

For Immediate Release

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## Notice Concerning Disposal of Treasury Shares for Employee Incentive Plan

NCD Co., Ltd. (the "Company") hereby announces that, at a meeting of its Board of Directors held on May 15, 2026, it resolved to dispose of its treasury shares for an employee incentive plan (the "Disposal of Treasury Shares"). The details are as follows.

### 1. Overview of the Disposal

(1) Disposal Date	June 4, 2026
(2) Class and Number of Shares to be Disposed	61,400 shares of common stock
(3) Disposal Price	2,410 yen per share
(4) Total Disposal Amount	147,974,000 yen
(5) Allottee	The Master Trust Bank of Japan, Ltd. (Employee Stock Ownership Plan (ESOP) Trust Account)
(6) Other	With respect to the Disposal of Treasury Shares, an extraordinary report has been filed in accordance with the Financial Instruments and Exchange Act.

### 2. Purpose and Reasons for the Disposal

The Company will introduce an employee incentive plan (the "Plan") for management employees of the Company and its group companies who satisfy certain requirements (the "Eligible Employees") as part of its human capital management efforts.

The Company aims, through the introduction of the Plan, to further enhance the morale of the Eligible Employees and their motivation to contribute to the business. By sharing value with our shareholders, we seek to improve mid- to long-term business performance and increase the corporate value of the Group.

The Disposal of Treasury Shares will be conducted for the Plan to The Master Trust Bank of Japan, Ltd. (ESOP Trust Account) in connection with the introduction of the ESOP Trust, which is adopted as an arrangement under the Plan. The bank will act as the co-trustee under the stock grant ESOP trust agreement (the "Trust Agreement") to be concluded between the Company and Mitsubishi UFJ Trust and Banking Corporation. The trust established pursuant to the Trust Agreement shall be referred to as the "Trust."

The number of shares to be disposed of corresponds to the number of shares expected to be delivered to Eligible Employees during the trust period in accordance with the Share Delivery Regulations. The scale of dilution will be 0.74% of the 8,300,000 total issued shares as of March 31, 2026 (the ratio to the 80,806 total units of voting rights as of March 31, 2026, is 0.76%, rounded to two decimal places).

The Company's shares allotted through the Disposal of Treasury Shares will be delivered to Eligible Employees in accordance with the Share Delivery Regulations. Since it is not expected that shares resulting from

the Disposal of Treasury Shares will flow out into the stock market all at once, the Company has determined that the impact on the stock market will be minimal and that the number of shares to be disposed of and the scale of dilution are reasonable.

For an overview of the Plan, please refer to the "Notice Concerning Introduction of Employee Incentive Plan" disclosed on May 15, 2026.

(Reference) Overview of Trust Agreement

(1) Type of Trust	Money trust other than a specified individually managed money trust (Third-party benefit trust)
(2) Purpose of the Trust	Granting incentives to employees of the Company and its group companies
(3) Settlor	NCD Co., Ltd.
(4) Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
(5) Beneficiaries	Employees of the Company and its group companies who satisfy the beneficiary requirements
(6) Trust Administrator	A third party (certified public accountant) who has no conflict of interest with the Company
(7) Date of the Trust Agreement	June 1, 2026 (Tentative)
(8) Trust Period	June 1, 2026 to July 31, 2029 (Tentative)
(9) Plan Commencement Date	July 1, 2026 (Tentative)
(10) Exercise of Voting Rights	The Trustee will exercise the voting rights attached to the Company's shares in accordance with the instructions of the Trust Administrator, which reflect the status of the exercise of voting rights by prospective beneficiaries.

3. Basis for Calculation of the Disposal Price and Specific Details Thereof

In order to ensure a price free from arbitrariness, and taking into account recent stock price trends, the disposal price has been set at 2,410 yen, which was the closing price of the Company's shares on the Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange") on the business day immediately preceding the date of the resolution of the Board of Directors concerning the Disposal of Treasury Shares (May 14, 2026), in compliance with the "Guidelines Concerning the Handling of Allotment of New Shares to Third Party, Etc." of the Japan Securities Dealers Association. The Company has decided to adopt this price because it represents the market price immediately preceding the resolution of the Board of Directors and has determined it to be highly objective and reasonable as a basis for calculation.

Regarding the aforementioned disposal price, the Audit and Supervisory Committee of the Company has expressed the opinion that the basis for calculating the disposal price is reasonable and that the price is lawful, as it does not constitute a particularly favorable disposal price.

4. Procedures under the Code of Conduct

Since the dilution rate of the shares for this matter is less than 25% and there will be no change in controlling shareholders, the procedures for obtaining an opinion from an independent third party and confirming the intent of shareholders, as prescribed in Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, are not required.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.