



July 17, 2025

Name of the Company: DISCO CORPORATION
Name of the Representative: Kazuma Sekiya
(President and Representative Executive Officer)
(Code No. 6146 TSE Prime Market)
Inquiries: Ryuichiro Koba
Investor Relations Office
TEL: 03-4590-1111

Notice Concerning Offering of Stock Options (Share Acquisition Rights)
to the Company's Executive Officers

DISCO CORPORATION (the "Company") hereby announces that at the Board of Directors meeting held on July 17, 2025 ("Allotment Resolution Date"), items concerning the offering of share acquisition rights to the Company's Executive Officers (including those who concurrently serve as Directors) as stock options were decided as given below, based on Article 236, Article 238, and Article 240 of the Companies Act. The details of the issuance of share acquisition rights were decided by the Company's Compensation Committee.

1. Reason for the Allotment of Share Acquisition Rights

The Company will allot share acquisition rights as given in the "Outline of Share Acquisition Rights Issuance" below to the Company's Executive Officers (including those who concurrently serve as Directors, the "Eligible Persons") in order to improve the Company's performance by providing an incentive to improve the Company's performance through linkage of the Company's performance to the interests of the Eligible Persons who are allotted share acquisition rights, and enhancing the morale and motivation through alignment of the interests of the Eligible Persons and the interests of the Company's shareholders as much as possible.

2. Outline of Share Acquisition Rights Issuance

- (1) The Eligible Persons to be allotted share acquisition rights, number of the Eligible Persons, and number of share acquisition rights

74 share acquisition rights will be allotted to five of the Company's Executive Officers (including those who concurrently serve as Directors)

- (2) Class and number of shares to be issued upon exercise of the share acquisition rights

7,400 shares of the Company's common shares

Moreover, if the exercise price (as defined in Exercise Price (5) below) is adjusted after the share acquisition rights issuance, the number of shares will be adjusted using the following formula. Provided, however, that the adjustment shall be made only to the number of shares to be issued upon exercise that have not been exercised at the time of said adjustment, and any fractional number of shares resulting from the adjustment shall be rounded down.

$$\begin{array}{l} \text{Number of shares} \\ \text{after adjustment} \end{array} = \frac{\text{Number of shares before adjustment} \times \text{Exercise price before adjustment}}{\text{Exercise price after adjustment}}$$

- (3) Total number of share acquisition rights

74 rights

(The number of shares per share acquisition right shall be 100 shares. Provided, however, that if the Company has

adjusted the number of shares set forth in (2) above, it will similarly adjust the number of shares per share acquisition right.)

(4) Method of calculation of the amount to be paid in at the time of share acquisition right issuance

The price cannot be significantly lower than the share acquisition right fair option value at the time of share acquisition right issuance, and the amount to be paid in shall be the share acquisition right fair price calculated based on the Black-Scholes Model on the day before the share acquisition right issuance. However, it is not necessary to pay the monetary amount to be paid in because in lieu of paying the amount to be paid in, the amount can be netted against the remuneration claims held by the Eligible Persons as provided for in Article 246, paragraph (2) of the Companies Act. Not having to pay the amount to be paid in does not fall under favorable issuance.

(5) Method of calculation of the value of assets to be contributed upon the exercise of share acquisition rights

- (i) The value of assets to be contributed per share acquisition right upon the exercise of share acquisition rights shall be the amount obtained by multiplying the amount to be paid in per share (the “Exercise Price”) set forth below by the number of shares per share acquisition right.

The initial Exercise Price shall be obtained by multiplying 1.05 by the average closing share price of the Company’s shares in ordinary market transactions on the Tokyo Stock Exchange on each day (excluding days when no transactions are conducted) of the month preceding the month that includes the share acquisition rights issuance date, and fraction less than 1 yen arising from such calculation will be rounded down. If the initial Exercise Price is less than the closing price on the day before the share acquisition rights issuance date (if there is no transaction on that day, the closing price on the most recent day), the initial Exercise Price shall be the closing price on the day before the share acquisition rights issuance date.

- (ii) If the Company performs a share split or share consolidation after the share acquisition rights issuance, the Exercise Price will be adjusted according to the following formula, and any fraction of less than 1 yen resulting from the adjustment will be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Share split or share consolidation ratio}}$$

- (iii) If after the share acquisition rights issuance, the Company issues new shares or disposes of treasury shares at a price less than the market price (this does not apply if issuing shares through the exercise of Share Acquisition Rights) or issues new share acquisition rights or securities with new share acquisition rights that make it possible to acquire the Company’s common shares at a price less than the market price, the Exercise Price shall be adjusted using the following formula, and any fraction of less than 1 yen resulting from the adjustment will be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of newly issued shares} \times \text{Amount to be paid in per share}}{\text{Market price before new share issuance}}}{\text{Number of shares already issued} + \text{Number of shares newly issued}}$$

“Number of shares already issued” in the above formula is the total number of issued shares minus the total number of treasury shares held by the Company, and if treasury shares are disposed of, “number of newly issued shares” shall be read as “number of treasury shares disposed of,” “amount to be paid in per share” as “disposal monetary amount per share,” and “market price before new share issuances” as “market price before disposal.”

- (iv) If it becomes necessary or appropriate to adjust the Exercise Price because of a capital reduction by the Company or other development, the Company shall make the necessary or appropriate adjustments to the Exercise Price.

(6) Share acquisition rights exercise period

The share acquisition rights exercise period is from August 2, 2027, to August 1, 2033. However, the Eligible

Person's exercise of share acquisition rights may be restricted during the exercise period based on the contract related to the allotment of share acquisition rights concluded separately between the Eligible Person and the Company ("Share Acquisition Rights Allotment Contract").

(7) Conditions for the exercise of stock acquisition rights

- (i) When exercising share acquisition rights, the holder must be in a position of Director, Executive Officer, or employee of the Company (including advisors and consultants), or a Director or employee of a subsidiary of the Company (including advisors and consultants). However, this does not apply if a holder retires due to fulfilling their term of office or reaching the retirement age or other reasons deemed appropriate. Furthermore, if an Eligible Person who has currently transferred into the Company or a subsidiary of the Company from a company other than the Company or a subsidiary of the Company is recalled to their original employer, the Eligible Person will lose their position as a Director, Executive Officer, or employee of the Company or as Director or employee of a subsidiary of the Company. If an Eligible Person who retires from the Company due to fulfilling their term of office or reaching the retirement age is rehired as an employee of the Company or a subsidiary of the Company, they will not be treated as having lost their position as Director, Executive Officer, or employee of the Company, or as Director or employee of a subsidiary of the Company.
- (ii) If the Eligible Person dies, the heir of the Eligible Person can exercise the unexercised share acquisition rights at the time of the Eligible Person's death. However, this is conditioned on the terms of the Share Acquisition Rights Allotment Contract.
- (iii) The share acquisition rights may not be pledged, or otherwise disposed of.
- (iv) Other conditions to exercise share acquisition rights are stipulated in the Share Acquisition Rights Allotment Contract

(8) Matters concerning the amount of increase in share capital and legal capital surplus resulting from issuance of shares upon exercise of share acquisition rights

- (i) The amount of share capital to be increased due to the issuance of shares upon the exercise of share acquisition rights shall be one half of the maximum amount of increases in share capital, etc., calculated according to Article 17, paragraph (1) of the Regulation on Corporate Accounting, and when an amount of less than 1 yen arises from such calculation, that amount shall be rounded up to the nearest yen.
- (ii) The amount of legal capital surplus to be increased due to the issuance of shares upon the exercise of share acquisition rights shall be the amount obtained by deducting the amount of share capital to be increased set forth in (i) above from the maximum amount of increases in share capital, etc. set forth in (i) above.

(9) Restriction on acquisition of share acquisition rights through transfer

Acquisition of share acquisition rights through transfer shall require approval of the Board of Directors.

(10) Restriction on transfers of the share acquisition rights

The transfer of share acquisition rights shall require approval of the Board of Directors. However, this does not limit the setting of other restrictions on transfers of share acquisition rights in the Share Acquisition Rights Allotment Contract.

(11) Share acquisition rights allotment day

August 1, 2025

(12) Issuance of share acquisition rights certificates

Share acquisition right certificates for the share acquisition rights shall not be issued.

(13) Cancellation of share acquisition rights

If the Eligible Person violates conditions for the exercise of share acquisition rights stipulated in (7) or some or all the share acquisition rights are relinquished, the share acquisition rights shall automatically be cancelled.

(14) Malus and clawback

If it is determined that it is necessary to make revisions to financial statements because of an Eligible Person's serious violation of laws and regulations or internal Company rules, the Company shall implement the following

measures against the Executive Officer responsible for the situation (“Fact of Misconduct”) (“Responsible Executive Officer”) whether it was done intentionally or unintentionally.

(i) Freezing of ability to exercise share acquisition rights (Malus)

Immediately after the determination of a Fact of Misconduct, the share acquisition rights held by the Responsible Executive Officer will not be able to be exercised.

(ii) Return of shares after exercise of rights (clawback)

If the Board of Directors determines that the Responsible Executive Officer’s conduct falls under Fact of Misconduct, shares acquired through the exercise of share acquisition rights that were received in the fiscal year that the determination was made or during one of the previous three fiscal years shall be returned to the Company (if all or some of the shares have already been sold, an amount equivalent to the proceeds from the sales of the shares shall be paid to the Company). The same shall apply if after the Responsible Executive Officer retires, the Board of Directors determines that the Responsible Executive Officer’s conduct falls under Fact of Misconduct, and the share acquisition rights allotment date falls in the fiscal year in which the Responsible Executive Officer’s date of retirement falls or one of the preceding three fiscal years. If the Responsible Executive Officer has died, their heir shall be responsible for returning the shares.