



July 25, 2025

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#### Notice Concerning Disposal of Own Shares as Restricted Stock Remuneration

Nippon Yakin Kogyo Co., Ltd. (the "Company") hereby announces that at its Board of Directors meeting held today, the Company resolved to dispose of its own shares as restricted stock remuneration (the "Disposal of Own Shares") as described below.

#### 1. Overview of the Disposal of Own Shares

(1)	Payment date	August 25, 2025
(2)	Class and number of shares for disposal	15,354 common shares of the Company
(3)	Disposal price	¥4,280 per share
(4)	Total disposal price	¥65,715,120
(5)	Description and number of candidates to whom shares will be allocated, and the number of shares to be allocated	Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors): 6 directors, 7,848 shares Executive Officers who do not concurrently serve as Directors: 10 executive officers, 7,506 shares

#### 2. Purpose and reason for the Disposal of Own Shares

At its Board of Directors meeting held on March 11, 2025, with the Company's transition to a company with an Audit & Supervisory Committee, the Company resolved to abolish the restricted stock remuneration plan for Directors (excluding Outside Directors) that was approved at the 137th Annual General Meeting of Shareholders held on June

26, 2019 with the approval of the Directors to whom it applies, and to introduce a new restricted stock remuneration plan (the "Plan") as a new compensation plan for the purpose of providing an incentive to the Applicable Directors, etc. (as defined below) to continuously improve the corporate value of the Company and promoting further value sharing with shareholders by further enhancing the link between remuneration and share prices. "Applicable Directors, etc." refers collectively to Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) (the "Applicable Directors") and Executive Officers who do not concurrently serve as Directors (the "Applicable Executive Officers"). Further, at the 143rd Annual General Meeting of Shareholders held on June 26, 2025, approval was obtained for the total amount of monetary remuneration claims for restricted stock paid to Applicable Directors under the Plan to be 100 million yen a year or less, and for restricted stock issued or disposed of to Applicable Directors under the Plan to be 50,000 a year or less.

At the Board of Directors meeting held today, the Company resolved to grant 16 Applicable Directors, etc. (of whom 6 are Applicable Directors) a total of 65,715,120 yen of monetary remuneration claims (of which a total of 33,589,440 yen will be paid to Applicable Directors), that the Applicable Directors, etc. shall grant to the Company the entirety of the monetary remuneration claims as property contributed in kind in return for which a total of 15,354 common shares of the Company (the "Granted Shares") shall be granted to them as restricted stock remuneration (of which a total of 7,848 shares will be granted to Applicable Directors).

The payment of said monetary remuneration claims shall be subject to each Applicable Director, etc. entering into a restricted stock allocation agreement with the Company that includes the content in 3. below as a summary.

### 3. Overview of stock allocation agreement

#### (1) Transfer restriction period

The Applicable Directors, etc. must not transfer, establish security rights, grant as an inter vivos gift, or otherwise dispose of the Granted Shares during the period commencing on the payment date of the Granted Shares (August 25, 2025) and ending on August 25, 2055 (the "Transfer Restricted Period"). The 30-year Transfer Restricted Period has been set to achieve the purpose of introducing the Plan, namely, the sharing of share value by the Applicable Directors, etc. with shareholders over the medium- to long-term.

#### (2) Conditions for removal of restriction on transfer

If the Applicable Director, etc. resigns or retires from his/her position as Director or Executive Officer due to the expiration of his/her term of office, reaching retirement age, expiration of the term of his/her employment contract, etc. or other valid reason during the Transfer Restricted Period, the transfer restrictions of the Granted Shares shall be lifted on such number of the Granted Shares as is arrived at by dividing the number of months from the month specified in the proviso applicable as of July 1, 2025 below to the date of resignation or retirement of the relevant Applicable Director, etc. including the month of resignation or retirement (however, where proviso (2) applies, the number of months from the month in which he/she took office to March of the subsequent year) by twelve (12) (provided that where the calculation produces a result that exceeds 1, the result shall be deemed to be 1), and multiplying the result by the number of shares of Granted Shares held by the relevant Applicable Director, etc. at the said time of resignation or retirement (provided that any fractional shares produced by the calculation shall be rounded down), and the Company will then acquire the remaining Granted Shares at no cost.

1. Where the Applicable Director, etc. is a Director as of July 1, 2025: July of the same year

2. Where the Applicable Director, etc. is an Executive Officer who does not concurrently serve as Director as of July 1, 2025: April of the same year (however, where the Applicable Director, etc. newly took office as an Executive Officer who does not concurrently serve as Director on or after April 2, 2025, the month in which he/she took office)

(3) Gratis acquisition of stock by the Company

If an Applicable Director, etc. resigns or retires without a valid reason during the Transfer Restricted Period or if the Applicable Director, etc. does not resign or retire during the Transfer Restricted Period, the Company will acquire all the Granted Shares at no cost.

(4) Handling in the event of organizational restructuring

If matters concerning a merger agreement under which the Company will disappear, or a share exchange agreement, a share transfer plan or other form of restructuring under which the Company will become a wholly-owned subsidiary are approved by a General Meeting of Shareholders (or the Board of Directors if the approval of the General Meeting of Shareholders is not required in relation to the said restructuring) during the Transfer Restricted Period, the transfer restrictions shall be lifted prior to the effective date of the said restructuring by a resolution of the Board of Directors, in respect of such number of the Granted Shares as is arrived at by dividing the number of months from the month specified in the proviso applicable as of July 1, 2025 below to the date of approval of the said restructuring including the month of the approval (however, where proviso (2) applies, the number of months from the month in which he/she took office to March of the subsequent year) by twelve (12) (provided that where the calculation produces a result that exceeds 1, the result shall be deemed to be 1), and multiplying the result by the number of shares of Granted Shares held by the relevant Applicable Director, etc. at the time of approval of the said restructuring (provided that any fractional shares produced by the calculation shall be rounded down), and the Company shall acquire the remaining Granted Shares at no cost.

1. Where the Applicable Director, etc. is a Director as of July 1, 2025: July of the same year
2. Where the Applicable Director, etc. is an Executive Officer who does not concurrently serve as Director as of July 1, 2025: April of the same year (however, where the Applicable Director, etc. newly took office as an Executive Officer who does not concurrently serve as Director on or after April 2, 2025, the month in which he/she took office)

(5) Management of shares

The Applicable Directors, etc. shall open a dedicated account for lodging and recording the Granted Shares with such financial instruments business operator as the Company may specify, in such manner as the Company may direct, and shall place and hold the entirety of his/her Granted Shares in the said dedicated account until the Transfer Restricted Period is lifted.

4. Basis for calculation of and details of amount to be paid per share

To eliminate arbitrariness from the disposal price per share in this Disposal of Own Shares, the said price shall be 4,280 yen, which is the closing price of the Company's common shares on the Tokyo Stock Exchange on July 24, 2025 (being the business day prior to the date of the relevant resolution of the Board of Directors). The Company considers this to be a reasonable price and not particularly favorable, being the market price of the Company's common shares as of immediately prior to the date of the Board of Directors resolution.