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To Whom it may concern;

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### **Notice Concerning Introduction of Performance-based Restricted Share Unit (PSU) Plan for Directors**

Tekscend Photomask Corp. (the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on May 21, 2026, to introduce the Performance-based Restricted Share Unit Plan (hereinafter referred to as the “Plan”) for the Company’s directors (excluding outside directors; hereinafter referred to as the “Eligible Director(s)”) and to submit a proposal concerning the Plan to the 5th Ordinary General Meeting of Shareholders (hereinafter referred to as the “General Meeting of Shareholders”) scheduled to be held on June 25, 2026, as described below.

#### 1. Purpose of Introducing the Plan, etc.

##### 1) Purpose of Introducing the Plan

Under the Company’s current executive compensation plan, the compensation for the Eligible Directors consists of fixed compensation and performance-based compensation. Furthermore, the performance-based compensation comprises two components: short-term incentives (hereinafter referred to as “STI”) and long-term incentives (hereinafter referred to as “LTI”). STI is calculated based on the performance for a previous consolidated fiscal year (single fiscal year) and individual performance results, while LTI is calculated based on the achievement of operating profit targets and individual performance contributions over a three-year evaluation period. However, under the current system, both STI and LTI are cash incentive plans.

With the aim of providing the Eligible Directors with incentives to enhance corporate value over the medium to long term and to conduct management that prioritizes value sharing with shareholders, the Company will change the LTI component of performance-based compensation from the current cash-based form to the performance-based restricted share compensation.

##### 2) Conditions for Introducing the Plan

As the Plan involves delivering the Company’s common shares to Eligible Directors as a performance-based restricted share unit (PSU), the introduction of the Plan is subject to the approval of shareholders at the General Meeting of Shareholders.

#### 2. Overview of the Plan

The Plan is a performance-based restricted share unit (PSU) plan under which the Company’s Board of Directors predetermines the base number of shares, the performance evaluation period, and the performance evaluation metrics for the Eligible Directors, and delivers the Company’s common shares calculated based on the degree of achievement of such performance evaluation metrics. The scheme of the Plan is as follows:

- ① The Company sets a base amount in advance based on the scope of each Eligible Director’s responsibilities, and the Board of Directors determines the number of units to be delivered to each Eligible Director based on that amount, which are then delivered.

- ② Under the Plan, the Company's common shares will be delivered based on the fulfillment of certain performance conditions—which reflect the achievement of the Company's medium-term to long-term performance targets—and other conditions. The first performance evaluation period following the introduction of the Plan will cover the three fiscal years from the fiscal year ending March 31, 2027, through the fiscal year ending March 31, 2029. The performance evaluation metrics will consist of a combination of total shareholder return (TSR), return on equity (ROE), consolidated operating margin, revenue growth rate, and multiple strategic execution indicators, all of which are considered to be highly correlated with the enhancement of the Company's corporate value. The Company plans to establish appropriate metrics based on the Company's management strategy and business environment.
- ③ In principle, after the end of the performance evaluation period, in order to deliver the Company's common shares, the Company shall, following deliberation by a voluntary Nominations and Compensation Committee (hereinafter referred to as the "Voluntary Nominations and Compensation Committee") chaired by an outside director and composed of a majority of outside directors, and based on a decision by the Board of Directors, issue the Company's common shares to the Eligible Directors as compensation, without requiring any cash payment or the delivery of property contributed in kind, by issuing or disposing of the Company's common shares.
- ④ The specific selection of performance evaluation indicators, the performance evaluation period, the grant rate, and other details of the Plan shall be determined by the Board of Directors following deliberation by the Voluntary Nominations and Compensation Committee.
- ⑤ Regarding the extent of dilution associated with the issuance or disposition of shares under the Plan, the Company judges that it will be within a reasonable range in light of the Plan's purpose, given that the Plan aims to enhance corporate value over the medium to long term and maximize shareholder value, that the number of shares is determined reasonably based on the degree of performance achievement, and that it is operated under an appropriate governance structure decided by the Board of Directors following deliberation by the Voluntary Nominations and Compensation Committee.

### 3. Eligible Directors

If the proposal for the election of directors submitted to the General Meeting of Shareholders is approved, the number of directors will be seven, of whom three will be Eligible Directors.

### 4. Details of Remunerations under the Plan

- ① The number of the Company's common shares to be delivered to each Eligible Director shall be calculated by multiplying the number of units delivered by a grant rate corresponding to the degree of achievement of the performance evaluation indicators. (However, if the calculation results in a fraction of less than one share, such fraction shall be rounded down.)
- ② In principle, the vesting of units is conditional upon the Eligible Director being a director, executive officer, employee, or similar position at the Company or its subsidiaries at the time of vesting; however, even if an Eligible Director loses such status prior to the vesting of units, the number and timing of the delivery of the Company's common shares may be adjusted in accordance with the method determined by the Company's Board of Directors, provided that the loss of status is due to reasons predetermined by the Board.
- ③ The amount of remunerations for the Company's directors was resolved at the Company's 4th Ordinary General Meeting of Shareholders (held on June 20, 2025) to be within 620 million JPY annually, and this remains in effect to the present. The total amount of remunerations paid to directors, including monetary remunerations and the performance-based restricted share compensation introduced herein, shall be within 620 million JPY annually, and there shall be no change to this upper limit. Note that while the common shares issued or disposed of by the Company do not require payment of cash, the amount of remunerations to be paid to each Eligible Director will be calculated based on the average closing price of the Company's common shares on the Tokyo Stock Exchange from January to March of the final fiscal year of the performance evaluation period.
- ④ The total number of the Company's common shares to be delivered to Eligible Directors under the Plan shall be limited to 100,000 shares per year. Furthermore, if a share split, reverse share split, or similar event occurs between the date of the resolution on the proposal regarding the Plan and the delivery of the Company's common shares, the total number shall be adjusted within a reasonable range.

### 5. Others

#### (1) Restrictions on Transfer

With respect to the Company's common shares delivered under the Plan, a restriction on the transfer of shares shall be imposed during the term of office as a director and for one year following retirement; during such period, Eligible Directors shall not be permitted to freely transfer, create security interests in, or otherwise dispose of such shares.

(2) Grounds for Forfeiture of Units

If an Eligible Director commits certain misconduct specified by the Company's Board of Directors or falls under other grounds specified by the Board, such director shall forfeit all or part of the unvested units. Furthermore, regarding the Company's common shares delivered under the Plan, the Company shall establish a clawback provision under which, if certain events occur—such as serious accounting fraud or massive losses— each Eligible Director shall be required to return, without compensation, all or part of the share-based compensation already delivered, to the extent of such director's liability.

(3) Treatment in the Event of Organizational Restructuring

Prior to the delivery of the Company's common shares, if a proposal regarding a merger in which the Company is the dissolving company, a share exchange agreement in which the Company becomes a wholly-owned subsidiary, a share transfer plan, or other organizational restructuring is approved at a general meeting of shareholders of the Company (or, if approval by the general meeting of shareholders is not required for such organizational restructuring, by the Board of Directors), the Company may adjust the number and timing of the delivery of the Company's common shares, etc., based on a resolution of the Board of Directors.

(For your reference)

The Company plans to introduce a similar system for its executive officers and employees, as well as for the directors and employees of its subsidiaries, to be effective from the conclusion of the General Meeting of Shareholders.

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