August 7, 2026

Company name	Nissan Chemical Corporation
Name of representative	YAGI Shinsuke President & COO (Securities code: 4021; TSE Prime Market)
Inquires	Head of Finance & Accounting Department NOMURA Hiroshi
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Notice Concerning Disposal of Treasury Shares in Connection with Additional Contribution to Performance-linked Stock Compensation Plan

Nissan Chemical Corporation ("Company") hereby announces that it has resolved, at the meeting of its Board of Directors held today, to dispose of its treasury shares ("Disposal of Treasury Shares") in connection with an additional contribution to the performance-linked stock compensation plan called "Board Benefit Trust (BBT)" ("Plan"), as described below.

1. Outline of disposal

(1) Date of disposal	August 24, 2026 (Mon)
(2) Class and number of shares for disposal	271,000 shares of common stock
(3) Disposal price	7,563 yen per share
(4) Total amount of disposal	2,049,573,000 yen
(5) Scheduled disposal recipient	Custody Bank of Japan, Ltd. (Trust Account E)
(6) Other matters	The Company will submit an extraordinary report on the Disposal of Treasury Shares in accordance with the Financial Instruments and Exchange Act.

Note: Custody Bank of Japan, Ltd. (Trust Account E), the scheduled disposal recipient, is a trust account established by executing a trust agreement between the Company, as the Trustor, and Mizuho Trust & Banking Co., Ltd., as the Trustee (Custody Bank of Japan, Ltd., as the Re-trustee) ("Trust Agreement," and the trust established under the Trust Agreement is referred to as "Trust.") The Disposal of Treasury Shares is intended to make deliveries of the Company shares to the Company's directors (excluding outside directors), executive officers, and associate executive officers (collectively referred to as "Directors, etc.") under the Plan, and it is practically same as an allocation of the Company shares to Directors, etc., as the consideration for their provision of services to the Company.

2. Purpose and reason for disposal

The Company has introduced the Plan under resolutions at the 149th Ordinary General Meeting of Shareholders held on June 26, 2019, the 151st Ordinary General Meeting of Shareholders held on June 25, 2021, and the 156th Ordinary General Meeting of Shareholders held on June 25, 2026. (For the overview of the Plan, please refer to “Notice Concerning Partial Amendments to Performance-linked Stock Compensation Plan” dated April 28, 2026.)

The Company has now decided to make an additional contribution of moneys to the Trust (“Additional Trust”) so that the Trust can acquire the Company shares that are expected to be necessary for future deliveries of the shares for continuing the Plan, and to dispose of its treasury shares to Custody Bank of Japan, Ltd. (Trust Account E), the Re-trustee who are re-entrusted from the Trustee for the Trust (the Disposal of Treasury Shares), to hold and dispose of the Company shares for operating the Plan.

The number of shares for disposal corresponds to the number of shares that are expected to be delivered to Directors, etc., during the Trust period (for the three business terms from the first, which ended on the last day of March 2026, to the third, which will end on the last day of March 2028) under the Officers' Stock Benefits Rules. That number constitutes 0.20 percentage of the total number of issued shares as of March 31, 2026, 134,800,000 (representing 0.20 percentage of the total number of voting rights, 1,340,706, as of March 31, 2026) (each percentage is rounded to the third decimal place). In light of the objectives of the Plan described in the Notice Concerning Partial Amendments to Performance-linked Stock Compensation Plan, dated April 28, 2026, the impact of dilution is considered reasonable.

*Outline of Additional Trust

Date of Additional Trust:	August 24, 2026
Amount of Additional Trust:	2,049,573,000 yen
Class of shares to be acquired:	The Company's common stock
Number of shares to be acquired:	271,000 shares
Date of acquisition of shares:	August 24, 2026
Method of acquisition of shares:	To acquire by underwriting the disposal of the Company's treasury shares (the Disposal of Treasury Shares)

3. Basis of calculation and specific details of the disposal price

The disposal price has been determined at 7,563 yen per share, which is the closing price of the Company's common stock on the Tokyo Stock Exchange as of the business day immediately preceding the date of the Board of Directors' resolution for the Disposal of Treasury Shares.

The Company decided to use the closing share price as of the business day immediately preceding the date of the Board of Directors' resolution because it considered that the price represents the Company's fair corporate value in the stock market; therefore, it is rational.