



October 21, 2026

To whom it may concern

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(Securities code: 6099, TSE Prime Market)
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Notice Regarding Issuance of Stock Compensation-Type Stock Options (Share Acquisition Rights)

ELAN Corporation (the "Company") hereby announces that its Board of Directors, at a meeting held on October 21, 2026, resolved to solicit subscribers for share acquisition rights to be issued as stock compensation-type stock options to employees of the Company and to directors and executive officers of the Company's subsidiaries, pursuant to the provisions of Articles 236, 238 and 240 of the Companies Act, with the details described below.

Details

1. Reason for Issuing Share Acquisition Rights as Stock Compensation-Type Stock Options

The share acquisition rights will be issued as stock compensation-type stock options for the purpose of sharing with shareholders both the benefits and risks of share price fluctuations and further enhancing motivation to improve long-term business performance and corporate value.

2. Terms of the Share Acquisition Rights

- (1) Name of the share acquisition rights
ELAN Corporation 5th Series Share Acquisition Rights
- (2) Persons to whom share acquisition rights will be allotted, number of such persons, and number of share acquisition rights to be allotted
Employees of the Company: 21 persons, 105 units
Directors of subsidiaries of the Company: 2 persons, 10 units
Executive officers of subsidiaries of the Company: 1 person, 5 units
- (3) Class and number of shares underlying the share acquisition rights
The class of shares underlying the share acquisition rights shall be common stock of the Company, and the number of shares underlying each share acquisition right (the "Number of Granted Shares") shall be 100 shares.

However, if, after the date on which the share acquisition rights are allotted (the "Allotment Date"), the Company conducts a share split (including a gratis allotment of common stock of the Company; the same applies hereinafter to references to share splits) or a share consolidation of its common stock, the Number of Granted Shares for share acquisition rights that have not been exercised at the time of such share split or share consolidation shall be adjusted according to the following formula:

Number of Granted Shares after adjustment = Number of Granted Shares before adjustment × Ratio of share split or share consolidation

In addition to the above, if any other unavoidable event requiring an adjustment of the Number of Granted Shares occurs, the Company may adjust the Number of Granted Shares to the extent deemed necessary by its Board of Directors.

Any fraction of less than one share resulting from the above adjustments shall be rounded down.

(4) Total number of share acquisition rights

120 units

The above total number is the number scheduled to be allotted. If the total number of share acquisition rights to be allotted decreases, such as where no application for subscription is made, the total number of share acquisition rights actually allotted shall be the total number of share acquisition rights to be issued.

(5) Method of calculating the amount to be paid in for the share acquisition rights

The amount to be paid in for each share acquisition right shall be the amount obtained by multiplying the fair value per share of the stock option, calculated using the Black-Scholes model on the Allotment Date, by the Number of Granted Shares. This amount represents the fair value of the share acquisition rights and does not constitute an issuance on particularly favorable terms.

Persons to whom the share acquisition rights are allotted (the "Holders") shall, in lieu of paying the above amount, set off such amount against their remuneration claims against the Company, and no monetary payment shall be required.

(6) Value of assets to be contributed upon exercise of the share acquisition rights

The value of assets to be contributed upon exercise of each share acquisition right shall be the amount obtained by multiplying 1 yen, which is the amount per share deliverable upon exercise of the share acquisition right, by the Number of Granted Shares.

(7) Exercise period of the share acquisition rights

From January 1, 2029 to December 31, 2031

(8) Conditions for exercise of the share acquisition rights

(i) From the time of grant until the time of exercise of the share acquisition rights, a Holder must continuously hold the position of general manager or deputy general manager of the Company, or director or executive officer of a subsidiary of the Company; provided, however, that this shall not apply if the Board of Directors of the Company recognizes that there is a justifiable reason.

(ii) Exercise of the share acquisition rights by an heir of a Holder shall not be permitted.

(iii) Other conditions shall be as set forth in the share acquisition rights allotment agreement to be entered into between the Company and each Holder.

(9) Amounts of capital and capital reserve to be increased in the event of issuance of shares upon exercise of the share acquisition rights

(i) The amount of capital to be increased in the event of issuance of shares upon exercise of the share acquisition rights shall be one-half of the maximum amount of increase in capital, etc. calculated in accordance with Article 17, Paragraph 1 of the Regulation on Corporate Accounting, with any fraction of less than 1 yen resulting from the calculation rounded up.

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

(10) Matters concerning acquisition of the share acquisition rights

(i) If a Holder becomes unable to exercise the share acquisition rights before exercising them pursuant to the provisions of (8) above or the share acquisition rights allotment agreement, the Company may acquire such share acquisition rights without consideration on a date separately determined by the Board of Directors of the Company.

(ii) If any of the following proposals (a), (b), (c), (d) or (e) is approved at a general meeting of shareholders of the Company (or by the Board of Directors of the Company if a resolution of the general meeting of shareholders is not required), the Company may acquire the share acquisition rights without consideration on a date separately determined by the Board of Directors of the Company.

(a) A proposal for approval of a merger agreement under which the Company will be the disappearing company

(b) A proposal for approval of an absorption-type company split agreement or an incorporation-type company split plan under which the Company will be the splitting company

- (c) A proposal for approval of a share exchange agreement or a share transfer plan under which the Company will become a wholly owned subsidiary
- (d) A proposal for approval of an amendment to the Articles of Incorporation to establish a provision requiring the approval of the Company for the acquisition by transfer of all shares issued by the Company
- (e) A proposal for approval of an amendment to the Articles of Incorporation to establish a provision, as a feature of the class of shares underlying the share acquisition rights, requiring the approval of the Company for the acquisition by transfer of such class of shares, or providing that the Company may acquire all of such class of shares by a resolution of a general meeting of shareholders

(11) Restriction on transfer of the share acquisition rights

Acquisition of the share acquisition rights by transfer shall require the approval of the Board of Directors of the Company.

(12) Treatment of the share acquisition rights upon organizational restructuring

If the Company conducts a merger (limited to cases where the Company becomes the disappearing company), an absorption-type company split or an incorporation-type company split (in each case, limited to cases where the Company becomes the splitting company), or a share exchange or a share transfer (in each case, limited to cases where the Company becomes a wholly owned subsidiary) (collectively, "Organizational Restructuring"), the Company shall deliver to each Holder who holds share acquisition rights remaining immediately before the effective date of the Organizational Restructuring (the "Remaining Share Acquisition Rights") share acquisition rights of the relevant stock company listed in Article 236, Paragraph 1, Item 8 (a) through (e) of the Companies Act (the "Reorganized Company") in each case. The "effective date" means, in the case of an absorption-type merger, the date on which the absorption-type merger becomes effective; in the case of a consolidation-type merger, the date of incorporation of the company incorporated through the consolidation-type merger; in the case of an absorption-type company split, the date on which the absorption-type company split becomes effective; in the case of an incorporation-type company split, the date of incorporation of the company incorporated through the incorporation-type company split; in the case of a share exchange, the date on which the share exchange becomes effective; and in the case of a share transfer, the date of incorporation of the wholly owning parent company incorporated through the share transfer; the same applies hereinafter. However, this shall apply only if the absorption-type merger agreement, consolidation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement or share transfer plan provides for the delivery of share acquisition rights of the Reorganized Company in accordance with each of the following items.

- (i) Number of share acquisition rights of the Reorganized Company to be delivered: The same number as the number of Remaining Share Acquisition Rights held by each Holder shall be delivered.
- (ii) Class of shares of the Reorganized Company underlying the share acquisition rights: Common stock of the Reorganized Company
- (iii) Number of shares of the Reorganized Company underlying the share acquisition rights: To be determined in accordance with (3) above, taking into consideration the terms and conditions of the Organizational Restructuring and other factors.
- (iv) Value of assets to be contributed upon exercise of the share acquisition rights: The value of assets to be contributed upon exercise of each share acquisition right to be delivered shall be the amount obtained by multiplying the Post-Restructuring Exercise Price set forth below by the number of shares of the Reorganized Company underlying such share acquisition right as determined in accordance with (iii) above. The Post-Restructuring Exercise Price shall be 1 yen per share of the Reorganized Company deliverable upon exercise of each share acquisition right to be delivered.
- (v) Period during which the share acquisition rights may be exercised: From the later of the first day of the exercise period set forth in (7) above or the effective date of the Organizational Restructuring, until the last day of the exercise period set forth in (7) above.
- (vi) Matters concerning capital and capital reserve to be increased in the event of issuance of shares upon exercise of the share acquisition rights: To be determined in accordance with (9) above.

- (vii) Restriction on acquisition of the share acquisition rights by transfer: Acquisition of the share acquisition rights by transfer shall require approval by a resolution of the Board of Directors of the Reorganized Company.
- (viii) Conditions for exercise of the share acquisition rights: To be determined in accordance with (8) above.
- (ix) Provisions for acquisition of the share acquisition rights: To be determined in accordance with (10) above.
- (13) Treatment of fractions of less than one share arising upon exercise of the share acquisition rights
If the number of shares to be delivered to a Holder who has exercised share acquisition rights includes a fraction of less than one share, such fraction shall be rounded down.
- (14) Allotment Date of the share acquisition rights
November 5, 2026
- (15) Issuance of share acquisition right certificates
No share acquisition right certificates shall be issued for the share acquisition rights.

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