



June 6, 2025

To whom it may concern

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Representative: Tomoyoshi Morohashi, President and Representative Director

Securities Code: 8281; Tokyo Stock Exchange Prime Market

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**Notice Concerning the Determination of Terms and Conditions  
for the Issuance of Stock Acquisition Rights as Stock Options**

XEBIO HOLDINGS CO., LTD. (the “Company”) hereby announces that, at the meeting of its Board of Directors held on June 6, 2025, it has resolved to determine the specific terms and conditions for the issuance of stock acquisition rights as stock options pursuant to the provisions of Articles 236, 238, and 239 of the Companies Act, and based on the approval at the 52nd Annual General Meeting of Shareholders held on June 27, 2024, as outlined below.

Please note that the amount to be paid upon exercise of the stock acquisition rights and other undecided matters will be determined by the scheduled allotment date, June 13, 2025.

**1. Reason for Issuance of Stock Acquisition Rights Under Particularly Favorable Terms**

To provide Directors, Executive Officers, and employees of the Company and its consolidated subsidiaries with incentives to enhance the Group’s business performance, corporate value, and management awareness that prioritizes shareholders.

**2. Type and Number of Shares Underlying the Stock Acquisition Rights**

Common shares of the Company: 250,000 shares

However, in the event that the number of shares to be issued upon exercise of the stock acquisition rights (including cases where treasury shares are transferred in lieu of issuance; the same shall apply hereinafter) is adjusted pursuant to item 3 below, the total number of shares shall be adjusted to the number obtained by multiplying the adjusted Number of Granted Shares by the total number of stock acquisition rights issued.

**3. Total Number of Stock Acquisition Rights**

2,500 units

Each stock acquisition right shall entitle the holder to acquire 100 shares of the Company’s common stock (hereinafter referred to as the “Number of Granted Shares”).

In the event that, on or after the allotment date (the “Allotment Date”), the Company conducts a stock split (including a gratis allotment of shares of common stock; the same shall apply hereinafter with respect to references to stock splits) or reverse stock split of its shares of common stock, the Number of Granted Shares shall be adjusted in accordance with the following formula:

Adjusted Number of Granted Shares = Pre-adjustment Number of Granted Shares × Ratio of Stock Split or Reverse Split

Such adjustment shall apply only to stock acquisition rights that have not been exercised at the time of the adjustment, and any fraction less than one share resulting from the adjustment shall be rounded down.

The adjusted Number of Granted Shares shall take effect from the day following the record date of the stock split (or, if no record date is specified, from the effective date), or from the effective date of the reverse split, as applicable.

However, in cases where the stock split is to be executed conditional upon the approval at a General Meeting of Shareholders of a proposal to reduce retained earnings and increase capital or capital reserve, and if a date prior to the conclusion of such General Meeting is designated as the record date for the stock split, the adjusted Number of Granted Shares shall take effect from the day following the conclusion of the General Meeting of Shareholders.

In addition to the above, if after the Allotment Date the Company engages in a merger, company split, share exchange, or other corporate actions that necessitate similar adjustments, the Company may adjust the Number of Granted Shares by a resolution of its Board of Directors as deemed necessary.

In the case of any such adjustment to the Number of Granted Shares, the total number of shares to be issued upon exercise of all stock acquisition rights shall be adjusted accordingly by multiplying the adjusted Number of Granted Shares by the total number of stock acquisition rights issued.

#### **4. Allottees and Number of Stock Acquisition Rights to be Allotted**

<b>Category</b>	<b>Number of Allottees</b>	<b>Number of Rights Allotted</b>
Directors of the Company	3	300
Executive Vice President & Executive Officers of the Company	7	1,300
Directors, Executive Officers, and Employees of Consolidated Subsidiaries	47	900
<b>Total</b>	<b>57</b>	<b>2,500</b>

Allotment is contingent upon each individual applying to subscribe for at least the number of rights to be allotted.

#### **5. Payment in Exchange for Stock Acquisition Rights**

No payment is required.

#### **6. Amount of Assets to Be Contributed upon Exercise of Stock Acquisition Rights**

The amount of assets to be contributed upon exercise of each stock acquisition right shall be the amount obtained by multiplying the exercise price per share (the “Exercise Price”) by the Number of Granted Shares.

The Exercise Price shall be calculated by multiplying 1.03 by the average closing price of the Company’s common shares in regular trading on the Tokyo Stock Exchange on each trading day (excluding non-trading days) in the month preceding the month in which the allotment date (the “Allotment Date”) falls. Any fraction less than one yen shall be rounded up.

However, if such amount is lower than the closing price on the Allotment Date (or the most recent closing price if no trading occurs on the Allotment Date), the closing price on the Allotment Date shall be adopted as the Exercise Price.

In the event that, on or after the Allotment Date, the Company conducts a stock split or reverse stock split of its common shares, the Exercise Price shall be adjusted in accordance with the following formula. Any fraction less than one yen arising from such adjustment shall be rounded up:

$$\text{Adjusted Exercise Price} = \text{Pre-adjustment Exercise Price} \times \frac{1}{\text{Ratio of Stock Split or Reverse Split}}$$

Furthermore, in the event that, on or after the Allotment Date, the Company issues new shares of common stock or disposes of treasury shares at a price below the market value (excluding issuance in response to a demand for the sale of shares constituting less than one unit or exercise of stock acquisition rights), the Exercise Price shall be adjusted in accordance with the following formula. Any fraction less than one yen shall be rounded up:

Adjusted Exercise Price =

$$\text{Pre-adjustment Exercise Price} \times \frac{\text{Number of Shares Outstanding} + \left( \text{Number of Newly Issued Shares} \times \frac{\text{Subscription Price per Share}}{\text{Market Price}} \right)}{\text{Number of Shares Outstanding} + \text{Number of Newly Issued Shares}}$$

In the above formula, “Number of Shares Outstanding” shall refer to the total number of issued common shares of the Company excluding treasury shares.

In the case of disposition of treasury shares, the term “Number of Newly Issued Shares” shall be read as “Number of Treasury Shares Disposed.”

In addition to the above, if after the Allotment Date the Company engages in a merger, company split, capital reduction, or other similar event that necessitates an adjustment to the Exercise Price, the Company may adjust the Exercise Price within a reasonable scope by resolution of its Board of Directors.

## 7. Allotment Date

June 13, 2025

## **8. Exercise Period**

From June 14, 2027, to June 13, 2032

## **9. Conditions and Restrictions for Exercise**

- (1) The holder of the stock acquisition rights must, at the time of exercise, hold the position of Director, Executive Officer, or employee of the Company or its consolidated subsidiaries.
- (2) Inheritance of the stock acquisition rights shall not be permitted.
- (3) Other conditions for exercise shall be as stipulated in the “Stock Acquisition Rights Allotment Agreement” to be executed between the Company and the holder of the stock acquisition rights, based on the resolution of the 47th Annual General Meeting of Shareholders and the resolution of the Board of Directors.

## **10. Terms for Acquisition of Stock Acquisition Rights by the Company**

- (1) If the holder of the stock acquisition rights no longer satisfies the conditions for exercise as set forth in item 9 above, or otherwise becomes unable to exercise the rights for any reason, the Company may acquire such stock acquisition rights without compensation.
- (2) If a merger agreement under which the Company is to become the dissolving company is approved at a General Meeting of Shareholders, or if a share exchange agreement or share transfer plan under which the Company is to become a wholly-owned subsidiary is approved at a General Meeting of Shareholders, or if a company split agreement or company split plan under which the Company is to become the splitting company is approved at a General Meeting of Shareholders, the Company may acquire the stock acquisition rights without compensation on a date separately determined by resolution of the Board of Directors.

## **11. Restrictions on Transfer of Stock Acquisition Rights**

Any transfer requires approval by the Board of Directors.

## **12. Capital and Capital Reserve Upon Exercise**

- (1) In the case of the issuance of shares upon exercise of stock acquisition rights, the amount of capital to be increased shall be one-half of the maximum amount of increase in capital and capital reserve, as calculated pursuant to Article 17, Paragraph 1 of the Ordinance on Company Accounting. Any fraction of less than one yen resulting from the calculation shall be rounded up.
- (2) The amount of capital reserve to be increased shall be the amount obtained by deducting the capital increase amount set forth in (1) above from the maximum amount of increase in capital and capital reserve.

### **13. Handling of Fractions**

Fractions of less than one share arising from exercise shall be rounded down.

[Reference]

(1) Date of Board Resolution for Submission to Shareholders' Meeting: May 21, 2024

(2) Date of Resolution at Shareholders' Meeting: June 27, 2024

*Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.*