July 19, 2022

Company Name: N I S S O C O R P O R A T I O N
Representative: Ryuichi Shimizu,
Representative Director, President & CEO
(Securities Code: 6569, TSE Prime Market)
Contact Person: Kenichi Nomura,
Senior Executive Officer
(TEL. +81-45-514-4323)

Notice of Disposal of Treasury Shares as Restricted Share Remuneration

NISSO CORPORATION (hereinafter, the "Company") hereby announces that it has resolved to carry out the disposal of treasury shares as restricted share remuneration (hereinafter, the "Treasury Share Disposal") at the Board of Directors' Meeting held earlier today, as follows.

1. Overview of Disposal

(1) Payment date	August 4, 2022
(2) Type and total number of shares to be disposed	19,964 shares of the Company's common stock
(3) Disposal value	566 yen per share
(4) Total disposal amount	11,299,624 yen
(5) Scheduled Allottees	Company's Managing Directors (excluding External Managing Directors) 1 Managing Director 19,964 shares
(6) Other	With regard to the Treasury Share Disposal, a Written Notice of Securities pursuant to the Financial Instruments and Exchange Act has been submitted.

2. Purpose and Reason for Disposal

With the aim of continuously enhancing corporate value and to raise the awareness of management participation by the owning of the Company's shares by the Managing Directors (excluding External Managing Directors, hereinafter, "Eligible Allottee(s)"), the Company will strive to enhance corporate value over the medium to long term by promoting the further sharing of values with shareholders, and has resolved to introduce a limited restricted share remuneration system (hereinafter, the "System") at the Board of Directors' Meeting held on May 17, 2019. In addition, at the 39th Ordinary General Meeting of Shareholders held on June 27, 2019, it was approved that under the System, the total amount of monetary remuneration claims to be paid to the Company's Managing Directors (excluding External Managing Directors) as restricted share remuneration, etc., is set to be within the limit of 50 million yen per year, the total number of restricted shares to be allotted to the Company's Managing Directors (excluding External Managing Directors) is to be within the limit of 80,000 shares per business year, and the transfer restriction period for restricted shares is to be 30 years.

Moreover, by resolution of the Board of Directors' Meeting held today, the Company, taking into consideration the purpose of the System, the business performance of the Company, and other various circumstances, has resolved to provide the 1 Eligible Allottee with monetary remuneration claims (hereinafter, “Monetary Remuneration Claims”) in the amount of 11,299,624 yen. Similarly, it was also resolved at the Board of Directors' Meeting that under the System, with the provision of all of the Monetary Remuneration Claims as properties contributed in kind to the Company by the 1 Eligible Allottee, who is the scheduled allottee, that 19,964 shares of the Company's common stock (hereinafter, "Allotted Shares") will be disposed. Furthermore, in order to realize the further sharing of values with shareholders over the medium to long term, the transfer restriction period is set at 30 years.

＜Overview of Share Allotment Agreement＞

The Company shall conclude individual restricted share allotment agreements with each Eligible Allottee, and the outline of such agreement is as follows:

(1) Transfer Restriction Period

From August 4, 2022 to August 3, 2052

The Eligible Allottee shall not transfer, attach security interests, make living donations, or otherwise dispose of Allotted Shares during the transfer restriction period (hereinafter, "Transfer Restriction Period") specified above.

(2) Conditions for Removal of Transfer Restrictions

The transfer restrictions shall be removed for all Allotted Shares upon the expiration of the Transfer Restriction Period, provided that the Eligible Allottee has remained in the position of Managing Director of the Company during the Transfer Restriction Period.

However, in the event that an Eligible Allottee retires for a legitimate reason, or exits office due to death before the expiration of the Transfer Restriction Period, the number of shares calculated by the following shall be removed from transfer restrictions: the number of months from the month following the month including the date of the Ordinary General Meeting of Shareholders immediately prior to the payment date, to the month including the date when the Eligible Allottee retires is divided by 12 (however, if the calculation result exceeds 1, it shall be set to 1), and multiplied by the number of shares held by the Eligible Allottee at the said time (however, if the calculation results in a fraction of less than 1, it shall be rounded down).

(3) Reason for Gratis Acquisition

At the time of the removal of transfer restrictions set forth in (2) above, in the even that there are Allotted Shares for which transfer restrictions have not been removed, the Company shall justifiably acquire such shares without consideration.

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

Notwithstanding the provisions of (1) above, in the event that matters regarding merger contracts under which the Company becomes an extinct (absorbed) company, share exchange agreements or share transfer plans under which the Company becomes a wholly owned subsidiary of another company, or other matters concerning organizational restructuring, etc. are approved at the General Meeting of Shareholders (or at a Board of Directors' Meeting of the Company in the event that approval by the General Meeting of Shareholders of the Company is not required regarding the said organizational restructuring, etc.) during the Transfer Restriction Period, by resolution of the Board of Directors of the Company, the number of shares calculated by the following shall be removed from transfer restrictions at a time immediately prior to the business day prior to the effective date of the said organizational restructuring, etc.: the number of months from the month following the month including the date of the Ordinary General Meeting of Shareholders immediately prior to the payment date, to the month including the said date of approval (hereinafter, the "Approval Date for Organizational Restructuring, etc.") divided by 12 (if the number exceeds 1, it shall be set to 1), and multiplied by the number of shares held by the Eligible Allottee on the Approval Date for Organizational Restructuring, etc. (however, if the calculation results in a fraction of less than 1, it shall be rounded down). In such an event, if there are any Allotted Shares for which transfer restrictions have not yet been removed at the time immediately after the removal of transfer restrictions, the Company shall justifiably acquire those shares without consideration.

(5) Other Matters

Eligible Allottees shall open a dedicated account with Mizuho Securities Co., Ltd., in a manner specified by the Company, to enter or record the Allotted Shares, and shall store and maintain all Allotted Shares in the said dedicated account until the transfer restrictions are removed.

3. Basis for Calculation of Payment Amount and Its Specific Content

In order to ensure that the disposal value of the Treasury Share Disposal is a value that excludes arbitrariness, it shall be 566 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day prior to the Board of Directors' Meeting (July 15, 2022). It is the market share price on the business day immediately prior to the resolution of the Board of Directors, and is considered to be reasonable and not one that constitutes a particularly favorable value.