



July 17, 2025

Company name: Nippon Air Conditioning Services Co., Ltd.
 Representative: Toshiaki Yorifuji, President & Representative Director
 Securities code: 4658 (TSE Prime Market and NSE Premier Market)
 Inquiries: Go Kitagawa
 Executive Officer and General Manager of Corporate Planning Div.
 Tel: +81-52-773-2875

Notice Concerning Disposal of Treasury Shares as Restricted Stock Compensation

Nippon Air Conditioning Services Co., Ltd. (the “Company”) hereby announces that it has resolved, at the meeting of the Board of Directors held today, to dispose of its treasury shares as restricted stock compensation (hereinafter the “Disposal of Treasury Shares”), as outlined below.

1. Summary of the disposal

(1) Payment date	August 8, 2025
(2) Class and number of shares to be disposed of	57,400 shares of common stock of the Company
(3) Disposal price	¥1,090 per share
(4) Total value of shares to be disposed of	¥62,566,000
(5) Planned allottees	24,000 shares for four Directors* of the Company 13,100 shares for three Senior Executive Officers of the Company 20,300 shares for seven Executive Officers of the Company * Excluding Outside Directors

2. Purpose and reason for the disposal

At the meeting of the Board of Directors held on May 14, 2021, the Company resolved to introduce a restricted stock compensation plan (hereinafter the “Plan”) for its Directors (excluding Outside Directors, hereinafter the “Eligible Directors”) and Executive Officers. The purpose of this Plan is to further enhance their motivation to contribute to the improvement of the Company’s stock price and corporate value by sharing both the benefits and risks of stock price fluctuations with shareholders. At the 58th Annual General Meeting of Shareholders held on June 18, 2021, shareholders approved that, under the Plan, the total amount of monetary compensation claims to be paid to Eligible Directors as compensation, etc. for granting restricted stock shall be up to ¥50 million per year; that the total number of shares of restricted stock to be allotted to Eligible Directors in each fiscal year shall be up to 100,000 shares; and that the transfer restriction period for the restricted stock shall be from the date of allocation until the date on which the Eligible Directors lose the position as Directors of the Company or any other position determined by the Board of Directors of the Company.

Furthermore, at the meeting of the Board of Directors held on August 12, 2022, the Company resolved to introduce a Senior Executive Officer system to which the Plan will also apply.

At the meeting of the Board of Directors held today, the Company resolved to grant a total monetary compensation claim of ¥62,566,000 to four Directors (excluding Outside Directors), three Senior Executive Officers, and seven Executive Officers of the Company (hereinafter the “Eligible

Allottees”) as restricted stock compensation for the period from the conclusion of the 62nd Annual General Meeting of Shareholders to the conclusion of the 63rd Annual General Meeting of Shareholders scheduled to be held in June 2026. The Eligible Allottees shall contribute all of the monetary compensation claims in kind and receive an allotment of a total of 57,400 shares of the Company’s common stock as restricted stock. The amount of monetary compensation claims to be granted to each Eligible Allottee has been determined after comprehensive consideration of factors such as each Eligible Allottee’s contributions to the Company. The monetary compensation claims shall be paid with the condition that each Eligible Allottee enters into a restricted stock allotment agreement (hereinafter the “Allotment Agreement”) with the Company, which includes the following key terms.

3. Outline of the Allotment Agreement

(1) Transfer restriction period

The period from August 8, 2025, until the date on which an Eligible Allottee loses their position as a Director of the Company or any other position determined by the Board of Directors of the Company.

During the transfer restriction period specified above (hereinafter the “Transfer Restriction Period”), the Eligible Allottee shall not transfer, create a pledge on, establish a security interest over, make an inter vivos gift of, bequeath, or otherwise dispose of the restricted shares allotted to them (hereinafter the “Allotted Shares”) to any third party. Such restriction shall hereinafter be referred to as the “Transfer Restriction”.

(2) Acquisition without compensation by the Company

If the Eligible Allottee loses their position as a Director of the Company or any other position determined by the Board of Directors of the Company before the day immediately preceding the date of the first Annual General Meeting of Shareholders to be held after the commencement date of the Transfer Restriction Period, the Company shall, as a matter of course, acquire all of the Allotted Shares held by such Eligible Allottee without compensation at the time of such loss, unless the Board of Directors of the Company deems there to be a legitimate reason otherwise.

Furthermore, if any of the Allotted Shares remain subject to the Transfer Restriction as of the expiration of the Transfer Restriction Period (hereinafter the “Expiration Date”) due to the conditions for lifting the Transfer Restriction set forth in (3) below have not being fulfilled, the Company shall, as a matter of course, acquire such shares without compensation immediately following the Expiration Date.

(3) Lifting of the Transfer Restriction

The Company shall lift the Transfer Restriction on all of the Allotted Shares held by the Eligible Allottee as of the Expiration Date, provided that the Eligible Allottee has continuously held the position as a Director of the Company or any other position determined by the Board of Directors of the Company from the commencement date of the Transfer Restriction Period through the date of the first Annual General Meeting of Shareholders to be held thereafter. However, if the Eligible Allottee loses all such positions before the day immediately preceding the date of the first Annual General Meeting of Shareholders to be held after the commencement date of the Transfer Restriction Period, due to a reason deemed legitimate by the Board of Director, the Company shall lift the Transfer Restriction, immediately upon such loss, on a portion of the Allotted Shares held by the Eligible Allottee at that time. The number of Allotted Shares to be released from the Transfer Restriction shall be calculated by multiplying the number of Allotted Shares held by the Eligible Allottee at such time by a fraction obtained by dividing the number of months from July 2025 through the month that includes the date of loss of position by 12 (provided that, if the fraction exceeds one, it shall be deemed to be one). Any resulting fraction of less than one share shall be rounded down.

(4) Management of shares

The Eligible Allottee shall complete the opening of an account with SMBC Nikko Securities Inc., in a manner designated by the Company, in which the Allotted Shares shall be registered or recorded, and shall keep and maintain the Allotted Shares in such account until the Transfer Restriction is lifted.

(5) Treatment in the event of organizational restructuring, etc.

If, during the Transfer Restriction Period, a proposal regarding a merger agreement under which the Company becomes the dissolving company, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or any other form of organizational restructuring, etc. is approved at a general meeting of shareholders of the Company (or by the resolution of the Board of Directors of the Company if such approval by a general meeting of shareholders is not required) (provided that the effective date of such organizational restructuring, etc. is before the Expiration Date; hereinafter the “Time of the Approval of the Organizational Restructuring, etc.”), and the Eligible Allottee loses the position as a Director of the Company or any other position determined by the Board of Directors due to such organizational restructuring, etc., then the Company shall, by resolution of the Board of Directors, lift the Transfer Restriction on a portion of the Allotted Shares held by the Eligible Allottee as of the time immediately prior to the business day preceding the effective date of such organizational restructuring, etc. The number of Allotted Shares to be released from the Transfer Restriction shall be calculated by multiplying the number of Allotted Shares held by the Eligible Allottee on the date of such approval by a fraction obtained by dividing the number of months from July 2025 through the month including the date of such approval by 12 (provided that, if the fraction exceeds one, it shall be deemed to be one). Any resulting fraction of less than one share shall be rounded down.

In addition, at the Time of the Approval of the Organizational Restructuring, etc., the Company shall, as a matter of course, acquire without compensation all of the Allotted Shares for which the Transfer Restriction has not been lifted on the business day immediately preceding the effective date of such organizational restructuring, etc.

4. Basis for calculation and specific details of payment amount

To eliminate arbitrariness, the disposal price for the Disposal of Treasury Shares has been set at ¥1,090, which is the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Board of Directors (July 16, 2025). This price reflects the market value immediately prior to the Board resolution, and is considered to be reasonable and not particularly favorable to the planned allottees.