Executive Officer or a General Manager, the period is from July 31, 2026 to the date on which the Allottee resigns or retires entirely from the positions of Executive Officer and General Manager of the Company, where the resigning or retiring includes cases where the Allottee is promoted to an Executive Officer with a title (who does not concurrently serve as a Director) and where the Allottee begins to concurrently serve as a Director while serving as an Executive Officer or a General Manager, which shall also apply hereinafter).

During the transfer restriction period (the "Transfer Restriction Period I" or the "Transfer Restriction Period II," whichever is applicable) set forth above, the Allottee shall not transfer, pledge, set rights to transfer by way of security, give as an inter vivos gift, bequeath, or otherwise dispose of the restricted shares allocated to the Allottee (the "Allotted Shares") to a third party (the "Transfer Restriction").

(ii) Gratis acquisition of restricted shares

I. Cases where the Allottee is a Director

In cases where the Allottee is a Director, if the Allottee resigns from the position of Director of the Company during a period up to the date immediately preceding the date of the first ordinary general meeting of shareholders of the Company since the commencement date of the Transfer Restriction Period I, the Company shall automatically acquire the Allotted Shares gratis at the time of such resignation, unless there is a reason recognized by the Board of Directors of the Company as justifiable.

If there are the Allotted Shares for which the Transfer Restriction has not been lifted at the time of expiration of the Transfer Restriction Period I (the "Expiration Time I") pursuant to the

provisions of the grounds for lifting the Transfer Restriction in (iii) I below, the Company shall automatically acquire such Allotted Shares gratis immediately after the expiration of the Transfer Restriction Period I.

II. Cases where the Allottee is an Executive Officer or a General Manager

In cases where the Allottee is an Executive Officer or a General Manager, if the Allottee resigns or retires entirely from the positions of Executive Officer and General Manager of the Company during a period up to the date immediately preceding the date of the first ordinary general meeting of shareholders of the Company since the commencement date of the Transfer Restriction Period II, the Company shall automatically acquire the Allotted Shares gratis at the time of such resignation or retirement, unless there is a reason recognized by the Board of Directors of the Company as justifiable.

If there are the Allotted Shares for which the Transfer Restriction has not been lifted at the time of expiration of the Transfer Restriction Period II (the "Expiration Time II") pursuant to the provisions of the grounds for lifting the Transfer Restriction in (iii) II below, the Company shall automatically acquire such Allotted Shares gratis immediately after the expiration of the Transfer Restriction Period II.

(iii) Lifting of the Transfer Restriction

I. In cases where the Allottee is a Director

When the Allottee is a Director, the Company will lift the Transfer Restriction for all of the Allotted Shares held by the Allottee in question upon the Expiration Time I, provided that the Allottee in question has continuously held the position of Director of the Company from the commencement date of Transfer Restriction Period I until the date of the first Ordinary General Meeting of Shareholders of the Company since the commencement date. However, if the Allottee in question resigns from the position of Director of the Company between the period from the commencement date of Transfer Restriction Period I to one day before the date of the first Ordinary General Meeting of Shareholders of the Company since the commencement date for reasons deemed justifiable by the Board of Directors of the Company, the number of months from July 2026 through the month including the relevant date of resignation from the position of Director of the Company is divided by 12, the quotient is multiplied by the number of the Allotted Shares held by the Allottee in question as of the said date of resignation (however, any fractional shares less than one share are to be rounded down), and the Transfer Restriction will be lifted for the resulting number of Allotted Shares immediately after the resignation in question.

II. When the Allottee is an Executive Officer or General Manager

When the Allottee is an Executive Officer or General Manager, the Company will lift the Transfer Restriction for all of the Allotted Shares held by the Allottee in question upon the Expiration Time II, provided that the Allottee in question has continuously held the position of Executive Officer or General Manager from the commencement date of Transfer Restriction Period II until the date of the first Ordinary General Meeting of Shareholders of the Company since the commencement date. However, if the Allottee in question resigns or retires from the position of Executive Officer or General Manager between the period from the commencement date of Transfer Restriction Period II to one day before the date of the first Ordinary General Meeting of Shareholders of the Company since the commencement date for reasons deemed justifiable by the Board of Directors of the Company, the number of months from July 2026 through the month including the relevant date of resignation or retirement from the position of

Executive Officer or General Manager is divided by 12, the quotient is multiplied by the number of the Allotted Shares held by the Allottee in question as of the said date of resignation or retirement (however, any fractional shares less than one share are to be rounded down), and the Transfer Restriction will be lifted for the resulting number of Allotted Shares immediately after the resignation or retirement in question.

(iv) Provisions concerning management of shares

The Allottees are to complete the account opening for recording or registering the Allotted Shares with SMBC Nikko Securities Inc. in a manner designated by the Company and keep and maintain the Allotted Shares in such account until the Transfer Restriction is lifted.

(v) Handling upon corporate reorganization or similar events

I. In cases where the Allottee is a Director

During Transfer Restriction Period I, if, at a general meeting of shareholders of the Company (provided, however, that in cases where the relevant corporate reorganization or similar event does not require approval at a shareholders' meeting of the Company, the Board of Directors meeting of the Company), a merger agreement under which the Company becomes the dissolved Company, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or other matters related to corporate reorganization or similar events are approved (provided that the effective date of the relevant corporate reorganization or similar event occurs before the Expiration Time I; hereinafter referred to as "Time of Corporate Reorganization Approval I"), and, if the Allottee in question resigns from the position of Director as a result of the relevant corporate reorganization or similar event, pursuant to a Company Board Resolution, the number of months from July 2026 through the month including the date of approval of the corporate reorganization or similar event is divided by 12, the quotient (however, when the quotient exceeds 1, it is to be regarded as 1) is multiplied by the number of Allotted Shares held by the Allottee in question as of the said date of approval (however, any fractional shares less than one share are to be rounded down), and the Transfer Restriction will be lifted for the resulting number of Allotted Shares immediately prior to the business day immediately preceding the effective date of the relevant corporate reorganization or similar event.

At the Time of Corporate Reorganization Approval I, on the business day immediately preceding the effective date of the relevant corporate reorganization or similar event, the Company will, as a matter of course and without consideration, acquire all of the Allotted Shares whose Transfer Restriction has not been lifted as of the same date.

II. When the Allottee is an Executive Officer or General Manager

During Transfer Restriction Period II, if, at a general meeting of shareholders of the Company (provided, however, that in cases where the relevant corporate reorganization or similar event does not require approval at a shareholders' meeting of the Company, the Board of Directors meeting of the Company), a merger agreement under which the Company becomes the dissolved Company, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or other matters related to corporate reorganization or similar events are approved (provided that the effective date of the relevant corporate reorganization or similar event occurs before the Expiration Time II; hereinafter referred to as "Time of Corporate Reorganization Approval II"), and, if the Allottee in question resigns or retires from the position of Executive Officer or General Manager Executive Officer as a result of the relevant corporate reorganization or similar event, pursuant to a Company

Board Resolution, the number of months from July 2026 through the month including the date of approval of the corporate reorganization or similar event is divided by 12, the quotient (however, when the quotient exceeds 1, it is to be regarded as 1) is multiplied by the number of Allotted Shares held by the Allottee in question as of the said date of approval (however, any fractional shares less than one share are to be rounded down), and the Transfer Restriction will be lifted for the resulting number of Allotted Shares immediately prior to the business day immediately preceding the effective date of the relevant corporate reorganization or similar event.

At the Time of Corporate Reorganization Approval II, on the business day immediately preceding the effective date of the relevant corporate reorganization or similar event, the Company will, as a matter of course and without consideration, acquire all of the Allotted Shares whose Transfer Restriction has not been lifted as of the same date.

4. Basis of calculation and specific details of the amount to be paid in

In order to achieve fair and objective pricing, the disposal price for the Disposal of Treasury Shares is set at 4,660 yen, which is the closing price of the Company common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of resolution by the Board of Directors of the Company (June 30, 2026). This is the market share price immediately prior to the date of the Company Board Resolution, and the Company believes that this price is reasonable and is not particularly advantageous to the Allottees.