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## Announcement of Issuance of Series 20 Moving Strike Warrants, Conclusion of a Warrant Purchase Agreement

BrightPath Biotherapeutics Co., Ltd. (“BrightPath” or the “Company”) announces that the Company’s board of directors approved, at its meeting held on November 21, 2025, a resolution to issue the 20th series of moving strike warrants (“Warrants” ) to Phillip Securities Japan, Ltd., a prospective allottee (“PHILLIP” or the “Allottee”) and to conclude a purchase agreement for the Warrants with PHILLIP (the “Purchase Agreement”) after the relevant notification filed under the Financial Instruments and Exchange Act of Japan becomes effective. The fund procurement to be effected through the issuance of the Warrants followed by their exercise and the issuance of the Bonds is hereinafter referred to as the “Fundraising” or “Fundraising Scheme.”

### 1. Outline of the Offering

1	Allotment date	December 8, 2025
2	Total number of warrants to be issued	275,000 warrants
3	Issue price	Total amount of issue: 1,375,000 yen (5 yen per warrant)
4	Number of potential shares issuable	27,500,000 shares (100 shares per warrant) There is no upper limit on the exercise price. The minimum exercise price of the Warrants is 30 yen. If all the Warrants are exercised at the minimum exercise price, the number of shares to be issued is 27,500,000 shares.
5	Amount of funds to be raised	1,603,875,000 yen (note)
6	Exercise price and conditions for moving the exercise price	Initial exercise price: 59 yen The exercise prices are subject to the initial revision on the trading day immediately following the Allotment date and the subsequent revision on each trading day thereafter. In this regard, a “trading day” means a day on which a trading session is held on the Tokyo Stock Exchange. The date for revising the exercise price on any trading day as described above are referred to as “Revision Date.” On each Revision Date, the exercise price will be revised to an amount equal to 100% of the closing price of the Company’s common stock in regular trading published by the Tokyo Stock Exchange on the trading day immediately preceding the Revision Date (“Calculation Date”). The exercise price applicable after such revision are referred to as “Revised Exercise Price.” If, however, the Revised Exercise Price obtained in such calculation falls below

	the minimum exercise price, the minimum exercise price will be adopted as the Revised Exercise Price. In the event there is no applicable closing price on any Calculation Date, the exercise price then in effect will remain unrevised. If an event triggering an adjustment to the exercise price described in Section 11 of the Terms and Conditions for the Warrants occurs, the exercise price and minimum exercise price then in effect may be adjusted accordingly.
7 Method of offering or allotment (Allottee candidate)	To be allotted to Phillip Securities Japan, Ltd. (the Allottee) by way of the so-called third-party allotment, that is, allotment of securities to specified third parties (which may include specific existing shareholders)
8 Exercise period	From December 9, 2025 to December 8, 2027
9 Other terms and conditions	After the Company's securities registration statement for the Warrants filed under the Financial Instruments and Exchange Act of Japan comes into effect, the Company will enter into the Purchase Agreement with PHILLIP. The Purchase Agreement is going to stipulate that the Allottee's transfer of the Warrants will be subject to the approval of the Company's board of directors.

Note: The total amount of funds to be raised through the issuance of the Warrants is the sum of the total issue price of the Warrants and the total value to be contributed through warrant exercise, minus an estimated amount of various expenses related to the issuance of the Warrants. If the exercise price is revised or adjusted, the amount of funds to be raised will vary accordingly. The amount of funds to be raised may decrease if some Warrants are not exercised within the specified exercise period, or if the Company acquires and cancels some Warrants. The total value to be contributed through warrant exercise, as referred to above, is calculated on the assumption that all the Warrants are exercised at the initial exercise price. The amount of funds to be actually procured by the Company may differ from the figures stated in this table, depending on market conditions in the future.

## 2. Purpose and Reason for the Offering

Brightpath is advancing the development of innovative cancer therapeutics with the goal of creating a world where cancer becomes a treatable disease.

The funds raised this time will primarily be allocated to cover the costs associated with conducting a Phase I clinical trial in the United States next year for BP2202, a novel allogeneic CAR-T cell drug candidate for multiple myeloma. The Company plans to submit an application for clinical trial implementation by the end of fiscal year 2025.

BP2202 targets the antigen BCMAT, which is highly expressed in multiple myeloma, and features the unique approach of using natural killer T (NKT) cells derived from induced pluripotent stem (iPS) cells, making it highly original worldwide.

Autologous CAR-T cell therapy, which involves collecting T cells from cancer patients, genetically modifying them, and returning them to the patient, has become an approved treatment for blood cancers, demonstrating excellent and sustained clinical effects with a single administration. However, challenges such as manufacturing wait times, failures due to exhausted original T cells that cannot withstand genetic modification, and limited availability of capable hospitals have led to efforts to develop allogeneic CAR-T cells using T cells from healthy donors. These are prepared in advance rather than manufactured after diagnosis. Nonetheless, allogeneic CAR-T cells face issues such as being eliminated by the patient's immune system, resulting in less persistence and shorter-lasting clinical effects compared to autologous CAR-T cells.

In contrast, the Company's novel CAR-NKT cells utilize NKT cells that are not rejected by the patient's immune system and activate the patient's own T cells, thereby exerting multifaceted anti-tumor effects and potentially providing sustained clinical benefits overall. The Company believes this development concept could significantly

change the landscape of its iPS cell-derived BCMA CAR-NKT cell therapy.

The clinical development of BP2202 is expected to proceed in the United States, where there is a large patient population and a conducive environment for pioneering medical product trials.

To date, the Company has been preparing for this clinical trial by establishing a master iPS cell bank, developing a manufacturing process to differentiate and expand NKT cells from iPS cells, and obtaining non-clinical data necessary for filing an Investigational New Drug (IND) application in the U.S. The Company has raised funds for these preparations through the issuance of the 17th to 19th warrants and the third unsecured corporate bonds, approved on June 19, 2024.

Secondly, the Company plans to allocate funds to the development of new pipelines. This includes further improved versions of existing pipelines and explores broad possibilities in modalities such as cell or antibody therapeutics, or similar approaches, without being limited to the cancer field as the target disease.

The financial results for the fiscal year ending March 2025 showed that expenses primarily related to research and development, leading to an operating loss of 1,151 million yen. As of the end of March 2025, the Company held cash and deposits totaling 810 million yen. However, the Company's earnings forecast for the fiscal year ending March 2026, announced on May 9, 2025, projects a net loss of 1,166 million yen.

Since April 2025, the Company has raised 1,039 million yen through the exercise of the 18th and 19th warrants. To steadily advance clinical trials in the United States, including preparations for starting U.S. clinical trials, substantial funding is required. At the same time, the Company aims to continue developing new pipelines and expand its business operations, which necessitates maintaining sufficient liquidity of its funds.

Therefore, while ensuring flexible fundraising methods, the Company believes it is essential to secure funding that also adequately considers the interests of existing shareholders. Based on this reasoning, the Company has decided to proceed with this fundraising.

### **3. Overview of the Proposed Fundraising and Reasons for such Proposal**

#### **3.1 Overview of the Fundraising**

Brightpath, while considering various funding options, has examined the current status and outlook of procurement through indirect finance, the Company's financial condition, and future business development. Based on these considerations, the Company has explored methods of raising funds through direct finance. During this process, the Company conducted comparisons of the items listed in "3.4 Other Fundraising Methods" and other approaches, and also comprehensively considered the advantages and disadvantages described in "3.3 Features of the Fundraising Scheme." As a result, the Company has decided to adopt a funding method via third-party allotment through the new Warrants, which is proposed by the Allottee. The overview of the Warrants is as follows.

##### **<Warrants>**

The Company will issue 275,000 Warrants to the Allottee, with an exercise period of 2 years. These Warrants will increase the Company's capital upon exercise by the Allottee. The details of the Warrants are as follows:

- The number of shares underlying each Warrant is fixed at 100 shares, and the total number of shares underlying all rights is 27,500,000 shares.
- The rights holder can generally exercise the rights at their discretion. However, according to the provisions of the Purchase Agreement, the Company may designate a suspension period for exercise, during which the company can prevent the warrants holder from exercising the rights at its discretion (for details on the designation of the suspension period, please refer to "3.3 Features of the Fundraising Scheme 3.3.1 Advantages). If the suspension period is decided by a resolution of the Board of Directors, the Company will promptly disclose this in a timely manner.
- The Warrants include a call option, allowing the Company to cancel part of the funding if the need for raising funds through the Warrants becomes unnecessary or if circumstances change such that alternative funding methods become more appropriate.

As described above, by adopting a system that allows the designation of a suspension period for exercise and the call option of remaining rights, the Company intends to control the quantity and timing of exercises of the Warrants in accordance with its funding needs and other circumstances.

The exercise prices are subject to the initial revision on the trading day immediately following the Allotment date and the subsequent revision on each trading day thereafter. When the exercise price is revised, the revised exercise price shall be an amount equivalent to 100% of the closing price of the Company's common stock announced by the stock exchange on each revision date, based on the trading day immediately preceding that revision date (if there is no closing price on the same day, then the most recent closing price prior to that day). However, if the calculation results in the revised exercise price falling below the minimum exercise price, the revised exercise price shall be set at the minimum exercise price

### **3.2 Reasons for proposing the Fundraising**

While comparing and considering various methods of fundraising, the Company received a proposal in September 2025 from the Allottee for a new scheme involving the warrants as a means of capital raising. As detailed in the sections "3.3 Features of the Fundraising Scheme" and "3.4 Other Fundraising Methods," the proposed scheme offers a flexible financing option that, despite having its own advantages and disadvantages compared to other methods, contributes to the Company's continuity and stability. It also allows for a temporary suppression of the impact on the stock price while enabling flexible fundraising.

Furthermore, since the share exercise suspension period is expected to be established in the Purchase Agreement, the Company can exercise a certain degree of control over the timing of the Warrants' exercise. This helps prevent a sudden increase in the number of issued shares, which is a significant advantage. Additionally, because the Warrants include a call option, if the need for fundraising via the Warrants disappears or if the Company's circumstances change, making it more appropriate to select a different fundraising method, the Company can flexibly acquire or cancel the Warrants based on future market and company conditions. This flexibility allows the Company to mitigate dilution effects on existing shareholders by utilizing the acquisition clause as needed.

Based on these comprehensive considerations, Brightpath has decided to adopt this scheme.

### **3.3 Features of the Fundraising Scheme**

The advantages and disadvantages of the Fundraising Scheme are as follows.

#### **3.3.1 Advantages**

##### **(1) Issuance of shares without discount**

The adjustment of the exercise price related to warrants with an exercise price modification clause is generally made by discounting from the closing price of the issuer's common stock in regular trading. However, for the Warrants, the exercise price is set at an amount equivalent to 100% of the closing price on the trading day immediately prior to the adjustment date. Since no discount is applied from the reference stock price, the exercise is expected to occur at a price close to the market stock price, with minimal deviation. Therefore, the Warrants are designed to minimize impact on the market stock price and to consider the interests of existing shareholders as much as possible. Additionally, because no discount is applied as described above, it is expected that the amount raised through exercise will be larger compared to cases where a discount is granted.

##### **(2) Call option**

Since the Warrants are equipped with a call option, the Company may, at its discretion, acquire and cancel these Warrants by paying an amount of money equal to the subscription amount of the Warrants. This can be done in consideration of future changes in the Company's circumstances or market conditions, such as when the need for fundraising through these Warrants no longer exists or when it becomes appropriate to select alternative fundraising methods. By utilizing this call option as

necessary, the Company can mitigate potential dilution effects on existing shareholders in the future.

(3) Exercise Suspension Period

In the Purchase Agreement, a suspension period for exercise is planned to be established. The Company may, during the exercise period of the Warrants, set a period during which the Allottee cannot exercise the rights (hereinafter referred to as the "Exercise Suspension Period") as many times as necessary. The Company can notify the Allottee of the exercise suspension period in writing, with the notice given up to five trading days prior to the start date of the period. Additionally, the Company may shorten the exercise suspension period by providing notice to the Allottee.

During the period from the issuance of the notice based on Item 14(1) of the Terms and Conditions of the Warrants until the acquisition date, it is not possible to establish an exercise suspension period. The determination of the exercise suspension period will be made considering factors such as the Company's stock price trends. If the Company establishes an exercise suspension period, it will promptly disclose this information.

(4) Limiting the maximum number of shares to be issued

Since the number of the Company's common stock shares covered by the Warrants is fixed at 27.5 million shares in total, the maximum number of shares issuable under the Fundraising Scheme remain unchanged, regardless of stock price behavior. Therefore, the equity dilution ratio will not exceed the initially estimated percentage.

(5) Mitigating the impact on the Company's stock price

The minimum exercise price is set for the Warrants. While the exercise price may be revised or adjusted according to circumstances, it will never fall below this minimum exercise price. This serves as a break to avoid oversupply of the Company's common stock, which could further lower the stock price, in such situation where the Company's stock price remains sluggish and seems likely to fall below the minimum exercise price.

(6) Increase in the amounts to be procured when the stock price is rising

Since the exercise price for the Warrants is supposed to be revised in tandem with the Company's stock price, a rise in the stock price will lead to an increase in the amounts that the Company can procure.

### 3.3.2 Disadvantages

(1) Unable to procure the planned amount in full at the beginning

One characteristic inherent in warrants is that the issuer can raise money only after a warrant holder's exercise, which is equivalent to the amount obtained by multiplying the exercise price by the number of shares covered by the exercised warrants. This means that the total amount expected to be raised cannot be obtained at the time of issuing the Warrants.

(2) Possibility that the amount of funds raised may fall far below the initially estimated amount if the stock price is sluggish

When the stock price is on the decline, the exercise price for the Warrants will be revised downward. If any warrant exercise occurs after such downward revision, the aggregate amount procured from the Warrants will fall below the initially estimated amount. If the stock price is lower than the predetermined minimum exercise price for the Warrants, the Allottee will refrain from exercising the Warrants. In this regard, the exercise price will never fall below the minimum exercise price.

(3) Possibility of a decline in the Company's stock price as a result of the Allottee's sale of the Company's common stock shares in the market (a downside risk inevitable under the Fundraising Scheme)

The Allottee's holding policy for the Company's common stock is short-term holding. Under this policy, the Allottee is highly likely to exercise the Warrants and sell the shares acquired through such exercise in the market. In light of the current liquidity of the Company's common stock, the Allottee's sale of shares in the Company may cause the stock price to decline.

Since the exercise price for the Warrants is supposed to be revised in tandem with the Company's stock price, new funds from the Warrants are expected to be procured in incremental steps through the Allottee's warrant exercise and stock sale on several occasions. This downward risk is inevitable due to the features of the Fundraising Scheme.

(4) Limited access to a large number of unspecified prospective investors

Since new securities are issued to the Allottee alone under the scheme of third-party allotment, the Company has fewer opportunities to interact with an unspecified number of new investors and solicit their investments.

### **3.4 Other Fundraising Methods**

#### **3.4.1 Capital increase through issuing new shares**

##### **3.4.1.1 Public offering**

Issuing new shares in a public offering enables the issuer to raise money at once. On the other hand, the funding size is influenced by the issuer's market capitalization value and stock liquidity. Taking into consideration the Company's capitalization value and stock liquidity, it seems difficult for the Company to procure its necessary amount through a public offering. A public offering usually requires a long time for prior examination and preparation. In addition, the feasibility of a public offering is greatly affected by stock price behavior and market forces at that time. Once the Company missed the timing for a public offering, the Company would be forced to wait for the next opportunity for at least several months in the context of annual or quarterly financial reporting or registration of securities reports by specified deadlines. Due to these factors, public offering is less flexible and the Fundraising Scheme as proposed is more advantageous and expeditious.

##### **3.4.1.2 Pro rata allotment of new shares to existing shareholders**

Under this scheme, subscribers for new shares are existing shareholders only. Whether they will subscribe for new shares or not is uncertain in light of their financial resources. On a practical level, there are very few actual cases of this scheme in recent years. For these reasons, it is very difficult for the Company to accurately estimate the amount that can be procured from pro rata allotment of new shares to existing shareholders.

##### **3.4.1.3 Allotment of new shares to specified third parties (the so-called third-party allotment of shares)**

While third-party allotment is an effective means for immediately raising money at once, it would definitely cause dilution of earnings per share and directly affect the stock price. Furthermore, the Company is unable to find suitable investors at this moment.

#### **3.4.2 Convertible bonds (CB) with a fixed conversion price**

CB issue is advantageous since the issuer can surely procure its necessary amount at the time of the issue. If, however, the conversion of issued bonds into shares does not proceed as expected, the Company's indebtedness will eventually increase, which may affect the Company's borrowing capacity.

#### **3.4.3 Moving strike convertible bonds (MSCB)**

In Japan, MSCB is a convertible bond with warrant in which the conversion price is kept floating and revised in tandem with the underlying stock price. The terms and conditions for issuance and exercise of MSCB are diversified recently. Since the number of shares to be issued upon conversion depends on the conversion price, the number of shares to be issued in each instance cannot be fixed until the conversion in question is completed. This structure directly has a significant impact on the underlying stock price. In this respect, the impact on existing shareholders' interests is more moderate under the Fundraising Scheme.

#### 3.4.4 Warrants with a fixed exercise price

In case of warrants in which the exercise price remains unrevised, the Company will not be able to enjoy the advantage of a hike in the Company's stock price. On the other hand, the warrants will not be exercised when the stock price is declining, resulting in failure to procure new funds. This scheme is therefore subject to a higher degree of uncertainty than the Fundraising Scheme. As another issue, it is difficult at this moment to set an adequate exercise price, considering the present level of the Company's stock volatility.

#### 3.4.5 Rights issue

Rights issue is a method of capital increase through granting warrants to all existing shareholders without compensation. In case of a rights issue with underwriting commitment, the Company will enter into an underwriting agreement with a financial instruments business operator. In case of a rights issue with no underwriting commitment, such underwriting agreement will not be concluded and the exercise of the warrants will be left to each shareholder's discretion. Until today, the former type of rights issue is very rare in Japan, and the Company has no prospect of realizing this scheme. Regarding the latter type of rights issue, the Company is not qualified for using this solution under the rules established by the Tokyo Stock Exchange since the Company has recorded a current-account deficit for the most recent two fiscal years.

#### 3.4.6 Debt financing

If the Company raised money from debt financing such as borrowing or issuance of company bonds or subordinated bonds, the full amount of money procured would constitute the Company's indebtedness. This might deteriorate the Company's financial soundness and undermine its borrowing capacity in the future. Considering these aspects as well as the intended use of new funds that the Company is going to procure, the Company has decided to refrain from debt financing at this time.

### 4. Fundraising Amount, Intended Use and Disbursement Schedule

#### 4.1 Estimated fundraising amount (net)

Total amount to be paid in for the Warrants	1,623,875,000 yen
Value of the property to be contributed through exercise of the Warrants	1,622,500,000 yen
Total estimated expenses for issue	20,000,000 yen
Net proceeds	1,603,875,000 yen

- Notes
1. Estimated fundraising amount is the sum of the total amount to be paid in for the Warrants (1,375,000 yen), and the total value of property to be contributed through exercise of the Warrants (1,622,500,000 yen).
  2. The total value to be contributed through exercise of the Warrants is calculated on the assumption that all the Warrants are exercised at the initial exercise price. If the exercise price is revised or adjusted, the total amount to be paid in for the Warrants and the total value to be contributed through exercise of the Warrants will vary accordingly. If some Warrants are not exercised within the specified exercise period, or if the Company acquires and cancels some Series 18 warrants or Series 19 warrants, the total amount to be paid in for the Warrants and the total value to be contributed through exercise of the Warrants will decrease accordingly.
  3. Total estimated expenses for issue include survey costs, statutory registration costs, attorney fees, and costs for appraisal of the Warrants.
  4. The amount of total estimated expenses for issue is net of Japanese national and local consumption taxes.

#### 4.2 Intended use of new funds

The amount of net proceeds from the issuance of the Warrants and their exercise by the Allottee is estimated at 1,603 million yen in total. These new funds will be used for the following projects.

Project covered by new funds	Amount (Millions of yen)	Time for disbursement
(1) Costs associated with conducting Clinical Trials in the United States (BP2202)	1,053	April 2026 – March 2028
(2) Development Costs for New Pipeline	171	April 2026 – March 2028
(3) Working capital	379	April 2026 – March 2028
Total	1,603	—

- Notes
1. The funds raised are planned to be allocated in order of the earliest implementation among the items included in (1) to (3) above. If the amount raised does not meet the planned amount, there is a possibility that funds cannot be allocated to the items scheduled for subsequent implementation. Conversely, if the amount raised exceeds the plan, the funds will be allocated to one of the items from (1) to (3) above, considering appropriate distribution and other factors for the business deployment.
  2. Until the funds raised through the payment of the Warrants are allocated to the above-mentioned uses, the Company plans to manage and store the funds in stable financial assets such as bank deposits.
  3. If, during the period until the scheduled expenditure date, sufficient funds cannot be raised through the exercise of the Warrants, the Company will prioritize allocating funds to (1) above, and may also consider additional fundraising methods or revising the business plan. If there are any changes to the intended use of funds or the scheduled expenditure date, the Company will promptly disclose such information.

The costs for the projects to be covered by new funds are more detailed as follows.

Whether to exercise the Warrants or not and the timing for exercise depend on the warrant holder's discretion, which are beyond the Company's control. Furthermore, the exercise price for the Warrants may be revised or adjusted in the future. For these reasons, the amounts of new funds and the schedule for their procurement and disbursement described here are mere estimates and the actual amounts and time schedule may differ from these estimates.

In the event of any discrepancies, the Company will disclose the details.

(1) Costs associated with conducting Clinical Trials in the United States (BP2202)

The Company plans to initiate a Phase I clinical trial targeting multiple myeloma in the United States starting from fiscal year 2026. Currently, the Company is progressing with the establishment of a master iPS cell bank (MCB) and the development of manufacturing processes for differentiating iPS cells (MCB) into NKT cells. The Company aims to submit an application for clinical trial approval by the end of fiscal year 2025.

The funds raised through this financing are intended to cover the expenses associated with conducting the clinical trial in the U.S., and the actual allocation of these funds is expected to occur after April 2026. The clinical trial is anticipated to last approximately two years. Based on the previous experience with clinical trials conducted in the U.S. for other projects, the Company believes that the majority of the required funds can be covered by the amount raised through this financing, provided that the project progresses as initially planned.

(2) Development Costs for New Pipeline

The Company is considering further improvements to the existing pipeline, including an enhanced



version, and exploring broad possibilities in modalities such as cell therapies, antibody drugs, or related approaches. The target diseases are not necessarily limited to the oncology field, allowing for a wide range of potential applications. Additionally, the development of new pipelines outside of the existing ones will continue ongoingly; therefore, the funds allocated from this funding round will only cover a portion of the overall investment. The display of 'New Pipeline' is only until the development code is assigned and it is listed on the pipeline table.

(3) Working capital

The Company's business activities include research and development for drug discovery and non-clinical and clinical development, commercial development centered on licensing transactions (both in-licensing and out-licensing), and support and management of research and development projects.

Working capital is used to cover general and administrative expenses (other than R&D expenses), which consist mainly of personnel expenses for researchers and other staff and include remuneration, rents, and business taxes. The estimated amount to be allocated is calculated based on the Company's actual results for the past years.

Regarding the necessary funds from December 2025 to March 2026, the Company plans to allocate 98 million yen from the funds raised through the exercise of the 17th to 19th warrants.

The specific use of the funds raised through the issuance of the 17th to 19th warrants (with exercise price revision clauses), which the Company resolved to issue on June 19, 2024, has been disclosed in the "Announcement of Issuance of Series 17th to 19th Moving Strike Warrants, Conclusion of Warrant Purchase Agreement, and Issuance of Unsecured Bonds (Private Placement Bonds)" dated the same day.

The projected expenditure amounts by funding purpose, which the Company has disclosed, will be revised as follows.

The actual amount raised was 1,863 million yen, compared to the initially planned 2,232 million yen.

<Before revision>

Project covered by new funds	Amount (Millions of yen)	Time for disbursement
(1) R&D for cancer immunotherapy pipelines	Total <u>1,709</u>	July 2024 – March 2026
• Cell therapy agents	<u>1,368</u>	
• Antibody drugs	<u>341</u>	
(2) Working capital	<u>523</u>	July 2024 – March 2026
Total	<u>2,232</u>	—

<After revision>

Project covered by new funds	Amount (Millions of yen)	Time for disbursement
(1) R&D for cancer immunotherapy pipelines	Total 1,399	July 2024 – March 2026
• Cell therapy agents	<u>1,103</u>	
• Antibody drugs	<u>296</u>	
(2) Working capital	<u>464</u>	July 2024 – March 2026
Total	<u>1,863</u>	—

## 5. Justification for the Intended Use of New Funds

As explained in Section 2 (Purpose and Reason for the Offering), the Company intends to use new funds from the Fundraising for the purpose of improving the Company's value, which is expected to ensure medium- and long-term revenue and profits and to contribute to steady business growth. The Company therefore believes the intended use of new funds procured from the Fundraising will eventually help enhance the interests of the Company's existing shareholders.

## **6. Reasonableness of the Terms and Conditions for the Financing**

### **6.1 Pricing for the Warrants**

The Company asked Akasaka International Accounting Co., Ltd. (headquartered at 4-1Kioi-cho, Chiyoda-ku, Tokyo and represented by Kenzo Yamamoto), an independent appraiser, for valuation of the Warrants based on the terms and conditions described in this document and the provisions of a drafted Purchase Agreement. No material conflict of interest exists between this appraiser and the Company and between the appraiser and the Allottee.

For the purpose of the valuation, the appraiser adopted the Monte Carlo method after examining and comparing this method and other pricing models such as the Black-Scholes model and the binomial model. Monte Carlo simulation is a general price calculation model capable of relatively and appropriately reflecting the terms and conditions for issuing the Warrants and the terms and conditions to be contained in the Purchase Agreement in the valuation results. The appraiser's valuation was conducted based on certain preconditions defined for the valuation purpose. Such preconditions include the following data for the Company's shares: stock price at 59 yen, volatility at 69.9 %, expected dividend at zero yen, risk-free interest rate at 1.0 %, and the Allottee's expected behavior in exercising its rights.

After closely examining the appraiser's valuation based on the preconditions described above, the Company has set the amount to be paid in for one warrant at 5 yen, which is the same amount as calculated by the appraiser. The initial revision of the exercise prices for the Warrants will be made on the trading day following the allotment date, which will subsequently be revised on each trading day. On each such Revision Date, the exercise price will be set at an amount equal to 100% of the closing price of the Company's common stock in regular trading on the Tokyo Stock Exchange on the trading day immediately preceding the Revision Date (or, if no closing price is available on that trading day, the closing price on its immediately preceding trading day).

If, however, the Revised Exercise Price obtained in any of the foregoing calculations falls below the minimum exercise price, the minimum exercise price will be adopted as the Revised Exercise Price. The minimum exercise price is 30 yen, equivalent to 50% of the closing price on the trading day immediately preceding the date of approving the resolution to issue the Warrants. The Company considers that this value is reasonable and unobjectionable, compared to the pricing for similar warrants of other issuers.

In the course of the valuation, the appraiser considered some potential events that could affect the fair value of the Warrants and calculated the fair value using Monte Carlo simulation, which is a method commonly used for this kind of valuation. Therefore, the appraiser's valuation is found to be reasonable. In the context of fixing the issue price of the Warrants by reference to such reasonable valuation result, the Company has finally set the issue price at the same value as calculated by the appraiser. The Company has therefore determined that the issue price set in this way does not constitute a particularly favorable value and concluded that it is a fair and reasonable price.

All three incumbent company auditors (including three outside company auditors) of BrightPath have expressed an opinion upholding the legitimacy of the directors' conclusion that the terms and conditions for issuing the Warrants do not constitute a favorable issue, as a result of their audit conducted in the course of their duties required under the Companies Act. This auditors' opinion is based on their recognition as follows: (i) Akasaka International Accounting Co., Ltd. is found to be in a position that is adequately independent from the Company's management since there is no advisory services contract between the appraiser and the Company; (ii) the appraiser conducted its valuation in a position independent from the Allottee; (iii) the method used for

pricing the Warrants is a generally adopted method conforming to market practices; (iv) the Company's decision to set the issue price for the Warrants at the same amount as calculated by the appraiser is found reasonable; and (v) it is found reasonable to decide the terms and conditions for the Warrants based on the closing price of the Company's common stock in regular trading on the Tokyo Stock Exchange on November 20, 2025.

## **6.2 Grounds for concluding that the number of shares to be issued and the scale of share dilution are reasonable**

The number of shares of the Company's common stock to be issued after the exercise of all the Warrants is 27.5 million shares (corresponding to the number of voting rights at 275,000), resulting in the dilution ratio of 24.69% based on the total number of issued shares of the Company as of September 30, 2025 at 111,391,300 shares (corresponding to the number of voting rights at 1,113,753) as the denominator (and the dilution ratio for the number of voting rights represented by such shares is 24.69%). In this sense, the issuance of the Warrants will obviously cause a certain level of dilution of the Company's common stock.

Nevertheless, the Company has decided to proceed with this fundraising because the Company believes that the funds raised through this capital increase will be allocated in accordance with the primary purpose and rationale of this offering. Specifically, the funds will be used for the costs associated with conducting the U.S. clinical trial for BP2202, development costs for new pipelines, and other operational expenses. The Company considers this allocation to contribute to the future growth and enhancement of corporate value.

Furthermore, regarding 27,500,000 shares to be issued upon full exercise of the Warrants, the average daily trading volume of the Company's common stock on the stock exchange over the past six months (from May 2025 to October 2025) has been 7,899,743 shares, indicating a certain level of liquidity.

In addition, the fundraising through the issuance of the Warrants offers certain advantages for the Company and existing shareholders. Since the company can designate a suspension period for the exercise of the rights, there is a degree of control over the timing of their exercise. This helps prevent a sudden increase in the number of issued shares, providing a strategic advantage. The Company believes that this approach will support its growth strategy and ultimately contribute to the enhancement of the corporate value, thereby benefiting the existing shareholders.

Moreover, the Warrants include provisions that allow the company, at its discretion, to acquire the remaining rights. This is intended to prevent an excessive increase in the number of issued shares in the event that, due to future circumstances, the need for fundraising diminishes or more favorable fundraising methods become available.

Taking all these points into consideration, the Company believes that the number of rights issued and the extent of share dilution are reasonable.

## **7. Reasons for Appointment of the Allottee**

### **7.1 Profile of the Allottee**

(a) Name	Phillip Securities Japan, Ltd.
(b) Head Office	4-2, Nihonbasi Kabuto-cho, Chuo-ku, Tokyo, 103-0026 Japan
(c) Representative's name and title	Makoto Nagahori, President & CEO
(d) Business Description	Financial instruments transactions such as the buying and selling of securities, over-the-counter derivative transactions, commodity futures trading, and related ancillary services
(e) Amount of Capital Stock	950 Million Yen
(f) Date of Establishment	April, 1944
(g) Number of issued shares	1,155,000 shares (as of September 30, 2025)
(h) End date of the fiscal year	30 June

(i)	Number of employees	128 (as of September 30,2025)		
(j)	Major clients	Investors and Issuers		
(k)	Main Bank	Mizuho Bank		
(l)	Major shareholders and their shareholding ratios	Phillip Brokerage Pte. Ltd. (Singapore)100%		
(m)	Relationship with the Company			
	Capital Relationship	There are no capital relationships to be disclosed between the Company and the Allottee. Additionally, there are no notable capital relationships between the Company's affiliates and the affiliates of the Allottee.		
	Personal Relationship	There are no personnel relationships to be disclosed between the Company and the Allottee. Additionally, there are no notable personnel relationships between the Company's affiliates and related parties and the Allottee's affiliates and related parties.		
	Transaction Relationship	There are no transaction relationships to be specified between the Company and the Allottee. Additionally, there are no notable transaction relationships between the Company's related parties and affiliated companies and the related parties and affiliated companies of the Allottee.		
	Status of applicability to related parties	The Allottee does not fall under the Company's related parties. Additionally, the stakeholders and affiliated companies of the Allottee do not qualify as the Company's related parties		
(n)	Results pf operation and Financial Position (Unit: thousand yen excluding items specified otherwise)			
Fiscal Year		Fiscal Year ending March 2023	Fiscal Year ending June 2024	Fiscal Year ending June 2025
Net Assets		9,413,807	13,414,796	11,775,905
Total Assets		40,438,290	59,134,202	61,719,476
Net Assets per share (yen)		8,150	11,615	10,196
Operating Revenue		1,664,279	2,917,912	3,249,880
Operating Profit		▲88,647	111,124	296,240
Ordinary Profit		153,001	405,972	515,170
Net Income		▲23,705	937,466	272,057
Net Income per share (yen)		▲21	812	236
Dividends per share (yen)		-	-	

Note: The descriptions in this table are based on the information available on September 30, 2025, except as otherwise stated.

\* Since the Allottee is a participant in the exchange's trading activities, the Company has not submitted a confirmation letter regarding the Allottee's non-anti-social forces status to the exchange. The Allottee has established a "Basic Policy on Anti-Social Forces," which stipulates the severance of any relationship with anti-social forces, and has thoroughly communicated this policy to its officers and employees. Additionally, this policy has been publicly disclosed. The Company has obtained a copy of this document and has received an explanation regarding its contents.

Furthermore, the Allottee has also formulated internal regulations concerning the severance of relationships with anti-social forces in external procedures, which specify necessary measures to prevent such relationships. The Allottee has taken steps to ensure sound business operations and to exclude anti-social forces from financial product transactions and the financial markets. The Company has obtained these regulations from the Allottee and has received an explanation.

Based on these measures, the Company has determined that the Allottee has no relationship whatsoever with anti-social forces or related organizations.

## **7.2 Reasons for appointment**

As the Company considered various funding options, the Company examined the situation and outlook of funding through indirect finance, the Company's financial condition, and future business development. Based on these factors, the Company explored methods of raising funds through direct finance.

During this process, in September 2025, the Company received a proposal for this scheme from the Allottee. After comparing and evaluating proposals from multiple securities companies, the Company determined that the structure and basic conditions of the funding proposal from the Allottee, as well as the scheme designed during subsequent discussions, would meet the Company's funding needs. Consequently, the Company selected the Allottee.

Additionally, taking into account the past activities and policies of the Allottee, the Company judged that it is appropriate to allocate the Warrants to a third party as the Allottee.

(Note) The allocation related to the Warrants will be made to the Allottee, a member of the Japan Securities Dealers Association, and will be conducted in accordance with the "Rules on Handling of Third-Party Allotments of Capital Increases, etc." (Self-Regulatory Rules) established by the Japan Securities Dealers Association.

## **7.3 Holding policy of the Allottee and measures for controlling warrant exercise**

Given that EVO FUND's holding policy is pure investment, the Allottee has no intention of holding shares of the Company's common stock for a long term, in principle, after acquiring them through exercising the Warrants. To fulfill the responsibility to its investors, Allottee will closely watch changes in the Company's stock price and, in general, seek to sell the Company's stock in the market. Meanwhile, the Company has verbally confirmed the Allottee's current stance to: seek an off-market sale of the Company's stock if the Allottee can find a purchaser who is to accept a block trade; refrain from such transactions that might make unclear the number of shares virtually held or controlled by the Allottee (e.g., swap trading with financial institutions or institutional investors during the exercise period for the Warrants); and have no intention of transferring the Warrants to prime brokers or other similar financial institutions.

The Purchase Agreement to be concluded between the Company and the Allottee is going to contain the following conditions.

- (1) The Allottee's warrant exercise is restricted, in principle, to the extent that the number of shares to be acquired through warrant exercise in any single calendar month will not exceed 10% of the number of the Company's listed shares as of the payment date for the Warrants ("Overstepping Exercise"). This restriction is imposed in accordance with Rule 434, Paragraph 1 of the Securities Listing Regulations established by the Tokyo Stock Exchange and Rule 436, Paragraphs 1 through 5 of the Enforcement Rules for Securities Listing Regulations.
- (2) The Allottee must agree that Overstepping Exercise is prohibited, except as otherwise specifically permitted. Before each warrant exercise, the Allottee must seek the Company's confirmation as to whether or not the intended exercise constitutes Overstepping Exercise.
- (3) If the Allottee intends to transfer the Warrants, the Allottee must force the transferee, in advance, to assure the Company of the transferee's acceptance and compliance with the requirements concerning Overstepping Exercise. If a transferee acquiring the Warrants from the Allottee intends to resell those Warrants to another third party, the Allottee must ensure that such third party will assure the Company of its acceptance and compliance with the requirements concerning Overstepping Exercise.

In addition to the foregoing, the Purchase Agreement is going to stipulate that any transfer of the Warrants will be subject to the approval of the Company's board of directors. In the event of any such transfer, the Company will, before seeking approval from the Company's board of directors, verify the identity of the transferee, ascertain that the transferee is not an antisocial force, confirm the transferee's financial ability to subscribe for the Warrants,

and check the transferee's holding policy. Such transfer, if effected, will be followed by the Company's timely disclosure.

#### **7.4 Confirmation of the existence of financial resources necessary for the Allottee's contribution in the Fundraising**

The Company is currently reviewing the bank deposit balance report as of October 31, 2025, for the Allottee, and the Company has determined that the funds required for the payment of the total amount of the subscription price (issue price) for the Warrants at the payment deadline are sufficient.

Furthermore, regarding the exercise of the Warrants, the Allottee is generally expected to exercise the Warrants and then sell the acquired shares to recover funds. Since this process is repeated, it is not anticipated that a large amount of funds will be required at once. Therefore, the Company believes that the Allottees will have sufficient funds to exercise the warrants.

#### **7.5 Agreements concerning share certificate lending**

Between the Allottee and the Company or any of its officers and shareholders, there is no agreement for borrowing and lending of share certificates in relation to the Company's stock. No such agreement is planned to be concluded in the future as well.

### **8. Major Shareholders and Shareholding Ratios**

Shareholder	Shareholding ratio
Rakuten Securities, Inc.	3.96%
BNP Paribas Financial Markets	1.64%
SBI Securities Co., Ltd.	1.28%
Matsui Securities Co., Ltd.	0.85%
Japan Securities Finance Co., Ltd.	0.78%
Takehiko Nakasato, an individual	0.77%
IwaiCosmo Securities Co.,Ltd.	0.76%
Keiko Makino, an individual	0.58%
Hiroshi Akeo, an individual	0.54%
Hideki Komatsu, an individual	0.49%

- Notes:
1. The shareholding ratios are calculated based on the numbers of shares recorded in the shareholder register as of September 30, 2025.
  2. The purpose of the Allottee's retention of the Warrants is pure investment. The Allottee is expected to sell shares of the Company's common stock acquired through the exercise of the Warrants. PHILLIP therefore has made no commitment to hold shares of the Company's common stock acquired through the exercise of the Warrants on a long-term basis. For this reason, this table does not state the shareholding ratios after the allotment to PHILLIP.
  3. The figures are rounded to two decimal places.

### **9. Future Outlook**

The proceeds from the exercise of the Warrants are expected to contribute to the expansion of the Company's business, the enhancement of its corporate value and shareholder value and the reinforcement of its financial foundation over the medium- to long-term, as explained in Section 4.2 (Intended use of new funds).

The amounts actually procured and the times for obtaining new funds from the Fundraising will depend on the

status of exercise of the Warrants, as explained in Section 4.2. How and when to use new funds will be decided more specifically based on the progress of actual exercise of the Warrants, and the impacts on the Company's business performance for the current fiscal year will be timely disclosed as soon as they become clear.

## 10. Procedures Required under the Code of Corporate Conduct

The current fundraising does not result in a dilution rate of 25% or more, does not involve a change in the controlling shareholder, and even if all the new Warrants are exercised, a change in the controlling shareholder is not expected. Therefore, it is not necessary to obtain an opinion from an independent third party or to conduct shareholder approval procedures, as stipulated in Article 432 of the Exchange's Securities Listing Regulations, 'Corporate Conduct Standards for Third-Party Allotments.

## 11. Business Results and Equity Finance for the Last Three Years

### 11.1 Business results for the last three years

(Thousands of yen)

Fiscal year	Year ended March 2023	Year ended March 2024	Year ended March 2025
Net sales	5,280	72	1,133
Operating loss (-)	(1,467,059)	(1,155,078)	(1,160,918)
Ordinary loss (-)	(1,473,774)	(1,158,929)	(1,147,879)
Net loss (-) or net loss attributable to owners of the parent (-)	(1,485,633)	(1,168,082)	(1,151,149)
Net loss per share (-) (yen)	(24.90)	(18.21)	(14.12)
Dividend per share (yen)	—	—	—
Net assets per share (yen)	24.60	13.52	9.98

### 11.2 Numbers of issued shares and potential shares

(As of September 30, 2025)

	Number of shares	Ratio
Number of issued shares	111,391,300 shares	100%
Number of potential shares issuable at the current exercise price	56,500 shares	0.05%
Number of potential shares issuable at the minimum exercise price	—	—
Number of potential shares issuable at the maximum exercise price	—	—

Notes: 1. All potential shares in this table are shares issuable through exercise of stock options.

### 11.3 Recent stock prices

#### 11.3.1 Past three years

	Year ended March 2023	Year ended March 2024	Year ended March 2025
Opening price	103 yen	170 yen	66 yen
Highest price	270 yen	185 yen	89 yen
Lowest price	61 yen	63 yen	41 yen
Closing price	172 yen	67 yen	44 yen

Note: Each stock price was quoted on the Growth Market of the Tokyo Stock Exchange.

### 11.3.2 Past six months

	Jun. 2025	Jul. 2025	Aug. 2025	Sep. 2025	Oct 2025	Nov. 2025
Opening price	39 yen	52 yen	86 yen	87 yen	70 yen	62 yen
Highest price	63 yen	96 yen	114 yen	93 yen	83 yen	64 yen
Lowest price	39 yen	45 yen	68 yen	66 yen	59 yen	57 yen
Closing price	51 yen	82 yen	87 yen	70 yen	63 yen	59 yen

Notes: 1. Each stock price was quoted on the Growth Market of the Tokyo Stock Exchange.

2. The stock prices in Nov 2025 are the data as of November 20, 2025.

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### 11.3.3 Trading day immediately preceding the date of resolution to issue the Warrants and the Bonds

	November 20, 2025
Opening price	61 yen
Highest price	61 yen
Lowest price	59 yen
Closing price	59 yen

## 11.4 Equity finance for the past three years

### 11.4.1 Series 16 warrants (issued under the scheme of third-party allotment)

Allotment date	November 30, 2023
Number of warrants issued	156,600 warrants
Issue price	33 yen per warrant (5,167,800 yen in total)
Initially planned amount of new funds to be raised (estimated net proceeds)	1,633,807 thousand yen (Net proceeds: 1,613,807 thousand yen) Breakdown: Amount procured through the warrant issue: 5,167 thousand yen Amount procured through warrant exercise: 1,628,640 thousand yen Total estimated expenses for issue: 20,000 thousand yen
Total number of issued shares upon the offering	62,891,200 shares of common stock
Allottee	Macquarie Bank Limited
Status of warrant exercise to date	125,001 warrants exercised The Company has acquired and cancelled all the unexercised warrants
Amount of new funds raised to date	877,735 thousand yen
Projects covered by new funds	(1) R&D for cancer immunotherapy pipelines • Cell therapy agents • Antibody drugs (2) Working capital
Original schedule for disbursement	(1) December 2023 – December 2024 (2) December 2023 – December 2024
Status of use of new funds to date	(1) R&D for cancer immunotherapy pipelines: 467 million yen for cell therapy pipelines, and 218 million yen for antibody drug pipelines; disbursed from December 2023 to July 2024 (2) Working capital: 193 million yen, disbursed from December 2023 to July 2024



#### 11.4.2 Series 17-19 warrants (issued under the scheme of third-party allotment)

Allotment date	July 5, 2024
Number of warrants issued	360,000 warrants Series 17 warrants: 150,000 warrants Series 18 warrants: 120,000 warrants Series 19 warrants: 90,000 warrants
Issue price	Total amount of issue: 2,670,000 yen Series 17 warrants: 9 yen per warrant Series 18 warrants: 8 yen per warrant Series 19 warrants: 4 yen per warrant
Initially planned amount of new funds to be raised (estimated net proceeds)	2,252,670 thousand yen (Net proceeds: 2,232,670 thousand yen) Breakdown: Amount procured through the warrant issue: 2,670 thousand yen Amount procured through warrant exercise: 2,250,000 thousand yen Total estimated expenses for issue: 20,000 thousand yen
Total number of issued shares upon the offering	70,741,300 shares of common stock
Allottee	EVO FUND
Status of warrant exercise to date	360,000 warrants exercised
Amount of new funds raised to date	1,863,153 thousand yen
Projects covered by new funds	(1) R&D for cancer immunotherapy pipelines • Cell therapy agents • Antibody drugs (2) Working capital
Original schedule for disbursement	(1) July 2024 – March 2026 (2) July 2024 – March 2026
Status of use of new funds to date	(1) R&D for cancer immunotherapy pipelines: 848 million yen for cell therapy pipelines, and 238 million yen for antibody drug pipelines; disbursed from July 2024 to November 2025 (2) Working capital: 366 million yen, disbursed from July 2024 to November 2025 ※The remaining balance of 411 million yen is scheduled to be allocated to the funding purposes mentioned above (1) and (2) during the period from December 2025 to March 2026

**Attachment**

**BrightPath Biotherapeutics Co., Ltd. Series 20 Warrants**

**Terms and Conditions**

**1. Name of the Warrants**

BrightPath Biotherapeutics Co., Ltd. Series 20 Warrants (hereinafter referred to as the “Warrant(s)”)

**2. Total amount of issue**

1,375,000 yen ( 5 yen per warrant )

**3. Subscription period**

Until December 8, 2025

**4. Date of allotment and payment**

December 8, 2025

**5. Offering method**

All Warrants are allotted to Phillip Securities Japan, Ltd. by the method of allotment of securities to specified third parties (third-party allotment).

**6. Class and number of shares underlying the Warrants**

- (1) The class of shares underlying all Warrants shall be common stock of BrightPath Biotherapeutics Co., Ltd (hereinafter referred to as the “Company”).
- (2) Total number of shares underlying all Warrants shall be 27,500,000 shares. The number of shares underlying one Warrant shall be 100 shares (hereinafter referred to as the “Number of Allotted Shares”). If the Company conducts a stock split or a consolidation of shares for the Company's common stock (hereinafter collectively referred to as “Stock Reconstruction”), the Number of Allotted Shares shall be adjusted in accordance with the following formula. However, fractions less than one share arising from the adjustment shall be rounded down.

Number of Allotted Shares after adjustment

= Number of Allotted Shares before adjustment x Ratio of Stock Reconstruction

If, however, the Number of Allotted Shares is adjusted pursuant to the other reasons, the Number of Allotted Shares shall be adjusted subject to the resolution of the board of directors of the Company as far as it is rational.

## 7. Total number of the Warrants

275,000 warrants

## 8. Amount to be paid in for each Warrant

5 yen per Warrant

## 9. Value of the property to be contributed upon exercise of the Warrants or method of calculating such value

- (1) The property to be contributed upon exercise of each Warrant shall be cash, and its value shall be an amount obtained by multiplying the Exercise Price (as defined below) by the Number of Allotted Shares.
- (2) The amount per share of the Company's common stock to be contributed upon exercise of the Warrants (hereinafter referred to as "Exercise Price") shall initially be 59 yen.

## 10. Revision of the Exercise Price

- (1) The exercise price is subject to the initial revision on the trading day (as defined below) immediately after the date of allotment and the subsequent revision on each trading day thereafter (hereinafter referred to as the "Revision Date"). The exercise price shall be revised to an amount equal to 100% of the closing price of the Company's common stock in regular trading on the Tokyo Stock Exchange on the trading day immediately preceding the Revision Date (as defined below). If the revised exercise price calculated in the way specified above is to fall below the Minimum Exercise Price (as defined below), the Minimum Exercise Price shall be adopted as the revised exercise price. If, however, there is no closing price on the Revision Date, the exercise price shall not be revised. If an event defined in Section 11 occurs, the closing date on the Revision Date shall be adjusted rationally.

A "trading day" means a day on which a trading session is held on the Tokyo Stock Exchange.

"Revision Date" means the effective date for revising the exercise price on any trading day.

- (2) The minimum exercise price is 30 yen (hereinafter referred to as the "Minimum Exercise Price").
- (3) The Minimum Exercise Price shall be adjusted pursuant to Section 11.

## 11. Adjustment to the Exercise Price

- (1) If the total number of issued shares of the Company's common stock changes or is likely to change in any of the cases specified in Section 11(2) after the Warrants have been issued, the Company shall adjust the Exercise Price in accordance with the following formula (hereinafter referred to as the "Exercise Price Adjustment Formula").

$$\begin{array}{ccccccc} \text{Exercise} & & \text{Exercise} & & \text{Number of} & & \text{Number of} \\ \text{Price after} & = & \text{Price} & \times & \text{outstanding} & + & \text{shares newly} \\ \text{adjustment} & & \text{before} & & \text{shares} & & \text{issued or} \\ & & \text{adjustment} & & & & \text{disposed of} \\ & & & & & & \text{Market value per share} \\ & & & & \text{Number of} & + & \text{Number of shares} \end{array}$$

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outstanding  
shares

newly issued or  
disposed of

(2) The Exercise Price shall be adjusted by the Exercise Price Adjustment Formula in any of the following cases. The Exercise Price so adjusted shall be effective from the day specified for each applicable case.

- (i) In the case where the Company newly issues shares of the Company's common stock or disposes of any such shares held by the Company at a price less than the market price specified in Section 11(4)(ii) (including the cases of allotting shares without contribution), except where the Company issues or disposes of shares as stock-based compensation subject to transfer restriction for the Company's officers or employees, delivers shares based on exercise of warrants (including those attached to bonds), acquires shares with put options or shares subject to call, or delivers shares based on exercise of any other right to ask for such delivery, or delivers shares of the Company's common stock in the context of a company split, share exchange or merger. The Exercise Price after adjustment shall become effective on the payment date (which shall be the last day of the payment period designated for the offering or on the effective date for the allotment of securities without contribution, as applicable), or on the day immediately following the record date, if any, for identifying the shareholders eligible for the allotment in such issuance or disposition.
- (ii) In the case of issuing shares of the Company's common stock through a stock split, the exercise price after adjustment shall be effective on the day immediately following the record date for the stock split. In the case of issuing shares of the Company's common stock through allotment of shares without contribution, the exercise price after adjustment shall be effective on the day immediately following the record date for the allotment of shares without contribution if such date exists, or on the day immediately following the date the allotment of shares without contribution get effective.

The "number of shares newly issued or disposed of" used in the Exercise Price Adjustment Formula means an increase in the number of shares of the Company's common stock arising as a result of the stock split.

- (iii) In the case of issuing or granting shares with put options for which shares of the Company's common stock are to be delivered at a price lower than the market value specified in Section 11(4)(ii) or issuing or granting warrants (including those attached to bonds) for which their holders are entitled to ask for the delivery of shares of the Company's common stock at a price lower than the market value specified in Section 11(4)(ii) , except where the Company issues stock options to its officers or employees but including where the Company issues shares of the Company's common stock through allotment of shares without contribution, the exercise price after adjustment shall be calculated by the Exercise Price Adjustment Formula on the assumption that all put options or all warrants, as the case may be, are exercised under the original conditions. the Exercise Price so adjusted shall become effective on the payment date for shares with put options, on the allotment date of warrants, or on the effective date for the allotment of securities without contribution, as the case may be. If, however, a record date for identifying the shareholders eligible for the allotment is set, the Exercise Price after adjustment shall be effective from the day immediately following the record date.
- (iv) In the case where shares of the Company's common stock are delivered at a price lower than the market value specified in Section 11(4)(ii), in exchange for the Company's acquisition of shares subject to call or warrants (including those attached to bonds) subject to call that the Company has already issued, the Exercise Price after adjustment shall become effective on the day immediately following the

acquisition date.

Notwithstanding the foregoing, if any adjustment to the exercise price made under Item (iii) occurs before the adjustment made pursuant to the preceding paragraphs in relation to the shares subject to call or warrants (including those attached to bonds) subject to call in question, the exercise price to be obtained after the latter adjustment shall be calculated with consideration for the former adjustment.

- (v) Notwithstanding Items (i) to (iii) above, if a record date is set in any of the cases described in those Items and the validity of the Exercise Price after adjustment is subject to the approval of the shareholders meeting, the board of directors or any other authorized organization of the Company to be obtained after the record date, the Exercise Price after adjustment shall become effective on the day immediately following the approval date. In this situation, if any Warrant Holder exercises Warrants during the period from the day immediately following the record date to the approval date, the Company shall additionally deliver shares of its common stock to the Warrant Holder in the number calculated by the following formula.

$$\text{Number of shares} = \frac{\left( \begin{array}{c} \text{Exercise Price} \\ \text{before} \\ \text{adjustment} \end{array} - \begin{array}{c} \text{Exercise Price} \\ \text{after} \\ \text{adjustment} \end{array} \right) \times \begin{array}{c} \text{Number of shares issued at the} \\ \text{Exercise Price before adjustment} \\ \text{during the period in question} \end{array}}{\text{Exercise Price after adjustment}}$$

Fractions less than one share shall be rounded down.

- (3) If the difference between the Exercise Price after adjustment calculated by the Exercise Price Adjustment Formula and the Exercise Price before adjustment is less than one yen, the Exercise Price shall not be adjusted. If, however, the Exercise Price subsequently needs to be adjusted upon occurrence of an event requiring adjustment, the amount obtained by subtracting such difference from the Exercise Price then in effect shall be used as the Exercise Price before adjustment in the Exercise Price Adjustment Formula.
- (4) In the calculation by the Exercise Price Adjustment Formula:
- (i) The value shall be calculated to the first decimal place and rounded to the nearest yen unit.
  - (ii) The market value used in the Exercise Price Adjustment Formula shall be the average closing price of the Company's common stock at the Tokyo Stock Exchange for the 30 consecutive trading days (excluding days on which no closing price is available) beginning on the 45th trading day prior to the effective date of the Exercise Price after adjustment (or prior to the record date, in the case of Item (2)(v) of this Section). In this case, the average value shall be calculated to the second decimal place and rounded off to the first decimal place.
  - (iii) The number of outstanding shares to be used in the Exercise Price Adjustment Formula shall be the total number of issued shares of the Company's common stock as of the record date, if any, for identifying the shareholders eligible for the allotment or as of the day one month prior to the effective date of the Exercise Price after adjustment, if there is no such record date, less the number of such common stock shares held by the Company as of the same date. In the case described in Section 11(2)(ii), the number of shares newly issued or disposed of used in the Exercise Price Adjustment Formula shall not include the number of shares of the Company's common stock to be allotted to such common stock shares held by the Company as of the record date.

- (5) In addition to the case where the Exercise Price is required to be adjusted under Section 11(2), the Company shall make necessary adjustment to the Exercise Price in any of the following cases.
- (i) In the case where the Exercise Price needs to be adjusted for the purpose of a consolidation of shares, company split, share exchange or merger
  - (ii) In the case where the Exercise Price needs to be adjusted due to the occurrence of any other event leading to a change or likely to give rise to a change in the number of shares of the Company's common stock
  - (iii) In the case where multiple events requiring adjustment to the Exercise Price occurs sequentially and the effects from a certain event need to be considered for the purpose of fixing the Exercise Price before adjustment to be used for calculating the Exercise Price after adjustment in connection with any other event
- (6) Notwithstanding the case described in Section 11(2), if the date the exercise price after adjustment is initially applied falls on the Revision Date as defined in Section 10, the Company shall make necessary adjustment.
- (7) When intending to adjust the Exercise Price (or the Minimum Exercise Price), the Company shall notify the Warrant Holders in writing on or before the day immediately preceding the effective date of the adjustment, which notification shall state the intention of making such adjustment, reasons for the adjustment, the Exercise Price before adjustment, the Exercise Price after adjustment (or the Minimum Exercise Price after adjustment), the effective date and other necessary matter. If, however, the Company is unable to provide such advance notification in the case specified in Section 11(2)(v) or under any other circumstances, the Company shall provide the notification of the adjustment promptly after the effective date.

## **12. Exercise Period for the Warrants**

From December 9, 2025 to December 8, 2027

## **13. Other conditions for exercising Warrants**

Exercising any Warrant in part is not allowed.

## **14. Acquisition of Warrants**

- (i) If the Company's Board of Directors resolves that it is necessary to acquire Warrants, the Company may, after the day following the payment deadline for these rights and in accordance with Articles 273 and 274 of the Companies Act, notify the Allottee at least 11 trading days prior to the designated acquisition date set by the Company's Board of Directors. On the designated acquisition date, the Company may acquire all or part of the new share subscription rights held by the rights holders (excluding the Company) at a price equal to the amount paid for each right. If acquiring only part of the rights, the acquisition shall be conducted through a lottery or other reasonable methods. Notwithstanding any other provisions of these terms, the notice of acquisition of the new share subscription rights by the Company to the rights holders shall not be effective unless the Company makes disclosures based on the Financial Instruments and Exchange Act regarding the acquisition.
- (ii) The Company shall acquire all of the new share subscription rights held by the rights holders (excluding the Company) at a price equal to the amount paid for each right, on the last day of the period during which the rights can be exercised (if that day is a non-business day, then on the immediately preceding

business day).

#### **15. Issuance of warrant certificates**

The Company will not issue warrant certificates for the Warrants.

#### **16. Increase in the stated capital and capital reserves when shares are issued based upon exercise of the Warrants**

When shares are issued based upon exercise of Warrants, the amount of stated capital to be increased shall be the amount obtained by multiplying the maximum amount of increase in stated capital as calculated pursuant to Article 17(1) of the Regulations on Corporate Accounting by 0.5, rounding up fractions less than one yen. As a result, the amount of capital reserves to be increased shall be the amount obtained by subtracting the amount of stated capital to be increased as calculated above from the maximum amount of increase in stated capital as aforesaid.

#### **17. Procedure for exercising Warrants**

- (1) To exercise Warrants, the Warrant Holder shall submit a warrant exercise notice stating required matters to the office specified in Section 19 during the exercise period specified in Section 12.
- (2) To exercise Warrants, the Warrant Holder shall, in addition to submitting the exercise notice specified in Section 16(1), pay the full amount of the property required to be contributed upon the warrant exercise in cash by transfer to the Company's designated account in the office for payment specified in Section 20.
- (3) A notice of exercise of Warrants shall become effective on the day on which all of the following are fulfilled: the office for warrant exercise specified in Section 19 shall have been fully informed of all required matters for the warrant exercise and the full amount of the property required to be contributed upon the warrant exercise shall have been paid into the account specified in Section 17(2).

#### **18. Delivery of shares**

The Company will deliver shares by book-entry transfer to the account the Warrant Holder designates after the warrant exercise become effective.

#### **19. Office for warrant exercise**

Securities Agency Division, Mitsubishi UFJ Trust and Banking Corporation

#### **20. Office for payment**

Shinbashi Branch, Sumitomo Mitsui Banking Corporation

#### **21. Amount to be paid in for the Warrants and grounds for the calculation of the amount of property to be contributed upon their exercise**

The amount to be paid in for one Warrant has been set at the amount specified in Section 8 by taking into consideration these Terms and Conditions and the provisions of the purchase agreement between the Company and the allottee, using a Monte Carlo simulation, which is a general pricing model. In addition, the

amount of property to be contributed upon exercise of the Warrants has been set at the amount specified in Section 9.

## **22. Application of the Act on Book-Entry Transfer of Corporate Bonds and Shares**

Given that the Warrants are Book-Entry Transfer Warrants defined in the Act on Book-Entry Transfer of Corporate Bonds and Shares, all Warrants are governed by this Act. The Warrants shall be handled in accordance with the Operational Rules for Book-Entry Transfer of Shares, etc., the enforcement regulations thereof and other regulations established by Japan Securities Depository Center, Inc.

## **23. Book-entry transfer institution**

Japan Securities Depository Center, Inc.  
7-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo

## **24. Miscellaneous conditions**

- (1) We will take necessary measures such as replacing with appropriate words when Companies Act or other relevant laws are revised.
- (2) These Terms and Conditions shall be effective when the relevant securities registration statement filed in accordance with the Financial Instruments and Exchange Act takes effect.
- (3) In addition to these Terms and Conditions, other matters necessary for the issuance of the Warrants shall be determined at the discretion of the Company's representative director.