



June 19, 2025

Company name: SATO SHOJI CORPORATION  
Name of representative: Tetsuo Nozawa, President and  
Executive Officer  
(Code No. 8065, TSE Prime Market)  
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### **Notice Concerning Issuance of Stock Options (Stock Acquisition Rights)**

SATO SHOJI CORPORATION (the “Company”) hereby announces that, at the Board of Directors’ meeting held on June 19, 2025, it has decided to issue stock acquisition rights as stock options to its Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members, applicable to the rest of this notice) and Executive Officers in accordance with Articles 236, 238 and 240 of the Companies Act. Details are as follows.

#### **1. Reason for Issuance of Stock Acquisition Rights as Stock Options**

With the purpose of further motivating the Company’s Directors and Executive Officers to increase the stock price and improve business performance by sharing the benefits and risks of stock price fluctuations with the shareholders, the Company will issue stock acquisition rights as share-based remuneration-type stock options to its Directors and Executive Officers.

#### **2. Overview of Issuance of Stock Acquisition Rights**

##### **(1) Name of stock acquisition rights**

SATO SHOJI CORPORATION 15th Series of Stock Acquisition Rights

##### **(2) Total number of stock acquisition rights**

417.

The above total number is the planned number of stock acquisition rights to be allotted. If the total number of stock acquisition rights to be allotted decreases due to a lack of subscription or other reasons, the total number of stock acquisition rights to be issued shall be the total number of stock acquisition rights to be allotted.

##### **(3) Recipients of allotment of stock acquisition rights, number of recipients, and number of stock acquisition rights to be allotted**

Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) of the Company:

4 Directors, 197 stock acquisition rights

Executive Officers of the Company: 12 Executive Officers, 220 stock acquisition rights

(4) Type and number of shares subject to the stock acquisition rights

The type of shares subject to the stock acquisition rights shall be common shares of the Company, and the number of shares subject to each stock acquisition right (hereinafter referred to as the “Number of Granted Shares”) shall be 100 shares.

In the case where the Company carries out a stock split (including a gratis allotment of common shares of the Company, applicable to the rest of this notice with respect to references to stock splits) or stock consolidation after the date of allotment of the stock acquisition rights set forth in (14) below (hereinafter referred to as the “Allotment Date”), the Number of Granted Shares shall be adjusted by using the formula below. However, such adjustment shall be made with respect to the number of shares to be issued upon exercise of stock acquisition rights that have not been exercised as of such time, and fractions of less than one share resulting from this adjustment shall be rounded down to the nearest whole share.

Number of Granted Shares after adjustment = Number of Granted Shares before adjustment x Ratio of the stock split or stock consolidation

The Number of Granted Shares after adjustment shall be applied, in the case of a stock split, on and after the day following the record date of such stock split (or, if no record date is set, the effective date of such stock split), and in the case of a stock consolidation, on and after the effective date of such stock consolidation.

In addition to the above, in the case where the Company carries out a merger, corporate split, or share exchange, or other case that makes it necessary to adjust the Number of Granted Shares after the Allotment Date, the Company may adjust the Number of Granted Shares as deemed necessary by the Board of Directors of the Company.

(5) Amount of assets to be contributed upon exercise of the stock acquisition rights

The amount of assets to be contributed upon exercise of the stock acquisition rights shall be the amount obtained by multiplying the exercise price, which is ¥1 as the exercise amount for each share which can be granted by the exercise of each stock acquisition right by the Number of Granted Shares.

(6) Calculation method for the amount to be paid for the stock acquisition rights

The amount to be paid for each stock acquisition right shall be the amount calculated based on the Black-Scholes Model on the Allotment Date. Such amount shall be the fair value of the stock acquisition rights and shall be set off against the remuneration claim held by the allottee against the Company and the obligation for the amount to be paid for the stock acquisition rights pursuant to Article 246, Paragraph 2 of the Companies Act.

(7) Period during which the stock acquisition rights may be exercised

The period shall be from July 18, 2025 to July 17, 2055.

(8) Conditions for the exercise of the stock acquisition rights

- 1) The holders of the stock acquisition rights may exercise their stock acquisition rights within 10 days from the day following the day on which they lose their positions as either a Director or Executive Officer of the Company (in the case where the 10th day falls on a holiday, the next business day).
- 2) Notwithstanding 1) above, in the case where a proposal for approval of a merger agreement in which the Company becomes a disappearing company, a proposal for approval of a split agreement or split plan in which the Company becomes a split company, or a proposal for approval of a share

exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary is approved at a general meeting of shareholders of the Company (if a resolution of a general meeting of shareholders is not required, in the case where such is decided by the Board of Directors or an Executive Officer of the Company delegated in accordance with the provisions of Article 416, Paragraph 4 of the Companies Act), the stock acquisition rights may be exercised for 30 days from the day after the date of such approval. However, this excludes the case where the stock acquisition rights of a reorganized company are issued to the holders of the stock acquisition rights in accordance with the matters concerning the issuance of stock acquisition rights consequent upon a reorganization as set forth in (12).

- 3) Other conditions shall be as set forth in the Stock Acquisition Rights Allotment Agreement to be entered into between the Company and the holders of the stock acquisition rights.
- (9) Matters concerning amounts of share capital and legal capital surplus to be increased in cases where shares will be issued as a result of the exercise of the stock acquisition rights
- 1) The amount of share capital to be increased in the case where shares will be issued as a result of the exercise of the stock acquisition rights shall be half of the maximum amount of increase in share capital as calculated in accordance with Article 17, Paragraph 1 of the Regulations on Corporate Accounting, with any fraction of less than ¥1 resulting from the calculation being rounded up to the nearest whole number.
  - 2) The amount of legal capital surplus to be increased in the case where shares will be issued as a result of the exercise of the stock acquisition rights shall be the amount obtained by subtracting the amount of share capital to be increased as set forth in 1) above from the maximum amount of increase in share capital as set forth in 1) above.

(10) Acquisition clause of the stock acquisition rights

In the case where any of the proposals 1), 2), 3), 4) or 5) below is approved at a general meeting of shareholders of the Company (if a resolution of a general meeting of shareholders is not required, in the case where such is decided by the Board of Directors or an Executive Officer of the Company delegated in accordance with the provisions of Article 416, Paragraph 4 of the Companies Act), the Company may acquire the stock acquisition rights without compensation on a date separately determined by the Board of Directors.

- 1) A proposal for approval of a merger agreement in which the Company becomes a disappearing company
- 2) A proposal for approval of a split agreement or split plan in which the Company becomes a split company
- 3) A proposal for approval of a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary
- 4) A proposal for approval of an amendment to the Articles of Incorporation to provide that the acquisition of all shares issued by the Company by way of transfer shall require the approval of the Company
- 5) A proposal for approval of an amendment to the Articles of Incorporation to provide that the acquisition of the type of shares to be issued upon exercise of the stock acquisition rights by transfer shall require the approval of the Company or that the Company may acquire all the shares of the type by a resolution at a general meeting of shareholders

(11) Restrictions on the acquisition of the stock acquisition rights by transfer

Acquisitions of the stock acquisition rights by transfer shall require the approval of the Board of Directors, by its resolution.

(12) Matters concerning issuance of stock acquisition rights upon reorganization

In the case where the Company undergoes a merger (limited to cases where the Company disappears as a result of the merger), absorption-type company split or incorporation-type company split (limited to the respective cases where the Company is the split company), share exchange or share transfer (limited to the respective cases where the Company becomes a wholly owned subsidiary) (the above are hereinafter collectively referred to as the “Reorganization”), the Company shall issue to each of the holders of the stock acquisition rights remaining (hereinafter referred to as the “Remaining Stock Acquisition Rights”) immediately prior to the effective date of the Reorganization (the date on which the absorption-type company merger becomes effective for an absorption-type company merger, the date on which the corporation is established through consolidation for a consolidation-type company merger, the date on which the absorption-type company split becomes effective for an absorption-type company split, the date on which the corporation is established through incorporation-type company split for an incorporation-type company split, the date on which the share exchange becomes effective for a share exchange, and the date on which the wholly owning parent company is established through share transfer for a share transfer, applicable to the rest of this notice), the stock acquisition rights of the stock company as specified in Article 236, Paragraph 1, Items (viii) (a) through (e) of the Companies Act (hereinafter referred to as the “Reorganized Company”), as applicable to each case. However, this is subject to the condition that the issuance of stock acquisition rights of the Reorganized Company in accordance with each of the following items is stipulated in the absorption-type company merger agreement, consolidation-type company merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement, or share transfer plan.

1) Number of stock acquisition rights of the Reorganized Company to be issued

The same number of stock acquisition rights as the number of Remaining Stock Acquisition Rights held by the holders of the stock acquisition rights shall be issued to each of them.

2) Type of shares of the Reorganized Company subject to the stock acquisition rights

The shares shall be common shares of the Reorganized Company.

3) Number of shares of the Reorganized Company subject to the stock acquisition rights

To be determined in accordance with (4), taking into consideration the terms and conditions of the Reorganization.

4) Amount of assets to be contributed upon exercise of the stock acquisition rights

The amount of assets to be contributed upon exercise of each of the stock acquisition rights to be issued shall be the amount obtained by multiplying the post-reorganization exercise price set out below by the number of shares of the Reorganized Company subject to each of the such stock acquisition rights determined in accordance with 3) above. The post-reorganization exercise price shall be ¥1 per share of the Reorganized Company to be issued by exercising each stock acquisition right to be issued.

5) Period during which the stock acquisition rights may be exercised

The period from the later of the commencement date of the period during which the stock acquisition rights may be exercised as set forth in (7) or the effective date of the Reorganization, until the expiration date of the period during which the stock acquisition rights may be exercised

as set forth in (7).

- 6) Matters concerning amounts of share capital and legal capital surplus to be increased in cases where shares will be issued as a result of the exercise of the stock acquisition rights

To be determined in accordance with (9).

- 7) Restrictions on the acquisition of the stock acquisition rights by transfer

Acquisitions of the stock acquisition rights by transfer shall require the approval of the Board of Directors of the Reorganized Company, by its resolution.

- 8) Conditions for the exercise of the stock acquisition rights

To be determined in accordance with (8).

- 9) Acquisition clause of the stock acquisition rights

To be determined in accordance with (10).

- (13) Arrangement for fractions of less than one share resulting from the exercise of the stock acquisition rights

Any fractions of less than one share in the number of shares to be issued to the holders of the stock acquisition rights who exercised their stock acquisition rights shall be rounded down to the nearest whole share.

- (14) Date of allotment of the stock acquisition rights

June 17, 2025.

- (15) Place for reception of requests to exercise the stock acquisition rights

The General Affairs Department of the Company (or the relevant department in charge at that time).

- (16) Place for handling payment of money to be contributed upon exercise of the stock acquisition rights

Resona Bank, Limited (or the successor bank to such bank at that time).

- (17) Handling of stock acquisition rights certificates in the case where they are issued

No stock acquisition rights certificates shall be issued.