



August 19, 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 Allotment of Stock Acquisition Rights as Stock-Based Compensation-Type Stock Options to Directors

XEBIO HOLDINGS CO., LTD. (the “Company”) hereby announces that, at the meeting of its Board of Directors held on August 19, 2025, it resolved to issue stock acquisition rights as stock-based compensation-type stock options to Directors (excluding Outside Directors), pursuant to Articles 236, 238, and 240 of the Companies Act of Japan, as described below.

This initiative is aimed at further aligning Directors’ compensation with the Company’s business performance and share value, and at enhancing their motivation to contribute to the Company’s medium- to long-term growth.

1. Name of Stock Acquisition Rights

XEBIO HOLDINGS CO., LTD. 16th Stock Compensation-Type Stock Acquisition Rights (hereinafter, the “Stock Acquisition Rights”)

2. Total Number of Stock Acquisition Rights to Be Issued

189 units

3. Allotment Date

September 16, 2025

4. Allottees of Stock Acquisition Rights

Three Directors of the Company (excluding Outside Directors)

5. Issue Price of Stock Acquisition Rights

To be issued at fair value calculated using the Black-Scholes model as of the allotment date.

6. Method of Calculating Payment Amount

The payment amount per Stock Acquisition Right shall be the fair value calculated using the Black-Scholes model on the allotment date. This amount shall be deemed the fair value of the rights, and the Directors will offset their remuneration claims against the payment obligations in accordance with Article 246, Paragraph 2 of the Companies Act of Japan.

7. Class and Number of Shares Underlying the Stock Acquisition Rights

Common shares of the Company 18,900 shares

The number of shares to be issued upon exercise of each Stock Acquisition Right shall be 100 shares.

In the event that, on or after the allotment date, the Company conducts a stock split (including allotment of shares without consideration; hereinafter the same applies with respect to stock splits) or a reverse stock split of its common shares, the number of shares to be granted shall be adjusted in accordance with the following formula. Such adjustment shall apply only to the number of shares underlying Stock Acquisition Rights that remain unexercised at the time of adjustment, and any fraction of less than one share resulting from the adjustment shall be rounded down.

Adjusted Number of Granted Shares = Number of Granted Shares before adjustment × Ratio of stock split or reverse stock split

The adjusted number of granted shares shall apply from the day following the record date of the stock split (or, if no record date is set, from the effective date) in the case of a stock split, and from the effective date or later in the case of a reverse stock split. However, if a stock split is carried out on the condition that a proposal to decrease the amount of retained earnings and increase capital or capital reserve is approved at a General Meeting of Shareholders and a date before the conclusion of such meeting is set as the record date for the stock split, the adjusted number of granted shares shall apply from the day following the conclusion of the said General Meeting of Shareholders.

In addition to the above, if, after the allotment date, the Company conducts a merger, company split, or share exchange, or if it otherwise becomes necessary to make adjustments equivalent to these cases, the Company may adjust the number of granted shares as deemed necessary by resolution of its Board of Directors.

8. Amount of Assets to Be Contributed Upon Exercise

One yen per share × number of shares granted per right.

9. Exercise Period

From September 17, 2025 to September 16, 2055.

10. Increase in Capital and Capital Reserve Upon Exercise

1. The amount of capital to be increased upon the issuance of shares through exercise of the Stock Acquisition Rights shall be one-half of the maximum increase amount of capital, as calculated pursuant to Article 17, Paragraph 1 of the Ordinance on Company Accounting, with any fraction of less than one yen to be rounded up.
2. The amount of capital reserve to be increased upon the issuance of shares through exercise of the Stock Acquisition Rights shall be the maximum increase amount of capital minus the amount of capital increase stated above.

11. Conditions for Exercise

1. The holder of the Stock Acquisition Rights may exercise such rights only within 10 days from the day following the date on which the holder ceases to hold the position of Director, Audit & Supervisory Board Member, or Executive Officer of the Company.
2. Other conditions for exercise shall be as provided in the Stock Acquisition Rights Allotment Agreement to be executed between the Company and each right holder based on the resolution at the 38th Annual General Meeting of Shareholders and this resolution of the Board of Directors.

12. Forfeiture and Cancellation Conditions

1. The Stock Acquisition Rights shall expire if not exercised within the exercise period specified in 9 and 11 above.
2. The Company may, with the approval of the Board of Directors, acquire the Stock Acquisition Rights without compensation and cancel them if the holder falls under any of the following:
 - (i) When it is recognized that the holder has committed a serious criminal offense under the Penal Code of Japan.
 - (ii) When the holder has committed a serious breach of the duty of care of a prudent manager at the Company or any of its subsidiaries or affiliates, has caused significant damage to the credibility of the Company by unlawful or improper acts inside or outside the Company or any of its subsidiaries or affiliates, has been dismissed under the regulations of the Company or any of its subsidiaries or affiliates, or in other cases equivalent thereto.
 - (iii) When the holder, without prior approval of the Company, assumes or agrees to assume the position of officer or employee of a competing company.
 - (iv) When the holder voluntarily waives all or part of the Stock Acquisition Rights by notifying the Company (in this case, the approval of the Board of Directors is not required).

13. Acquisition Clause

If a merger agreement under which the Company will become the extinct company, a share exchange agreement or share transfer plan under which the Company will become a wholly-owned subsidiary, or a company split agreement or company split plan under which the Company will become a split 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 the Board of Directors.

14. Succession

1. In the event of the holder's death, one legal heir who is either the spouse or a first-degree relative of the holder (hereinafter, the "Successor") may exercise the Stock Acquisition Rights. The exercise period for the Successor shall be limited to within six months from the day following the date on which succession is determined.
2. The Successor may not further transfer the Stock Acquisition Rights by inheritance.
3. The Successor shall be subject to the same forfeiture and cancellation conditions set forth in 12 above as applied to the original right holder.
4. Other conditions for exercise shall be as provided in the Stock Acquisition Rights Allotment Agreement to be executed between the Company and each right holder based on the resolution at the 38th Annual General Meeting of Shareholders and this resolution of the Board of Directors.

15. Restrictions on Transfer

Acquisition of the Stock Acquisition Rights by transfer shall require approval by resolution of the Board of Directors.

16. Handling in Case of Reorganization

Notwithstanding 9 above, if a proposal for approval of a merger agreement under which the Company will become the extinct company, a share exchange agreement or share transfer plan under which the Company will become a wholly-owned subsidiary, or a company split agreement or company split plan under which the Company will become a split company is approved at a General Meeting of Shareholders, the holder may exercise the Stock Acquisition Rights within 30 days from the day following the date of such approval.

17. Rounding Down of Fractions

Any fractional shares less than one share in the number of shares to be delivered upon exercise of the Stock Acquisition Rights shall be rounded down.

18. Payment Handling Institution

Mizuho Bank, Ltd., Koriyama Branch (7-19 Nakamachi, Koriyama, Fukushima)

19. Other Matters

Other details shall be as provided in the Stock Acquisition Rights Allotment Agreement to be executed between the Company and each right holder.

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.