

February 9, 2026

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Notice Regarding the Issuance of Stock Options (Share Acquisition Rights) with Performance Conditions to the Company's Employees

At the meeting of the Board of Directors held on February 9, 2026, The Monogatari Corporation resolved to issue share acquisition rights as stock options to employees of the Company in accordance with Articles 236, 238, and 240 of the Companies Act. Details are as follows.

I. Reason for Issuing Share Acquisition Rights as Stock Options

The Group is implementing the Medium-Term Management Vision "Vision 2030" and the "Medium-term Management Plan between 2026 and 2028" in order to embody its management philosophy "Smile & Sexy" and the long-term management vision.

We intend to issue share acquisition rights to employees of the Company for free for the purposes of motivating them and sharing awareness of profit among its shareholders, so that we grow sustainably and maximize our corporate value mid- to long-term through the accomplishment of the vision.

II. Summary of the Issuance of Share Acquisition Rights

1. Number of share acquisition rights

469

The total number of shares to be issued through the exercise of said share acquisition rights shall be 46,900 (common shares in the Company), and if the number of shares to be issued through said share acquisition rights is adjusted in the case mentioned in the following section 3. (1), the total number of shares to be issued shall be obtained by multiplying the adjusted number of shares to be issued by the number of said share acquisition rights.

2. Money to be paid in exchange for share acquisition rights

It is unnecessary to pay money in exchange for said share acquisition rights.

3. Details of share acquisition rights

(1) Type and number of shares to be issued through share acquisition rights

For each of said share acquisition rights, 100 common shares in the Company shall be provided (hereinafter, the number of shares to be issued through said share acquisition rights shall be referred to as "the number of shares to be issued").

If the Company implements a stock split (including the gratis allotment of common shares in the Company) or a reverse stock split after the date of allotment of said share acquisition rights, the number of shares to be issued shall be adjusted with the equation below; provided, however, that said adjustment shall be conducted for only the number of shares to be issued through the share acquisition rights that have not been exercised as of said timing out of said share acquisition rights and a fraction less than 1 shall be rounded off after calculation.

Adjusted number of shares to be issued = Number of shares to be issued before adjustment × Split (reverse split) ratio

If the Company carries out a merger, a company split, the exchange or issuance of shares or the like, making it necessary to adjust the number of shares to be issued after the date of allotment of said share acquisition rights, the Company may adjust the number of shares to be issued appropriately within a reasonable range.

(2) Amount of property to be contributed for exercising share acquisition rights and the method for calculating said amount

The amount of property to be contributed for the exercise of said share acquisition rights shall be obtained by multiplying the paid-in amount per share (hereinafter referred to as the "exercise price"), which will be determined as follows, by the number of shares to be issued.

The exercise price shall be calculated by multiplying the average of closing prices of common shares in the Company in the Tokyo Stock Exchange in the month preceding the month including the date of allotment of said share acquisition rights (excluding the days on which there was no trading) by 1.05 while rounding up a fraction less than 1 yen. If said price falls below the closing price on the date of allotment of said share acquisition rights (or the closing price on the preceding latest trading date if no trading has been made on the allotment date), said closing price shall be the exercise price.

If the Company implements a stock split or reverse stock split after the date of allotment of said share acquisition rights, the

exercise price shall be adjusted with the following equation and a fraction less than 1 yen shall be rounded up.

1

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Split (reverse split) ratio}}{\text{Number of outstanding shares}}$$

If the Company issues new common shares or retires treasury shares at a price lower than the market price (except the cases of issuance of new shares through the exercise of share acquisition rights, the retirement of treasury shares, a merger, a company split, and the issuance of new shares or treasury shares through the exchange or issuance of shares) after the date of allotment of said share acquisition rights, the exercise price shall be adjusted with the following equation, and a fraction less than 1 yen shall be rounded up.

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\frac{\text{Number of outstanding shares} \times \text{Paid-in amount per share}}{\text{Market price per share before issuance}} + \frac{\text{Number of newly issued shares} \times \text{Paid-in amount per share}}{\text{Market price per share before issuance}}}{\text{Number of outstanding shares} + \text{Number of newly issued shares}}$$

In the above equation, "Number of outstanding shares" means the number obtained by subtracting the number of treasury shares for common shares in the Company from the total number of outstanding common shares. If treasury shares for common shares in the Company are retired, "Number of outstanding shares" shall be replaced by "Number of treasury shares to be retired."

In addition, if the Company carries out a merger, a company split, the exchange or issuance of shares or the like, making it necessary to adjust the exercise price after the date of allotment of said share acquisition rights, the Company may adjust the exercise price appropriately within a reasonable range.

(3) Period in which share acquisition rights can be exercised

The period in which share acquisition rights can be exercised (hereinafter referred to as "the exercise period") shall be from February 10, 2028 to February 9, 2036 (or the preceding business day of financial institutions if the last date does not fall on a business day of financial institutions).

(4) Items regarding the increased capital stock and capital reserve

a. The increase in capital stock in the case of issuance of shares through the exercise of said share acquisition rights shall be half of the upper limit of the increase of capita stock or the like calculated in accordance with Article 17, Paragraph 1 of the Regulation on Corporate Accounting. If there remains a fraction less than 1 yen after calculation, that fraction shall be rounded up.

b. The increase in capital reserve in the case of issuance of shares through the exercise of said share acquisition rights shall be the amount calculated by subtracting the increase in capital stock defined in the above item ① from the upper limit of the increase of capita stock or the like mentioned in the above item ①.

(5) Restriction on the acquisition of share acquisition rights through transfer

In order to acquire said share acquisition rights through transfer, it is necessary to obtain approval through a resolution of the Board of Directors of the Company.

(6) Conditions for exercising share acquisition rights

a. The allottees of share acquisition rights (hereinafter referred to as "share acquisition right holders") may exercise all of said share acquisition rights only if either of the sales recorded in the consolidated profit and loss statement in the securities report of the Company in each fiscal year between FY 6/28 and FY 6/30 exceeds 220,000 million yen.

b. When exercising said share acquisition rights, a share acquisition right holder shall have the position as a director, an auditor, or an employee of the Company or affiliate company (hereinafter referred to as "eligible staff"), unless the Board of Directors of the Company recognizes any of the following cases.

i. A share acquisition right holder loses his/her post as eligible staff due to the resignation after the expiration of the term of office, mandatory retirement, or another reason considered reasonable by the Board of Directors of the Company.

ii. A share acquisition right holder loses his/her post as eligible staff for a reason attributable to the Company.

c. Each share acquisition right holder shall be a resident when exercising said share acquisition rights.

d. If a share acquisition right holder dies during the exercise period, the heir/heiress of said share acquisition right holder may exercise said share acquisition rights. If there is more than one heir/heiress, only the highest-priority heir/heiress may exercise said share acquisition rights (if the Company recognizes that the highest-priority heir/heiress is unable to exercise said share acquisition rights, the second-highest-priority heir/heiress may exercise said share acquisition rights). If said person dies, his/her heir/heiress may not inherit said share acquisition rights.

e. If the total number of outstanding shares in the Company exceeds the total number of authorized shares through the exercise of said share acquisition rights, said share acquisition rights may not be exercised.

f. A fraction less than one of said share acquisition rights may not be exercised.

4. Date of allotment of share acquisition rights

February 27, 2026

5. Items regarding the acquisition of share acquisition rights

(1) If a merger contract through which the Company would disappear, a contract or plan for splitting the Company, or a share exchange contract, share issuance plan or share transfer plan through which the Company would become a wholly owned subsidiary is approved at a general meeting of shareholders (or resolved by the Board of Directors if an approval at a general meeting of shareholders is not required), the Company may acquire all of said share acquisition rights free of charge on a date separately specified by the Board of Directors of the Company.

(2) If it becomes impossible to exercise said share acquisition rights before the exercise thereof in accordance with the above section 3. (6), the Company may acquire said share acquisition rights free of charge on a date separately specified by the Board of Directors of the Company.

6. Handling of share acquisition rights at the time of organizational restructuring

If the Company carries out a merger in which the Company will disappear, an absorption-type company split, an incorporation-type company split, a share exchange or a share transfer (hereinafter collectively referred to as "an action for organizational restructuring"), the Company shall issue share acquisition rights of the joint-stock company listed in Article 236, Paragraph 1, Item 8 (a) to (e) of the Companies Act (hereinafter referred to as "the subject company in corporate restructuring") to respective share acquisition right holders under the conditions described below on the effective date of the action for organizational restructuring, as long as the issuance of share acquisition rights for the subject company in corporate restructuring is described in the contract for an absorption-type merger, an incorporation-type merger, an absorption-type company split, an incorporation-type company split, a share exchange contract or a share transfer plan under the following conditions.

(1) Number of share acquisition rights for the subject company in corporate restructuring to be issued

The Company shall issue the same number of share acquisition rights as the number of share acquisition rights held by each share acquisition right holder.

(2) Type of shares in the subject company in corporate restructuring that will be issued if share acquisition rights are exercised

Common shares in the subject company in corporate restructuring

(3) Number of shares in the subject company in corporate restructuring that will be issued if share acquisition rights are exercised

Said number shall be determined in accordance with the above section 3. (1), while considering the conditions of the action for corporate restructuring.

(4) Amount of property to be contributed for exercising share acquisition rights

While considering the above conditions on the action for corporate restructuring, the amount of property to be contributed for exercising respective share acquisition rights to be issued shall be calculated by multiplying the exercise price after organizational restructuring, which is obtained by adjusting the exercise price specified in the above section 3. (2), by the number of shares in the subject company in corporate restructuring that will be issued if said share acquisition rights are exercised, which will be determined in accordance with the above section 6. (3).

(5) Period in which share acquisition rights may be exercised

From the first day of the exercise period specified in the above section 3. (3) or the effective date of the action for corporate restructuring, whichever is later, to the last day of the exercise period specified in the above section 3. (3)

(6) Items regarding the increased capital stock and capital reserve in the case of issuance of shares through the exercise of share acquisition rights

To be determined in accordance with the above section 3. (4)

(7) Restriction on the acquisition of share acquisition rights through transfer

Regarding the restriction on acquisition through transfer, it is necessary to obtain an approval through a resolution of the Board of Directors of the subject company in corporate restructuring.

(8) Other conditions for exercising share acquisition rights

To be determined in accordance with the above section 3. (6)

(9) Reason and conditions for acquiring share acquisition rights

To be determined in accordance with the above section 5.

(10) Other conditions shall be determined in accordance with the conditions of the subject company in corporate restructuring.

7. Items regarding the certificates of share acquisition rights

The Company shall not issue the certificates of share acquisition rights.

8. Allottees of share acquisition rights and the number thereof

78 employees of the Company; 469 rights