



Translation

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August 26, 2025

Company Name: OHBA CO., LTD.
Representative: Shigeru Tsujimoto, Representative Director & President
(Code: 9765, Prime Market of the Tokyo Stock Exchange)
Contact: Hirofumi Katayama, Managing Executive Officer,
General Manager of Planning Headquarters (Tel. 03-5931-5888)

Notice of Issuance of Stock Options (Stock Acquisition Rights)

At the Board of Directors meeting held on August 26, 2025, it was announced that we (OHBA) had resolved to issue the following stock acquisition rights as stock options to our directors, executive officers and executives in accordance with the provisions of Articles 236, 238 and 240 of the Companies Act.

I. Reasons for Issuance of Stock Acquisition Rights as Stock Options

In OHBA's compensation system for directors, executive officers and executives, we aim to increase the linkage between OHBA's stock price and business performance, as well as to increase the motivation and morale for stock price increases and business performance by sharing with our shareholders not only the benefits of stock price increases but also the risks of stock price declines.

II. Memorandum for the Offering of Stock Acquisition Rights

1. Name of Stock Acquisition Rights

OHBA CO., LTD. - Subscription Rights to Shares in Fiscal Year 2025

2. Method for Calculating Amount to Be Paid In for Stock Acquisition Rights

The paid-in amount for the stock acquisition rights is the amount calculated by multiplying the option price per share (fractions less than 1 yen are rounded up) by the number of shares granted based on the following basic figures (2) to (7), using the Black-Scholes model as described below.

$$C = Se^{-qT} N(d) - Xe^{-rT} N(d - \sigma\sqrt{T})$$

Where,

$$d = \frac{\ln\left(\frac{S}{X}\right) + \left(r - q + \frac{\sigma^2}{2}\right)T}{\sigma\sqrt{T}}$$

- (1) Option price per share (C)
- (2) Stock price (S) : Closing price of OHBA's common stock on the Tokyo Stock Exchange on September 11, 2025 (if there is no closing price on that day, the base price on the following trading day)
- (3) Exercise price (X) : 1 yen
- (4) Expected remaining period (T) : 6.0 years
- (5) Volatility (σ) : Percentage change in the price of OHBA's common stock

calculated based on the closing price of OHBA's common stock on the last trading day of each week for a period of 6.0 years (from September 12, 2019 to September 11, 2025)

- (6) Risk-free interest rate (r): Interest rate on government bonds with a remaining life corresponding to the expected life
- (7) Dividend yield (q): Dividend per share (actual dividend for the immediately preceding term) \div Stock price set forth in (2) above
- (8) Cumulative normal distribution function ($N(\cdot)$)

This value is the fair value of the stock acquisition rights and does not constitute a favorable issue.

In accordance with the provisions of Article 246, Paragraph 2 of the Companies Act, the amount to be paid in shall be offset against the right to claim compensation that the recipient of the allotment has against OHBA and the obligation to pay the amount to be paid in for the stock acquisition rights

3. Stock Acquisition Rights Allotment Date
September 11, 2025

4. Place for Handling Payment of Assets to be Contributed upon Exercise of Stock Acquisition Rights
Sumitomo Mitsui Trust Bank, Limited, Shinjuku Nishiguchi Branch, 1-1-4, Nishi-Shinjuku , Shinjuku-ku, Tokyo

5. Applicants
OHBA's nine (9) directors (including outside directors), sixteen (16) executive officers, and six (6) executives

6. Features of Share Options

(1) Type and Number of Shares under Stock Acquisition Rights

OHBA's common stock shall be 100 shares.

If, after the date of resolution of the general meeting (hereinafter referred to as the "Resolution Date"), OHBA conducts a share split (including an allotment of shares without contribution; the same shall apply hereinafter) or a reverse share split of OHBA's common shares, the number of shares per unit of stock acquisition rights (hereinafter referred to as the "number of granted shares") shall be adjusted according to the following formula with respect to the new stock acquisition rights that have not been exercised at the time of the share split or reverse share split, and any fraction less than one (1) share resulting from the adjustment shall be discarded.

$$\text{Number of shares granted after adjustment} = \text{Number of shares granted before adjustment} \times \text{Ratio of split or consolidation}$$

In addition, in the event that OHBA effects a merger, company split, or decrease in the amount of stated capital after the date of resolution, or in any other event in which it becomes necessary to adjust the number of granted shares in the same manner as in these cases, the number of granted shares shall be appropriately adjusted to the extent reasonable.

(2) Number of New Stock Acquisition Rights

Two thousand units (2,000) shall be used. (The number of shares subject to each stock acquisition right shall be one hundred (100) shares; provided, however, that, in the event that the number of shares set forth in (1) above is adjusted, the same adjustment shall be made.)

(3) Assets to be Contributed Upon Exercise of Rights

The object of the contribution when exercising new stock acquisition rights will be money,

and the value of the contribution shall be the amount per share to be paid when exercising the stock acquisition rights (hereinafter referred to as the “exercise price”) multiplied by the number of shares which are the object of each stock acquisition right, and the exercise price shall be one (1) yen.

(4) Rights Exercise Period

From September 11, 2025 to September 10, 2055; provided, however, that, in the event that the last day of the exercise period falls on a non-business day, the preceding business day shall be the last day.

(5) Matters Concerning Increase in Paid-in Capital and Capital Reserves in the Event of an Issuance of Shares upon the Exercise of the Stock Acquisition Rights

- (i) The amount of increase in the stated capital in the event of the issuance of shares upon the exercise of stock acquisition rights shall be one-half of the maximum amount of the increase in capital calculated in accordance with Article 17, Paragraph 1 of the Corporate Accounting Regulations, and any fraction less than one (1) yen resulting from the calculation shall be rounded up.
- (ii) The amount of increase in the capital reserves in the event of the issuance of shares as a result of the exercise of stock acquisition rights shall be the amount obtained by subtracting the amount of the increase in capital as set forth in item (i) above from the maximum amount of capital increase as set forth in item (i) above.

(6) Conditions for Exercising Stock Acquisition Rights

- (i) Partial exercise of stock acquisition rights is not permitted.
- (ii) A holder of stock acquisition rights may exercise the stock acquisition rights only for ten (10) days from the day following the day on which he/she loses his/her position as a director, executive officer, or executive of OHBA CO., LTD. (collectively or individually referred to as a “Director, etc.”). However, if a holder of stock acquisition rights loses his/her position as a Director, etc. and takes up a new position as a Director, etc., he/she may also exercise the stock acquisition rights granted based on his/her previous position as a Director, etc., for a period of ten (10) days from the day following the day on which he/she loses his/her last position as a Director, etc.
- (iii) Other conditions for exercise shall be as set forth in the “Stock Acquisition Rights Allocation Agreement.”

(7) Conditions for Acquisition of Stock Acquisition Rights

- (i) If a stock acquisition rights holder loses his/her rights due to any of the following reasons, OHBA may acquire such stock acquisition rights free of charge:
 - (a) If a serious criminal offense is found to have occurred;
 - (b) If the stock acquisition rights holder: (I) commits a serious breach of the duty of due care at the OHBA or its subsidiaries or affiliates; (II) significantly damages OHBA’s credibility through dishonest or illegal acts, whether inside or outside OHBA or its subsidiaries or affiliates; or (III) is punished by disciplinary dismissal or retirement under the employment rules or other internal rules of OHBA or its subsidiaries or affiliates, etc., or if any other reason equivalent thereto occurs; or
 - (c) If the stock acquisition rights holder makes a request OHBA for the waiver of all or part of his/her stock acquisition rights.
- (ii) If OHBA’s General Meeting of Shareholders resolves to approve a proposal for a merger agreement under which OHBA will be the disappearing company, or resolves to approve a share exchange agreement or a share transfer plan under which OHBA will be a wholly-owned subsidiary, then OHBA may acquire the stock acquisition rights free of charge.

(8) Restriction on Acquisition of Stock Acquisition Rights by Transfer

Transfer and acquisition of stock acquisition rights shall require approval by a resolution of the Board of Directors of OHBA.

(9) Treatment of Stock Acquisition Rights Upon Organizational Restructuring

If the plan for the organizational restructuring specifies that the stock acquisition rights of a stock company as specified below will be issued, then the stock acquisition rights of such stock company will be issued according to the ratio of the organizational restructuring.

- (i) Mergers (only if OHBA is dissolved)
The stock company surviving the merger or a stock company to be established by the merger
- (ii) Absorption-Type Company Split
The stock company which succeeds, in whole or in part, to any rights and obligations held by a stock company effecting an absorption-type company split in connection with its business
- (iii) Incorporation-Type Demerger
The stock company incorporated as a result of the incorporation-type company split
- (iv) Share Exchange
The stock company that acquires all of the issued shares of the stock company effecting the share exchange
- (v) Share Transfer
The stock company incorporated as a result of the share transfer

(10) Rounding Down of Fractions Arising from the Exercise of Stock Acquisition Rights

If the number of shares to be delivered to a holder of stock acquisition rights contains a fraction less than one share, this fraction will be rounded down.

7. Replacement of Terms in the Provisions of this Memorandum and Treatment for Other Measures

In the event that the provisions of the Companies Act or other laws and regulations are revised or abolished and any other measures need to be taken in accordance with the provisions of this Memorandum, then this Memorandum may be revised in accordance with the provisions of the Companies Act and the purpose hereof by the method deemed appropriate by OHBA, and any such revision shall be incorporated herein.

8. Any other necessary matters concerning these stock acquisition rights will be left to the discretion of the Representative Director and President.