July 23, 2026

Name of the Company: DISCO CORPORATION
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Notice Concerning Offering Terms 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 23, 2026, items concerning the offering terms of share acquisition rights allotted to the Company's Executive Officers (including those who concurrently serve as Directors) as stock options were decided as set forth below, in accordance with Article 236, Article 238, and Article 240 of the Companies Act. The issuance of said share acquisition rights is in accordance with the decision made by the Company's Compensation Committee.

1. Reason for the Allotment of Share Acquisition Rights

The Company will allot share acquisition rights to Executive Officers of the Company (including those who concurrently serve as Directors, the "Eligible Persons") in accordance with the "Terms for Issuing Share Acquisition Rights" below in order to improve the Company's performance—by giving the Eligible Persons incentive to do so by linking the Company's performance to the benefits received by the Eligible Persons, as well as enhancing morale and motivation by aligning the interests of the Eligible Persons and the interests of the Company's shareholders as much as possible.

2. Terms for Issuing Share Acquisition Rights

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

36 share acquisition rights will be allotted to six 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

3,600 shares of the Company's common shares

If the exercise price (as defined in (5) below) is adjusted after the issuance of the share acquisition rights, the number of underlying shares will be adjusted using the following formula. However, said adjustment shall be made only to the number of shares underlying share acquisition rights that have not been exercised at the time of said adjustment. In the event that a fractional share of less than one is created as a result of such adjustment, such fractional share shall be rounded down.

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

Notwithstanding the formula above, if the Company performs a share split or share consolidation after the issuance of the share acquisition rights, the number of shares underlying each share acquisition right shall be adjusted according to the following formula. In the event that a fractional share of less than one is created as a result of such adjustment, such fractional share shall be rounded down. However, such adjustment shall be made only to the number of shares underlying share acquisition rights that have not been exercised at the time of the share split or share consolidation.

Number of shares after adjustment	=	Number of shares before adjustment × Number of common shares allotted after the share split or share consolidation for one common share held before the split or consolidation

(3) Total number of share acquisition rights

36 units

(The number of shares per share acquisition right shall be 100 shares. However, if the Company has adjusted the number of shares as set forth in (2) above, the Company will similarly adjust the number of shares per share acquisition right.)

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

The amount to be paid in shall be the fair price of the share acquisition right calculated based on the Black-Scholes Model for the day before the allotment of the share acquisition right, so as to ensure the price will not be significantly lower than the fair value of the option at the time the share acquisition right is issued. However, monetary payment of the amount to be paid in will not be required as, in lieu of such payment, the amount to be paid in can be offset by the remuneration claims held by the Eligible Persons toward the Company, as provided for in Article 246, paragraph 2 of the Companies Act. Not requiring payment does not fall under favorable issuance.

(5) Method of calculation for the value of assets to be contributed upon 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") as set forth below by the number of shares per share acquisition right.

The initial Exercise Price shall be obtained by multiplying the average closing share price of the Company's shares in ordinary market transactions on the Tokyo Stock Exchange on each day of the month preceding the month that includes the share acquisition rights issuance date (excluding days when no transactions were conducted) by 1.05, and any fraction of less than 1 yen arising from such calculation will be rounded down. However, if the initial Exercise Price is less than the closing price on the day before the share acquisition rights issuance date (if no transactions are conducted on that day, the closing price on the day immediately prior), 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 issuance of the share acquisition rights, 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 issuance of the share acquisition rights, the Company issues new shares (excluding the issuance of shares through the exercise of the share acquisition rights) or disposes of treasury shares at a price less than the market price, or issues share acquisition rights or securities with 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.

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

In the formula above, "number of shares already issued" is the total number of the Company's issued shares minus the total number of treasury shares held by the Company. In cases where the Company disposes of treasury shares, "number of newly issued shares" shall be read as "number of treasury shares disposed," "amount to be paid in per share" as "disposal amount per share," and "market price before issuance of new shares" as "market price before disposal."

(iv) If, after the issuance of share acquisition rights, 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 appropriate adjustments to the Exercise Price to the extent that is necessary and reasonable.

(6) Share acquisition rights exercise period

The share acquisition rights exercise period is from August 8, 2028 to August 7, 2034. However, each 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 share acquisition rights

(i) When exercising share acquisition rights, the share acquisition rights 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 shall not apply if said rights 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 is currently assigned to 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, said Eligible Person will 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. If an Eligible Person who has retired from the Company due to fulfilling their term of office or reaching 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 conditional based 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 for the exercise of share acquisition rights shall be in accordance with the Share Acquisition Rights Allotment Contract.

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

   (i) The increase in share capital due to the issuance of shares upon the exercise of share acquisition rights shall be one half of the maximum amount of increase in share capital, etc., calculated according to Article 17, paragraph 1 of the Regulation on Corporate Accounting. If an amount of less than 1 yen arises from such calculation, that amount shall be rounded up to the nearest yen.

   (ii) The increase in legal capital surplus due to the issuance of shares upon the exercise of share acquisition rights shall be the amount obtained by deducting the increase in share capital set forth in (i) above from the maximum amount of increase in share capital, etc. set forth in (i) above.

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

The acquisition of share acquisition rights through transfers shall require approval of the Company’s Board of Directors.

(10) Restriction on transfers of share acquisition rights

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

(11) Share acquisition rights allotment date

August 7, 2026

(12) Issuance of share acquisition rights certificates

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

(13) Cancellation of share acquisition rights

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

(14) Malus and clawback

If the Company determines 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 or engagement in other misconduct (collectively “Misconduct”), irrespective of whether such Misconduct was caused by act or omission, the Company shall implement the following measures against the Executive Officer responsible for the Misconduct (“Responsible Executive Officer”) after resolution by the Board of Directors.

   (i) Freezing ability to exercise share acquisition rights (malus)

   Immediately after the identification of Misconduct, the Company shall ensure the share acquisition rights held by the Responsible Executive Officer cannot be exercised.

   (ii) Return of shares obtained upon exercise of rights (clawback)

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