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February 6, 2026

To whom it may concern:

Company name: Denka Company Limited  
Name of representative: Ikuro Ishida, Representative Director, President & CEO  
(Securities Code: 4061: Prime Market)  
Inquiries: Hiroyuki Yamamoto, General Manager,  
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(Tel: +81-3-5290-5511)  
Company name: Flowers Co., Ltd.  
Name of representative: Taro Inada, Representative Director

**Notice Regarding Commencement of Tender Offer**  
for Share Certificates, Etc. of KAINOS Laboratories, Inc. (Securities Code: 4556)

Denka Company Limited (“Denka”) and Flowers Co., Ltd., a wholly owned subsidiary of Denka (the “Tender Offeror”; Denka and the Tender Offeror are collectively referred to as the “Tender Offerors”), hereby announce that, as described below, the Tender Offeror decided today to acquire common shares of KAINOS Laboratories, Inc. (Securities Code: 4556; listed on the Standard Market of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”); the “Target Company”) (the “Target Company’s Shares”) through a tender offer (the “Tender Offer”) pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”).

This document constitutes a disclosure by Denka pursuant to the Securities Listing Regulations, and also serves as a public announcement made in accordance with Article 30, Paragraph 1, Item 4 of the Enforcement Order of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the “Enforcement Order”), based on a request made by the Tender Offeror to Denka (the Tender Offeror’s wholly owning parent company).

**1. Outline of the Tender Offeror**

Name	Flowers Co., Ltd.
Address	Nihonbashi Mitsui Tower, 1-1, Nihonbashi Muromachi 2-chome, Chuo-ku, Tokyo

Title and name of representative	Taro Inada, Representative Director
Description of business	To Engage in the service of controlling and managing the business activities of a company by holding shares or equity of that company.
Capital	5,000 yen

## 2. Purpose of Purchase

### (1) Overview of the Tender Offer

The Tender Offeror is a stock company (*kabushiki kaisha*) established on January 23, 2026, for the principal purpose of owning the Target Company's shares and controlling and managing the Target Company's business activities (Note 1). As of today, Denka holds all of the issued shares of the Tender Offeror, and Mr. Taro Inada, an executive officer of Denka, serves as the Representative Director of the Tender Offeror. In addition, following the completion of the Tender Offer, the Tender Offeror intends to undertake, during the period until the settlement of the Tender Offer, procedures for the contribution by Denka through the subscription of the common shares (the "Contribution (Denka)") and procedures for the contribution by Development Bank of Japan Inc. ("DBJ") through the subscription of the class A shares (non-voting shares) (the "Contribution (DBJ)") for the purpose of covering the funds necessary for the implementation of the Transactions (as defined below; the same applies hereinafter) (Note 2). As of today, the Tender Offeror, Denka, DBJ, and Mr. Taro Inada do not hold any of the common shares of the Target Company listed on the Standard Market of the Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange") (the "Target Company's Shares").

(Note 1) Since Denka will implement the Transactions through a joint investment by Denka and DBJ, Denka decided to establish the Tender Offeror and have the Tender Offeror implement the Tender Offer.

(Note 2) The class A shares scheduled to be allocated to DBJ shall be non-voting shares, and preferred dividend rights and a call option (monetary consideration) are planned to be stipulated in relation thereto. Furthermore, during the period until the settlement of the Tender Offer, Denka and DBJ plan to execute investment agreement relating to the implementation of the Contribution (Denka) and the Contribution (DBJ), as well as the shareholders' agreement concerning the operations of the Target Company and the handling of the shares of the Tender Offeror. The details of the investment agreement and the shareholders' agreement are to be determined through future discussions between Denka and DBJ. The shareholders' agreement will stipulate a call option, whereby Denka may request DBJ to sell all or part of the class A shares held by DBJ to Denka following a specified period. However, as of the filing date of this document, no matters regarding the Target Company's operations have been agreed upon.

The Tender Offeror resolved to implement the Tender Offer as part of transactions (the "Transactions") for the purpose of acquiring all of the Target Company's Shares (however, excluding

the Shares Agreed Not to Be Tendered (as defined below), the BBT Held Shares, and the treasury shares held by the Target Company) in order to make the Target Company a wholly-owned subsidiary of the Tender Offeror.

In connection with the implementation of the Tender Offer, on February 6, 2026, the Tender Offeror and Denka entered into a non-tender agreement with Asahi Kasei Pharma Corporation (number of shares held: 940,000; ownership ratio: 21.13% (Note 3); the “Shareholder Who Agreed Not to Tender Its Shares”), the largest shareholder among the Target Company’s major shareholders (as of December 31, 2025) (the “Non-Tender Agreement”). In the Non-Tender Agreement, it is agreed that all of the Target Company’s Shares held by the Shareholder Who Agreed Not to Tender Its Shares (940,000 shares; ownership ratio: 21.13%; the “Shares Agreed Not to Be Tendered”) shall not be tendered in the Tender Offer. Furthermore, as of February 6, 2026, the Tender Offeror entered into a tender agreement with (i) HIKARI TSUSHIN, INC. (number of shares held: 45,500; ownership ratio: 1.02%), UH Partners 2 Investment Limited Partnership, who was the third-largest shareholder of the Target Company (as of December 31, 2025) (number of shares held: 334,200; ownership ratio: 7.51%), Hikari Tsushin KK Investment Limited Partnership, who was the fourth-largest shareholder of the Target Company (as of December 31, 2025) (number of shares held: 281,600; ownership ratio: 6.33%), UH Partners 3 Investment Limited Partnership, who was the fifth-largest shareholder of the Target Company (as of December 31, 2025) (number of shares held: 257,200; ownership ratio: 5.78%) and SIL Investment Limited Partnership, who was the tenth-largest shareholder of the Target Company (as of December 31, 2025) (number of shares held: 60,800; ownership ratio: 1.37%; hereinafter collectively referred to as the “Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN)”), (ii) SYSMEX CORPORATION, who was the seventh-largest shareholder of the Target Company (as of December 31, 2025) (number of shares held: 230,000; ownership ratio: 5.17%; hereinafter referred to as the “Shareholder Who Agreed to Tender Its Shares (SYSMEX)”) and (iii) NIPPON KAYAKU CO., LTD. (number of shares held: 50,000; ownership ratio: 1.12%; hereinafter referred to as the “Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU)”) (the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN), the Shareholder Who Agreed to Tender Its Shares (SYSMEX), and the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) are collectively referred to as the “Shareholders Who Agreed to Tender Their Shares”) respectively (the tender agreement entered into with the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) is referred to as the “Tender Agreement (HIKARI TSUSHIN),” the tender agreement entered into with the Shareholder Who Agreed to Tender Its Shares (SYSMEX) is referred to as the “Tender Agreement (SYSMEX)” and the tender agreement entered into with the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) is referred to as the “Tender Agreement (NIPPON KAYAKU)”) (the Tender Agreement (HIKARI TSUSHIN), the Tender Agreement (SYSMEX), and the Tender Agreement (NIPPON KAYAKU) are collectively referred to as the “Tender Agreements” hereinafter), agreeing that all of the Target Company’s Shares held by the Shareholders Who Agreed to Tender Their Shares (total number of shares held: 1,259,300; ownership ratio: 28.30%; hereinafter referred to as the “Shares Agreed to Be Tendered”) will be tendered in the Tender Offer. For details of the Non-Tender Agreement and the Tender Agreements, please refer to “(6) Matters Concerning Material Agreements Related to the Tender Offer” below.

(Note 3) “Ownership ratio” means the ratio (rounded to the second decimal place; unless otherwise specified, the same calculation method applies to all ownership ratios hereinafter) of the number of shares (4,449,160 shares; the “Base Number of Shares”) calculated by deducting the number of treasury shares held by the Target Company (109,700 shares) (the number of such treasury shares does not include the Target Company’s Shares held by Custody Bank of Japan, Ltd. (Trust Account E) as the trust assets under the Target Company’s “Japanese-style Employee Stock Ownership Plan (J-ESOP)” and “Board Benefit Trust (BBT)” system (233,500 shares) (hereinafter, the Target Company’s Shares held by Custody Bank of Japan, Ltd. (Trust Account E) as the trust assets under the Target Company’s “Japanese-style Employee Stock Ownership Plan (J-ESOP)” system shall be referred to as the “J-ESOP Held Shares,” and the Target Company’s Shares held by Custody Bank of Japan, Ltd. (Trust Account E) as the trust assets under the Target Company’s “Board Benefit Trust (BBT)” system shall be referred to as the “BBT Held Shares”)) from the number of shares issued by the Target Company as of December 31, 2025 as stated in the “Non-Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2026 (Under Japanese GAAP)” announced on January 27, 2026 (the “Target Company’s Financial Results”) (4,558,860 shares).

The Tender Offeror has confirmed in writing dated February 6, 2025 (the “Tender Confirmation (Ms. Sugiyama)”) that Ms. Akiko Sugiyama (“Ms. Sugiyama”), the second-largest shareholder of the Target Company (as of December 31, 2025), will tender the Target Company’s Shares she holds (445,000 shares, ownership ratio: 10.00%) in the Tender Offer. Also, the Tender Offeror has confirmed that, as of the filing date of this document, the Shoko Chukin Bank, Ltd. (“Shoko Chukin”), intends to positively consider tendering all of the Target Company’s Shares it holds (50,000 shares, ownership ratio: 1.12%) in the Tender Offer (no contract regarding the tender agreement has been concluded).

The Tender Offeror has set the minimum number of shares to be purchased in the Tender Offer at 1,990,000 shares (ownership ratio: 44.73%), and if the total number of share certificates tendered in the Tender Offer (the “Tendered Share Certificates, Etc.”) is less than the minimum number of shares to be purchased (1,990,000 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc. On the other hand, as stated above, since the Tender Offeror intends to acquire all of the Target Company’s Shares (excluding the Shares Agreed Not to Be Tendered, the BBT Held Shares, and the treasury shares held by the Target Company), with the objective of making the Target Company a wholly-owned subsidiary of the Tender Offeror, no maximum number of shares to be purchased has been set. Accordingly, if the total number of Tendered Share Certificates, Etc. is equal to or greater than the minimum number of shares to be purchased (1,990,000 shares), the Tender Offeror will purchase all of the Tendered Share Certificates, Etc. The minimum number of shares to be purchased in the Tender Offer (1,990,000 shares) is the number of shares obtained by (i) multiplying the number of voting rights (43,949 rights) relating to the number of shares (4,394,960 shares) obtained by deducting the number of treasury shares held by the Target Company as of December 31, 2025 (109,700 shares) stated in the Target Company’s Financial Results and the

BBT Held Shares as of December 31, 2025 (54,200 shares) from the total number of issued shares of the Target Company as of December 31, 2025 (4,558,860 shares) stated in the Target Company's Financial Results by two-thirds (29,300 rights (rounded up to the nearest whole number)), (ii) deducting therefrom the number of voting rights (9,400 rights) relating to the number of Shares Agreed Not to Be Tendered (940,000 shares), and (iii) multiplying the result (19,900 shares) by the number of shares constituting one (1) unit (100 shares) of the Target Company (1,990,000 shares). The purpose of the Tender Offer is for the Tender Offeror to acquire all of the Target Company's Shares (excluding the Shares Agreed Not to Be Tendered, the BBT Held Shares, and the treasury shares held by the Target Company) in order to make the Target Company a wholly-owned subsidiary of the Tender Offeror; however, in light of the fact that (i) a special resolution at a general meeting of shareholders as stipulated in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; the "Companies Act") is required for implementing the procedures for the Share Consolidation as described in "(4) Policy for Organizational Restructuring, Etc., After the Tender Offer (Matters Relating to So-called "Two-step Acquisition")" below, and (ii) with respect to the BBT Held Shares, the stock ownership plan trust agreement between the Target Company and Mizuho Trust & Banking Co., Ltd. ("MHTB") as the trustee of the shares ownership plan trust (including the trust manager guidelines to be followed by the trust manager for such trust) does not anticipate tendering shares in the Tender Offer, and stipulates that the trustee will uniformly abstain from exercising its voting rights for the Target Company's Shares in accordance with the instructions of the trust manager, to ensure the implementation of the Transactions, the minimum number of shares to be purchased has been set so that after the Tender Offer, the Tender Offeror and the Shareholder Who Agreed Not to Tender Its Shares will hold two-thirds or more of the total number of voting rights (excluding voting rights relating to the BBT Held Shares) of all shareholders of the Target Company, thereby fulfilling this requirement. With regard to the voting rights relating to the J-ESOP Held Shares, the stock ownership plan trust agreement between the Target Company and MHTB as the trustee of the stock ownership plan trust (including the trust manager guidelines to be followed by the trust manager for such trust) stipulates that MHTB shall dispose of the shares belonging to the trust property by accepting the relevant tender offer in accordance with the instructions of the trust manager if it is announced that a person other than the Target Company is to conduct a tender offer for the Target Company's Shares (excluding a tender offer premised on retaining the listing of the shares). Therefore, the J-ESOP Held Shares are not to be deducted from the number of shares to be purchased since the possibility of those shares being tendered in the Tender Offer cannot be ruled out. Regarding the relationship between the minimum number of shares to be purchased in the Tender Offer and the Majority of Minority, please refer to "g. Setting the Minimum Number of Shares to be Purchased at a Number That Exceeds the Number Corresponding to the "Majority of Minority" under "(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest" below.

If the Tender Offeror fails to acquire all of the Target Company's Shares (excluding the Shares Agreed Not to Be Tendered, the BBT Held Shares, and the treasury shares held by the Target Company) through the Tender Offer, the Tender Offeror intends to carry out a series of procedures

to make the Tender Offeror and the Shareholder Who Agreed Not to Tender Its Shares the sole shareholders of the Target Company and to delist the Target Company's Shares as described in "(4) Policy for Organizational Restructuring, Etc., After the Tender Offer (Matters Relating to So-called "Two-step Acquisition"))" below (the "Squeeze-Out Procedures") after the completion of the Tender Offer.

If the Tender Offer is successfully completed, the Tender Offeror will receive the Contribution (Denka) and the Contribution (DBJ) no later than two (2) business days prior to the commencement date of the settlement for the Tender Offer (the "Settlement Commencement Date"), and the Target Company plans to use these funds to cover the settlement funds for the Tender Offer.

In addition, following the Squeeze-Out Procedures, the Tender Offeror and the Target Company plan to have the Target Company acquire Shares Agreed Not to Be Tendered (the "Acquisition of Treasury Shares" and the price for the acquisition of the treasury shares associated with the Acquisition of Treasury Shares is referred to as the "Treasury Shares Acquisition Price") around late June 2026 (planned). It will be possible to implement the Acquisition of Treasury Shares after the Share Consolidation and prior to the approval of exemption from the obligation to file securities reports. However, this is planned to be implemented after the Target Company's Shares is delisted, and since the delisted shares will not fall under the "listed share certificates, etc." (Article 24-6, Paragraph 1 of the Act and Article 4-3 of the Enforcement Order) subject to a tender offer for one's own shares (meaning the tender offer set forth in Article 27-22-2 of the Act; the same applies hereinafter), the Tender Offeror does not plan on conducting a tender offer for its own shares. In addition, the Treasury Shares Acquisition Price, taking into account the application of the provision on the non-inclusion of deemed dividends in profits, is scheduled to be 1,935 yen per share for the Target Company's Shares prior to the Share Consolidation, as an amount whereby the after-tax proceeds to be obtained if the Shareholder Who Agreed Not to Tender Its Shares were to tender their shares in the Acquisition of Treasury Shares shall be equal to or less than the after-tax proceeds if the Shareholder Who Agreed Not to Tender Its Shares were to tender their shares in the Tender Offer. By setting the Treasury Shares Acquisition Price lower than the purchase price for the Tender Offer (the "Tender Offer Price"), it becomes possible to raise the Tender Offer Price. Consequently, compared to purchasing all of the Target Company's Shares, including the Shares Agreed Not to Be Tendered through the Tender Offer, it will be possible to provide the minority shareholders of the Target Company with an opportunity to sell their shares at a higher price through the Tender Offer. Therefore, the Acquisition of Treasury Shares was proposed by Denka to the Shareholder Who Agreed Not to Tender Its Shares from the viewpoint of maximizing the Tender Offer Price and maintaining fairness among shareholders.

According to the "Notice Regarding Expression of Opinion in Support of the Commencement of Tender Offer for the Shares of the Company by Flowers Co., Ltd. and Recommendation to Tender Shares" announced by the Target Company on February 6, 2026 (the "Target Company's Press Release"), at the Target Company's board of directors meeting held on February 6, 2026, the Target

Company passed a resolution to express an opinion in support of the Tender Offer and recommend that the shareholders of the Target Company tender their shares in the Tender Offer.

**(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Management Policy After the Tender Offer**

a. Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer

Denka, the parent company of the Tender Offeror, was established in May 1915 as a chemical manufacturer originating from the production of carbide (Note 1), utilizing limestone, which was a domestic resource of Japan, and hydroelectric power. Since then, Denka has evolved into a distinctive integrated chemical manufacturer, expanding its business from inorganic chemistry, which began with carbide, into organic chemistry and further into petrochemicals. With respect to Denka's shares, Denka was listed on the Tokyo Stock Exchange, Osaka Exchange, Inc. (the "Osaka Exchange"), and Nagoya Stock Exchange, Inc. (the "Nagoya Stock Exchange") in May 1949, and, thereafter, on Fukuoka Stock Exchange, Inc. (the "Fukuoka Stock Exchange") in January 1950. Subsequently, Denka was delisted from the Osaka Exchange, the Nagoya Stock Exchange and the Fukuoka Stock Exchange in March 2003. Due to the market reclassification of the Tokyo Stock Exchange in April 2022, Denka is listed solely on the Prime Market of the Tokyo Stock Exchange as of today.

(Note 1) "Carbide" is formally known as calcium carbide ( $\text{CaC}_2$ ). It is produced by reacting limestone with coke in a high-temperature electric furnace and is primarily used as a raw material for acetylene gas and calcium cyanamide fertilizer.

Denka's Life Innovation business was initiated by DENKA SEIKEN Co., Ltd. ("Denka Seiken"), which was acquired in July 1979 and absorbed into Denka in 2020, and it operates across a broad spectrum of areas: prevention (vaccine manufacturing), diagnostics (manufacturing various diagnostic reagents) and treatment (contract manufacturing of therapeutic drugs). Particularly in the clinical diagnostic reagents business, the company holds a competitive advantage in immunoassay technology (Note 2), originating from bacterial testing, commercialized by Denka Seiken in the 1950s. This advantage has led to the rapid growth of business concerning reagents for automated analyzers, and antigen rapid diagnostic kits.

(Note 2) Immunoassay technology refers to an immunological measurement method that utilizes the specific binding reaction between antigens and antibodies to detect and quantify trace substances such as hormones, viruses, and cancer markers in blood or urine with high sensitivity and precision. It is applied across a wide range of fields, from clinical diagnostics to food inspection, through diverse methodologies.

As of today, the Denka group consists of Denka, 58 subsidiaries, and 18 affiliated companies (collectively the "Denka Group"). Its primary business involves the manufacture and sale of "Electronics & Innovative Products," "Life Innovation," "Elastomers & Infrastructure Solutions,"

and “Polymer Solutions,” along with related service operations. The business activities of the Denka Group and the respective positions of Denka and its affiliated companies within these businesses are as stated below.

(i) Electronics & Innovative Products

The main products include fused silica, spherical alumina, electronic circuit boards, fine ceramics, electronic component packaging materials, acetylene black, electrical construction materials, adhesives, adhesive tapes, and semiconductor process materials. In addition to Denka’s own manufacturing and sales, Denka’s subsidiary, Akros Trading Co. Ltd. (“Akros Trading”), handles sales of Denka products. Domestically, Denka’s subsidiary, Denar Silane Co., Ltd., manufactures and sells products such as monosilane gas. Overseas, in Singapore, Denka’s subsidiary, Denka Advantech Pte. Ltd., manufactures and sells fused silica and spherical alumina, while Denka Singapore Pte. Ltd. manufactures and sells acetylene black. Furthermore, in China, Denka Advanced Materials (Suzhou) Co., Ltd. manufactures and sells electronic component packaging materials, while Denka Electronics Materials (Dalian) Co., Ltd. manufactures and sells Al-SiC. In Vietnam, Denka Advanced Materials Vietnam Co., Ltd. manufactures and sells electronic component packaging materials and vinyl tape.

(ii) Life Innovation

The main products include vaccines, antigen rapid diagnostic kits, clinical reagents, and Oncolytic Virus, etc. Domestically, Denka handles the manufacturing and sales of this division’s main products. Overseas, Denka Life Innovation Research Pte. Ltd. (Singapore) conducts research and development on quick diagnostic systems using genetic methods for tropical infectious diseases.

(iii) Elastomers & Infrastructure Solutions

The main products include chloroprene rubber, fertilizers, carbide, refractories, special cement additives and polyethylene corrugated pipes. Denka manufactures and sells these products, while Denka’s subsidiary, Akros Trading, handles sales of Denka products. Denka’s subsidiary, Hinode Kagaku Kogyo Kabushiki Kaisha manufactures fused phosphate fertilizer, and Denka Azumin Kabushiki Kaisha manufactures humic acid magnesium fertilizers and humic acid liquid fertilizers. Overseas, in China, Denka’s subsidiary, Denka Inorganic Materials (Tianjin) Co., Ltd., manufactures and sells special cement additives. In Southeast Asia, Denka Infrastructure Malaysia Sdn Bhd. manufactures and sells special cement additives and construction chemicals. With respect to Denka Performance Elastomer LLC, Denka’s U.S. subsidiary manufacturing chloroprene rubber, the company has implemented an indefinite temporary suspension of operations starting May 2025, due to a rapid deterioration in business environment, and is exploring all options, including the potential transfer of business and sale of assets.

(iv) Polymer Solutions

The main products include styrene monomer, ABS resin, SBC resin, N-phenylmaleimide resin, transparent resin, poval, synthetic fibers for wigs and hairpieces, and sheets for food packaging. In addition to Denka manufacturing and selling these products, Denka’s subsidiary, Akros Trading, handles sales of Denka products. Domestically, Denka’s subsidiary, Denka Polymer Co., Ltd.,



manufactures and sells food packaging containers, while Denka Astec Co., Ltd. manufactures and sells housing equipment materials. TOYO STYRENE Co., Ltd., an affiliated company, manufactures and sells polystyrene resin, and Denka Co., Ltd. manufactures and sells monochloroacetic acid and other products. Outside Japan, in Singapore, Denka's subsidiary, Denka Singapore Pte. Ltd., manufactures and sells styrene-based resins such as SBC resin and MS resin, as well as N-phenylmaleimide resin, while Denka Advantech Pte. Ltd. manufactures and sells synthetic fibers for wigs and hairpieces.

(v) Others

This division includes the plant engineering business, wholesale business and other activities. Regarding subsidiaries, Denka Consultant and Engineering Co., Ltd. conducts the plant engineering business and Akros Trading handles wholesale distribution of Denka products, while Kurobegawadenryoku Company Limited., an affiliated company, operates the power supply business.

Furthermore, under its current Management Plan "Mission 2030," (formulated as of November 8, 2022) the Denka Group has positioned healthcare as one of its top priority areas and is working to expand Life Innovation businesses. In the clinical diagnostic reagents business, Denka intends not only to leverage the diverse technologies Denka possesses as a comprehensive chemical manufacturer to develop and manufacture products, thereby creating synergies, but also to accelerate its business development by utilizing external alliances through the Denka Group's extensive network.

On the other hand, according to the Target Company's Press Release, the Target Company was established in May 1975 as DOMS-IATRON Co., Ltd., with the aim of developing new diagnostic reagents (the tradename was changed to the current name, "KAINOS Laboratories, Inc.," in July 1975). Subsequently, the Target Company began production of biochemical and immunoassay reagents in August 1993. The Target Company's shares were listed over-the-counter with the Japan Securities Dealers Association in December 1995, before being delisted in December 2004 and subsequently listed on the JASDAQ Securities Exchange. After that, following the merger of the JASDAQ Securities Exchange and the Osaka Exchange in April 2010, the Target Company was listed on the Osaka Exchange JASDAQ. Then, in July 2013, following the integration of the Tokyo Stock Exchange and the Osaka Exchange, the Target Company was listed on the Tokyo Stock Exchange JASDAQ (Standard). Further, the Target Company has been listed on the Standard Market of the Tokyo Stock Exchange since April 2022, due to the market reclassification of the Tokyo Stock Exchange.

As of February 6, 2026, the Target Company's principal business involves the manufacture and sale of clinical diagnostic reagents such as IVD products and medical equipment. The Target Company recognizes the role and value of clinical testing within the medical services and it analyzes the needs of medical settings and market trends, develops unique products, and maintains its commitment to providing them to society as part of its management policy, as guided by its management philosophy: We shall continue to provide the world with innovative clinical testing reagents and contribute to the advancement of healthcare and preventive medicine, in an environment where all employees

experience joy, pride, and fulfilment while fully exercising their capabilities. The Company's growth leads to the prosperity of our business partners and shareholders, and to the benefits for our employees and their families. The specific details of the Target Company's business are as follows.

(i) Manufacture and Sale of Clinical Diagnostic Reagents such as IVD Products

The Target Company develops, manufactures, and sells IVD products for clinical testing, targeting medical institutions, testing centers, and the Japanese IVD products companies with which the Target Company has partnerships. Specifically, the Target Company manufactures and sells (i) biochemical diagnostic reagents that examine the function of organs such as the kidneys and liver by biochemical methods like enzymatic assays, contributing to the diagnosis of various diseases, (ii) immunoserological diagnostic reagents that detect and measure tumour markers and infectious microorganisms by immunological methods such as antigen-antibody reactions; (iii) genetic diagnostic reagents for detecting infectious disease pathogens such as viruses and bacteria, including novel coronavirus, norovirus, and *Bacillus cereus*; and (iv) blood transfusion diagnostic reagents of Diagnostic Grifols SA ("Grifols") (Note 3), based on the principle of gel column centrifugation agglutination (Note 4).

(Note 3) Grifols, headquartered in Barcelona, Spain, manufactures and sells pharmaceuticals, primarily blood products, as well as medical devices and reagents for transfusion medicine.

(Note 4) "Gel column centrifugation agglutination" is a blood transfusion screening method in which a specimen (such as blood cells or serum) is injected into a gel packed into a specialized microtube (column), thereby causing a red blood cell agglutination reaction through the antigen-antibody reaction between red blood cells and antibodies, to determine blood types and irregular antibodies, etc. based on the reaction agglutination pattern observed after centrifuging the column.

(ii) Manufacture and Sale of Medical Equipment

The Target Company imports medical equipment, primarily the fully automated blood transfusion diagnostic equipment manufactured by Grifols, conducts acceptance and shipping inspections in accordance with Japanese regulatory requirements, and sells the equipment to healthcare institutions and testing centers. Specifically, the Target Company manufactures and sells: (i) Erytra and Erytra Eflexis, which are fully automated blood transfusion diagnostic equipment; and (ii) DG Therm, DG Spin, and DG Reader Net, which are semi-automated blood transfusion diagnostic equipment. Furthermore, the Target Company provides equipment maintenance and repair services to users who have purchased its products.

Within the healthcare industry, medical institutions have faced persistently challenging operating environments. This stems not only from the declining labor forces due to the advancing ageing population and low birth rates, but also from demands for healthcare system reformation aimed at controlling medical expenditure. Within the clinical diagnostic reagents industry, while the domestic diagnostic reagents market has matured and is tending towards saturation, various existing infectious diseases, including influenza, which had been suppressed under measures against the

novel coronavirus, have rapidly spread, and the situation has returned to what it was before the pandemic. The importance of clinical diagnostic reagents and medical devices, which are indispensable for the diagnosis and treatment of infectious diseases and various other conditions, remains unchanged, and it is therefore essential to ensure the continued supply of those clinically valuable tests.

The Target Company is a manufacturer and distributor of IVD products and medical equipment, undertaking the entire process from development to manufacturing and sales of various diagnostic reagents and instruments required for clinical testing in the medical field. The Target Company recognizes the role and value of clinical testing and analyzes the diversifying needs of medical settings and market trends, thereby undertaking the development and provision of unique products to society. Amid growing demand for clinical diagnostic reagents that enable early diagnosis directly linked to various treatments and contribute to preventive medicine, while the Target Company expands its existing clinical diagnostic reagent business and equipment business, it also strengthens collaboration with partner companies to develop, manufacture, and sell the diagnostic reagents that promptly reflect the users' needs, thereby driving its business growth.

Within the business environment surrounding the Target Company, it is considered essential to expand the range of excellent products that contribute to early diagnosis and treatment, such as those in the field of preventive medicine for lifestyle diseases, in order for the Target Company to gain market share in the increasingly saturated domestic market. Furthermore, the Target Company recognizes that accelerating overseas expansion is essential for achieving stable and sustainable growth and, in order to increase the proportion of overseas sales over the long term, the Target Company is working to establish a foothold for overseas expansion in the medium term by expanding the domestic adoption of overseas products. Moreover, the Target Company recognizes that, in implementing these measures, the challenge lies in a company-wide shortage of human resources, encompassing not only sales and R&D functions but also the personnel involved in corporate functions.

Denka believes that while Japanese in vitro diagnostic (IVD) manufacturers possess high technological capabilities, approximately 80% of Japanese IVD companies have annual sales ranging from several hundred million to several billion yen. Given this situation, Denka believes that they face challenges in international competitiveness, and further, the industry environment is becoming increasingly harsh, driven by the maturation of the domestic market, market contraction due to a declining birthrate, the advancement of dedicated instruments (i.e., closed systems), and the entry of foreign manufacturers. In addition, although the equipment manufacturers and chemical companies have acquired reagent manufacturers over the past decade or so, the primary purpose thereof has been to circumvent entry barriers imposed by the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices (Act No. 145 of 1960, as amended; the "Pharmaceuticals and Medical Devices Act"), and these moves have not necessarily led to the strengthening of individual businesses, and Denka recognizes there have even been cases where ownership of the companies changes within a short period.

Under these circumstances, Denka was exploring external alliances to further expand and strengthen its healthcare business, and Denka speculated that the Shareholder Who Agreed Not to Tender Its Shares, who is the largest shareholder of the Target Company, might be considering selling its shares in the Target Company's Shares, as its business relationship with the Target Company was diminished when the Shareholder Who Agreed Not to Tender Its Shares announced on September 26, 2024, that it had entered into an agreement on September 24, 2024 to transfer its diagnostic reagents business to a third party and that it would implement that transfer with an effective date of July 1, 2025. In response to this, Denka considered that acquiring the Target Company's Shares would enable it to fundamentally strengthen its collaboration with the Target Company, with which it already has a business relationship involving in-licensing and out-licensing of the H. pylori Latex "Seiken" and FER-Latex RX "Seiken" (Note 5). This would enhance the competitiveness of both companies' diagnostic reagent businesses, secure medium- to long-term growth opportunities, and make it possible to form an alliance among the Japanese IVD companies, which Denka recognized as something that had not been achieved in the Japanese IVD industry. In mid-November 2024, Denka approached the Shareholder Who Agreed Not to Tender Its Shares, through its banking partner, Sumitomo Mitsui Banking Corporation ("SMBC"), to propose an initial discussion. On November 25, 2024, the initial discussion, on the feasibility of an alliance with the Target Company, was held by and among Denka; the Shareholder Who Agreed Not to Tender Its Shares; Asahi Kasei Corp., which is the parent company of the Shareholder Who Agreed Not to Tender Its Shares; and SMBC, which introduced the parties. During this discussion, Denka explained to the Shareholder Who Agreed Not to Tender Its Shares the potential for an alliance by and between Denka and the Target Company. In response, the Shareholder Who Agreed Not to Tender Its Shares indicated its desire, as the largest shareholder of the Target Company, to encourage the Target Company to consider measures that would contribute to enhancement of the Target Company's corporate value. Consequently, Denka began, in late February 2025, considering whether to acquire the Target Company's Share. Following the initial discussions on March 7, 2025 with the Target Company, the Shareholder Who Agreed Not to Tender Its Shares, and Asahi Kasei Corp., the parent company of the Shareholder Who Agreed Not to Tender Its Shares, Denka submitted a proposal letter (the "Proposal Letter") to the Target Company on August 18, 2025, regarding the acquisition of the Target Company's Shares with the aim of deepening collaboration with the Target Company. Denka initially considered implementing a capital and business alliance while maintaining the Target Company's listing status by purchasing all of the Target Company's Shares held by the Shareholder Who Agreed Not to Tender Its Shares. However, as the Target Company received a proposal from a private equity investment company (the "Company X") regarding the acquisition of the Target Company's Shares, the Target Company requested that Denka reconsider its options, including the delisting of the Target Company's Shares, and submit a new letter of intent by the end of September 2025. Denka also believes that in order to maximize the potential synergies and resulting benefits between the two companies, it is crucial to make flexible decisions swiftly under an agile management structure. Furthermore, while Denka recognizes that approximately 25 Japanese IVD companies have annual sales exceeding 10 billion yen, the Target Company's annual sales for the fiscal year ending March 2025 are expected to remain at approximately 5.3 billion yen', and given that Target Company faces 'difficulty in securing sufficient management resources, such as

personnel for sales, research and development, and corporate functions, Denka's making the Target Company's Shares private enables the realization of rationalization synergies, such as reduction of indirect costs and expenses associated with maintaining its listing status, which would allow management resources to be allocated to other areas, including research and development and sales optimization. Therefore, Denka concluded that taking the Target Company's Share private would be the most effective approach rather than pursuing a business alliance while maintaining the Target Company's listing. Therefore, Denka submitted a letter of intent dated September 30, 2025, regarding the proposal for the Transactions undertaking the delisting of the Target Company's Shares. Specifically, Denka believes that the Transactions are expected to generate the following synergies.

(Note 5) H. pylori Latex "Seiken" are IVD products manufactured by Denka for detecting anti-Helicobacter pylori antibodies. FER-Latex RX "Seiken" are IVD products manufactured by Denka for measuring ferritin (FER).

(i) In-Licensing/Out-Licensing (Note 6) - Expanding Sales through Cross-Selling of Products

Both companies have already advanced initiatives for in-licensing and out-licensing of the products, achieving certain results. Denka believes that actively promoting cross-selling of biochemical diagnostic reagents and immunoserological diagnostic reagents, which until now could not be promoted, while the alliance deepens, may expand domestic sales of both companies' products.

Currently, the number of domestic sales personnel at each of the companies is estimated to be roughly the same as that at the other. Denka believes that realization of the alliance will double the number of personnel, and combined with the expansion of the product lineup, may further enhance competitiveness in the domestic market.

(Note 6) In-Licensing / Out-Licensing refers to the acquisition or granting of the rights to utilize or sell technologies, products, etc. owned by different IVD companies.

(ii) Expanding Contract Business Channels

Denka understands that a certain portion of the Target Company's sales comes from manufacturing and development contracts with domestic IVD manufacturers and others with partnership relationships. As Denka operates a similar business, by mutually leveraging each company's respective networks and customer relationships, Denka believes that it is possible to create further business opportunities and expand the business area of the companies.

(iii) Accelerating Expansion into Overseas Markets

Denka's Life Innovation business has been expanding overseas since the 2000s, and approximately 25% of its sales come from overseas markets. On the other hand, it is Denka's understanding that the Target Company's overseas sales currently account for only about 3% of its total sales, representing a very limited portion of its total sales in the most recent fiscal year.

Denka firmly believes that it is possible to accelerate the Target Company's expansion into overseas markets by leveraging Denka's established overseas sales channels to distribute the Target Company's products internationally.

(iv) Cost Reduction Through Joint Procurement of Raw Materials

As there are many raw materials in common used for both companies' products, Denka believes that the joint procurement of raw materials will strengthen the companies' negotiation of prices with suppliers, and enhance and expand the supply chain of the companies.

(v) Streamlining Logistics and Strengthening BCP

In addition to the expected operational efficiencies resulting from integrating both companies' logistics functions, it is Denka's understanding that the fact that both companies' manufacturing bases are located in the prefectures of Ibaraki and Niigata will make it possible to establish a structure with manufacturing bases on both the Pacific Ocean side and the Sea of Japan side, which have distinct regional characteristics, and that this collaboration will also yield the benefits of enhancing resilience against disasters, in terms of business continuity planning (BCP).

(vi) Streamlining Sales Locations

The sales locations of both companies largely overlap geographically, and Denka believes that integrating and sharing offices and operational infrastructure will enable more efficient business operations and cost rationalization.

(vii) Optimization of Research and Development

By optimizing product development with cross-selling in mind, efficient utilization of development resources will be achieved. This approach is expected to increase the number of development projects and accelerate the speed of new product development. Denka believes that these initiatives will strengthen both companies' research and development structures, and accelerate the launch of products that meet market needs.

If the Transactions are completed, the Target Company's Shares will be delisted. Disadvantages of delisting generally include the inability to raise funds from capital markets and the loss of benefits associated with being a listed company, such as gaining social credibility from external parties, including business partners, and maintaining the company's reputation. However, regarding fundraising, Denka believes that there will be no impact on the Target Company as the Target Company can utilize Denka Group's funds. Furthermore, the Target Company has already established a certain level of trust with its business partners, and it is unlikely that existing business relationships will significantly deteriorate solely due to the delisting of its shares. The social credibility and brand recognition established by the Target Company through its business operations to date will not be immediately lost due to the delisting. Rather, as the Target Company will be integrated into the Denka Group while it simultaneously becomes a wholly-owned subsidiary of Denka through the Transactions, the Target Company will benefit from the creditworthiness of the Denka Group, which is listed on the Prime Market of the Tokyo Stock Exchange. Therefore, Denka believes that the impact of these disadvantages after the Transactions will be minimal and will not

outweigh the expected benefits, which include enhancing the Target Company's corporate value as stated above.

Subsequently, in preparation for a full-scale review of the Transactions, Denka appointed SMBC as its financial advisor independent from Denka and the Target Company on October 8, 2025, Nagashima Ohno & Tsunematsu as its legal advisor on September 26, 2025, and AGS FAS Co., Ltd. ("AGS FAS") as its financial and tax advisor and third-party valuation institution on October 28, 2025.

Based on the Target Company's publicly available information including securities reports, financial results and other timely disclosures, and the medium-term business plan for the period from the fiscal year ending March 2026 to the fiscal year ending March 2029 received from the Target Company, as well as the interim results of due diligence conducted on the Target Company from early November 2025 to early January 2026, Denka conducted an initial analysis of the Target Company's business, finances, and future plans, and Denka submitted, on December 8, 2025, to the Target Company, a non-binding preliminary proposal to conduct the Transactions, upon which the Tender Offer Price was proposed to be 2,200 yen (the price obtained by adding a premium of 73.23% to 1,270 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on December 5, 2025, the business day immediately preceding the date of the proposal (rounded off to two (2) decimal places; the same applies hereinafter in the calculation of the premium rate)) (the "Preliminary Proposal"). Subsequently, based on the results of detailed due diligence regarding the Target Company's business, finance, taxation and legal affairs, and the interview directed to Denka regarding the content of the Preliminary Proposal conducted by the special committee of the Target Company on December 24, 2025, Denka submitted, on January 15, 2026, a legally binding proposal, upon which the Tender Offer Price was proposed to be 2,200 yen (the price obtained by adding a premium of 63.93% to 1,342 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on the business day immediately preceding the said date; a premium of 70.84% to 1,288 yen, the simple average of the closing price for the preceding one (1) month up to the said date; a premium of 73.62% to 1,267 yen, the simple average of the closing price for the preceding three (3) months up to the said date; and a premium of 73.26% to 1,270 yen, the simple average of the closing price for the preceding six (6) months up to the said date, respectively) (the "Formal Proposal"). In response, on January 21, 2026, the Special Committee (as defined in "b. Decision-Making Process Leading to Target Company's Decision to Support the Tender Offer and Reasons Therefor" below; the same shall apply hereinafter) requested consideration of an increase in the proposed price, stating that the proposed price did not reflect the intrinsic value of the Target Company's Shares and remained insufficient as a price that would fairly distribute to the general shareholders of the Target Company an amount corresponding to the increase in the corporate value to be realized through consummation of the Transactions.

In response to the above request, Denka submitted, on January 26, 2026, to the Special Committee their proposal regarding the Transactions (the "Second Proposal"), including details of which the Tender Offer Price was proposed at 2,274 yen (the price obtained by adding a premium of 68.95%

to 1,346 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on the 23rd of the same month, the business day immediately preceding the said date, a premium of 72.53% to 1,318 yen, the simple average of the closing price for the preceding one (1) month up to the said date, a premium of 78.39% to 1,275 yen, the simple average of the closing price for the preceding three (3) months up to the said date, and a premium of 78.28% to 1,276 yen, the simple average of the closing price for the preceding six (6) months up to the said date, respectively). In response, on January 29, 2026, Denka received a written request from the Special Committee asking for the tender offer price be set at a level that incorporates the tax benefit associated with deemed dividends arising from the Target Company acquiring Shares Agreed Not to Be Tendered through a share buyback, assuming a per-share equity value of 2,210 yen or more, as the Special Committee concluded that while the Tender Offer Price (2,274 yen) in the Second Proposal incorporates a certain premium relative to the historical average market price of the Target Company's Shares, it does not sufficiently reflect the intrinsic value of the Target Company's Shares and the recent market price trends.

In response to the above request, Denka, after sincere and thorough consideration, submitted, on February 2, 2026, to the Special Committee their proposal regarding the Transactions (the "Third Proposal"), including details of which the Tender Offer Price was proposed again at 2,274 yen (the price obtained by adding a premium of 75.06% to 1,299 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on the said date, a premium of 71.49% to 1,326 yen, the simple average of the closing price for the preceding one (1) month up to the said date, a premium of 77.66% to 1,280yen, the simple average of the closing price for the preceding three (3) months up to the said date, and a premium of 77.93% to 1,278 yen, the simple average of the closing price for the preceding six (6) months up to the said date, respectively), as the price stated in the Second Proposal represented the maximum consideration given to the interests of the Target Company's minority shareholders. In response, on February 3, 2026, Denka received a written request from the Special Committee asking for reconsideration of the proposal, as the Special Committee concluded that while the Tender Offer Price (2,274 yen) in the Third Proposal incorporates a certain premium relative to the historical average market price of the Target Company's Shares, it does not sufficiently reflect the intrinsic value of the Target Company's Shares and the recent market price trends.

In response to the above request, after sincere and thorough consideration to maximize the interests of the Target Company's general shareholders, Denka submitted, on February 4, 2026, to the Special Committee their proposal regarding the Transactions (the "Fourth Proposal"), including details of which the Tender Offer Price was proposed at 2,285 yen (the price obtained by adding a premium of 76.45% to 1,295 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on the 3rd of the same month, the business day immediately preceding the said date, a premium of 72.58% to 1,324 yen, the simple average of the closing price for the preceding one (1) month up to the said date, a premium of 78.38% to 1,281 yen, the simple average of the closing price for the preceding three (3) months up to the said date, and a premium of 78.79% to 1,278 yen, the simple average of the closing price for the preceding six (6) months up to the said



date, respectively). In response, on February 5, 2026, Denka received a reply from the Special Committee accepting the Tender Offer Price stated in the Fourth Proposal at 2,285 yen.

In addition, on January 21, 2026, for the purpose of the enhancement of the likelihood of completion of the Tender Offer, the Tender Offeror proposed that the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) enter into the Tender Agreement (NIPPON KAYAKU), and on February 6, 2026, the Tender Offeror entered into the Tender Agreement (NIPPON KAYAKU). On January 24, 2026, the Tender Offeror proposed that the Shareholder Who Agreed to Tender Its Shares (SYSMEX) enter into the Tender Agreement (SYSMEX), and on February 6, 2026, the Tender Offeror entered into the Tender Agreement (SYSMEX). Furthermore, on January 27, 2026, the Tender Offeror proposed that the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) enter into the Tender Agreement (HIKARI TSUSHIN), and on February 6, 2026, the Tender Offeror entered into the Tender Agreement (HIKARI TSUSHIN). Although Denka and the Tender Offeror (Denka and the Tender Offeror collectively referred to as the “Tender Offerors”) did present the Tender Offer Price anticipated at the time to the Shareholders Who Agreed to Tender Their Shares on the day each Tender Agreement was proposed, the Tender Offeror has not received any proposal for discussion or negotiation regarding the Tender Offer Price from the Shareholders Who Agreed to Tender Their Shares, and the Tender Offeror has not engaged in any discussion or negotiation regarding the Tender Offer Price with the Shareholders Who Agreed to Tender Their Shares .

Based on the above deliberations, discussions and judgments, the Tender Offerors decided on February 6, 2026, to conduct the Tender Offer as part of the Transactions, setting the Tender Offer Price at 2,285 yen.

b. Decision-Making Process Leading to Target Company’s Decision to Support the Tender Offer and Reasons Therefor

(i) Background of the Establishment of the Review Structure

As described in “a. Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer” above, the Target Company has continuously reviewed measures to achieve sustainable growth and maximize its corporate value from a medium- to long-term perspective. As part of these examinations, the Target Company held an initial meeting with Denka on March 7, 2025, which also included the Shareholder Who Agreed Not to Tender Its Shares and its parent company, Asahi Kasei Corporation and initial discussions were also held regarding Denka's acquisition of the Target Company’s Shares.

Under these circumstances, on July 4, 2025, the Target Company received from Company X a written acquisition proposal for a series of transactions premised on the delisting of the Target Company’s Shares, including a tender offer for the Target Company’s Shares at a price of 1,530 yen per share (“Company X’s Proposal”) and reported this at the Target Company's regular board of directors meeting held on July 25, 2025. However, at the time of receiving Company X’s Proposal on July 4, the Target Company reasonably doubted the specificity, legitimacy, and feasibility of Company X’s Proposal. Therefore, on July 23, 2025, the Target Company sent Company X a letter of inquiry

seeking confirmation of the details regarding the backing of Company X's acquisition funds, its understanding and analysis of the Target Company, and the feasibility of its corporate value enhancement measures. The Target Company received a response to this letter of inquiry on August 3, 2025. After carefully reviewing the response, the Target Company recognized that Company X's Proposal had a certain degree of specificity, legitimate purpose, and feasibility. Therefore, following deliberation at the Target Company's board of directors meeting held on August 25, 2025, the Target Company decided to initiate a process to fairly review Company X's Proposal (the "Process") from the perspective of enhancing the Target Company's corporate value and securing shareholder interests, in accordance with the "Guidelines for Corporate Takeovers" announced by the Ministry of Economy, Trade and Industry on August 31, 2023 (the "Corporate Takeover Guidelines"). To ensure the fairness of the transactions related to Company X's Proposal, and to manage the Process, on August 25, 2025, the Target Company's board of directors appointed TMI Associates as its legal advisor and Mizuho Securities Co., Ltd. ("Mizuho Securities") as its financial advisor and third-party valuation agency, both of which are independent of the Tender Offerors, DBJ, and the Target Company (collectively referred to as the "Tender Offer Related Parties"), as well as Company X and Company Y (as defined below).

Furthermore, the Target Company considered that: (i) from the perspective of enhancing the Target Company's corporate value and securing minority shareholders' interests, it would be appropriate to select the superior option after comparing and evaluating not only Company X's Proposal but also multiple other alternatives; and (ii) given the importance and confidential nature of this matter, to ensure appropriate information management, it should approach specific candidates with whom a certain degree of business synergy is anticipated, rather than conducting an overly broad search. Therefore, the Target Company, while confirming the specificity, legitimacy, and feasibility of Company X's Proposal, simultaneously conducted proactive market checks by individually approaching multiple potential candidates. As part of this process, on July 17, 2025, the Target Company requested a preliminary review regarding the possibility of a series of transactions for the acquisition of the Target Company's Shares by Denka, which is a competitor that had previously maintained a certain business relationship with the Target Company, and Company Y, a business company in the same industry.

Subsequently, on August 8, 2025, the Target Company received a proposal from Company Y for a capital and business alliance ("Company Y's Proposal"), which proposed the acquisition of approximately 20% of the Target Company's Shares from its existing shareholders through off-market transactions, based on the premise of maintaining the Target Company's shares listing. On August 18, 2025, the Target Company also received the Proposal Letter from Denka regarding the acquisition of the Target Company's Shares, based on the premise of maintaining the Target Company's shares listing. In response to this, the Target Company believes that, as a general rule, corporate value enhancement measures implemented after delisting the Target Company's Shares are more effective than measures implemented after the partial acquisition of the Target Company's Shares. Furthermore, considering that a transaction to delist the Target Company's Shares would provide all shareholders with an opportunity to sell the Target Company's Shares at a price carrying

a higher premium than a transaction involving the partial acquisition of the Target Company's Shares, in order to conduct a meaningful comparative analysis with Company X's Proposal, the Target Company requested Denka on August 22, 2025 and Company Y on August 29, 2025 to reconsider, options, including the delisting of the Target Company's Shares, as proposed in Company X's Proposal, and to communicate the results.

As a result, the Target Company received a response from Denka dated September 8, 2025, indicating that it was considering a proposal with a view to the delisting of the Target Company's Shares. The Target Company requested Denka on the same date that, if Denka intended to make a proposal based on the delisting of the Target Company's Shares, it should submit a letter of intent by the end of that month. Consequently, Denka submitted a letter of intent regarding a proposal for this transaction based on the delisting of the Target Company's Shares dated September 30, 2025. Meanwhile, the Target Company received a response from Company Y on September 8, 2025, that it had no plans to make the Target Company a wholly-owned subsidiary or to acquire the Target Company's Shares exceeding approximately 20%. Furthermore, the Target Company continued discussions and negotiations with Denka and Company X as described below (ii) even after that point. However, with respect to Company Y, the Target Company sent a notice rejecting Company Y's Proposal dated January 20, 2026, and received confirmation from Company Y on the same date acknowledging that notice. Beyond this, no discussions or negotiations were conducted between the Target Company and Company Y.

In addition, although the transactions related to Company X's Proposal are arm's length transactions that do not constitute a management buyout or an acquisition of a subsidiary company by a controlling shareholder, (i) while the Target Company's board of directors includes three (3) directors who are officers or employees of the Target Company's major shareholders, given that each major shareholder may have an abstract possibility of proposing capital policies to the Target Company that are incompatible with the transactions related to Company X's Proposal, which involves the acquisition of the Target Company's Shares, or may have interests differing from those of the Target Company's general shareholders regarding securing opportunities for investment recovery through the transactions related to Company X's Proposal, there is a potential for a conflict of interest to arise between the Target Company's board of directors and the Target Company's general shareholders, and (ii) Company X's Proposal is expected to involve making the Target Company's Shares private through squeeze-out procedures following the completion of the tender offer (a so-called two-step acquisition), and Company X could potentially become the controlling shareholder of the Target Company after the completion of the tender offer, in which case, the squeeze-out procedures following the completion of the tender offer would constitute "significant transactions, etc., with controlling shareholder," as provided for in the rules of the Tokyo Stock Exchange, for the Target Company, and, therefore, when making decisions regarding these procedures, the Target Company must obtain an opinion from a party independent of the controlling shareholder confirming that such decisions are "not disadvantageous to minority shareholders." Therefore, upon commencing the Process, the Target Company decided to establish a special committee (the "Special Committee"), based on a board resolution dated August 25, 2025, in order to ensure a cautious approach regarding

the Target Company's decision-making process in connection with Company X's Proposal, as well as to eliminate arbitrariness and potential conflicts of interest in, and ensure the fairness of, the decision-making process of the Target Company's board of directors, and appointed Mr. Kenji Kikuchi (certified public tax accountant, Kenji Kikuchi Certified Public Tax Accountant Office), an independent external director of the Target Company, who is independent of the Target Company and Company X and Company Y as a member of the Special Committee (please refer to "d. Establishment of an Independent Special Committee at the Target Company and Obtainment of Report from the Special Committee" under "(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest" below for details regarding the background of the establishment of the Special Committee, including the reasons for selecting the members thereof, the review process, and the determinations made by the Special Committee). The Target Company then consulted the Special Committee on: (i) matters concerning the appropriateness of the transactions related to Company X's Proposal (including whether such transactions contribute to the enhancement of the Target Company's corporate value); (ii) matters concerning the fairness of the terms of the transactions related to Company X's Proposal (including whether the level of the consideration for the acquisition, the acquisition method, the type of consideration for the acquisition, and other terms were fair); (iii) matters concerning the fairness of the procedures for the transactions related to Company X's Proposal (including whether procedures to ensure the fairness of the transaction terms have been sufficiently implemented), and (iv) based on the matters stated in (i) through (iii) above and other matters, whether the decision by the Target Company's board of directors to implement the transactions related to Company X's Proposal (including expressing an opinion regarding the tender offer related to Company X's Proposal) would be disadvantageous to minority shareholders (collectively, the "Initial Matters of Inquiry"). The Target Company also decided that if a sincere proposal for a capital policy premised on the acquisition of the Target Company's Shares by a third party other than Company X is made, the Matters of Inquiry may be added or changed based on notification from the Target Company's board of directors.

In consulting with the Special Committee, the Target Company's board of directors resolved that it would pay utmost respect to the opinion of the Special Committee in making a decision regarding the transactions related to Company X's Proposal, and that, if the Special Committee determines that the transactions related to Company X's Proposal are not appropriate, the Target Company's board of directors would refrain from adopting a decision to implement the transactions related to Company X's Proposal (including expressing an opinion in support of the tender offer and recommending tendering of shares). In addition, based on the above board resolution, the Target Company granted the Special Committee the authority to: (i) conduct investigations related to each proposal (including making inquiries to, and seeking explanations or advice from, the Target Company's officers or employees involved in each proposal, or the Target Company's advisors involved in each proposal, regarding matters necessary for reviewing the Initial Matters of Inquiry) at the Target Company's expense; (ii) to request that the Target Company: (I) communicate to the proposers the Special Committee's proposals and other opinions or questions; and (II) set up opportunities for the Special Committee to directly hold discussions with, and make inquiries to, the proposers (including their

officers and employees involved in each proposal and the advisors to each proposer involved in each proposal); (iii) for the convenience of the operation of the proceedings, even if any officers or employees of the Target Company or advisors of the Target Company involved in each proposal attend a meeting of the Special Committee, to request that these attendees leave the meeting, as appropriate; (iv) when deemed necessary, to appoint external directors, external audit & supervisory board member and/or external experts, who do not stand to benefit from the outcome of Company X's Proposal and the transactions related thereto, as members of the Special Committee; and (v) when deemed necessary, to appoint its own attorneys-at-law, valuation institutions, certified public accountants, and other advisors at the Target Company's expense, as well as to nominate or request changes to the Target Company's advisors involved in each proposal, and to give necessary instructions to the Target Company's advisors.

Subsequently, on September 12, 2025, prior to the first meeting of the Special Committee, the Special Committee determined that appointing external experts with expertise in similar M&A transactions would be appropriate for the reasons stated in "d. Establishment of an Independent Special Committee at the Target Company and Obtainment of Report from the Special Committee" under "(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest" below, and, based on the authority stated in (iv) above, additionally appointed two (2) external experts, Mr. Masahiko Yasuda (certified public accountant, Benedi Consulting Co., Ltd.) and Mr. Ryosuke Koike (attorney-at-law, partner, Okuno & Partners), as members of the Special Committee. Mr. Masahiko Yasuda and Mr. Ryosuke Koike are independent of the Target Company, Company X and Company Y'.

Furthermore, as stated in "d. Establishment of an Independent Special Committee at the Target Company and Obtainment of Report from the Special Committee" under "(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest" below, the Target Company received approval from the Special Committee for Mizuho Securities and TMI Associates to serve as the Target Company's financial advisor and third-party valuation agency, and legal advisor, respectively, after the Special Committee confirmed that there were no issues regarding their independence and expertise.

Subsequently, upon receiving a new letter of intent from Denka on September 30, 2025, regarding a proposal for the Transactions, the Target Company decided to conduct a comparative review of Company X's Proposal and said proposal for the Transactions within the Process. Accordingly, on October 28, 2025, after confirming that the members of the Special Committee were also independent of Denka and the Transactions, the matters of inquiry for the Special Committee were changed from the Initial Matters of Inquiry to the following: (I) when selecting the transactions related to Company X's Proposal or the proposal for the Transactions, Items (i) through (iv) of the Initial Matters of Inquiry concerning the selected transactions, and (II) any other matters deemed necessary by the Target Company's board of directors or representative director to be consulted with the Special Committee, in light of the purpose of establishing the Special Committee (collectively, the "Matters of Inquiry"). In response to this, on the same day, the Special Committee confirmed

that TMI Associates, which is independent of the Tender Offer Related Parties and Company X, would continue to be approved as the Target Company's legal advisor, and that Mizuho Securities, which is independent of the Tender Offer Related Parties and Company X, would continue to be approved as the Target Company's financial advisor and third-party valuation agency.

(ii) Background of Review and Negotiations

As described in “(i) Background of the Establishment of the Review Structure” above, upon receiving Company X's Proposal on July 4, 2025, the Target Company and the Special Committee initiated a process to fairly review Company X's Proposal from the perspective of enhancing the Target Company's corporate value and securing shareholder interests, in accordance with the Corporate Takeover Guidelines. Subsequently, upon receiving a new letter of intent from Denka on September 30, 2025, regarding a proposal for the Transactions and upon receiving Company Y's Proposal, the Target Company decided to conduct a comparative review of Company X's Proposal, Y's Proposal and said proposal for the Transactions within the Process. The Target Company then carefully reviewed the details of Company X's Proposal and Denka's written proposal related to the Transactions from the perspective of enhancing the Target Company's corporate value and securing shareholder interests. Specifically, the Target Company sent Company X a total of four (4) written inquiries dated July 23, August 20, September 12, and October 28, 2025, respectively, and received corresponding responses to each. The Target Company also held a total of two (2) interviews, one on October 3 and one on November 13, 2025, to discuss the content of Company X's Proposal and the responses to the subsequent written inquiries. Then, the Target Company proceeded with a review and discussions primarily focused on its business strategy and synergies anticipated from the transactions related to Company X's Proposal. Furthermore, based on the letter of intent received by Denka on September 30, 2025, regarding the proposal of the Transactions, the Target Company conducted a meeting with Denka on October 4, 2025, to discuss Denka's status of considering the Transactions and the procedure of the Process. Subsequently, from early November 2025 to early January 2026, Denka carried out comprehensive due diligence on the Target Company, covering business operations, finances, taxes, and legal matters. As part of the Process, in early December 2025, Denka conducted a site visit to the Target Company's Kasama plant (located at 3-5 Yarokuuchi, Inada, Kasama City, Ibaraki Prefecture), held interviews with the Target Company's executives, and conducted interviews with relevant personnel. The Target Company was noted that although the Target Company requested Company Y to consider its proposal, including the option of privatizing the Target Company's Shares, Company Y responded that it had no intention of making the subject a wholly-owned subsidiary or acquiring a level of shares exceeding about 20%. Considering that value-enhancing measures implemented after privatizing the Target Company's Shares are generally more effective than those taken after partial acquisition of shares, and that a privatization transaction can offer all shareholders an opportunity to sell at a higher premium price compared to a partial acquisition, the Target Company regarded Company Y's Proposal as inferior to the proposal of the Transactions and Company X's Proposal. Therefore, the Target Company did not send any inquiry to Company Y. Furthermore, the Special Committee sent an inquiry to the Target Company on January 16, 2026, to confirm their understanding of Company Y's Proposal, and received a response on January 19, 2026, detailing the above understanding.

Subsequently, the Target Company and the Special Committee carefully examined the content of the interviews and responses to the written inquiries, and compared and evaluated Denka's proposal for the Transactions, Company X's Proposal, and Company Y's Proposal from (i) the perspective of enhancing the corporate value and (ii) the perspective of the terms of the transaction. As a result, (i) from the perspective of enhancing the corporate value, (a) the direction of Denka's business strategy following the implementation of the Transactions could be evaluated as contributing to enhancing the Target Company's corporate value; (b) Company X's Proposal cannot be said considered to provide a reasonable explanation from any perspective: the alignment with the Target Company's core strategy of enhancing the competitiveness of its domestic core business, the feasibility considering the Target Company's personnel, organizational, and financial constraints, or the likelihood of achieving the anticipated return on investment in each measure proposed by Company X.; and (c) as described above, Company Y's Proposal was not premised on making the Target Company a wholly-owned subsidiary or acquiring shares exceeding the approximately 20% level, and compared to Denka's Proposal for the Transactions, which offers an ambitious management strategy premised on full subsidiary status and is expected to provide sufficient resources to resolve the Management Issues, the synergies generated by Company Y's Proposal are considered limited, and the expected enhancement of the Target Company's corporate value would be also small. Therefore, the Target Company and the Special Committee determined that Denka's proposal for the Transactions was more likely to enhance the Target Company's corporate value than Company X's Proposal and Company Y's Proposal. Furthermore, (ii) from the perspective of the terms of transaction, the tender offer price proposed by Denka significantly exceeded Company X's Proposal. Moreover, as described above, Company Y's Proposal was not premised on making the Target Company a wholly-owned subsidiary or acquiring shares exceeding the approximately 20% level, and did not provide minority shareholders, other than existing the major shareholders participating in the negotiated transfer, with an opportunity to sell their Target Company's Shares. Therefore, the Target Company and the Special Committee determined that the proposal for the Transactions could be evaluated as providing greater protection of the Target Company's shareholder interests than Company X's Proposal and Company Y's Proposal. Taking the above points into consideration and making a comprehensive judgment, the Target Company has decided to give priority to Denka's proposal for the Transactions.

On January 15, 2026, a legally binding proposal, upon which the Tender Offer Price was proposed to be 2,200 yen (a price obtained by adding a premium of 63.93% to 1,342 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on the business day immediately preceding the said date; a premium of 70.84% to 1,288 yen, the simple average of the closing price for the preceding one (1) month up to the said date; a premium of 73.62% to 1,267 yen, the simple average of the closing price for the preceding three (3) months up to the said date; and a premium of 73.26% to 1,270 yen, the simple average of the closing price for the preceding six (6) months up to the said date, respectively). In response, regarding the proposed price, the Special Committee held the recognition that it was within the valuation range based on the DCF method and positioned near the median in the Share Valuation by Mizuho Securities, and that the premiums attached to the proposed price were comparable to the average premiums in similar cases.

Therefore, the level at which an appropriate portion of the value expected to be realized through the execution of the Transactions had been properly distributed to the Target Company's shareholders had already been secured. However, in light of the role of the Special Committee, which considered it desirable to obtain transaction terms more favorable to the general shareholders, on January 21, 2026, the Special Committee requested consideration of an increase in the proposed price, stating that the proposed price did not reflect the intrinsic value of the Target Company's Shares and remained insufficient as a price that would fairly distribute to the general shareholders of the Target Company an amount corresponding to the increase in the corporate value to be realized through consummation of the Transactions.

In response to this above, the Special Committee received, on January 26, 2026, the proposal regarding the Transactions by Denka, including details of which the Tender Offer Price was proposed at 2,274 yen (a price obtained by adding a premium of 68.95% to 1,346 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on January 23, the business day immediately preceding the said date, a premium of 72.53% to 1,318 yen, the simple average of the closing price for the preceding one (1) month up to the said date, a premium of 78.39% to 1,275 yen, the simple average of the closing price for the preceding three (3) months up to the said date, and a premium of 78.28% to 1,276 yen, the simple average of the closing price for the preceding six (6) months up to the said date, respectively). In response, the Special Committee confirmed that, although the proposed price had been increased from the price proposed in the initial proposal, such increase resulted from adding to the Tender Offer Price the tax benefit relating to deemed dividends that would arise from the Target Company's acquisition of shares held by the Shareholder Who Agreed Not to Tender Its Shares through a share buyback, which had already been contemplated at the time of the initial proposal, and that, in substance, the proposed price had not changed from the initial proposal. Therefore, the Special Committee, with the same understanding and considerations as when receiving the initial formal proposal, requested Denka on January 26, 2026, to reconsider the proposal, stating that while the proposed price takes into account a certain level of premium relative to the past market price averages of the Target Company's shares, it had not reached the conclusion that the price fully reflected the intrinsic value and recent market price trends of the Target Company's shares.

Thereafter, on February 2, 2026, the Special Committee received from Denka a third proposal to again set the Tender Offer Price at 2,274 yen (price obtained by adding a premium of 75.06% to 1,299 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on the same date; a premium of 71.49% to 1,326 yen, the simple average closing price for the preceding one (1) month up to the said date; a premium of 77.66% to 1,280 yen, the simple average closing price for the preceding three (3) months up to the said date; and a premium of 77.93% to 1,278 yen, the simple average closing price for the preceding six (6) months up to the said date). In response, the Special Committee confirmed that, although the proposed price was recognized as fair from the perspective of the interests of the general shareholders of the Target Company, taking into comprehensive consideration (i) the results of the analysis of the value of the Target Company's Shares conducted by Mizuho Securities, (ii) trends in the market price of the Target Company's Shares, and (iii) comprehensively taking into account the premium levels in



transaction precedents similar to the Transactions, the third proposed price reflected only the addition of the tax benefit relating to deemed dividends arising from the Target Company's acquisition of the Shares Agreed Not to Be Tendered through the Acquisition of Treasury Shares, and that, absent such tax benefit forming the basis of the proposed price, there had been no change in the per-share value of the Target Company's Shares since the initial formal proposal dated January 21, 2026. Accordingly, based on the same recognition and considerations as when it received the initial formal proposal, the Special Committee requested Denka on February 3, 2026, to set the Tender Offer Price at an amount obtained by adding the tax benefit relating to deemed dividends arising from the Target Company's acquisition of the Shares Agreed Not to Be Tendered through acquisition of treasury shares to a per-share value of 2,210 yen or higher.

Thereafter, on February 4, 2026, the Special Committee received from Denka a fourth proposal to set the Tender Offer Price at 2,285 yen (a price obtained by adding a premium of 76.45% to 1,295 yen, the closing price of the Target Company's Shares as of February 3, 2026; a premium of 72.58% to 1,324 yen, the simple average closing price for the preceding one (1) month up to the said date; a premium of 78.38% to 1,281 yen, the simple average closing price for the preceding three (3) months up to the said date; and a premium of 78.79% to 1,278 yen, the simple average closing price for the preceding six (6) months up to the said date), while giving maximum consideration to the interests of the general shareholders of the Target Company. The Special Committee recognized that, although the fourth proposed price was a price obtained by adding the tax benefit relating to deemed dividends arising from the Target Company's acquisition of the Shares Agreed Not to Be Tendered through the Acquisition of Treasury Shares to a per-share value of 2,210 yen or higher, even the initial proposed price had already secured a level at which it could be said that an appropriate portion of the value expected to be realized in the future through the consummation of the Transactions would be properly distributed to the shareholders of the Target Company. The Special Committee further recognized that the fourth proposed price more sufficiently reflected the intrinsic value of the Target Company's Shares and recent trends in the market price of the Target Company's Shares, and could be recognized as a price at which an appropriate portion of the value expected to be realized in the future through the consummation of the Transactions would be properly distributed to the shareholders of the Target Company. Accordingly, the Special Committee determined that there were no circumstances that would constitute an impediment to the Target Company expressing its support for the Tender Offer and recommending that the shareholders of the Target Company tender their shares if the Tender Offer were commenced at such proposed price, and therefore, on February 5, 2026, responded to Denka that it would accept the fourth proposed price.

### (iii) Details of the Target Company's Decision

Under the above circumstances, at the Target Company's board of directors meeting held on February 6, 2026, taking into account the legal advice received from TMI Associates, the financial advice received from Mizuho Securities, and the content of the share valuation report obtained on February 5, 2026 regarding the share value of the Target Company's Shares (the "Share Valuation Report (Mizuho Securities)"), and paying utmost respect to the judgment of the Special Committee described in the Report obtained from the Special Committee on February 5, 2026, the Target

Company carefully reviewed and discussed whether the Transactions, including the Tender Offer, would contribute to the enhancement of the Target Company's corporate value, and whether the terms of the Transactions, including the Tender Offer Price, were appropriate. As a result, the Target Company concluded that the Transactions would contribute to the enhancement of the Target Company's corporate value. The specific synergies that the Target Company believes can be realized through the Transactions are as follows.

(a) In-licensing/Out-licensing - Expanding Sales through Cross-Selling of Products

Despite being in the same industry, there is little product overlap between the Target Company and Denka, and they have a collaborative and complementary relationship in many respects. Leveraging these characteristics, both companies have already advanced initiatives for in-licensing and out-licensing of the products, through which they plan to further expand product sales. Denka believes that actively promoting cross-selling of biochemical diagnostic reagents and immunoserological diagnostic reagents, which until now could not be promoted, while the alliance deepens, may expand domestic sales of both companies' products.

Furthermore, realization of the alliance will strengthen the sales structure, and combined with the expansion of the product lineup, may further enhance competitiveness in the domestic market.

(b) Expanding Sales of Swiftgene Products

Denka has positioned bacterial testing as a core business area since the establishment of its clinical reagents business. Denka believes that it possesses strengths not only in building sales channels, but also in building collaborative relationships with universities, research institutions, and doctors in the relevant fields, for product research, development, and sales, and, furthermore, with the National Institute of Infectious Diseases (Note 7) for product development. Denka believes that, by leveraging its expertise and network related to research, development, and manufacturing technologies for bacterial diagnostic reagents, it can expand sales of existing products and further accelerate the development of new products in the Target Company's "Swiftgene" nucleic acid chromatography product (Note 8) line.

(Note 7) The National Institute of Infectious Diseases merged with the National Center for Global Health and Medicine on April 1, 2025, to form the Japan Institute for Health Security.

(Note 8) Nucleic acid chromatography products are simple and rapid genetic testing reagents consisting of (i) nucleic acid amplification reagents based on the NASBA method—a specific technique used particularly for amplifying RNA among the isothermal nucleic acid amplification methods that amplify nucleic acids (such as RNA or DNA) at a constant temperature— and (ii) nucleic acid chromatography detection strips, which are devices enabling visual confirmation of amplified nucleic acids.

(c) Expanding Contract Business Channels

Denka also operates a similar business in the manufacturing and development contract sector for domestic in vitro diagnostic drug manufacturers and others with partnership relationships, which

accounts for approximately 20% of the Target Company's sales. By mutually leveraging each company's respective networks and customer relationships, Denka believes that it is possible to create further business opportunities and expand the business area of the companies.

(d) Accelerating Expansion into Overseas Markets

In Denka's clinical reagents business, over 50% of its sales come from overseas markets.

Denka believes that it is possible to broaden the Target Company's business area and accelerate its entry into the global market by leveraging Denka's established overseas sales channels to distribute the Target Company's products internationally.

(e) Cost Reduction Through Joint Procurement of Raw Materials

As there are many raw materials in common used for the Target Company's and Denka's products, Denka believes that the joint procurement of raw materials will strengthen the companies' negotiation of prices with suppliers and enhance and expand the supply chain of the companies.

(f) Streamlining Logistics and Strengthening BCP

From a general perspective, integrating logistics functions is believed to be effective. Furthermore, Denka believes that the fact that the Target Company's and Denka's manufacturing bases are located in the prefectures of Ibaraki and Niigata will make it possible to establish a structure with manufacturing bases on both the Pacific Ocean side and the Sea of Japan side, which have distinct regional characteristics, and that this collaboration will also yield the benefits in terms of business continuity planning (BCP).

(g) Streamlining Sales Locations

The sales locations of the Target Company and Denka largely overlap geographically, and Denka believes that integrating and sharing offices and operational infrastructure will enable more efficient business operations and cost rationalization.

(h) Optimization of Research and Development

By optimizing product development with cross-selling between the Target Company and Denka in mind, efficient utilization of development resources will be achieved. This approach is expected to increase the number of development projects and accelerate the speed of new product development. Denka believes that these initiatives will strengthen both companies' research and development structures and accelerate the launch of products that meet market needs.

On the other hand, the Target Company also reviewed the disadvantages of implementing the Transactions. Disadvantages resulting from the Transactions include: (i) the inability of the Target Company to raise funds through equity financing in the capital markets; and (ii) the loss of benefits enjoyed by the Target Company as a listed company, such as enhanced reputation and social credibility. However, (i) regarding the fundraising and with respect to the fundraising through equity financing, considering the Denka Group's credit standing on the Prime Market of the Tokyo Stock Exchange, it will be possible for the Target Company to secure funds through internal

resources and borrowing from financial institutions. In addition, (ii) regarding the potential negative impact on recruitment based on the reputation and social credibility, the Target Company's becoming a part of the Denka Group, listed on the Prime Market of the Tokyo Stock Exchange, may actually enhance its recruitment strength even more than before. Therefore, the Target Company believes neither disadvantage is significant nor outweighs the expected benefits of enhancing the Target Company's corporate value described above.

Furthermore, for the following reasons, the Target Company determined that the Tender Offer Price of 2,285 yen is an appropriate price that secures the benefits that the Target Company's minority shareholders are entitled to, and that the Tender Offer will provide the Target Company's minority shareholders with a reasonable opportunity to sell their Target Company's Shares at a price reflecting an appropriate premium.

(a) The Tender Offer Price was agreed upon as a result of numerous rounds of negotiations between the Tender Offeror and the Target Company held with the substantive involvement of the Special Committee, after the implementation of sufficient measures to ensure the fairness of the terms of the Transactions, including the Tender Offer Price, as described in “(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest” below.

(b) The Tender Offer Price of 2,285 yen exceeds the upper limit of the Target Company's Shares calculated using the market share price method, exceeds the median of the range calculated using the comparable company method, and corresponds to the median of the range calculated using the DCF method in the Share Valuation Report (Mizuho Securities) described in “(ii) Overview of Valuation,” “b. Obtaining of the Share Valuation Report from an Independent Third-Party Valuation Institution by the Target Company” under “(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest” below.

(c) The Tender Offer Price of 2,285 yen was obtained by adding a premium of 75.23% to 1,304 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on February 5, 2026, being the business day immediately preceding the announcement date of the Tender Offer; a premium of 72.45% to 1,325 yen, the simple average closing price for the preceding one (1) month up to the aforementioned date (rounded off to the nearest whole number; hereinafter the same applies in the calculation of the simple average closing price); a premium of 78.10% to 1,283 yen, the simple average closing price for the preceding three (3) months up to the said date; and a premium of 78.66% to 1,279 yen, the simple average closing price for the preceding six (6) months up to the said date. When comparing these premiums with the median premium in 95 tender offers conducted for the purpose of privatizing the shares of a listed company (excluding management buyouts (MBOs) and cases where the target company was a consolidated subsidiary or affiliate of the tender offeror) announced on or after June 28, 2019 —the date of publication of the “Guidelines for Corporate Takeovers -Enhancing Corporate Value and Securing Shareholders' Interests-” (the “Fair M&A Guidelines”) by the Ministry of Economy, Trade and Industry— and

successfully completed by January 29, 2026 (and, with the business day immediately preceding the announcement being the reference date, the median premium over the closing price on that date and over the simple average closing price for the preceding one (1) month, three (3) months, and six (6) months up to the said date were, respectively: 44.25%; 43.37%; 45.03%; and 49.14%), the Tender Offer Price can be evaluated as representing a price reflecting a more favorable premium.

(d) The Tender Offer Price was also determined to be appropriate in the Report obtained from the Special Committee, as described in “d. Establishment of an Independent Special Committee at the Target Company and Obtainment of Report from the Special Committee” of “(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest” below.

(e) Consideration has been given to the Target Company’s minority shareholders, including by implementing each of the measures described in “(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest” below.

(f) The consideration for the Transactions, through the Tender Offer and the subsequent Squeeze-out Procedures, is expected to be cash. Cash is considered to have low risk of value fluctuation and high liquidity, and it is also relatively easy to evaluate when shareholders decide whether to tender their shares. In addition, other transaction terms (including the number of shares to be purchased and other scheme details, and the tender offer period) are considered standard conditions for similar transactions and are not of particular concern.

Based on the above, the Target Company’s board of directors resolved at its meeting held on February 6, 2026, to express an opinion in support of the Tender Offer and to recommend that the Target Company’s shareholders tender their shares in the Tender Offer.

Please refer to “e. Unanimous Approval by All Directors Without Conflicts of Interest of the Target Company and No Dissenting Opinion of All of Non-Interested Statutory Auditors Without Conflicts of Interest of the Target Company” of “(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest” below for the details of the above board resolution.

c. Management Policy After Implementation of the Tender Offer

The Tender Offerors and the Target Company will respectively drive management policy in order to realize the synergy effect as described in “a. Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer” above. With regard to the management structure of the Target Company after the completion of the Transactions, although Denka intends, as of today, to dispatch to the Target Company more than half of the directors of the Target Company as well as dispatch statutory auditors, the Tender Offeror will consult with the Target Company regarding the specific management structure of the Tender Offeror in order to consider establishing

the optimal structure for implementing the above initiatives and further strengthening the Target Company's management foundations.

**(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest**

As of today, the Tender Offer is not a tender offer by the controlling shareholder, since the Tender Offeror is not a subsidiary of the Tender Offeror. Nor is the Transactions, including the Tender Offer, a "management buyout" (MBO) (Note), since none of the Target Company's management team intends to make any direct or indirect contributions to the Tender Offeror. However, since the Tender Offer is to be implemented as part of the Transactions for the purpose of making the Target Company a wholly-owned subsidiary of the Tender Offeror, the Tender Offeror and the Target Company have respectively taken the following measures to ensure the fairness and transparency of the Transactions by eliminating potential arbitrariness and conflicts of interest that may arise in the decision-making process leading to the decision to implement the Tender Offer, while ensuring the fairness of the Tender Offer Price. In addition, of the following statements, the statements regarding the measures implemented by the Target Company are based on the explanation provided in the Target Company's Press Release and that provided by the Target Company.

Note: "Management Buyout (MBO)" refers to a transaction in which the tender offeror is an officer of the target company or in which the tender offeror is a person who conducts a tender offer at the request of the officers of the target company and who shares common interests with the officers of the target company.

- a. Obtaining of the Share Valuation Report from an Independent Third-Party Valuation Institution by the Tender Offeror

The Tender Offeror obtained the Tender Offeror Share Valuation Report regarding the evaluation of the share value of the Target Company's Shares (as defined in "a. Basis of Calculation," "(4) Bases, Etc. of Calculation of Price for Purchase, Etc." under "3. Outline of Purchase, Etc.") from AGS FAS on February 5, 2026. For details, please refer to "a. Basis of Calculation," "(4) Bases, Etc. of Calculation of Price for Purchase, Etc." under "3. Outline of Purchase, Etc."

- b. Obtaining of the Share Valuation Report from an Independent Third-Party Valuation Institution by the Target Company

**(i) Name of a Valuation Institution and Relationship Between the Tender Offer Related Parties**

According to the Target Company, in expressing its opinion regarding the Tender Offer, the Target Company requested Mizuho Securities to evaluate the share value of the Target Company's Shares as a measure to ensure the fairness and objectivity of transaction terms pertaining to the Transactions including the Tender Offer Price. Mizuho Securities is a financial advisor and a third-party valuation institution that is independent from the Tender Offer Related Parties, as well as the Shareholders Who Agreed to Tender Their Shares and the Shareholder Who Agreed Not to Tender Its Shares, does not fall under the related party of the Tender Offer Related Parties and does not have

any material interest required to be disclosed in connection with the Transactions including the Tender Offer.

In addition, Mizuho Bank, Ltd. (“Mizuho Bank”), a group company of Mizuho Securities, holds the position of shareholder in Denka and Asahi Kasei Corporation, the parent company of the Shareholder Who Agreed Not to Tender Its Shares, and conduct financing transactions, etc., with the Target Company, Denka, the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) and the Shareholder Who Agreed Not to Tender Its Shares as part of regular banking transactions. Mizuho Securities has established and implemented an appropriate conflicts of interest management system, including information barriers, between Mizuho Securities and Mizuho Bank in accordance with Article 36 of the Financial Instruments and Exchange Act and Article 70-4 of the Cabinet Office Ordinance on Financial Instruments Business, etc. (Cabinet Office Ordinance No. 52 of 2007, as amended; the same applies hereinafter) and as conducted the valuation of the share value of the Target Company’s Shares from a position independent of the status of Mizuho Bank as a shareholder and a lender. The Target Company has determined that, in light of its track record as a valuation institution for similar cases at Mizuho Securities in the past, and considering that appropriate safeguards have been implemented between Mizuho Securities and Mizuho Bank, the Target Company ensures sufficient independence in performing its duties as a financial advisor and a third-party valuation institution for the Transactions. Therefore, the Target Company has determined that there are no particular issues regarding the Target Company requesting Mizuho Securities to evaluate the share value of the Target Company’s Shares. Furthermore, fees payable to Mizuho Securities in connection with the Transactions include an incentive fee to be paid conditional upon the successful completion of the Transactions or other achievements. The Target Company has appointed Mizuho Securities as its independent financial advisor and third-party valuation institution based on the above-mentioned fee structure, considering that the independence of Mizuho Securities would not be compromised by the fact that an incentive fee to be paid conditional upon the completion of the Tender Offer is provided, taking into account (i) the general practice in similar transactions, (ii) the fact that, in the event of fee structure that an incentive fee to be paid conditional upon the successful completion of the Transactions or other achievements is not provided, a reasonable financial cost would be imposed on the Target Company if the Transactions fail to be completed and it may actually be detrimental to the Target Company, therefore, selecting a fee structure that mitigates such disadvantages is neither unnatural nor unreasonable, and (iii) the fact that not all fees are payable solely upon the completion of the Transactions.

Furthermore, it is stated that the Special Committee has confirmed that there is no problem with the independence of Mizuho Securities.

In addition, the Target Company has not obtained an opinion concerning the fairness of the Tender Offer Price (a fairness opinion) from Mizuho Securities as the Tender Offeror and the Target Company have implemented measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest (for details, please refer to “(3) Measures to Ensure the Fairness of the

Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest” below.)

(ii) Overview of Valuation

Assuming that the Tender Offer, assuming that the Target Company is a going concern, and based on the belief that a multifaceted evaluation was appropriate for the valuation of the share value of the Target Company’s Shares, Mizuho Securities considered the valuation methods to be adopted for the Tender Offer. As a result thereof, Mizuho Securities calculated the value per share of the Target Company’s Shares using the market share price method since the Target Company’s Shares is listed on the Standard Market of the Tokyo Stock Exchange and a market share price exists, the comparable company method because there are multiple similar listed companies comparable to the Target Company, and the value of the Target Company’s Shares can be inferred by comparing it with the corporate value of similar listed companies, and the DCF method in order to reflect the status of future business activities of the Target Company in the valuation.

The range of the value per share of the Target Company’s Shares evaluated by Mizuho Securities under each of the above methods is as follows:

Market share price method:	1,279 yen to 1,325 yen
Comparable company method	1,644 yen to 2,604 yen
DCF method:	1,735 yen to 2,835 yen

Under the market share price method, the value per share of the Target Company’s Shares was evaluated to be within the range of 1,279 yen to 1,325 yen as of February 5, 2026, the reference date for valuation. This range is based on the closing price of the Target Company’s Shares on the Standard Market of the Tokyo Stock Exchange on the reference date (1,304 yen), and the simple average closing price of the Target Company’s Shares for the preceding one (1) month up to such date (1,325 yen), the preceding three (3) months up to such date (1,283 yen), and the preceding six (6) months up to such date (1,279 yen).

Under the comparable company method, by comparing the market share price and financial indicators showing the profitability of listed companies operating businesses relatively similar to the Target Company, the value per share of the Target Company’s Shares is calculated to be in the range of 1,644 yen to 2,604 yen.

Under the DCF method, Mizuho Securities analyzed the Target Company’s corporate value and share value by discounting, to the present value at a specific discount rate, the free cash flow that is expected to be generated by the Target Company in and after the fourth quarter of the fiscal year ending March 2026, based on factors such as the revenue forecasts in the business plan for the four (4) fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2029, which is considered a period for which the Target Company can currently make a reasonable forecast (the “Business Plan”), the financial information in the third quarter of the fiscal year of the Target



Company ending March 2026, and publicly available information. The value per share of the Target Company's Shares is evaluated to be within the range of 1,735 yen to 2,835 yen.

Furthermore, the Business Plan does not include the fiscal years in which significant increases or decreases in profit are expected; however, it does include the fiscal years in which significant increases or decreases in free cashflow are expected. Specifically, for the fiscal year ending March 2027, the Target Company expects free cash flow to be 285 million yen (a 35.2% decrease year-on-year) due to increased working capital resulting from sales growth. In addition, while substantial capital expenditures related to core system renewal are planned for the fiscal year ending March 2028, no major capital expenditures are scheduled for the fiscal year ending March 2029. Consequently, for the fiscal year ending March 2029, the Target Company expects free cash flow to reach 620 million yen (a 161.0% increase year-on-year).

Furthermore, the synergies that can be expected to be realized through the execution of the Transactions are not reflected due to the difficulty of estimating their specific impact on earnings at this time. (Note 9)

(Note 9) Mizuho Securities, in evaluating the share value of the Target Company's Shares, generally adopted the information provided by the Target Company and publicly available information as presented, assuming that all such materials and information are accurate and complete. Mizuho Securities did independently verify the accuracy or completeness of such information. Further, Mizuho Securities did not conduct its own evaluation or appraisal of the assets and liabilities (including off-balance-sheet assets and liabilities, and other contingent liabilities) of the Target Company and its affiliates, or request that any third-party institution perform an appraisal or valuation. It is assumed that the information regarding the Target Company's financial forecasts was reasonably prepared based on the best available forecasts and judgments currently available to the Target Company's management.

c. Advice from an Independent Law Firm Received by the Target Company

According to the Target Company, it appointed TMI Associates as its legal advisor that is independent from any of the Tender Offer Related Parties and Company X, and the Target Company to ensure the fairness and appropriateness of decision-making process of the Target Company's board of directors, and has received legal advice regarding the process and method of decision-making of the Target Company's board of directors related to the Tender Offer, as well as other relevant considerations upon decision-making regarding the Tender Offer.

TMI Associates does not fall into the category of the Tender Offer Related Parties, and the Target Company does not have any material interest in connection with the Transactions including the Tender Offer. Fees payable to TMI Associates in relation to the Transactions do not include any incentive fee to be paid upon the successful completion of the Transactions or other achievements. In addition, the Special Committee has approved TMI Associates as a legal adviser of the Target

Company after confirming that there is no concern with the expertise and independence of TMI Associates.

d. Establishment of an Independent Special Committee at the Target Company and Obtainment of Report from the Special Committee

As described in “(i) Background of the Establishment of the Review Structure”, “b. Decision-Making Process Leading to Target Company’s Decision to Support the Tender Offer and Reasons Therefor” under “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Management Policy After the Tender Offer” above, the Target Company established the Special Committee on August 25, 2025, in order to ensure a cautious approach regarding the Target Company’s decision-making process in connection with the transactions related to Company X’s Proposal, as well as to ensure the fairness thereof, and appointed Mr. Kenji Kikuchi (certified public tax accountant, Kenji Kikuchi Certified Public Tax Accountant Office), an independent external director of the Target Company, as a member of the Special Committee. Subsequently, on September 12, 2025, prior to the first meeting of the Special Committee, the Special Committee additionally appointed two (2) external experts, Mr. Masahiko Yasuda (certified public accountant, Benedi Consulting Co., Ltd.) and Mr. Ryosuke Koike (attorney-at-law, partner, Okuno & Partners), as members of the Special Committee. Mr. Masahiko Yasuda and Mr. Ryosuke Koike are independent of the Tender Offer Related Parties, Company X and Company Y. Given that the Shareholder Who Agreed Not to Tender Its Shares, Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) and Shareholder Who Agreed to Tender Its Shares (SYSMEX), which have capital relationships and positions as business partners with the Target Company, may each have an abstract possibility of proposing capital policies to the Target Company that are incompatible with the Transactions, or may each have interests differing from those of the Target Company’s general shareholders regarding securing opportunities for investment recovery through the Transactions, which involves the acquisition of the Target Company’s Shares, the following three (3) outside directors of the Target Company are not appointed as members of the Special Committee to avoid potential conflicts of interest: Mr. Daisuke Okajima, who concurrently serves as an executive officer of the Shareholder Who Agreed Not to Tender Its Shares; Ms. Keiko Kudo, who concurrently serves as an employee of Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU); and Mr. Kensuke Iizuka, who concurrently serves as an employee of Shareholder Who Agreed to Tender Its Shares (SYSMEX). Furthermore, while the Target Company has three (3) outside auditor (Mr. Keiichi Mizuguchi, Mr. Takeshi Umehara, and Mr. Tamaki Ihara), given the composition of the Special Committee, it was deemed preferable to appoint members possessing expertise in law and accounting/taxation to supplement the expertise regarding M&A transactions of the same type as the Transactions. Therefore, rather than appointing outside auditor, two (2) external experts, one holding qualification as an attorney-at-law and one holding qualification as a certified public accountant, were appointed, as described above. Considering that the Fair M&A Guidelines state it is desirable for independent outside directors to be substantially involved, on an autonomous basis, in processes such as the selection of members of the special committee, in order to more carefully ensure the independence of the Special Committee, the Target Company adopted a framework whereby, after granting the Special Committee the authority to select

additional members, it first appointed Mr. Kenji Kikuchi, an independent outside director, as a member of the Special Committee, and then Mr. Kenji Kikuchi, as a member of the Special Committee, additionally appointed outside experts as members of the Special Committee. Apart from the additional appointments of Mr. Masahiko Yasuda and Mr. Ryosuke Koike, there have been no changes to the committee members.

Then, based on the above resolution of the board of directors, the Target Company consulted the Special Committee on the Initial Matters of Inquiry, and requested the Special Committee to submit a report on such matters to the Target Company.

In consulting with the Special Committee, the Target Company's board of directors resolved that it would pay utmost respect to the opinion of the Special Committee in making a decision regarding the transactions related to Company X's Proposal, and that, if the Special Committee determines that the transactions related to Company X's Proposal are not appropriate, the Target Company's board of directors would refrain from adopting a decision to implement the transactions related to Company X's Proposal (including expressing an opinion in support of the tender offer and recommending tendering of shares). In addition, based on the above board resolution, the Target Company granted the Special Committee the authority to: (i) conduct investigations related to each proposal (including making inquiries to, and seeking explanations or advice from, the Target Company's officers or employees involved in each proposal, or the Target Company's advisors involved in each proposal, regarding matters necessary for reviewing the matters of inquiry) at the Target Company's expense; (ii) to request that the Target Company: (I) communicate to the proposers the Special Committee's proposals and other opinions or questions; and (II) set up opportunities for the Special Committee to directly hold discussions with, and make inquiries to, the proposers (including their officers and employees involved in each proposal and the advisors to each proposer involved in each proposal); (iii) for the convenience of the operation of the proceedings, even if any officers or employees of the Target Company or advisors of the Target Company involved in each proposal attend a meeting of the Special Committee, to request that these attendees leave the meeting, as appropriate; (iv) when deemed necessary, to appoint external directors, external audit & supervisory board member and/or external experts, who do not stand to benefit from the outcome of Company X's Proposal and the transactions related thereto, as members of the Special Committee; and (v) when deemed necessary, to appoint its own attorneys-at-law, valuation institutions, certified public accountants, and other advisors at the Target Company's expense, as well as to nominate or request changes to the Target Company's advisors involved in each proposal, and to give necessary instructions to the Target Company's advisors. In response, the Special Committee has approved TMI Associates as the Target Company's legal advisor, and Mizuho Securities as the Target Company's financial advisor and third-party valuation agency, respectively, as there were no issues regarding their independence and expertise, and has confirmed that the Special Committee itself may also obtain professional advice from them as necessary.

Subsequently, upon receiving a new letter of intent from Denka on September 30, 2025 regarding a proposal for the Transactions, the Target Company decided to conduct a comparative review of

Company X's Proposal and said proposal for the Transactions within the Process. Accordingly, on October 28, 2025, after confirming that the members of the Special Committee were also independent of Denka, the matters of inquiry for the Special Committee were changed from the Initial Matters of Inquiry to the Matters of Inquiry. In response, on the same date, the Special Committee confirmed that it would maintain its approval of TMI Associates as the Target Company's legal advisor, and Mizuho Securities as the Target Company's financial advisor and third-party valuation agency, respectively, as there were no issues with these companies being independent of Denka, as well as Company X.

The Special Committee held meetings 11 times in total from September 30, 2026 to February 5, 2026. The Special Committee carefully discussed and considered the Matters of Inquiry. More specifically, the Special Committee (i) compare and consider the transaction related to the Company X's Proposal with the Transactions, (ii) conduct interviews with the Tender Offerors regarding the purpose and background of the Transactions, the terms and conditions of the Transactions, and matters concerning the Target Company's management policy after the Transactions, (iii) conducted interviews with the Target Company regarding the content and formulation method of the business plan Mizuho Securities used as the basis for the valuation of the Target Company's Shares, the content of the Tender Offeror's proposal, and matters concerning the Target Company's management policy after the Transactions, and (iv) conduct interviews with Mizuho Securities regarding matters related to the valuation of the Target Company's Shares.

As a result of such careful discussion and consideration of the Matters of Inquiry under such circumstances, the Special Committee submitted to the Target Company's board of directors, with the unanimous consent of all its members, the Report on February 5, 2026 containing the following contents with respect to the Matters of Inquiry:

(a) Substance of the Report

- (i) The Transactions are deemed to contribute to enhancing the Target Company's corporate value (i.e., the Transactions are "appropriate").
- (ii) The terms of the Transactions, including the level of the consideration for the acquisition, the acquisition method, the type of consideration for the acquisition, and other terms, are fair.
- (iii) Sufficient fairness ensuring measures have been implemented to ensure the fairness of the terms of the Transactions and the procedures for the Transactions are fair.
- (iv) Based on (i) through (iv) above, the decision by the Target Company's board of directors to implement the Transactions (including expressing an opinion in support regarding the Tender Offer and recommending the shareholders of the Target Company to tender their shares in the Tender Offer) is not disadvantageous to minority shareholders of the Target Company.

(b) Reason for the Report

I. Rationality of the Judgment Made by the Target Company in Selecting the Proposal for the Transactions from Denka (“Denka’s Proposal”)

Having conducted a comparative review of Denka’s proposal, Company X’s Proposal and Company Y’s Proposal from (i) the perspective of enhancing the corporate value and (ii) the perspective of the terms of the transaction, including hearing the Target Company’s assessment of these proposals and confirming their reasonableness, the Special Committee believes that the Target Company’s decision to select Denka’s Proposal is reasonable, as follows.

(i) Perspective of Enhancing the Corporate Value

Based on an analysis of the business environment surrounding the Target Company, the Target Company and the Special Committee recognize the following as key management issues (the “Management Issues”) for enhancing the corporate value: (a) expanding the range of superior products for the domestic market; (b) accelerating overseas expansion and establishing a foothold for increasing the long-term proportion of overseas sales; and (c) shortage of company-wide human resources required to implement these measures, encompassing not only sales and R&D functions but also personnel within corporate functions.

In response to this, Denka’s Proposal broadly includes the following synergies: (a) In-licensing/Out-licensing - Expanding Sales through Cross-Selling of Products, (b) Expanding Sales of Swiftgene Products, (c) Expanding Contract Business Channels, (d) Accelerating Expansion into Overseas Markets, (e) Cost Reduction Through Joint Procurement of Raw Materials, (f) Streamlining Logistics and Strengthening BCP, (g) Streamlining Sales Locations, and (h) Optimization of Research and Development. etc, which would contribute to resolving the Management Issues. For details, please refer to “(iii) Details of the Target Company’s Decision” under “b. Decision-Making Process Leading to Target Company’s Decision to Support the Tender Offer and Reasons Therefor” above. Furthermore, each synergy is deemed highly feasible due to the following factors: although Denka operates in the same industry as the Target Company, there is little overlap in their product lines, making it easier to establish a collaborative and complementary relationship (items (a) through (c)); the Target Company can leverage Denka’s overseas sales channels (item (d)); and Denka and the Target Company operate in the same industry and can readily benefit from economies of scale.

In addition, since the rationale and structure for financing arrangements, such as the joint investment with DBJ, are clearly outlined, the proposal is considered concrete and feasible for resolving the Management Issues and enhancing the Target Company’s corporate value going forward. Furthermore, considering the content of Denka’s proposal materials, Denka’s conduct during due diligence, the substance of Denka’s discussions with the Target Company’s management, and Denka’s responses to the interviews conducted by the Special Committee, Denka is deemed to have sufficient financial strength and expertise necessary to

realize its proposal, and there are no unreasonable aspects regarding Denka's support for the enhancement of the Target Company's business and the feasibility of implementation thereof. Accordingly, the relevant proposal is considered to contribute to the enhancement of the Target Company's corporate value.

On the other hand, Company X's Proposal cites the following as anticipated synergies: (a) creating synergies with Company X's portfolio companies, and (b) establishing an overseas direct sales structure. However, regarding point (a), although the suggestion is to expand the Target Company's product lineup, etc. by optimizing and introducing equipment and reagents from Company X's portfolio companies for the Japanese domestic market under the Target Company's umbrella, the technologies and product lines primarily handled by Company X's portfolio companies are losing support in the Japanese market. Consequently, there are few attractive items with competitive potential in the domestic market. Regarding point (b), the suggestion is to establish local offices for the Target Company overseas and aim to build a system for direct overseas sales of the Target Company's products. However, the Target Company currently lacks an overseas expansion framework, and establishing overseas bases would require significant costs. Furthermore, no concrete and sufficient explanation was provided regarding the means to secure profits commensurate with these costs. Consequently, concerns about the Target Company's ability to demonstrate competitiveness and secure profits in overseas markets could not be dispelled. Furthermore, while Company X's Proposal includes a commitment to provide personnel support for the advancement of the global business strategy, it makes no specific mention of practical personnel support at the operational level, leaving the synergies in the human resources aspect unclear.

Company X's Proposal cannot be said to provide a reasonable explanation from any perspective: the alignment with the Target Company's core strategy of enhancing the competitiveness of its domestic core business, the feasibility considering the Target Company's personnel, organizational, and financial constraints, or the likelihood of achieving the anticipated return on investment.

In addition, Company Y's Proposal outlines anticipated synergies, including collaboration in the development, manufacturing, and sales of diagnostic reagents and testing systems, as well as accelerated expansion into overseas markets. More specifically, it proposes leveraging the Target Company's development (including pharmaceutical regulatory filings) resources and sales resources to advance the development and sales of medical diagnostic reagents in the genetic testing field. However, it is proposed that this collaboration will be conducted in a format where Company Y grants the Target Company the right to sell the development product, with the Target Company handling domestic sales. This structure places the initiative for product development and revenue generation with Company Y, meaning that the Target Company is expected to gain only limited profits. Furthermore, regarding the nucleic acid testing reagents that Company Y intends to collaborate on, the

Target Company already handles such reagents. However, the sales thereof are small, and domestic demand has been declining since the coronavirus pandemic.

Furthermore, Company Y's proposal explicitly stated that it would maintain the Target Company's stock listing while acquiring approximately 20% of the Target Company's Shares from existing shareholders through off-market transactions. It did not contemplate making the Target Company a wholly-owned subsidiary or acquiring shares exceeding the approximately 20% level. Compared to Denka's Proposal, which offers an ambitious management strategy premised on full subsidiary status and is expected to provide sufficient resources to resolve the Management Issues, the synergies generated by Company Y's Proposal are considered limited, and the expected enhancement of the Target Company's corporate value is also small.

Considering the differences between Denka's Proposal and both Company X's Proposal and Company Y's Proposal, it is reasonable to conclude that Denka's Proposal is the most advantageous from the perspective of enhancing the Target Company's corporate value.

(ii) Perspective of the Terms of the Transaction

Denka's initial proposal price of 2,200 yen per share significantly exceeded Company X's proposal price.

Furthermore, Company Y's proposal explicitly stated that it would maintain the Target Company's stock listing while acquiring approximately 20% of the Target Company's shares from existing shareholders through off-market transactions. It did not contemplate making the Target Company a wholly-owned subsidiary or acquiring shares exceeding such approximately 20% level. Such transaction terms do not provide minority shareholders, other than existing shareholders participating in the negotiated transfer, with an opportunity to sell their Target Company's Shares.

Therefore, it is reasonable to conclude that Denka's Proposal is the most advantageous from the perspective of transaction terms that prioritize shareholder interests.

Additionally, the Target Company and the Special Committee continued price negotiations after receiving the initial proposal, ultimately setting the Tender Offer Price at 2,285 yen. Therefore, there are no subsequent circumstances that would alter the determination that selecting Denka's Proposal is reasonable from the perspective of transaction terms.

(iii) Conclusion

Based on the above points, after careful deliberation and consideration by the Special Committee, it was determined that selecting Denka's Proposal for the Transactions would be

reasonable from perspectives of both (i) enhancing the corporate value of the Target Company and (ii) safeguarding shareholder interests.

Therefore, the Target Company believes that the Target Company's decision to select the Denka Proposal over both Company X's Proposal and Company Y's Proposal was reasonable.

## II. Matters Concerning the Appropriateness of the Transactions (Including Whether the Transactions Contribute to Enhancing the Target Company's Corporate Value)

In light of the following considerations, after careful deliberation and review by the Special Committee, the Special Committee has determined that the Target Company's understanding of the purpose of the Transactions is reasonable, and that the Transactions are deemed to contribute to enhancing the Target Company's corporate value (i.e., the Transactions are "appropriate").

### (i) Purpose of the Transactions

The Special Committee questioned the Target Company and Denka regarding the purpose of the Transactions and the specific details of the Target Company's corporate value that is expected to be enhanced through the Transactions. As a result, the Special Committee obtained the answers described in "a Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer" and "b. Decision-Making Process Leading to Target Company's Decision to Support the Tender Offer and Reasons Therefor" above, regarding the purpose of the Transactions and the specific details of the Target Company's corporate value that is expected to be enhanced through the Transactions.

### (ii) Reviewing by the Special Committee

Regarding the specific details of the matters described in (i) above, and the potential for enhancing the Target Company's corporate value based on those details, the Special Committee assessed the specific feasibility of each measure, through interviews with the Target Company and Denka, and further, the Special Committee also sent a questionnaire to the Target Company's management to confirm the Target Company's views on these synergies, following which it carefully examined the rationality thereof. As a result, considering the following points, no unreasonable aspects were found in their explanations.

#### (a) Understanding of Business Environment of the Target Company

It is Denka's understanding that while Japanese in vitro diagnostic (IVD) manufacturers possess high technological capabilities, they face challenges in international competitiveness due to the small scale of their sales, and further, the industry environment is becoming increasingly harsh, driven by the maturation of the domestic market, market contraction due to a declining birthrate, the advancement of dedicated instruments (i.e., closed systems), and the entry of foreign manufacturers. Such understanding is generally consistent with the Special Committee's understanding - obtained by questioning the Target Company - of the business environment and the



nature of the challenges faced by the Target Company's management, and no particularly unreasonable aspects were found therein.

(b) With respect to Increase in the Target Company's Corporate Value Expected through the Transactions as Anticipated by Denka

Denka and the Target Company expect that the Transactions will realize the following synergies as described in (i) above: (a) In-licensing/Out-licensing - Expanding Sales through Cross-Selling of Products, (b) Expanding Sales of Swiftgene Products, (c) Expanding Contract Business Channels, (d) Accelerating Expansion into Overseas Markets, (e) Cost Reduction Through Joint Procurement of Raw Materials, (f) Streamlining Logistics and Strengthening BCP, (g) Streamlining Sales Locations, and (h) Optimization of Research and Development. Although Denka operates in the same industry as the Target Company, there is little overlap in their product lines, making it easier to establish a collaborative and complementary relationship, therefore, the feasibility of items (a) through (c) is recognized; since the Target Company can leverage Denka's overseas sales channels, the feasibility of item (d) is recognized; and since Denka and the Target company operate in the same industry and can readily benefit from economies of scale, the feasibility of items (e) through (h) is recognized. Therefore, the synergies that Denka and the Target Company expect to realize through the Transactions are deemed sufficiently feasible.

Furthermore, considering the content of Denka's proposal materials, Denka's conduct during due diligence, the substance of Denka's discussions with the Target Company's management, and Denka's responses to the interviews conducted by the Special Committee, Denka is deemed to have sufficient financial strength and specialized expertise necessary to realize its proposal, and there are no unreasonable aspects regarding Denka's support for the enhancement of the Target Company's corporate value and the feasibility of implementation thereof. Accordingly, the relevant proposal is considered to contribute to the enhancement of the Target Company's corporate value.

(c) Business Disadvantages to the Target Company Resulting from Implementation of the Transactions

As the Transactions are premised on the delisting of the Target Company's shares, the Special Committee also examined the impact of delisting.

Disadvantages associated with delisting resulting from the Transactions include the inability of the Target Company to raise funds through equity financing in the capital markets and the loss of benefits enjoyed by the Target Company as a listed company, such as enhanced reputation and social credibility. However, regarding the fundraising and with respect to the fundraising through equity financing, considering the Denka Group's credit standing on the Prime Market of the Tokyo Stock Exchange, it will be

possible for the Target Company to secure funds through internal resources and borrowing from financial institutions, and the disadvantages are limited.

In addition, considering that the Target Company will become a part of the Denka Group, a larger corporate entity listed on the Prime Market of the Tokyo Stock Exchange, there would be no particularly negative impact regarding its reputation and social credibility as a listed company, or its ability to leverage these factors for talent acquisition.

Therefore, the disadvantages arising from the Transactions are limited and do not outweigh the benefits.

(iii) Conclusion

Based on the above points, after careful discussion and review, the Special Committee has determined that the Transactions are deemed to contribute to enhancing the Target Company's corporate value (i.e., the Transactions are "appropriate").

III. Matters Concerning the Fairness of the Terms of the Transactions (Including Whether the Level of the Consideration for the Acquisition, the Acquisition Method, the Type of Consideration for the Acquisition, and Other Terms Were Fair)

(i) Results of the Share Valuation by Mizuho Securities

According to the Share Valuation Report (Mizuho Securities), the value per share of the Target Company's Shares is estimated to be between 1,279 yen and 1,325 yen based on the market share price method; between 1,644 yen and 2,604 yen based on the comparable company method; and between 1,735 yen and 2,835 yen based on the DCF method. The Tender Offer Price of 2,285 yen represents a price exceeding the median of the range of the calculation results based on the market price method and median of the range of the calculation results based on the comparable company method and the DCF method.

Furthermore, the Special Committee received detailed explanations from Mizuho Securities regarding the calculation methods, etc. used in the share valuation. The Special Committee also received explanations from both Mizuho Securities and the Target Company concerning the following: the selection of valuation methods; the background and content of the Target Company's business plan, and the content and reasonableness of the financial forecasts and assumptions on which the DCF method was based; the basis for calculating the discount rate; and the basis for calculating the continuing value. After question-and-answer sessions and review, the Special Committee concluded that there were no unreasonable aspects in respect of the background of the preparation of the Target Company's business plan or the content of the financial forecasts and of the assumptions on which the DCF method was based, and the Special Committee identified no unreasonable aspects in respect of other matters in light of general valuation practices.

(ii) Reasonableness of the Premium Level Relative to Past Market Share Prices and Comparable Transactions

The Tender Offer Price of 2,285 yen was obtained by adding a premium of 75.23% to 1,304 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on February 5, 2026, being the business day immediately preceding the announcement date of the Tender Offer; a premium of 72.45% to 1,325 yen, the simple average closing price for the preceding one (1) month up to the aforementioned date; a premium of 78.10% to 1,283 yen, the simple average closing price for the preceding three (3) months up to the said date; and a premium of 78.66% to 1,279 yen, the simple average closing price for the preceding six (6) months up to the said date. When comparing these premiums with the median premium in 95 tender offers conducted for the purpose of privatization of a listed company (excluding management buyouts (MBOs) and cases where the target company was a consolidated subsidiary or affiliate of the tender offeror) announced on or after June 28, 2019—the date of publication of the Fair M&A Guidelines by the Ministry of Economy, Trade and Industry— and successfully completed by January 29, 2026 (and, with the business day immediately preceding the announcement being the reference date, the median premium over the closing price on that date and over the simple average closing price for the preceding one (1) month, three (3) months, and six (6) months up to the said date were, respectively: 44.25%; 43.37%; 45.03%; and 49.14%), the Tender Offer Price can be evaluated as representing a price reflecting a more favorable premium.

(iii) Increase in the Tender Offer Price through Negotiations

As described in “IV. Matters Concerning the Fairness of the Procedures for the Transactions (Including Whether Procedures to Ensure the Fairness of Transaction Terms Have Been Sufficiently Implemented)” below, the procedures taken in the negotiation process related to the Transactions, including the Tender Offer, are deemed to have been fair. In addition, the Tender Offer Price is deemed to have been determined based on the results of such negotiations.

In fact, as a result of negotiations regarding the Transactions terms, including structure of the Transactions, the price increased by a total of 85 yen over Denka's Preliminary Proposal of 2,200 yen per share of the Target Company's Shares.

(iv) Reasonableness of Transaction Method

As the method of the Transactions, Denka proposed to the Target Company a two-step acquisition consisting of a cash tender offer followed by a share consolidation.

The method of first conducting a tender offer and then conducting a share consolidation as the second step is commonly adopted in transactions to make a company a wholly-owned subsidiary. The consideration to be paid in the second step of the transactions is expected to be the same amount as the Tender Offer Price. Furthermore, shareholders who are

dissatisfied with the amount of consideration are guaranteed the right to request the purchase of their shares or to file a petition with a court for price determination.

As described above, it can be said that, in the Transactions, including the Tender Offer, consideration has been given to the interests of minority shareholders who will not tender their shares in the Tender Offer to address the issue of so-called coerciveness. Therefore, the conditions pertaining to such squeeze-out procedures are considered to have a certain degree of reasonableness.

(v) Type of Consideration

The consideration for the Transactions is specified as cash. Cash is considered to have low risk of value fluctuation and high liquidity, and it is also relatively easy to evaluate when shareholders decide whether to tender their shares. Based on these factors, the type of consideration is deemed appropriate.

(vi) Selection from multiple proposals

The Target Company considered that, from the perspective that it would be appropriate to select the superior option after comparing and evaluating multiple alternatives, it should approach specific candidates with whom a certain degree of business synergy is anticipated. Based on the above, the Target Company approached several companies regarding the submission of proposals. Consequently, from the three (3) options included in the proposals received in response to approaching companies—namely, Denka's Proposal, Company X's Proposal, and Company Y's Proposal—the Target Company selected Denka's Proposal, which offered the most favorable transaction terms.

Furthermore, the Tender Offer Price significantly exceeds the price proposed in Company X's Proposal.

(vii) Conclusion

Based on the foregoing, after careful discussion and consideration, the Special Committee concluded that the terms of the Transactions, including the implementation method and the type of consideration, are fair.

IV. Matters Concerning the Fairness of the Procedures for the Transactions (Including Whether Procedures to Ensure the Fairness of Transaction Terms Have Been Sufficiently Implemented)

The Special Committee, having considered the following points, believes that appropriate and sufficient fairness ensuring measures have been implemented as procedures to ensure the fairness of the terms of the Transactions, and that sufficient consideration has been given to the interests of the Target Company's shareholders through fair procedures in the Transactions.

(a) Establishment of an Independent Special Committee

The Target Company established the Special Committee on August 25, 2025, in order to ensure a cautious approach regarding the Target Company's decision-making process in connection with the transactions related to Company X's Proposal, as well as to ensure the fairness thereof, and appointed Mr. Kenji Kikuchi, an independent external director of the Target Company, as a member of the Special Committee.

Subsequently, on September 12, 2025, prior to the first meeting of the Special Committee, the Special Committee additionally appointed two (2) external experts, Mr. Masahiko Yasuda and Mr. Ryosuke Koike, as members of the Special Committee.

Thereafter, prompted by a proposal from Denka for privatization of the Target Company, the Matters of Inquiry were submitted for consultation pursuant to a resolution of the Target Company's board of directors at its meeting held on October 28, 2025.

The Target Company's board of directors resolved at its meeting held on August 25, 2025, that it would pay utmost respect to the opinion of the Special Committee in making a decision regarding the Transactions and that the Target Company would grant the Special Committee the authority to: (i) conduct investigations related to each proposal (including making inquiries to, and seeking explanations or advice from, the Target Company's officers or employees involved in each proposal, or the Target Company's advisors involved in each proposal, regarding matters necessary for reviewing the matters of inquiry) at the Target Company's expense; (ii) to request that the Target Company: (I) communicate to the proposers the Special Committee's proposals and other opinions or questions; and (II) set up opportunities for the Special Committee to directly hold discussions with, and make inquiries to, the proposers (including their officers and employees involved in each proposal and the advisors to each proposer involved in each proposal); (iii) for the convenience of the operation of the proceedings, even if any officers or employees of the Target Company or advisors of the Target Company involved in each proposal attend a meeting of the Special Committee, to request that these attendees leave the meeting, as appropriate; (iv) when deemed necessary, to appoint external directors, external audit & supervisory board member and/or external experts, who do not stand to benefit from the outcome of Company X's Proposal and the transactions related thereto, as members of the Special Committee; and (v) when deemed necessary, to appoint its own attorneys-at-law, valuation institutions, certified public accountants, and other advisors at the Target Company's expense, as well as to nominate or request changes to the Target Company's advisors involved in each proposal, and to give necessary instructions to the Target Company's advisors.

Furthermore, each member of the Special Committee is independent of Denka, Company X, and Company Y (collectively, the "Prospective Offerors"), DBJ, and the Target Company, as well as of the success or failure of the Transactions. Additionally, remuneration for members of the Special Committee consists solely of fixed amounts and does not include any incentive

fees conditional upon completion of the Transactions, including the Tender Offer. Accordingly, the independence of each member of the Special Committee is ensured with regard to the success or failure of the Transactions.

Therefore, it can be said that the Special Committee is appropriately structured to protect the interests of minority shareholders from an independent standpoint. Additionally, a mechanism is in place to ensure that the Target Company's board of directors makes decisions with the utmost respect for the Special Committee's determination. Furthermore, the Special Committee is deemed to have been granted the necessary authority, etc. to function effectively.

(ii) Substantive Involvement in Consultations and Negotiations by the Special Committee

The Special Committee, in order to ensure the fairness of the Tender Offer Price from the perspective of protecting the interests of the general shareholders, conducted substantive discussions and negotiations with Denka, the proposer of the Transactions and the parent company of the Tender Offeror, through the Target Company, on multiple occasions.

Specifically, on January 15, 2026, the Target Company received from Denka the Formal Proposal with legally binding effects, upon which the Tender Offer Price was proposed to be 2,200 yen (a price obtained by adding a premium of 63.93% to 1,342 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on the business day immediately preceding the said date; a premium of 70.84% to 1,288 yen, the simple average closing price for the preceding one (1) month up to the said date; a premium of 73.62% to 1,267 yen, the simple average closing price for the preceding three (3) months up to the said date; and a premium of 73.23% to 1,270 yen, the simple average closing price for the preceding six (6) months up to the said date). The Special Committee recognized that, in light of the fact that the proposed price fell within the valuation range based on the DCF method in the results of the share valuation conducted by Mizuho Securities and was positioned near the median thereof, and that the premium attached to the proposed price was comparable to the median premiums in 89 tender offer cases that were announced on or after June 28, 2019, the date on which the Ministry of Economy, Trade and Industry published the Fair M&A Guidelines, and were consummated by December 1, 2025, for the purpose of taking listed companies private (excluding management buyouts (MBOs) cases and cases where the target company was a consolidated subsidiary or affiliate of the tender offeror), where the median premiums were 44.58%, 45.32%, 45.81%, and 49.67% with respect to the closing price on the business day immediately preceding the announcement date and the simple average closing prices for the preceding one (1) month, three (3) months, and six (6) months up to the said date, the proposed price had already secured a level at which it could be said that an appropriate portion of the value expected to be realized in the future through the consummation of the Transactions would be properly distributed to the shareholders of the Target Company. However, in light of the role of the Special Committee, which considered it desirable to obtain transaction terms more favorable

to the general shareholders, on January 21, 2026, the Special Committee requested consideration of an increase in the proposed price, stating that the proposed price did not reflect the intrinsic value of the Target Company's Shares and remained insufficient as a price that would fairly distribute to the general shareholders of the Target Company an amount corresponding to the increase in the corporate value to be realized through consummation of the Transactions.

In response, on January 26, 2026, the Special Committee received from Denka a second proposal to set the Tender Offer Price at 2,274 yen (a price obtained by adding a premium of 68.95% to 1,346 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on January 23, 2026; a premium of 72.53% to 1,318 yen, the simple average closing price for the preceding one (1) month up to the said date; a premium of 78.39% to 1,275 yen, the simple average closing price for the preceding three (3) months up to the said date; and a premium of 78.28% to 1,276 yen, the simple average closing price for the preceding six (6) months up to the said date). The Special Committee confirmed that, although the proposed price had been increased from the price proposed in the initial proposal, such increase resulted from adding to the Tender Offer Price the tax benefit relating to deemed dividends that would arise from the Target Company's acquisition of shares held by the Shareholder Who Agreed Not to Tender Its Shares through a share buyback, which had already been contemplated at the time of the initial proposal, and that, in substance, the proposed price had not changed from the initial proposal. Therefore, the Special Committee, with the same understanding and considerations as when receiving the initial formal proposal, requested Denka on January 26, 2026, to reconsider the proposal, stating that while the proposed price takes into account a certain level of premium relative to the past market price averages of the Target Company's shares, it had not reached the conclusion that the price fully reflected the intrinsic value and recent market price trends of the Target Company's shares.

Thereafter, on February 2, 2026, the Special Committee received from Denka a third proposal to again set the Tender Offer Price at 2,274 yen (price obtained by adding a premium of 75.06% to 1,299 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on the same date; a premium of 71.49% to 1,326 yen, the simple average closing price for the preceding one (1) month up to the said date; a premium of 77.66% to 1,280 yen, the simple average closing price for the preceding three (3) months up to the said date; and a premium of 77.93% to 1,278 yen, the simple average closing price for the preceding six (6) months up to the said date). In response, the Special Committee confirmed that, although the proposed price was recognized as fair from the perspective of the interests of the general shareholders of the Target Company, taking into comprehensive consideration (i) the results of the analysis of the value of the Target Company's Shares conducted by Mizuho Securities, (ii) trends in the market price of the Target Company's Shares (over the most recent one-year period with February 2, 2026 as the reference date, during which the closing price on the reference date was 1,299 yen, the

highest closing price was 1,363 yen (January 9, 2026), and the lowest closing price was 1,098 yen (April 7, 2025)), and (iii) the median premiums in 89 tender offer cases that were implemented between June 28, 2019 and December 1, 2025 for the purpose of taking listed companies private (excluding management buyouts (MBOs) cases and cases where the target company was a consolidated subsidiary or affiliate of the tender offeror), where the median premiums were 44.58%, 45.32%, 45.81%, and 49.67% with respect to the closing price on the business day immediately preceding the announcement date and the simple average closing prices for the preceding one (1) month, three (3) months, and six (6) months up to the said date, respectively), the third proposed price reflected only the addition of the tax benefit relating to deemed dividends arising from the Target Company's acquisition of the Shares Agreed Not to Be Tendered through the Acquisition of Treasury Shares, and that, absent such tax benefit forming the basis of the proposed price, there had been no change in the per-share value of the Target Company's Shares since the initial formal proposal dated January 21, 2026. Accordingly, based on the same recognition and considerations as when it received the initial formal proposal, the Special Committee requested Denka on February 3, 2026, to set the Tender Offer Price at an amount obtained by adding the tax benefit relating to deemed dividends arising from the Target Company's acquisition of the Shares Agreed Not to Be Tendered through acquisition of treasury shares to a per-share value of 2,210 yen or higher.

Thereafter, on February 4, 2026, the Special Committee received from Denka a fourth proposal to set the Tender Offer Price at 2,285 yen (a price obtained by adding a premium of 76.45% to 1,295 yen, the closing price of the Target Company's Shares as of February 3, 2026; a premium of 72.58% to 1,324 yen, the simple average closing price for the preceding one (1) month up to the said date; a premium of 78.38% to 1,281 yen, the simple average closing price for the preceding three (3) months up to the said date; and a premium of 78.79% to 1,278 yen, the simple average closing price for the preceding six (6) months up to the said date), while giving maximum consideration to the interests of the general shareholders of the Target Company. The Special Committee recognized that, although the fourth proposed price was a price obtained by adding the tax benefit relating to deemed dividends arising from the Target Company's acquisition of the Shares Agreed Not to Be Tendered through the Acquisition of Treasury Shares to a per-share value of 2,210 yen or higher, even the initial proposed price had already secured a level at which it could be said that an appropriate portion of the value expected to be realized in the future through the consummation of the Transactions would be properly distributed to the shareholders of the Target Company. The Special Committee further recognized that the fourth proposed price more sufficiently reflected the intrinsic value of the Target Company's Shares and recent trends in the market price of the Target Company's Shares, and could be recognized as a price at which an appropriate portion of the value expected to be realized in the future through the consummation of the Transactions would be properly distributed to the shareholders of the Target Company. Accordingly, the Special Committee determined that there were no circumstances that would constitute an impediment to the Target Company expressing its



support for the Tender Offer and recommending that the shareholders of the Target Company tender their shares if the Tender Offer were commenced at such proposed price, and therefore, on February 5, 2026, responded to Denka that it would accept the fourth proposed price.

Furthermore, when conducting discussions and negotiations with the Prospective Offerors regarding the Transactions, the Target Company promptly reported to the Special Committee any proposals received from the Prospective Offerors regarding the terms of the Transactions, received opinions, instructions and requests from the Special Committee, and acted accordingly.

As a result, the Tender Offer Price was determined to be 2,285 yen, which is favorable compared to premium levels in similar cases in the past, and is at a level that has taken minority shareholders into consideration.

Therefore, it can be said that the Special Committee was substantially involved in the consultation and negotiation process regarding the Transactions between the Target Company and Denka.

(iii) Obtaining of the Share Valuation Report from an Independent Third-Party Valuation Institution by the Target Company

According to the Target Company, in expressing its opinion regarding the Tender Offer, the Target Company requested Mizuho Securities to evaluate the share value of the Target Company's Shares as a measure to ensure the fairness and objectivity of transaction terms pertaining to the Transactions including the Tender Offer Price and obtained the Share Valuation Report (Mizuho Securities) dated February 5, 2026. In addition, Mizuho Securities is a financial advisor and a third-party valuation institution that is independent from the Prospective Offerors and DBJ, does not fall under the related party of the Prospective Offerors and DBJ and does not have any material interest required to be disclosed in connection with the Transactions including the Tender Offer. In addition, the Target Company has not obtained an opinion concerning the fairness of the Tender Offer Price (a fairness opinion) from Mizuho Securities as the Tender Offeror and the Target Company have implemented measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest.

Furthermore, fees payable to Mizuho Securities in connection with the Transactions include an incentive fee to be paid conditional upon the successful completion of the Transactions or other achievements. The Target Company has appointed Mizuho Securities as its financial advisor and third-party valuation institution based on the above-mentioned fee structure, considering that the independence of Mizuho Securities would not be compromised by the fact that an incentive fee to be paid conditional upon the completion of the Tender Offer is provided, taking into account (i) the general practice in similar transactions, (ii) the fact that, in the event of fee structure that an incentive fee to be paid conditional upon the successful completion of the Transactions or other achievements is not provided, a reasonable financial

cost would be imposed on the Target Company if the Transactions fail to be completed and it may actually be detrimental to the Target Company, therefore, selecting a fee structure that mitigates such disadvantages is neither unnatural nor unreasonable, and (iii) the fact that not all fees are payable solely upon the completion of the Transactions.

In addition, it is stated that the Special Committee has confirmed that there is no problem with the independence of Mizuho Securities.

(iv) Obtaining of Advice from an Independent Legal Advisor

According to the Target Company, it appointed TMI Associates as its legal advisor that is independent from any of the Prospective Offerors and DBJ, and the Target Company to secure the fairness and appropriateness of decision-making process of the Target Company's board of directors, and has received legal advice regarding the process and method of decision-making of the Target Company's board of directors, as well as other relevant considerations upon decision-making regarding the Tender Offer.

TMI Associates does not fall into the category of the Prospective Offerors, DBJ, and the Target Company does not have any material interest in connection with the Transactions including the Tender Offer. Fees payable to TMI Associates in relation to the Transactions do not include any incentive fee to be paid upon outcome of the completion of the Transactions. In addition, the Special Committee has approved TMI Associates as a legal adviser of the Target Company after confirming that there is no concern with the expertise and independence of TMI Associates.

(v) Establishment of an Independent Review Structure with the Target Company

The Special Committee has confirmed that none of the officers or employees involved in the Target Company's consideration of the Transactions concurrently serve as officers or employees of the Prospective Offerors, DBJ and the Tender Offeror, and that there are no issues with the independence of the review structure of the Target Company.

Furthermore, none of the relevant officers or employees concurrently serve as officers or employees of the Prospective Offerors, DBJ and the Tender Offeror, and therefore, there are no issues with the independence of the review structure of the Target Company. The Target Company has established a structure within the Target Company to conduct reviews, negotiations, and judgments regarding the Transactions from a position independent of the Prospective Offerors, DBJ and the Tender Offeror.

(vi) Securing Objective Conditions that Ensures the Fairness of the Tender Offer

The Tender Offeror has set a tender offer period of 30 business days, which is longer than the statutory minimum period of 20 business days. By setting the tender offer period longer than the statutory minimum period, the Tender Offeror provides a period that the Target Company's shareholders carefully consider the appropriateness of the Transactions and the

fairness of the Tender Offer Price and make a judgment regarding the appropriateness of their participation in the Tender Offer as well as provides an appropriate opportunity that persons other than the Tender Offeror make a competing offer for the Target Company's Shares, thereby aiming to ensure the fairness of the Tender Offer Price.

In addition, the Target Company is scheduled to enter into the Tender Offer Agreement (as defined below) with the Tender Offeror as of February 6, 2026. The Tender Offer Agreement provides for, among others, transaction protection provisions prohibiting the Target Company from (i) adopting a board resolution to withdraw or change its opinion expressing support for, and recommendation that shareholders tender their shares in, the Tender Offer, and (ii) (a) entering into any agreement with any person other than the Tender Offeror in relation to a Competitive Transaction (including expressing support for, or recommending shareholders to tender their shares in, such transaction), (b) providing to any person other than the Tender Offeror, in relation to a Competitive Transaction, information concerning the Target Company or any other information, or (c) making or soliciting any proposal, solicitation, offer, or request for discussions in relation to, or engaging in any discussions or negotiations regarding, such Competitive Transaction. However, the Tender Offer Agreement provides that, in the event that (i) the Qualified Competing Tender Offer (Tender Offer Agreement) is announced or commenced, or (ii) a competing proposal is received, and (iii) it is reasonably recognized that maintaining the opinion expressing support for the Tender Offer notwithstanding the announcement or commencement of the Qualified Competing Tender Offer (Tender Offer Agreement) or the receipt of such competing proposal would give rise to a specific risk of breaching the duty of care of a prudent manager of the directors of the Target Company, the Target Company may, only if it is not in breach of its obligations under the Tender Offer Agreement, request consultations with the Tender Offeror regarding a revision to the Tender Offer Price. If the Tender Offeror does not make a revised proposal to change the Tender Offer Price to an amount equal to or greater than the purchase price relating to the Qualified Competing Tender Offer (Tender Offer Agreement), or if the purchase price relating to the Qualified Competing Tender Offer (Tender Offer Agreement) or such competing proposal exceeds the Tender Offer Price after such revised proposal, an exception is provided whereby the Target Company shall not be subject to the above-mentioned prohibitions. Accordingly, it is considered that the above provisions of the Tender Offer Agreement cannot be said to excessively impede opportunities for competing proposals that would be more favorable to the shareholders of the Target Company. Furthermore, described (viii) below, within the Tender Offer where certain proactive market checks have been conducted, it is also reasonable to agree on transaction protection clauses with appropriate content.

As stated above, the Tender Offeror and the Target Company ensure the fairness of the Tender Offer by setting the tender offer period above and simultaneously securing opportunities for other purchasers to make competing offers.

(vii) Majority of Minority Conditions

In the Tender Offer, the Tender Offeror has set the minimum number of shares to be purchased at 1,990,000 shares (ownership ratio: 44.73 %), and if the total number of the Tendered Share Certificates, Etc., is less than such minimum number (i.e., 1,990,000 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc. In addition, the minimum number of shares to be purchased (1,990,000 shares; ownership ratio: 44.73 %) exceeds the number of shares which is obtained by (i) subtracting (A) the number of treasury shares held by the Target Company as of December 31, 2025 (109,700 shares) and (B) the number of Shares Agreed Not to Be Tendered (940,000 shares) from (C) the total number of issued shares of the Target Company as of the same date set forth in the Target Company's Financial Results (4,558,860 shares), and subsequently (ii) dividing the resulting number in (i) (3,509,160 shares) by two. This number of shares (1,754,580 shares (rounded up to the nearest whole number); ownership ratio: 39.44 %) represents the majority of the shares of the Target Company's Shares held by shareholders of the Target Company with no material interest in the Tender Offeror, which corresponds to the so-called "Majority of Minority" threshold.

In addition, the Shareholders Who Agreed to Tender Their Shares who are scheduled to enter into a tender agreement with the Tender Offeror regarding the tender to the Tender Offer are independent investors with no interest in the Tender Offeror. Such tender agreement was entered into based on sincere discussions and negotiations between independent parties. Therefore, the Tender Offeror believes that it is not an unreasonable approach that the execution of the relevant tender agreement means that the Shareholders Who Agreed to Tender Their Shares do not fall under shareholders of the Target Company having an interest in the Tender Offeror for purposes of determining the so-called "Majority of Minority" requirement.

Accordingly, with a focus on the intentions of the minority shareholders of the Target Company, the Tender Offeror has decided that the Tender Offeror shall not conduct the Transactions, including the Tender Offer, if it fails to obtain the approval of the majority of shareholders of the Target Company other than those who have an interest in the Tender Offeror.

(viii) Sounding out Multiple Potential Candidates

The Target Company approached Denka and Company Y regarding the delisting of the Target Company's Shares as part of the proactive market checks, by means of individually approaching multiple potential candidates, under the Guidelines for Corporate Takeovers and the Fair M&A Guidelines, taking into account (i) that, from the perspective of enhancing the Target Company's corporate value and securing the interests of minority shareholders, it would be appropriate to select the superior option after comparing and evaluating not only Company X's Proposal but also multiple alternatives; and (ii) that, given the importance and confidential nature of this matter, the Target Company should, in order to ensure appropriate

information management, approach specific candidates with whom a certain degree of business synergy is anticipated, rather than conduct an overly broad search. The Denka's Proposal for the Transactions was selected through such market checks.

(ix) Appropriate Disclosure

The Special Committee received and verified various disclosure materials, including the draft of the Target Company's Press Release. In particular, the Special Committee received explanations and advice from TMI Associates and Mizuho Securities regarding the content, pertaining to the Transactions, of the draft of the Target Company's Press Release that the Target Company intends to publish or submit, and confirmed the content thereof. Furthermore, the draft of the Target Company's Press Release contemplates comprehensive information disclosure such as in relation to (a) the eligibility, including the independence and expertise, of the members of the Special Committee; (b) the scope of the authority granted to the Special Committee; (c) the eligibility of the financial advisor and legal advisor of the Target Company or the Special Committee; (d) the Special Committee's review process and the extent of the Special Committee's involvement in discussions and negotiations with the Prospective Offerors regarding the Transactions; (e) an overview of the contents of the Report, including an overview of the bases and reasons for the Special Committee's determinations regarding the appropriateness of the Tender Offer, the appropriateness of the transaction terms, and the fairness of the procedures; (f) the fee structure in respect of the members of the Special Committee; (g) the calculation process for the share valuation based on the valuation methodology in the share valuation reports obtained by the Target Company and the Special Committee; (h) an explanation of the reasons for the Target Company's and the Special Committee's not obtaining a fairness opinion; (i) the background leading to the implementation of the Tender Offer; (j) the background and purpose, etc., for selecting the relevant period to implement the Tender Offer; and (k) the specific process of discussions and negotiations between the Target Company and the Prospective Offerors, regarding the Transactions.

The said comprehensive disclosure can be regarded as mitigating information asymmetry concerning the Transactions and ensuring that minority shareholders have the opportunity to make appropriate decisions based on sufficient information.

In addition, each content above in the draft is considered to comply with financial instruments and exchange laws and regulations and the timely disclosure standards of the Tokyo Stock Exchange and to appropriately take into account current best practices. Each party intends to make appropriate disclosures, obtaining advice from their respective legal advisors.

(x) Legality of the Squeeze-Out Procedures and Elimination of Coerciveness

The Transactions can be regarded as being conducted with due consideration to avoiding issues concerning coercion, while also ensuring the legality of the Squeeze-Out Procedures,

since (i) the Tender Offeror plans to make the Target Company a wholly-owned subsidiary of the Tender Offeror, through share consolidation promptly after the completion of settlement of the Tender Offer, while not adopting any method that fails to ensure the rights of the Target Company's shareholders to request price determination or purchase of shares; and (ii) the Tender Offeror clarifies that the amount of cash to be paid to the shareholders of the Target Company as consideration when implementing share consolidation is to be equal to the amount obtained by multiplying the Tender Offer Price by the number of the Target Company's Shares owned by such shareholders (excluding the Tender Offeror and the Target Company). Such a method is generally adopted in transactions to make a target company a wholly-owned subsidiary, and a petition to the court for a determination of the price can be made in any of the procedures.

(xi) Absence of Other Circumstances That Cast Doubt on Fairness

In addition to the above points, no facts are found from which it can be inferred that the Target Company was unreasonably influenced by the Prospective Offerors, DBJ and the Tender Offeror during the process of discussions, reviews and negotiations pertaining to the Transactions.

(xii) Conclusion

Upon consideration of the above points, the Special Committee believes that appropriate and sufficient measures to ensure fairness have been implemented as procedures to ensure the fairness of the transaction terms pertaining to the Transactions, and that, through the fair procedures in the Transactions, sufficient consideration has been given to the interests of the shareholders of the Target Company.

V. Whether the Decision by the Target Company's Board of Directors to Implement the Transactions (Including Expressing an Opinion Regarding the Tender Offer Accompanying the Transactions) Would Be Disadvantageous to Minority Shareholders in Light of the Above

As a result of careful consideration based on the matters stated in I through IV above, and other matters, with respect to matters other than those mentioned in I through IV above, the Special Committee finds no especial circumstance in which the Transactions, including the Tender Offer, would be disadvantageous to minority shareholders of the Target Company, and therefore it determines that the decision by the Target Company's board of directors to implement the Transactions, including expressing an opinion in support regarding the Tender Offer and recommending the shareholders of the Target Company to tender their shares in the Tender Offer, are not disadvantageous to minority shareholders of the Target Company.

- e. Unanimous Approval by All Directors Without Conflicts of Interest of the Target Company and No Dissenting Opinion of All of Non-Interested Statutory Auditors Without Conflicts of Interest of the Target Company

According to the Target Company's board of directors, based on the contents of the legal advice received from TMI Associates and the Share Valuation Report (Mizuho Securities) obtained from Mizuho Securities, while duly considering the contents of the Report submitted by the Special Committee, the Target Company's board of directors carefully discussed and considered the Transactions from the viewpoint of the enhancement of the Target Company's corporate value and the fairness of the terms and conditions regarding the Transactions etc.

As a result, as described in "b. Decision-Making Process Leading to Target Company's Decision to Support the Tender Offer and Reasons Therefor" of "(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Management Policy After the Tender Offer" above, the Target Company's board of directors has judged that the Transactions including the Tender Offer will contribute to the enhancement of the Target Company's corporate value, and the Tender Offer Price is fair, providing a reasonable opportunity for the shareholders of the Target Company to sell their shares, and has decided that, at the Target Company's board of directors meeting held today, the Target Company resolved to express an opinion in support of the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer by unanimous consent of all directors of the Target Company participating in the deliberation and resolution (four (4) directors excluding Directors Daisuke Okajima, Keiko Kudo and Kensuke Iizuka). At the Target Company's board of directors above, all three (3) auditors participating in the deliberation reportedly stated that they had no objection to the resolution above.

In addition, among the directors of the Target Company, (i) Mr. Daisuke Okajima is the major shareholder holding more than 20% of the shares of the Target Company and is the largest shareholder, and he is also an executive officer of the Shareholder Who Agreed Not to Tender Its Shares which has entered into the Non-Tender Agreement with the Tender Offeror; (ii) Ms. Keiko Kudo is an employee of the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) which has entered into the Tender Agreement (NIPPON KAYAKU) with the Tender Offeror; and (iii) Mr. Kensuke Iizuka is the seventh-largest shareholder holding more than 5% of the shares of the Target Company and is an executive officer of the Shareholder Who Agreed to Tender Its Shares (SYSMEX) which has entered into the Tender Agreement (SYSMEX) with the Tender Offeror. Therefore, since each of three (3) directors has a certain interest in the Transactions and there is a risk of conflicts of interest with the Target Company's general shareholders, they did not participate in any deliberation or resolution of the proposal regarding opinion of the Target Company's board of directors on the Tender Offer nor have they participated in any deliberation or resolution of proposals related to the Transactions after the decision to enter into the Non-Tender Agreement, the Tender Agreement (NIPPON KAYAKU), and the Tender Agreement (SYSMEX). Furthermore, they have not participated in any discussions or negotiations with Company X, Company Y and the Tender Offeror on behalf of the Target Company concerning the Transactions. In addition, among the directors of the Target Company, Mr. Nobuo Nakano is a former employee of the Shareholder Who

Agreed Not to Tender Its Shares, however, as more than one and a half years have passed since his leaving the company, and he is considered to have no particular interest in the Transactions, he participated in the deliberation and resolution of the proposal regarding opinion of the Target Company's board of directors on the Tender Offer.

f. Securing Objective Conditions that Ensures the Fairness of the Tender Offer

The Tender Offeror has set a tender offer period of 30 business days, which is longer than the statutory minimum period of 20 business days. By setting the tender offer period longer than the statutory minimum period, the Tender Offeror ensures an appropriate opportunity that the Target Company's shareholders make a judgment regarding their participation in the Tender Offer and an appropriate opportunity that persons other than the Tender Offeror make a competing offer for the Target Company's Shares, thereby aiming to ensure the appropriateness of the Tender Offer Price.

In addition, the Target Company entered into a tender offer agreement (the "Tender Offer Agreement") with the Tender Offeror as of February 6, 2026 (for details, please refer to "(6) Matters Concerning Material Agreements Related to the Tender Offer," "a. Tender Offer Agreement" below). The Tender Offer Agreement provides for, among others, transaction protection provisions prohibiting the Target Company from (i) adopting a board resolution to withdraw or change its opinion expressing support for, and recommendation that shareholders tender their shares in, the Tender Offer, and (ii) (a) entering into any agreement with any person other than the Tender Offeror in relation to any transaction that substantially competes with, is inconsistent with, or conflicts with, the Transaction, or that has a risk of doing so (including, without limitation, transactions to acquire the Target Company's Shares or other securities, whether through a tender offer, reorganization, or other method, and transactions to dispose of all or a significant portion of the Target Company's Shares or business; the "Competitive Transaction" in this section "f.") (including expressing support for, or recommending shareholders to tender their shares in, such transaction), (b) providing to any person other than the Tender Offeror, in relation to a Competitive Transaction, information concerning the Target Company or any other information, or (c) making or soliciting any proposal, solicitation, offer, or request for discussions in relation to, or engaging in any discussions or negotiations regarding, such Competitive Transaction. However, the Tender Offer Agreement provides that, in the event that (i) the tender offer for Target Company's Shares (provided, however, that such tender offer shall be aiming to make the Target Company go private, shall not set the maximum number of shares to be purchased, and shall set a minimum number of shares to be purchased that would ensure that the Target Company would go private, and the tender offer price for the Target Company's Shares in the relevant tender offer shall be at least 5% greater than the Tender Offer Price; the "Qualified Competing Tender Offer (Tender Offer Agreement)") is announced or commenced, or (ii) if the Target Company receives a binding proposal with sincere contents and conditions with no doubt about its feasibility from a third party regarding the Qualified Competing Tender Offer (Tender Offer Agreement) (the "Competing Proposal), and (iii) it is reasonably recognized that maintaining the opinion expressing support for the Tender Offer notwithstanding the announcement or commencement of the Qualified Competing Tender Offer (Tender Offer Agreement) or the receipt of such competing proposal would give rise to a specific



risk of breaching the duty of care of a prudent manager of the directors of the Target Company, the Target Company may, only if it is not in breach of its obligations under the Tender Offer Agreement, request consultations with the Tender Offeror regarding a revision to the Tender Offer Price. If the Tender Offeror does not make a revised proposal to change the Tender Offer Price to an amount equal to or greater than the purchase price relating to the Qualified Competing Tender Offer (Tender Offer Agreement), or if the purchase price relating to the Qualified Competing Tender Offer (Tender Offer Agreement) or such competing proposal exceeds the Tender Offer Price after such revised proposal, an exception is provided whereby the Target Company shall not be subject to the above-mentioned prohibitions. Accordingly, it is considered that the above provisions of the Tender Offer Agreement cannot be said to excessively impede opportunities for competing proposals that would be more favorable to the shareholders of the Target Company. Furthermore, described (h) below, within the Tender Offer where certain proactive market checks have been conducted, it is also reasonable to agree on transaction protection clauses with appropriate content.

g. Setting the Minimum Number of Shares to be Purchased at a Number That Exceeds the Number Corresponding to the “Majority of Minority”

In the Tender Offer, the Tender Offeror has set the minimum number of shares to be purchased at 1,990,000 shares (ownership ratio: 44.73%), and if the total number of the Tendered Share Certificates, Etc., is less than such minimum number (i.e., 1,990,000 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc. In addition, the minimum number of shares to be purchased (1,990,000 shares; ownership ratio: 44.73%) exceeds the number of shares which is obtained by (i) subtracting (A) the number of treasury shares held by the Target Company as of December 31, 2025 (109,700 shares) and (B) the number of Shares Agreed Not to Be Tendered (940,000 shares) from (C) the total number of issued shares of the Target Company as of the same date set forth in the Target Company’s Financial Results (4,558,860 shares), and subsequently (ii) dividing the resulting number in (i) (3,509,160 shares) by two. This number of shares (1,754,580 shares (rounded up to the nearest whole number); ownership ratio: 39.44%) represents the majority of the shares of the Target Company’s Shares held by shareholders of the Target Company with no material interest in the Tender Offeror, which corresponds to the so-called “Majority of Minority” threshold. (Further, the Shareholders Who Agreed to Tender Their Shares are independent investors with no interest in the Tender Offeror. The Tender Agreements were entered into based on sincere discussions and negotiations between independent parties and, unlike the Non-Tender Agreement, do not constitute agreements to exercise voting rights on the proposal concerning the Share Consolidation. Therefore, the Tender Offeror believes that the execution of the Tender Agreements does not mean that the Shareholders Who Agreed to Tender Their Shares fall under shareholders of the Target Company having an interest in the Tender Offeror for purposes of determining the so-called “Majority of Minority” requirement. Also, Ms. Sugiyama is independent investor with no interest in the Tender Offeror. Unlike the Non-Tender Agreement, Tender Confirmation (Ms. Sugiyama) does not constitute agreements to exercise voting rights on the proposal concerning the Share Consolidation. Therefore, the Tender Offeror believes that existence of the Tender Confirmation (Ms. Sugiyama) does not mean that Ms. Sugiyama falls under

shareholders of the Target Company having an interest in the Tender Offeror for purposes of determining the so-called “Majority of Minority” requirement.)

Accordingly, with a focus on the intentions of the minority shareholders of the Target Company, the Tender Offeror has decided that the Tender Offeror shall not conduct the Transactions, including the Tender Offer, if it fails to obtain the approval of the majority of shareholders of the Target Company other than those who have an interest in the Tender Offeror.

h. Sounding out Multiple Potential Candidates

The Target Company approached Denka and Company Y regarding the delisting of the Target Company’s Shares as part of the proactive market checks, by means of individually approaching multiple potential candidates, under the Guidelines for Corporate Takeovers and the Fair M&A Guidelines, taking into account (i) that, from the perspective of enhancing the Target Company’s corporate value and securing the interests of minority shareholders, it would be appropriate to select the superior option after comparing and evaluating not only Company X’s Proposal but also multiple alternatives; and (ii) that, given the importance and confidential nature of this matter, the Target Company should, in order to ensure appropriate information management, approach specific candidates with whom a certain degree of business synergy is anticipated, rather than conduct an overly broad search. The Denka’s Proposal for the Transactions was selected through such market checks.

**(4) Policy for Organizational Restructuring, Etc., After the Tender Offer (Matters Relating to So-called “Two-step Acquisition”)**

As described in “(1) Overview of the Tender Offer,” if the Tender Offeror is unable to acquire all of the Target Company’s Shares through the Tender Offer (excluding the Shares Agreed Not to Be Tendered, the BBT Held Shares and the treasury shares held by the Target Company), the Tender Offeror intends to implement the Squeeze-Out Procedures by way of the following methods after the consummation of the Tender Offer:

Specifically, promptly after the completion of settlement of the Tender Offer, the Tender Offeror plans to request the Target Company to hold an extraordinary shareholders’ meeting (the “Extraordinary Shareholders’ Meeting”) that will resolve proposals including: (a) a proposal regarding consolidation of the Target Company’s Shares (the “Share Consolidation”) pursuant to Article 180 of the Companies Act and (b) a proposal regarding a partial amendment to the articles of incorporation subject to the Share Consolidation becoming effective for the purpose of abolishing the provision regarding the number of shares constituting one unit of share. Although the timing of the Extraordinary Shareholders’ Meeting will vary depending on the completion date of the Tender Offer, at this time, it is tentatively scheduled to be around late May 2026. According to the Target Company’s Press Release, the Target Company plans to comply with such request, should the Tender Offeror make it. In addition, the Tender Offeror and the Shareholder Who Agreed Not to Tender Its Shares plan to vote in favor of each of the above-mentioned proposals at the Extraordinary Shareholders’ Meeting.

If the proposal regarding the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, as of the effective date of the Share Consolidation, the number of the Target Company's Shares owned by the shareholders of the Target Company will be changed in proportion to the ratio for the Share Consolidation approved at the Extraordinary Shareholders' Meeting. In the case where any fractional share less than one share arises as a result of the Share Consolidation, the amount of cash to be obtained by selling, etc., the Target Company's Shares in the amount equivalent to the aggregate of such fractional shares (any fractional shares less than one share in the aggregate will be rounded off; hereinafter the same) to the Target Company or the Tender Offeror, will be delivered to the shareholders that own such fractional shares of the Target Company pursuant to the procedures provided in Article 235 of the Companies Act and other relevant laws or regulations.

With respect to the sale price of the Target Company's Shares in the amount equivalent to the aggregate of such fractional shares, the Tender Offeror plans to request the Target Company to calculate such price so that the amount of money to be delivered to the Target Company's shareholders (excluding the Tender Offeror, the Shareholder Who Agreed Not to Tender Its Shares, and the Target Company) who did not tender their shares in the Tender Offer as a result of such sale will be equal to the amount obtained by multiplying (a) the Tender Offer Price by (b) the number of the Target Company's Shares held by such shareholders, and file a petition with a court for permission for such voluntary sale. Although the ratio for the consolidation of the Target Company's Shares has not yet been determined as of today, it is contemplated that the Tender Offeror will request the Target Company to determine the ratio so that the Tender Offeror will hold all of the Target Company's Shares (excluding the Shares Agreed Not to Be Tendered, and the treasury shares held by the Target Company) and the number of the Target Company's Shares owned by the Target Company's shareholders (excluding the Tender Offeror, the Shareholder Who Agreed Not to Tender Its Shares, and the Target Company) who did not tender their shares in the Tender Offer will be a fractional share less than one share. Upon consummation of the Tender Offer, the Target Company plans to comply with any such request by the Tender Offeror.

As the provisions under the Companies Act for the purpose of protecting general shareholder rights in connection with the Share Consolidation, it is stipulated to the effect that the shareholders of the Target Company (excluding the Tender Offeror, the Shareholder Who Agreed Not to Tender Its Shares, and the Target Company), pursuant to the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws or regulations and subject to the satisfaction of the prescribed conditions, may request the Target Company to purchase at a fair price all of their fractional shares less than one share and file a petition with a court for determination of the price of the Target Company's Share in the case where the Share Consolidation is conducted and any fractional share less than one share arises.

As described above, in the Share Consolidation, the number of Target Company's Share owned by the Target Company's shareholders (excluding the Tender Offeror, the Shareholder Who Agreed Not to Tender Its Shares, and the Target Company) who did not tender their shares in the Tender Offer will be a fractional share less than one share; therefore, the Target Company's shareholders

(excluding the Tender Offeror, the Shareholder Who Agreed Not to Tender Its Shares, and the Target Company) who oppose the Share Consolidation will be able to file the above petition. In the event the above-mentioned petition is filed, the purchase price will ultimately be determined by the court.

The procedures for the Share Consolidation described above may be changed in the method and period due to the amendment of the relevant laws and regulations, enforcement of the relevant laws and regulations, the interpretation, etc., by the authorities of the relevant laws and regulations, etc. However, even in such cases, the Tender Offeror intends to adopt any measures to eventually pay cash to the shareholders of the Target Company (excluding the Tender Offeror, the Shareholder Who Agreed Not to Tender Its Shares, and the Target Company) who did not tender their shares in the Tender Offer and cause the amount of cash to be paid to such shareholders of the Target Company to be equal to the amount obtained by multiplying the Tender Offer Price by the number of the Target Company's Shares owned by such shareholders.

The specific procedures and the schedule thereof in the above case will be announced by the Tender Offeror once they are determined through mutual discussions between the Tender Offeror and the Target Company.

In addition, if the effective date of the Share Consolidation is expected to occur by June 30, 2026, the Tender Offeror will request, subject to the Share Consolidation becoming effective, the Target Company to make a partial amendment to the articles of incorporation for the purpose of abolishing the provision regarding the record date of voting rights at the ordinary shareholders' meeting of the Target Company for the fiscal year ending March 2026 (the "Ordinary Shareholders' Meeting"), in order to treat the shareholders after the Share Consolidation becoming effective (meaning the Tender Offeror; or the Tender Offeror and the Shareholder Who Agreed Not to Tender Its Shares) as the shareholders who are entitled to exercise their rights at the Ordinary Shareholders' Meeting. Therefore, the shareholders who are stated or registered in the shareholders' registry of the Target Company as of March 31, 2026, may possibly be unable to exercise their rights at the Ordinary Shareholders' Meeting.

The Tender Offer is not intended to solicit the affirmative vote of the Target Company's shareholders at the Extraordinary Shareholders' Meeting. Each shareholder of the Target Company should consult with a licensed tax accountant, etc., at its own responsibility regarding tax implications in relation to the tender in the Tender Offer or the procedures above.

## **(5) Prospects of Delisting and Reasons Therefor**

As of today, the Target Company's Shares is listed on the Standard Market of the Tokyo Stock Exchange. However, since the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer, the Target Company's Shares may, depending on the result of the Tender Offer, be delisted pursuant to the procedures prescribed by, and in accordance with the criteria for delisting established by, the Tokyo Stock Exchange. In addition, even in the case where such criteria are not applicable to the Target Company's Shares at the time of consummation of the Tender Offer, the Tender Offeror intends, if the Tender Offer is consummated, to implement the

Squeeze-Out Procedures as described in “(4) Policy for Organizational Restructuring, Etc., After the Tender Offer (Matters Relating to So-called “Two-step Acquisition”)” above. Therefore, if the Squeeze-Out Procedures are implemented, the Target Company’s Shares will be delisted pursuant to the prescribed procedures, in accordance with the criteria for delisting established by Tokyo Stock Exchange. The Target Company’s Shares, after being delisted, will no longer be traded on the Standard Market of the Tokyo Stock Exchange.

**(6) Matters Concerning Material Agreements Related to the Tender Offer**

**a. Tender Offer Agreement**

As of February 6, 2026, the Tender Offeror entered into the Tender Offer Agreement with the Target Company that includes the following content concerning the execution of the Transactions.

- (a) The Target Company will, as of the date of execution of the Tender Offer Agreement, vote in favor of the Tender Offer at the Target Company’s board of directors, express its supporting opinion to the shareholders of the Target Company’, and will provide necessary cooperation in good faith during the Tender Offer Period so that as many shareholders as possible may tender their shares in the Tender Offer. The Target Company shall maintain such expression of its supporting opinion from the date of execution of the Tender Offer Agreement to the expiration date of the Tender Offer Period and shall not adopt a resolution at a meeting of its board of directors to withdraw or change such expression of its supporting opinion. However, if, by the fifth business day prior to the expiration date of the Tender Offer Period, a person other than the Tender Offeror (i) announces or commences a tender offer for Target Company’s Shares (provided, however, that such tender offer shall be aiming to make the Target Company go private, shall not set the maximum number of shares to be purchased, and shall set a minimum number of shares to be purchased that would ensure that the Target Company would go private, and the tender offer price for the Target Company’s Shares in the relevant tender offer shall be at least 5% greater than the Tender Offer Price; the “Qualified Competing Tender Offer (Tender Offer Agreement)”) or (ii) makes to the Target Company a competing proposal, and (iii) if it is reasonably recognized that maintaining the expression of its supporting opinion, even though the Qualified Competing Tender Offer (Tender Offer Agreement) is announced or commenced or a competing proposal is made to the Target Company, would be particularly likely to breach the directors’ duty of care, then the Target Company may request the Tender Offeror to discuss changes to the Tender Offer Price only in cases where the Target Company is not in a breach of its own duties under the Tender Offer Agreement. In addition, if the Target Company makes such a request to the Tender Offeror, the Target Company shall, as promptly as practicable, hold discussions with the Tender Offeror in good faith so that the Tender Offeror will have an opportunity to make another proposal regarding the Tender Offer Price. If the Tender Offeror does not make a proposal to change the Tender Offer Price to an amount higher than the tender offer price of the Qualified Competing Tender Offer (Tender Offer Agreement) by the fifth business day starting from the date when the Target Company makes such a request to the Tender Offeror or by the second business day prior to the expiration date of the Tender

Offer Period, whichever is earlier, or if the tender offer price relating to the Qualified Competing Tender Offer (Tender Offer Agreement) or the competing proposal exceeds the Tender Offer Price after such a proposal, the Target Company may adopt a resolution at a meeting of its board of directors to withdraw or change such expression of its supporting opinion.

- (b) The Target Company shall, as soon as practicable after the Settlement Commencement Date, hold an Extraordinary Shareholders' Meeting for which the agenda includes a resolution to implement the Share Consolidation as part of the Squeeze-Out Procedures on the condition that the Tender Offer is successfully completed. Furthermore, the Target Company shall conduct the Acquisition of Treasury Shares on the date set by agreement between the Tender Offeror and the Shareholder Who Agreed Not to Tender Its Shares (which shall be a date on or after the effective date of the Share Consolidation) on the condition that the Share Consolidation takes effect.
- (c) During the period from the date of execution of the Tender Offer Agreement to the time of the completion of the Squeeze-Out Procedures, the Target Company shall not, directly or indirectly,
  - (i) make any agreement with any person other than the Tender Offeror relating to any transaction that substantially competes with, is inconsistent with, or conflicts with, the Transaction, or that has a risk of doing so (the "Competitive Transaction" in this "a. Tender Offer Agreement" section),
  - (ii) provide any person other than the Tender Offeror with any information on the Target Company or other information in relation to the Competitive Transaction, and
  - (iii) engage in proposals, solicitations, offers to solicitations or request for discussion of such Competitive Transaction, or any discussion or negotiation regarding such Competitive Transaction.In addition, if, during the period from the date of execution of the Tender Offer Agreement to the time of the completion of the Squeeze-Out Procedures, the Target Company receives proposals, solicitations, provision of information, or offers to solicitations of any Competitive Transaction from any person other than the Tender Offeror, the Target Company shall immediately notify the Tender Offeror of the details of such proposals, etc. and consult with the Tender Offeror in good faith regarding the response to such proposals, etc.
- (d) On or after the commencement date of the Tender Offer, the Target Company shall cooperate, to the extent necessary and reasonable, in performing the procedures introduced by the Target Company
  - (i) that necessary for the J-ESOP Held Shares to be tendered in the Tender Offer; and
  - (ii) that necessary for, of the BBT Held Shares, those shares subject to acquisition without consideration by the Target Company under the rules concerning the provision of shares (retirement-based benefits) and the trust agreement, to be transferred to the Target Company without consideration, upon termination of such trust agreement.

In addition, the Tender Offer Agreement stipulates that the following shall constitute events of cancellation: (i) that the Tender Offeror and the Target Company agree in writing to terminate the Tender Offer Agreement, (ii) that the Tender Offeror withdraws the Tender Offer in accordance with laws and regulations, etc., (iii) that the total number of shares tendered in the Tender Offer is less

than the minimum number of shares to be purchased, (iv) there is a material breach of the obligations under the Tender Offer Agreement or a material breach of the representations and warranties set forth in the Tender Offer Agreement (Note) on the part of the other party (for the Target Company, this refers to the Tender Offeror, and for the Tender Offeror, this refers to the Target Company; hereinafter the same applies in this “a. Tender Offer Agreement” section), or (v) that the Target Company adopts a resolution at the board of directors meeting to withdraw or modify the expression of its supporting opinion in accordance with (a) above, in such case, if a written notice of cancellation of the Tender Offer Agreement is given to the other party before the commencement of the Tender Offer.

(Note) Under the Tender Offer Agreement, the Tender Offeror makes representations and warranties regarding (i) legal capacity, etc., (ii) execution and performance of the agreement, (iii) enforceability, (iv) absence of conflict with laws and regulations, etc., (v) absence of bankruptcy proceedings, etc., and (vi) absence of transactions with anti-social forces, etc. The Target Company makes representations and warranties regarding (i) legal capacity, etc., (ii) execution and performance of the agreement, (iii) enforceability, (iv) absence of conflict with laws and regulations, etc., (v) absence of bankruptcy proceedings, etc., (vi) absence of transactions with anti-social forces, etc., (vii) shares, (viii) compliance with laws and regulations, and the acquisition of necessary business licenses and permits, (ix) absence of undisclosed material facts, and (x) accuracy of disclosure documents.

b. Non-Tender Agreement

As of February 6, 2026, the Tender Offeror and Denka entered into the Non-Tender Agreement with the Shareholder Who Agreed Not to Tender Its Shares, and agreed that the Shareholder Who Agreed Not to Tender Its Shares will not tender the Shares Agreed Not to Be Tendered (total number of shares held: 940,000; ownership ratio: 21.13%) in the Tender Offer, that the Shareholder Who Agreed Not to Tender Its Shares will, at the Extraordinary Shareholders’ Meeting, support the proposal on the Share Consolidation with regard to the Shares Agreed Not to Be Tendered and that the Shareholder Who Agreed Not to Tender Its Shares will sell to the Target Company all of the Shares Agreed Not to Be Tendered in accordance with the Acquisition of Treasury Shares after the Share Consolidation takes effect. The Tender Offeror and the Shareholder Who Agreed Not to Tender Its Shares have not entered into any agreements related to the Transactions except for the Non-Tender Agreement, and, other than the payment of the Tender Offer Price, there are no benefits to be provided to the Shareholder Who Agreed Not to Tender Its Shares with respect to the tendering in the Tender Offer.

(a) Except as otherwise expressly provided in the Non-Tender Agreement, the Shareholder Who Agreed Not to Tender Its Shares shall not assign, grant as security, or otherwise dispose of (including, but not limited to, tendering to any tender offer other than the Tender Offer) all or part of the Shares Agreed Not to Be Tendered, and the Shareholder Who Agreed Not to Tender Its Shares shall not acquire the Target Company’s Shares or any rights pertaining thereto.

- (b) The Shareholder Who Agreed Not to Tender Its Shares (i) shall not, by itself or by any other person, engage in any conduct with any person other than the Tender Offeror that, directly or indirectly, competes with, or conflicts with the Tender Offer or any other transaction contemplated by the Non-Tender Agreement (including, without limitation, any agreement, offer to agree, invitation to agree, acceptance, consultation, or negotiation with third parties or solicitation or provision of information thereto) (the “Competitive Transactions , etc.”), and (ii) if the Shareholder Who Agreed Not to Tender Its Shares receives any solicitation, proposal, provision of information, or application for the Competitive Transactions, etc. from any third party other than the Tender Offeror, the Shareholder Who Agreed Not to Tender Its Shares shall immediately notify the Tender Offeror to that effect and the details thereof (to the extent that the Shareholder Who Agreed Not to Tender Its Shares does not violate the confidentiality obligation with such third party), and shall consult with the Tender Offeror in good faith with respect to its response to such third party.
- (c) Notwithstanding the foregoing (a) and (b), if, by the fifth business day prior to the expiration date of the Tender Offer Period, (i) a third party commences a tender offer for the Target Company’s Shares at a tender offer price exceeding the Tender Offer Price (provided, however, that such tender offer shall be aiming to make the Target Company go private, shall not set the maximum number of shares to be purchased, and shall set a minimum number of shares to be purchased that would ensure that the Target Company would go private; the “Qualified Competing Tender Offer (Non-Tender Agreement)”); (ii) the Target Company adopts a resolution expressing its opinion to consent to the Qualified Competing Tender Offer (Non-Tender Agreement); and (iii) it is reasonably deemed possible that the execution of the transaction contemplated in the Non-Tender Agreement by the Shareholder Who Agreed Not to Tender Its Shares or its failure to tender the Shares Agreed Not to Be Tendered to the Qualified Competing Tender Offer (Non-Tender Agreement) may violate the directors’ fiduciary duty of care of the Shareholder Who Agreed Not to Tender Its Shares, the Shareholder Who Agreed Not to Tender Its Shares may request negotiations with the Tender Offeror regarding changes to the Tender Offer Price and the per-share consideration for the Acquisition of Treasury Shares. If, as a result of such negotiations, an agreement is not reached by the earliest of the following dates: the date seven (7) business days after the date such request was made to the Tender Offeror; the expiration date of the Tender Offer Period; or the business day immediately preceding the expiration date of the purchase period for the Qualified Competing Tender Offer (Non-Tender Agreement) (provided that the tender offer price for the Qualified Competing Tender Offer (Non-Tender Agreement) exceeds the Tender Offer Price and the Shareholder Who Agreed Not to Tender Its Shares has not breached its obligations set forth in (b) above) the Shareholder Who Agreed Not to Tender Its Shares may, upon prior written notice to the Tender Offeror, provide information, engage in discussions or enter into an agreements with a third party who has commenced the Qualified Competing Tender Offer (Non-Tender Agreement) regarding the Competitive Transactions, etc., execute transactions contemplated by such agreement, or tender its shares in the Qualified Competing Tender Offer (Non-Tender Agreement), and transfer the Shares Agreed Not to Be Tendered to the relevant third party, in



such case, the Shareholder Who Agreed Not to Tender Its Shares shall not be obligated to comply with the obligations set forth in the (d) through (g) below, nor shall it make the representations and warranties set forth in the (f) (Note) below. However, this shall not apply if the Tender Offer is consummated.

- (d) During the period from the date of execution of the Non-Tender Agreement until completion of the Acquisition of Treasury Shares, the Shareholder Who Agreed Not to Tender Its Shares may not exercise its rights as a shareholder, including the right to call a shareholders' meeting of the Target Company (Article 297 of the Companies Act) and the right to propose shareholder proposals (Articles 303 through 305 of the Companies Act), or any other shareholders' rights, without the prior written consent of the Tender Offeror, except as expressly provided in the Non-Tender Agreement.
- (e) Except as expressly provided in the Non-Tender Agreement, if the Shareholder Who Agreed Not to Tender Its Shares is entitled to vote at any shareholders' meeting of the Target Company to be held between the date of execution of the Non-Tender Agreement and the effective date of the Share Consolidation with respect to any (i) proposal relating to dividends of surplus or other appropriations, (ii) proposal relating to shareholder proposals, or (iii) proposal that, if approved, would or could reasonably be expected to have a material effect on the financial condition, results of operations, cash flow, business, assets, liabilities or future earnings plans or prospects of the Target Company, the Shareholder Who Agreed Not to Tender Its Shares shall exercise its voting rights against such proposal at such shareholders' meeting with respect to the Shares Agreed Not to Be Tendered.
- (f) In the event that the Share Consolidation becomes effective, at a shareholders' meeting of the Target Company held on or after the effective date of the Share Consolidation, the Shareholder Who Agreed Not to Tender Its Shares shall exercise its voting rights and any other rights at such shareholders' meeting with respect to the Shares Agreed Not to Be Tendered in accordance with the instructions of the Tender Offeror, and shall take necessary measures to ensure that the intentions of the Tender Offeror are properly reflected in such meeting. In addition, the Non-Tender Agreement stipulates that the following events shall constitute events of termination: (i) in the event that the Tender Offeror withdraws the Tender Offer in accordance with laws and regulations, etc., or (ii) in the event that the total number of shares tendered in the Tender Offer is less than the minimum number of shares to be purchased. Furthermore, the Non-Tender Agreement stipulates that the following events shall constitute events of cancellation: (i) in the event that there is a material breach of the obligations under the Non-Tender Agreement on the part of the other party (for the Shareholder Who Agreed Not to Tender Its Shares, this refers to the Tender Offeror, and for the Tender Offeror, this refers to the Shareholder Who Agreed Not to Tender Its Shares; hereinafter the same applies to the references to "the other party" in this "(ii) Non-Tender Agreement" section), or (ii) in the event that the other party has materially breached any of the representations and warranties set forth in the Non-Tender Agreement (Note).

(Note) Under the Non-Tender Agreement, the Shareholder Who Agreed Not to Tender Its Shares makes representations and warranties to the Tender Offeror regarding (i) legal capacity, etc., (ii) execution and performance of the agreement, (iii) enforceability, (iv) acquisition of licenses and permits, etc., (v) absence of conflict with laws and regulations, etc., (vi) absence of bankruptcy proceedings, etc., (vii) absence of transactions with anti-social forces, etc., (viii) absence of bribery, etc., and (ix) shareholdings, etc. and the Tender Offeror and Denka make representations and warranties to the Shareholder Who Agreed Not to Tender Its Shares (i) legal capacity, etc., (ii) execution and performance of the agreement, (iii) enforceability, (iv) acquisition of licenses and permits, etc., (v) absence of conflict with laws and regulations, etc., (vi) absence of bankruptcy proceedings, etc., (vii) absence of transactions with anti-social forces, etc., (viii) absence of bribery, etc., and (ix) financing, etc.

(g) As of the date otherwise determined by the Tender Offeror on or after the effective date of the Share Consolidation (the “Acquisition Date”), the Shareholder Who Agreed Not to Tender Its Shares shall sell to the Target Company all of the Shares Agreed Not to Be Tendered as consideration for receiving the full amount of the total acquisition price pertaining to the Acquisition of Treasury Shares from the Target Company in accordance with the Non-Tender Agreement on the condition that the Share Consolidation takes effect. The Shareholder Who Agreed Not to Tender Its Shares and the Tender Offeror shall, as soon as practicable after the Share Consolidation takes effect, (i) cause the Target Company to complete all procedures necessary to implement the Acquisition of Treasury Shares, including holding an Extraordinary Shareholders’ Meeting, and (ii) themselves perform all acts necessary for the Acquisition of Treasury Shares, thereby completing the implementation of the Acquisition of Treasury Shares on the Acquisition Date.

c. Tender Agreement (HIKARI TSUSHIN)

As of February 6, 2026, the Tender Offeror entered into the Tender Agreement (HIKARI TSUSHIN) with the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) and agreed that the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) would tender the Target Company’s Shares held by the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) (total number of shares held: 979,300; total ownership ratio: 22.01%, which consists of HIKARI TSUSHIN, INC. (number of shares held: 45,500; ownership ratio: 1.02%), Hikari Tsushin KK Investment Limited Partnership (number of shares held: 281,600; ownership ratio: 6.33%), UH Partners 2 Investment Limited Partnership (number of shares held: 334,200; ownership ratio: 7.51%, UH Partners 3 Investment Limited Partnership, (number of shares held: 257,200; ownership ratio: 5.78%) and SIL Investment Limited Partnership (number of shares held: 60,800; ownership ratio: 1.37%; the “Shares Agreed to Be Tendered (HIKARI TSUSHIN)”) in the Tender Offer. The Tender Offeror and the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) have not entered into any agreements related to the Transactions except for the Tender Agreement (HIKARI TSUSHIN), and, other than the payment of the Tender Offer Price, there are no benefits

to be provided to the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) with respect to the tendering in the Tender Offer.

- (a) The obligations of the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) under the Tender Agreement (HIKARI TSUSHIN) are conditional upon the Tender Offer being announced on February 6, 2026, in accordance with applicable laws and regulations. However, the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) may, at its sole discretion, waive this condition.
- (b) The tender of the Shares Agreed to Be Tendered (HIKARI TSUSHIN) by the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) in the Tender Offer is conditioned upon the commencement of the Tender Offer and the condition described in (a) above.
- (c) Except as expressly provided in the Tender Agreement (HIKARI TSUSHIN), during the period from the date of execution of the Tender Agreement (HIKARI TSUSHIN) to the Settlement Commencement Date, The Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) shall not transfer, pledge as collateral, or otherwise dispose of all or part of the Shares Agreed to Be Tendered (HIKARI TSUSHIN), including but not limited to tendering them in a tender offer other than the Tender Offer, nor shall it acquire the Target Company's Shares or any rights pertaining thereto.
- (d) Notwithstanding (b) and (c) above, (i) if a tender offer for the Target Company's Shares is commenced by a third party at a price exceeding the Tender Offer Price, and it is reasonably deemed highly likely that tendering in the Tender Offer contemplated by the Tender Agreement (HIKARI TSUSHIN) would violate the fiduciary duty of care of the directors of the Shareholders Who Agreed to Tender Their Shares (HIKARI TSUSHIN) (or for Hikari Tsushin KK Investment Limited Partnership, UH Partners 2 Investment Limited Partnership, UH Partners 3 Investment Limited Partnership, and SIL Investment Limited Partnership, their managing partners), or (ii) if the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) determines that performing the acts described in (b) and (c) above would violate or reasonably risk violating laws or regulations applicable to the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN), then (b) and (c) above shall not apply.
- (e) If the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) is entitled to vote at any shareholders' meeting of the Target Company to be held on or after the date of execution of the Tender Agreement (HIKARI TSUSHIN), with respect to a proposal relating to dividends of surplus or other appropriations, the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) shall exercise their voting rights against such proposal at such shareholders' meeting with respect to the Shares Agreed to Be Tendered (HIKARI TSUSHIN).

In addition, the Tender Agreement (HIKARI TSUSHIN) stipulates that the following events shall constitute events of cancellation: (i) in the event that there is a material breach of the obligations under the Tender Agreement (HIKARI TSUSHIN) on the part of the other party (for the Shareholder

Who Agreed to Tender Its Shares (HIKARI TSUSHIN), this refers to the Tender Offeror, and for the Tender Offeror, this refers to the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN); hereinafter the same applies to the references to “the other party” in this “(c) Tender Agreement (HIKARI TSUSHIN)” section), (ii) in the event that the other party has materially breached any of the representations and warranties (Note), (iii) in the event that the Tender Offeror withdraws the Tender Offer in accordance with laws and regulations, etc., or (iv) in the event that the total number of shares tendered in the Tender Offer is less than the minimum number of shares to be purchased.

(Note) Under the Tender Agreement (HIKARI TSUSHIN), the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) makes representations and warranties to the Tender Offeror regarding (i) legal capacity, etc., (ii) execution and performance of the agreement, (iii) enforceability, (iv) acquisition of licenses and permits, etc., (v) absence of conflict with laws and regulations, etc., (vi) absence of bankruptcy proceedings, etc., (vii) absence of transactions with anti-social forces, etc., (viii) absence of bribery, etc., and (ix) shareholdings, etc. and the Tender Offeror makes representations and warranties to the Shareholder Who Agreed to Tender Its Shares (HIKARI TSUSHIN) regarding (i) legal capacity, etc., (ii) execution and performance of the agreement, (iii) enforceability, (iv) acquisition of licenses and permits, etc., (v) absence of conflict with laws and regulations, etc., (vi) absence of bankruptcy proceedings, etc., (vii) absence of transactions with anti-social forces, etc., (viii) absence of bribery, etc., and (ix) financing, etc.

d. Tender Agreement (SYSMEX)

As of February 6, 2026, the Tender Offeror entered into the Tender Agreement (SYSMEX) with the Shareholder Who Agreed to Tender Its Shares (SYSMEX) and agreed that the Shareholder Who Agreed to Tender Its Shares (SYSMEX) would tender in the Tender Offer the Target Company's Shares held by the Shareholder Who Agreed to Tender Its Shares (SYSMEX) (number of shares held: 230,000; ownership ratio: 5.17%; the “Shares Agreed to Be Tendered (SYSMEX)”). The Tender Offeror and the Shareholder Who Agreed to Tender Its Shares (SYSMEX) have not entered into any agreements related to the Transactions except for the Tender Agreement (SYSMEX), and, other than the payment of the Tender Offer Price, there are no benefits to be provided to the Shareholder Who Agreed to Tender Its Shares (SYSMEX) with respect to the tendering in the Tender Offer.

- (a) The tender of the Shares Agreed to Be Tendered (SYSMEX) by the Shareholder Who Agreed to Tender Its Shares (SYSMEX) in the Tender Offer is conditioned upon the commencement of the Tender Offer and the condition of (c) below.
- (b) Except as expressly provided in the Tender Agreement (SYSMEX), The Shareholder Who Agreed to Tender Its Shares (SYSMEX) shall not transfer, pledge as collateral, or otherwise dispose of all or part of the Shares Agreed to Be Tendered (SYSMEX), including but not limited to tendering them in a tender offer other than the Tender Offer, nor shall it acquire the Target Company's Shares or any rights pertaining thereto.

- (c) Obligations of the Shareholder Who Agreed to Tender Its Shares (SYSMEX) stated in (a) and (b) above are conditioned upon (i) the Tender Offer Price is more than 2,285 yen, (ii) the Tender Offer has been lawfully and validly commenced in accordance with applicable laws and regulations and has not been withdrawn, (iii) the representations and warranties of the Tender Offeror under the Tender Agreement (SYSMEX) (Note) are true and accurate in all material respects, (iv) the Tender Offeror has substantially performed or complied with the obligations it is required to perform or comply with under the Tender Agreement (SYSMEX), (v) there are no laws, regulations, or judgments by judicial or administrative authorities restricting or prohibiting the Tender Offer, (vi) the Target Company's board of directors has lawfully and validly passed the expression of its supporting opinion, the Target Company has publicly disclosed the content thereof, and such resolution has not been amended or withdrawn, and (vii) the Tender Offeror is not aware of any undisclosed material facts concerning the Target Company's business operations, etc., or facts concerning the implementation or discontinuation of a tender offer for the Target Company's share certificates, etc.; provided, however, that the Shareholder Who Agreed to Tender Its Shares (SYSMEX) may, at its sole discretion, waive all or any part of such conditions.
- (d) The Shareholder Who Agreed to Tender Its Shares (SYSMEX) shall not enter into any agreement, directly or indirectly, with any person other than the Tender Offeror for any conduct that does or may compete, contradict or conflict with the Tender Offer or any transaction contemplated by the Tender Agreement (SYSMEX), and if the Shareholder Who Agreed to Tender Its Shares (SYSMEX) receives any solicitation, proposal, provision of information, or application for such conduct from any third party other than the Tender Offeror, it shall promptly notify the Tender Offeror to that effect and the details thereof, and shall endeavor to consult with the Tender Offeror in good faith with respect to its response to such third party.
- (e) Notwithstanding (a), (b) and (d) above, in the event that, by the five (5) business days prior to the expiration date of the Tender Offer Period, (i) if a third party commences or announces (as provided in Article 167, Paragraph 4 of the Act) a tender offer for the Target Company's Shares at a price exceeding the Tender Offer Price (provided, however, in order to achieve the privatization of the Target Company, it is necessary to establish a minimum number of shares to be purchased that ensures privatization upon completion, without setting an upper limit on the number of shares to be purchased; the "Qualified Competing Tender Offer (Tender Agreement (SYSMEX))", or (ii) if the Target Company receives a sincere proposal from a third party regarding the Qualified Competing Tender Offer (Tender Agreement (SYSMEX)) (the "Competing Proposal (Tender Agreement (SYSMEX))"), The Shareholder Who Agreed to Tender Its Shares (SYSMEX) may request discussions with the Tender Offeror regarding the response thereof. If discussions are not concluded by the earlier of the date five (5) business days after the date such request was made to the Tender Offeror or the day preceding the expiration date of Tender Offer Period, the Shareholder Who Agreed to Tender Its Shares (SYSMEX) may, only if the tender offer price of the Qualified Competing Tender Offer (Tender Agreement (SYSMEX)) or the purchase price presented in the Competing Proposal (Tender

Agreement (SYSMEX)) exceeds the Tender Offer Price and the Shareholder Who Agreed to Tender Its Shares (SYSMEX) has not breached its obligations under the Tender Agreement (SYSMEX), upon providing prior written notice to the Tender Offeror, the Shareholder Who Agreed to Tender Its Shares (SYSMEX) shall not tender all or part of the Shares Agreed to Be Tendered (SYSMEX) in the Tender Offer, terminate the agreement for the purchase of the Shares Agreed to Be Tendered (SYSMEX) executed as a result of the Tender Offer, and is permitted to participate in the Qualified Competing Tender Offer (Tender Agreement (SYSMEX)), including tender offer initiated pursuant to the Competing Proposal (Tender Agreement (SYSMEX)).

- (f) Except as expressly provided in the Tender Agreement (SYSMEX), the Shareholder Who Agreed to Tender Its Shares (SYSMEX) is prohibited from exercising their right to call a shareholders' meeting of the Target Company (Article 297 of the Companies Act) or to make a shareholder proposal (Articles 303 to 305 of the Companies Act) without the prior written consent of the Tender Offeror.
- (g) If the Shareholder Who Agreed to Tender Its Shares (SYSMEX) is entitled to vote at any shareholders' meeting of the Target Company to be held between the date of execution of the Tender Agreement (SYSMEX) and the Settlement Commencement Date with respect to a proposal relating to dividends of surplus or other appropriations, the Shareholder Who Agreed to Tender Its Shares (SYSMEX) shall exercise their voting rights against such proposal at such shareholders' meeting with respect to the Shares Agreed to Be Tendered (SYSMEX).
- (h) In the event that the Tender Offer is successfully completed and a shareholders' meeting of the Target Company is held on or after the Settlement Commencement Date with a record date for the exercise of rights that is prior to the Settlement Commencement Date, the Shareholder Who Agreed to Tender Its Shares (SYSMEX) shall exercise its voting rights and any other rights at such shareholders' meeting with respect to all shares of the Shares Agreed to Be Tendered (SYSMEX) in accordance with the instructions of the Tender Offeror.

In addition, the Tender Agreement (SYSMEX) stipulates that the following events shall constitute events of cancellation: (i) in the event that there is a material breach of the obligations under the Tender Agreement (SYSMEX) on the part of the other party (for the Shareholder Who Agreed to Tender Its Shares (SYSMEX), this refers to the Tender Offeror, and for the Tender Offeror, this refers to the Shareholder Who Agreed to Tender Its Shares (SYSMEX); hereinafter the same applies to the references to "the other party" in this "(iv) Tender Agreement (SYSMEX)" section), (ii) in the event that the other party has materially breached any of the representations and warranties (Note), (iii) in the event that the Tender Offeror does not commence the Tender Offer on February 9, 2026, (iv) in the event that the Tender Offeror withdraws the Tender Offer in accordance with laws and regulations, etc., or (v) in the event that the total number of shares tendered in the Tender Offer is less than the minimum number of shares to be purchased.

(Note) Under the Tender Agreement (SYSMEX), the Shareholder Who Agreed to Tender Its Shares (SYSMEX) makes representations and warranties to the Tender Offeror regarding (i) legal capacity, etc., (ii) execution and performance of the agreement, (iii) enforceability, (iv) acquisition of licenses and permits, etc., (v) absence of conflict with laws and regulations, etc., (vi) absence of bankruptcy proceedings, etc., (vii) absence of transactions with anti-social forces, etc., (viii) absence of bribery, etc., and (ix) shareholdings, etc. and the Tender Offeror makes representations and warranties to the Shareholder Who Agreed to Tender Its Shares (SYSMEX) regarding (i) legal capacity, etc., (ii) execution and performance of the agreement, (iii) enforceability, (iv) acquisition of licenses and permits, etc., (v) absence of conflict with laws and regulations, etc., (vi) absence of bankruptcy proceedings, etc., (vii) absence of transactions with anti-social forces, etc., (viii) absence of bribery, etc., and (ix) financing, etc.

e. Tender Agreement (NIPPON KAYAKU)

As of February 6, 2026, The Tender Offeror entered into the Tender Agreement NIPPON KAYAKU with the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) and agreed that the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) would tender in the Tender Offer the Target Company's Shares held by the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) (number of shares held: 50,000; ownership ratio: 1.12%; the "Shares Agreed to Be Tendered (NIPPON KAYAKU)"). The Tender Agreement (NIPPON KAYAKU) does not contain any provisions waiving the obligation of the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) to tender its shares in the Tender Offer. Furthermore, the Tender Offeror and the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) have not entered into any agreements related to the Transactions except for the Tender Agreement (NIPPON KAYAKU), and, other than the payment of the Tender Offer Price, there are no benefits to be provided to the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) with respect to the tendering in the Tender Offer.

- (a) The tender of the Shares Agreed to Be Tendered (NIPPON KAYAKU) by the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) in the Tender Offer is conditioned only upon the commencement of the Tender Offer.
- (b) Except as expressly provided in the Tender Agreement (NIPPON KAYAKU), the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) shall not transfer, pledge as collateral, or otherwise dispose of all or part of the Shares Agreed to Be Tendered (NIPPON KAYAKU), including but not limited to tendering them in a tender offer other than the Tender Offer, nor shall it acquire the Target Company's Shares or any rights pertaining thereto.
- (c) The Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) shall not, by itself or by any other person, with any person other than the Tender Offeror, directly or indirectly, engage in any conduct that does or may compete with, contradict with, or conflict with the Tender Offer or any other transaction contemplated by the Tender Agreement (NIPPON KAYAKU)

(including, without limitation, any agreement, offer to agree, invitation to agree, acceptance, consultation, or negotiation with third parties or solicitation or provision of information thereto), and if the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) receives any solicitation, proposal, provision of information, or application for such conducts from any third party other than the Tender Offeror, it shall immediately notify the Tender Offeror to that effect and the details thereof, and shall consult with the Tender Offeror in good faith with respect to its response to such third party.

- (d) Except as expressly provided in the Tender Agreement (NIPPON KAYAKU), the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) is prohibited from exercising their right to call a shareholders' meeting of the Target Company (Article 297 of the Companies Act), to make a shareholder proposal (Articles 303 to 305 of the Companies Act) or to exercise any other shareholder right without the prior written consent of the Tender Offeror.
- (e) If the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) is entitled to vote at any shareholders' meeting of the Target Company to be held between the date of execution of the Tender Agreement (NIPPON KAYAKU) and the Settlement Commencement Date with respect to any (i) proposal relating to dividends of surplus or other appropriations, (ii) proposal relating to shareholder proposals, or (iii) proposal that, if approved, would or could reasonably be expected to have a material adverse effect on the financial condition, results of operations, cash flow, business, assets, liabilities or future earnings plans or prospects of the Target Company, the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) shall exercise their voting rights against such proposal at such shareholders' meeting with respect to the Shares Agreed to Be Tendered (NIPPON KAYAKU).
- (f) In the event that the Tender Offer is successfully completed and a shareholders' meeting of the Target Company is held on or after the Settlement Commencement Date with a record date for the exercise of rights that is prior to the Settlement Commencement Date, the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) shall exercise his voting rights and any other rights at such shareholders' meeting with respect to all shares of the Shares Agreed to Be Tendered (NIPPON KAYAKU) in accordance with the instructions of the Tender Offeror.

In addition, the Tender Agreement (NIPPON KAYAKU) stipulates that the following events shall constitute events of cancellation: (i) in the event that there is a material breach of the obligations under the Tender Agreement (NIPPON KAYAKU) on the part of the other party (for the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU), this refers to the Tender Offeror, and for the Tender Offeror, this refers to the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU); hereinafter the same applies to the references to "the other party" in this "(v) Tender Agreement (NIPPON KAYAKU)" section), (ii) in the event that the other party has materially breached any of the representations and warranties (Note), (iii) in the event that the Tender Offeror withdraws the Tender Offer in accordance with laws and regulations, etc., or (iv) in the event that the total number of shares tendered in the Tender Offer is less than the minimum number of shares to be purchased.



(Note) Under the Tender Agreement (NIPPON KAYAKU), the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) makes representations and warranties to the Tender Offeror regarding (i) legal capacity, etc., (ii) execution and performance of the agreement, (iii) enforceability, (iv) acquisition of licenses and permits, etc., (v) absence of conflict with laws and regulations, etc., (vi) absence of bankruptcy proceedings, etc., (vii) absence of transactions with anti-social forces, etc., (viii) absence of bribery, etc., and (ix) shareholdings, etc. and the Tender Offeror makes representations and warranties to the Shareholder Who Agreed to Tender Its Shares (NIPPON KAYAKU) regarding (i) legal capacity, etc., (ii) execution and performance of the agreement, (iii) enforceability, (iv) acquisition of licenses and permits, etc., (v) absence of conflict with laws and regulations, etc., (vi) absence of bankruptcy proceedings, etc., (vii) absence of transactions with anti-social forces, etc., (viii) absence of bribery, etc., and (ix) financing, etc.

f. Tender Confirmation (Ms. Sugiyama)

The Tender Offeror has confirmed in the Tender Confirmation (Ms. Sugiyama) that Ms. Sugiyama shall tender the Target Company's Shares held by Ms. Sugiyama (445,000 shares, ownership ratio: 10.00%, the "Shares (Ms. Sugiyama)") in the Tender Offer, as of February 6, 2025. The Tender Confirmation (Ms. Sugiyama) does not contain any provisions waiving the obligation of Ms. Sugiyama to tender her shares in the Tender Offer. Furthermore, the Tender Offeror and Ms. Sugiyama have not entered into any agreements related to the Transactions except for the Tender Confirmation (Ms. Sugiyama), and, other than the payment of the Tender Offer Price, there are no benefits to be provided to Ms. Sugiyama with respect to the tendering in the Tender Offer.

- (a) Ms. Sugiyama shall not transfer, pledge as collateral, or otherwise dispose of all or part of the Shares (Ms. Sugiyama), including but not limited to tendering them in a tender offer other than the Tender Offer, nor shall she acquire the Target Company's Shares or any rights pertaining thereto.
- (b) If Ms. Sugiyama is entitled to vote at any shareholders' meeting of the Target Company to be held between the commencement date of the Tender Offer and the Settlement Commencement Date with respect to any (i) proposal relating to dividends of surplus or other appropriations, (ii) proposal relating to shareholder proposals, or (iii) proposal that, if approved, would or could reasonably be expected to have a material adverse effect on the financial condition, results of operations, cash flow, business, assets, liabilities or future earnings plans or prospects of the Target Company, Ms. Sugiyama shall exercise her voting rights against such proposal at such shareholders' meeting with respect to the Shares (Ms. Sugiyama).
- (c) In the event that the Tender Offer is successfully completed and a shareholders' meeting of the Target Company is held on or after the Settlement Commencement Date with a record date for the exercise of rights that is prior to the Settlement Commencement Date, Ms. Sugiyama shall exercise her voting rights and any other rights at such shareholders' meeting with respect to all Shares (Ms. Sugiyama) in accordance with the instructions of the Tender Offeror.

### 3. Outline of Purchase, Etc.

#### (1) Outline of the Target Company

(1) Name	KAINOS Laboratories, Inc.	
(2) Address	38-18, Hongo 2-chome, Bunkyo-ku, Tokyo	
(3) Title and name of representative	Representative Director and President Yukihiro Nagatsu	
(4) Description of business	Development, manufacturing, sale, and import and export of pharmaceuticals, in IVD products, chemical products, etc.	
(5) Capital	831.413 thousand yen	
(6) Date of establishment	May 1, 1975	
(7) Large shareholders and their shareholding percentages (as of September 30, 2025)	ASAHI KASEI PHARMA CORPORATION:	21.13%
	Akiko Sugiyama:	10.00%
	Hikari Tsushin KK Investment Limited Partnership:	6.33%
	UH Partners 3, Inc.:	5.43%
	Custody Bank of Japan, Ltd. (Trust Account E):	5.25%
	SYSMEX CORPORATION:	5.17%
	KAINOS Employee Shares Ownership Plan:	4.36%
	UH Partners 2, Inc.:	4.12%
	UH Partners 2 Investment Limited Partnership:	3.39%
	MSIP CLIENT SECURITIES (standing proxy: Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.):	1.87%
(8) Relationship between the Tender Offeror and the Target Company		
	Capital relationship	Not applicable
	Personnel ties	Not applicable
	Business relationship	Denka and the Target Company have a business relationship concerning in-licensing and out-licensing of the H. pylori Latex “Seiken” and FER-Latex RX “Seiken”
	Status as Related Parties	Not applicable

Note: “Large shareholders and their shareholding percentages (as of September 30, 2025)” is based on “Status of Large Shareholders” described in the Target Company’s Semi-Annual Securities Report for the 51st Fiscal Year filed on November 6, 2025.

#### (2) Schedule, Etc.

##### a. Schedule

Date of the Resolution Passed by the Board of Directors	February 6, 2026 (Friday)
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Date of Notice of Commencement of the Tender Offer	February 9, 2026 (Monday) Public disclosure will be made electronically, and notice of such disclosure will be published in the <i>Nihon Keizai Shimbun</i> . (URL of electronic public notice: <a href="https://disclosure2.edinet-fsa.go.jp/">https://disclosure2.edinet-fsa.go.jp/</a> )
Filing Date of the Tender Offer Registration Statement	February 9, 2026 (Monday)

b. Period for Purchase, Etc. as of the Time of the Initial Filing of the Tender Offer Registration Statement

From February 9, 2026 (Monday) to March 25, 2026 (Wednesday) (30 business days)

c. Possibility of Extension of the Tender Offer Period Based on the Target Company's Request

N/A

d. Contact Information in Case of Extension of the Tender Offer Period

N/A

**(3) Price for Purchase, Etc.**

2,285 yen per share of common share

**(4) Bases, Etc. of Calculation of Price for Purchase, Etc.**

a. Basis of Calculation

To ensure the fairness of the Tender Offer Price, the Tender Offeror requested AGS FAS, as a third-party valuation institution that is independent of the Tender Offeror, the Target Company, the Shareholders Who Agreed to Tender Their Shares and the Shareholder Who Agreed Not to Tender Its Shares, to evaluate the share value of the Target Company's Shares for determining the Tender Offer Price. AGS FAS does not fall under a related party of the Tender Offerors, the Target Company, the Shareholders Who Agreed to Tender Their Shares or the Shareholder Who Agreed Not to Tender Its Shares, and does not have any material interest in the Tender Offer.

The fee payable to AGS FAS in relation to the Transactions consists solely of a fixed fee payable regardless of the success or failure of the Transactions, and does not include any incentive fees to be paid upon the successful completion of the Transactions including the Tender Offer or other achievements. After considering which valuation methods should be applied to evaluate the share value of the Target Company among the various valuation methods available, AGS FAS evaluated the share value of the Target Company using (i) the market share price method, since the Target Company's Shares is listed on the Standard Market of the Tokyo Stock Exchange, and (ii) the DCF method, in order to reflect the status of future business activities in the valuation. The Tender Offeror obtained a share valuation report (the "Tender Offeror Share Valuation Report") from AGS FAS on February 5, 2026. The Tender Offeror has not obtained an opinion concerning the fairness

of the Tender Offer Price (a fairness opinion) from AGS FAS, since it determined and set the Tender Offer Price after comprehensively considering the various factors described in “a. Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer,” “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Management Policy After the Tender Offer” under “2. Purpose of Purchase” above, and after holding discussions and negotiations with the Target Company.

The range of the value per share of the Target Company’s Shares evaluated under each of the above methods is as follows:

Market share price method:	1,279 yen to 1,325 yen
DCF method:	2,002 yen to 2,649 yen

Under the market share price method, the value per share of the Target Company’s Shares was evaluated to be within the range of 1,279 yen to 1,325 yen as of February 5, 2026, the reference date. This range is based on the closing price of the Target Company’s Shares on the Standard Market of the Tokyo Stock Exchange on the reference date (1,304 yen), and the simple average closing price of the Target Company’s Shares for the preceding one (1) month up to such date (1,325 yen), the preceding three (3) months up to such date (1,283 yen), and the preceding six (6) months up to such date (1,279 yen).

Under the DCF method, the value per share of the Target Company’s Shares was evaluated to be within the range of 2,002 yen to 2,649 yen as a result of analyzing the enterprise value and share value of the Target Company by discounting the free cash flow that is expected to be generated by the Target Company in and after the fourth quarter of the fiscal year ending March 2026 to the present value at a specific discount rate. This range is based on the Target Company’s future earnings projections, as adjusted by Denka based on the Target Company’s business plan provided by the Target Company, taking into account trends in recent business performance, the results of due diligence conducted by the Tender Offeror on the Target Company from late November 2025 to early January 2026, and various other factors, including publicly available information. It should be noted that the financial forecast used by AGS FAS in the DCF method assumes the execution of the Transactions and incorporates the synergies anticipated from the Transactions.

In addition, the financial forecasts include fiscal years in which significant increases or decreases in profit and significant fluctuations in free cash flow are expected. Specifically, in the fiscal year ending March 2028, operating profit is expected to be 827 million yen (an increase of 39.8% year-on-year) due to the elimination of the impact of one-time expenses relating to the Tender Offer incurred in the previous fiscal year, and free cash flow is expected to be 228 million yen (a decrease of 53.0% year-on-year) due to one-time capital expenditures associated with the renewal of core systems. In the fiscal year ending March 2029, as the impact of such capital expenditures is expected to be eliminated, free cash flow is expected to be 622 million yen (an increase of 172.2% year-on-year).

The Tender Offer Price of 2,285 yen includes (a) a premium of 75.23% over 1,304 yen, the closing price of the Target Company's Shares on the Standard Market of the Tokyo Stock Exchange on February 5, 2026, the business day immediately preceding the announcement date of the implementation of the Tender Offer; (b) a premium of 1,325% over 72.45 yen, the simple average closing price of the Target Company's Shares for the past one (1) month up to such date; (c) a premium of 78.10% over 1,283 yen, the simple average closing price for the past three (3) months up to such date; and (d) a premium of 78.66% over 1,279 yen, the simple average closing price for the past six (6) months up to such date.

(Note) In evaluating the share value of the Target Company's Shares, as a general rule, AGS FAS used the following information and materials on an as-is basis: (i) the materials and information provided by the Target Company, (ii) publicly disclosed information and (iii) the Target Company's business plan as adjusted by Denka. In addition, AGS FAS assumed that all materials and information analyzed and examined are accurate and complete. AGS FAS did not independently verify the accuracy and completeness of the materials and information, nor was it obligated to do so. AGS FAS assumed, among other things, that there were no facts undisclosed to AGS FAS that could materially affect the valuation of the share value of the Target Company's Shares. AGS FAS did not independently value, appraise, or assess all of the assets or liabilities (including, but not limited to, financial derivatives, off-balance sheet assets and liabilities, and other contingent liabilities) of the Target Company, including an analysis and valuation of individual assets and liabilities, nor did it request a third-party entity to value, appraise, or assess them. AGS FAS assumed that based on the Business Plan and other forward-looking information provided by the Target Company, the Target Company's business plan as adjusted by Denka was reasonably verified, reviewed, or prepared based on the best forecasts and judgments currently available to the management of Denka and the Target Company, and AGS FAS relied on such information without conducting its own independent verification. AGS FAS' evaluation is based on financial, economic, market, and other conditions as of February 5, 2026. Please note that the valuation results of the share value of the Target Company's Shares submitted by AGS FAS do not constitute an opinion on the fairness of the Tender Offer Price.

b. Background of Calculation

(Background to the Determination of the Tender Offer Price)

Through the price negotiations described in "a. Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer," "(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Management Policy After the Tender Offer" under "2. Purpose of Purchase" above with the Target Company, the Tender Offeror decided, on February 5, 2026, to set the Tender Offer Price at 2,285 yen. For details on the process leading to the determination of the Tender Offer Price, please refer to "a. Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer,"

“(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Management Policy After the Tender Offer” under “2. Purpose of Purchase” above.

c. Relationship with the Valuation Institution

AGS FAS, the third-party valuation institution, does not fall under a related party of the Tender Offerors, the Target Company, the Shareholder Who Agreed to Tender Its Shares and the Shareholder Who Agreed Not to Tender Its Shares and has no material interest in the Tender Offer.

**(5) Number of the Share Certificates, Etc., to Be Purchased**

Class of shares to be purchased	Number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased
Common shares	3,454,960 (shares)	1,990,000 (shares)	— (shares)
Total	3,454,960 (shares)	1,990,000 (shares)	— (shares)

(Note 1) If the total number of the Tendered Share Certificates, Etc., is less than the minimum number of shares to be purchased (1,990,000 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc. If the total number of the Tendered Share Certificates, Etc., is equal to or greater than the minimum number of shares to be purchased, the Tender Offeror will purchase all of the Tendered Share Certificates, Etc.

(Note 2) Since the maximum number of shares to be purchased has not been set in the Tender Offer, the maximum number of the share certificates, etc., that may be acquired by the Tender Offeror in the Tender Offer is stated as the number of shares to be purchased: 3,454,960 shares. Such maximum number of shares is the number of shares calculated by subtracting the sum of (a) the number of Shares Agreed Not to Be Tendered (940,000 shares) and (b) the BBT Held Shares (54,200 shares) from the Base Number of Shares (4,449,160 shares).

(Note 3) Shares constituting less than a unit will also be subject to the Tender Offer. The Target Company may, in accordance with procedures stipulated in the laws and regulations, purchase its treasury shares during the tender offer period from any shareholder who exercises the right to require the Target Company to purchase shares constituting less than a unit under the Companies Act.

(Note 4) The Tender Offeror does not intend to acquire, through the Tender Offer, any treasury shares and any of the BBT Held Shares held by the Target Company.

**(6) Changes in Ownership Ratio of the Share Certificates, Etc., After Purchase, Etc.**

Number of Voting Rights Represented by the Share Certificates, Etc. Owned by the Tender Offeror Before Purchase, Etc.	—	(Ownership Ratio of the Share Certificates, Etc., Before Purchase, Etc.  —%)
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Number of Voting Rights Represented by the Share Certificates, Etc. Owned by Special Related Parties Before Purchase, Etc.	9,400	(Ownership Ratio of the Share Certificates, Etc., Before Purchase, Etc. 21.39%)
Number of Voting Rights Represented by the Share Certificates, Etc. Owned by the Tender Offeror After Purchase, Etc.	34,549	(Ownership Ratio of the Share Certificates, Etc., After Purchase, Etc. 78.59%)
Number of Voting Rights Represented by the Share Certificates, Etc. Owned by Special Related Parties After Purchase, Etc.	9,400	(Ownership Ratio of the Share Certificates, Etc., After Purchase, Etc. 21.39%)
Number of Voting Rights of All Shareholders of Target Company	44,462	

(Note 1) The “Number of Voting Rights Represented by the Share Certificates, Etc. Owned by Special Related Parties Before Purchase, Etc.” is the total number of voting rights represented by each of the Special Related Parties (provided that, pursuant to Article 3, Paragraph 2, Item 1 of the Cabinet Office Order on Disclosure Required for the Tender Offer for the Share Certificates by Persons Other Than Issuers (Ministry of Finance Order No. 38 of 1990, as amended; the “TOB Order”), no party that is excluded from the Special Related Parties is included in the calculation of the Ownership Ratio prescribed in each Item of Article 27-2, Paragraph 1 of the Act).

(Note 2) The “Number of Voting Rights Represented by the Share Certificates, Etc. Owned by the Tender Offeror, After Purchase, Etc.” is the total number of voting rights pertaining to the number of the share certificates, etc. (3,454,960 shares) to be purchased through the Tender Offer.

(Note 3) The “Number of Voting Rights of All Shareholders of Target Company” is the total number of voting rights (stated as 100 shares constituting one unit) of all shareholders of the Target Company as of September 30, 2025 as indicated in the Target Company’s Semi-Annual Securities Report for the 51st Fiscal Year filed on November 6, 2025. However, as shares constituting less than a single unit are also subject to the Tender Offer, in the calculation of the “Ownership Ratio of the Share Certificates, Etc., before Purchase, Etc.” and “Ownership Ratio of the Share Certificates, Etc., After Purchase, Etc.”, the number of voting rights (43,949 rights) pertaining to the number of shares (4,394,960 shares) obtained by deducting the number of BBT Held Shares (54,200 shares) from the Base Number of Shares 4,449,160 shares) is used as the denominator.

(Note 4) The “Ownership Ratio of the Share Certificates, Etc., Before Purchase, Etc.” and the “Ownership Ratio of the Share Certificates, Etc., After Purchase, Etc.” are rounded off to the second decimal place.

**(7) Purchase Fund**

7,894,583,600 yen.

(Note) The “Aggregate Tender Offer Price” is calculated by multiplying the number of shares intended to be purchased in the Tender Offer (3,454,960 shares) by the Tender Offer Price (2,285 yen) per share.

**(8) Method of Settlement**

- a. Name and Address of the Head Office of the Financial Instruments Business Operators / Bank in Charge of Settlement for Purchase, Etc.

Tokai Tokyo Securities Co., Ltd.  
7-1, Meieki 4-chome, Nakamura-ku, Nagoya-shi, Aichi

- b. Settlement Commencement Date

March 31, 2026 (Tuesday)

- c. Method of Settlement

A notice of purchase, etc., by way of the Tender Offer will be mailed to the addresses of the tendering shareholders (or in the case of non-Japanese shareholders, the addresses of the standing proxies) promptly after the end of the tender offer period. The purchase price will be settled in cash. The purchase price for the purchased share certificates, etc., will be remitted to the financial institution accounts designated by the tendering shareholders (or the standing proxies in the case of non-Japanese shareholders) from the tender offer agent that accepted the tendering of the share certificates, etc., or paid to the securities trading accounts of the tendering shareholders, whose tendering of the share certificates, etc., was accepted by the tender offer agent promptly after the Settlement Commencement Date in accordance with the instructions of the tendering shareholders (or the standing proxies in the case of non-Japanese shareholders).

- d. Method of Returning Share Certificates, Etc.

If all of the Tendered Share Certificates, Etc., are not purchased in accordance with the terms described in “a. Conditions Set Forth in Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof” or “b. Conditions of Withdrawal, Etc., of the Tender Offer, Details Thereof and Method of Disclosure of Withdrawal, Etc.” under “(9) Other Conditions and Methods of Purchase, Etc.” below, the tender offer agent will return the share certificates, etc., by reverting to the record immediately prior to the application being made (i.e., recorded in the securities trading accounts with the tender offer agent) on the date two (2) business days after the last day of the tender offer period (or the following business day after the date of the withdrawal, etc., of the Tender Offer if the Tender Offer was withdrawn, etc.).



**(9) Other Conditions and Methods of Purchase, Etc.**

a. Conditions Set Forth in Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof

If the total number of the Tendered Share Certificates, Etc., is less than the minimum number of the shares to be purchased (1,990,000 shares), the Tender Offeror will not purchase any of the Tendered Share Certificates, Etc. If the total number of the Tendered Share Certificates, Etc., is equal to or more than the minimum number of shares to be purchased (1,990,000 shares), the Tender Offeror will purchase all of the Tendered Share Certificates, Etc.

b. Conditions of Withdrawal, Etc., of the Tender Offer, Details Thereof and Method of Disclosure of Withdrawal, Etc.

The Tender Offer may be withdrawn upon the occurrence of any event prescribed in Article 14, Paragraph 1, Items 1.1 through 1.10 and 1.13 through 1.20, 3.1 through 3.8, and 3.10, and Item 4 of the Enforcement Order, as well as Article 14, Paragraph 2, Items 3 through 6 of the Enforcement Order. “An event corresponding to the respective events specified in Items 1.1 through 1.19” as prescribed in Article 14, Paragraph 1, Item 1.20 of the Enforcement Order refers to an event (a) where the body responsible for determining the Target Company’s execution of business has decided on the allocation of surplus dividends (excluding where the cash and other assets to be delivered to shareholders are expected to be less than the amount which is equivalent to 10% of the book value of non-consolidated net assets as of the last day of the most recent fiscal year of the Target Company (677,517 thousand yen (Note)) having a record date prior to the Settlement Commencement Date for the Tender Offer (including the event where the body has decided that the record date for surplus dividends shall be prior to the Settlement Commencement Date for the Tender Offer without indicating the specific amount of such surplus dividends) or on submission, to a shareholders’ meeting of the Target Company, of a proposal to allocate such surplus dividends; and (b) where the body responsible for determining the Target Company’s execution of business has decided on implementation of the acquisition of treasury shares (excluding cases where the amount of cash or other assets to be delivered in exchange for acquiring shares is expected to be less than the amount which is equivalent to 10% of the book value of non-consolidated net assets as of the last day of the most recent fiscal year of the Target Company (677,517 thousand yen). The “matters equivalent to the matters listed in Items 1.1 through 1.9” set forth in Article 14, Paragraph 1, Item 3.10 of the Enforcement Order refers to cases (a) where it is found that there is a false statement regarding, or an omission of, a material matter to be stated, in the statutory disclosure documents that the Target Company previously submitted; and (b) where any material transactions relating to the Target Company’s business were suspended due to circumstances arising on or after the commencement date of the Tender Offer. This is deemed to fall under “An event corresponding to the respective events specified in Items 1.1 through 1.19” above because if a determination is made to implement surplus dividends or an acquisition of treasury shares equivalent to 10% or more of the book value of non-consolidated net assets as of the most recent fiscal year of the Target Company, a substantial outflow of the Target Company’s cash to outside parties would occur, significantly impairing the Target Company’s asset value assumed by the Tender Offeror when deciding to commence the Tender Offer.

If the period of measures and period of prohibition of acquisition do not expire in relation to the Tender Offeror's prior notification to the Fair Trade Commission under Article 10, Paragraph 2 of the Act on Prohibition of Private Monopoly and Maintenance of Fair Trade (Act No. 54 of 1942, as amended; the "Antimonopoly Act"), by the day before the expiration of the tender offer period (including cases of extension of the tender offer period), in the event that prior notice of a cease and desist order is given, and in the event that a petition for an emergency cease and desist order is filed with the court in respect of being a person who is suspected of violating the provisions of Article 10, Paragraph 1 of the Antimonopoly Act, the Tender Offer may be withdrawn as if the "Permission, etc." set forth in Article 14, Paragraph 1, Item 4 of the Enforcement Order could not be obtained.

Should the Tender Offeror intend to withdraw the Tender Offer, it will give public notice thereof through electronic disclosure as well as in the Nihon Keizai Shimbun. However, if it is difficult to give such notice within the tender offer period, the Tender Offeror will make an official announcement pursuant to Article 20 of the TOB Order and give public notice promptly thereafter.

(Note) If a dividend of surplus is issued such that the total amount of cash and other assets delivered to shareholders is equivalent to 10% of the book value of non-consolidated net assets as of the last day of the most recent fiscal year of the Target Company, then the dividend per share will be 153 yen. This assumes that the total number of issued shares and the number of treasury shares held by the Target Company as of the record date for the dividend is consistent with the figures stated in "(1) Overview of the Tender Offer" under "2. Purpose of Purchase" above. (Specifically, the amount of 677,517 thousand yen (rounded down to the nearest 1 thousand yen), which represents 10% of the Target Company's non-consolidated net assets of 6,775,178 thousand yen, as of March 31, 2025, as stated in the Target Company's Financial Results, is divided by the Base Number of Shares (4,449,160 shares) with any fractions less than one (1) yen rounded up.)

c. Conditions for Reduction of the Purchase Price, Details Thereof, and Method of Disclosure of Reduction

Pursuant to Article 27-6, Paragraph 1, Item 1 of the Act, if the Target Company takes any action, during the tender offer period, set forth in Article 13, Paragraph 1 of the Enforcement Order, the Tender Offeror may reduce the Tender Offer Price pursuant to the standards set forth in Article 19, Paragraph 1 of the TOB Order. Should the Tender Offeror intend to reduce the Tender Offer Price, it will give public notice thereof through electronic disclosure as well as in the Nihon Keizai Shimbun. However, if it is difficult to give such notice within the tender offer period, the Tender Offeror will make an official announcement pursuant to Article 20 of the TOB Order and give public notice promptly thereafter. If the Tender Offer Price is reduced, the Tender Offeror will purchase, at the reduced tender offer price, the Tendered Share Certificates, Etc. tendered on or prior to the date of such public notice.

d. Matters Concerning Tendering Shareholders' Right of Cancellation of Contract

The tendering shareholders may cancel a contract related to the Tender Offer at any time during the tender offer period. In order to cancel the contract, the tendering shareholders, are required to personally deliver or mail (by post) a written request for the cancellation of the contract related to the Tender Offer (the "Cancellation Documents"), together with a receipt of acceptance of the Tender Offer, to the head office or branches nationwide of the tender offer agent that accepted the tendering of share certificates, by 4:00 PM on the last day of the tender offer period. The cancellation of the contract related to the Tender Offer shall be effective when the Cancellation Documents are delivered to or reach the tender offer agent. Therefore, please note that, when mailing the Cancellation Documents, the contract related to the Tender Offer will not be cancelled unless the Cancellation Documents reach the tender offer agent by 4:00 PM on the last day of the tender offer period. No compensation or penalty payment even upon the cancellation of a contract by the tendering shareholders will be demanded of any tendering shareholders by the Tender Offeror. The cost of returning the Tendered Share Certificates, Etc., will be borne by the Tender Offeror. If the tendering shareholders give notice of cancellation, the Tendered Share Certificates, Etc., will be returned, immediately following the completion of the cancellation procedures, by the method indicated in "d. Method of Returning Share Certificates, Etc." under "(8) Method of Settlement" above.

e. Method of Disclosure if the Conditions or Other Terms of the Tender Offer Are Changed

The Tender Offeror may change the conditions, etc., of the Tender Offer during the tender offer period, except where it is prohibited pursuant to Article 27-6, Paragraph 1 of the Act and Article 13, Paragraph 2 of the Enforcement Order. Should any terms or conditions of the Tender Offer be changed, the Tender Offeror will give public notice thereof through electronic disclosure as well as in the Nihon Keizai Shimbun. However, if it is difficult to give notice within the tender offer period, the Tender Offeror will make an official announcement pursuant to Article 20 of the TOB Order and give such public notice promptly thereafter. If the terms or conditions of the Tender Offer are changed, the Tender Offeror will purchase, in accordance with the terms and conditions as changed, the Tendered Share Certificates, Etc. tendered on or prior to the date of such public notice.

f. Method of Disclosure if Amended Statement Is Submitted

If the Tender Offeror submits an amendment to this Statement to the Director-General of the Kanto Local Finance Bureau (except in the case prescribed in the proviso of Article 27-8, Paragraph 11 of the Act), the Tender Offeror will promptly make an official announcement of the details of such amended statement to the extent relevant to the contents of the public notice of the commencement of the Tender Offer, pursuant to the method set forth in Article 20 of the TOB Order. The Tender Offeror will also promptly amend the explanatory statement and provide the amended explanatory statement to those of the tendering shareholders who have received the original explanatory statement. If the extent of the amendments is limited, however, the Tender Offeror will convey the changes to the tendering shareholders by preparing and delivering to the tendering shareholders a document stating the reason for the amendments, the matters amended, and the details thereof.

g. Method of Disclosure of Results of the Tender Offer

On the day following the last day of the tender offer period, the Tender Offeror will announce the results of the Tender Offer in accordance with the methods stipulated in Article 9-4 of the Enforcement Order and Article 30-2 of the TOB Order on.

h. Other

The Tender Offer shall not be conducted within the US or directed to the US whether directly or indirectly; shall not be conducted using the post or inter-state trade or international trade methods or means of the US (including but not limited to telephone, telex, facsimile, electronic mail and Internet communications); and shall not be conducted via a securities exchange within the US. The application for the Tender Offer may not be made via the aforementioned methods or means or via the aforementioned facilities, or from within the US. In addition, the Tender Offer registration statement or related tender documents will not be sent or distributed by post or any other method within the US, to the US, or from the US, nor may such sending or distribution be undertaken. No application for the Tender Offer will be accepted if it directly or indirectly breaches the restrictions above.

The tendering shareholders (and their standing proxy in the case of non-Japanese shareholders) may be required to make the following representation and warranty to the tender offer agent: The tendering shareholders are not present in the US at the time of the application or at the time of sending the Tender Offer application form. The tendering shareholders will not receive or send any information (including its copy) pertaining to the Tender Offer, either in the US or to or from the US - whether directly or indirectly. In connection with the Tender Offer or the signing and delivery of the Tender Offer application form, the tendering shareholders have not used, directly or indirectly, the US postal service or any other means or instrumentality of interstate or international commerce (including but not limited to telephone, telex, facsimile, e-mail, and Internet communications), or securities exchange facilities in the US. Not be a person acting as an agent or fiduciary or assignee without discretionary authority of another person (unless such other person is giving all instructions with respect to the tender from outside the US).

**(10) Date of the Notice of the Commencement of the Tender Offer**

February 9, 2026 (Monday)

**(11) Tender Offer Agent**

Tokai Tokyo Securities Co., Ltd.  
7-1, Meieki 4-chome, Nakamura-ku, Nagoya-shi, Aichi

**4. Policies and Future Outlook After the Tender Offer**

For details of the policies after the Tender Offer, please refer to “(2) Background, Purpose, and Decision-Making Process Leading to the Decision to Implement the Tender Offer, and Management Policy After the Tender Offer,” “(4) Policy for Organizational Restructuring, Etc., After the Tender

Offer (Matters Relating to So-called “Two-step Acquisition”),” and “(5) Prospects of Delisting and Reasons Therefor” under “2. Purpose of Purchase” above.

## **5. Other**

### **(1) Agreements Between the Tender Offeror and the Target Company or Its Officers, and Details Thereof**

#### **a. Support of and Recommendation to Tender in the Tender Offer**

According to the Target Company’s Press Release, the Target Company resolved at the Target Company’s board of directors meeting held on February 6, 2026, to express an opinion in support of the Tender Offer and to recommend the Target Company’s shareholders to tender their shares in the Tender Offer. For details, please refer to the Target Company’s Press Release and “ Unanimous Approval by All Directors Without Conflicts of Interest of the Target Company and No Dissenting Opinion of All of Non-Interested Statutory Auditors Without Conflicts of Interest of the Target Company,” “(3) Measures to Ensure the Fairness of the Tender Offer Such as Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest” under “2. Purpose of Purchase” above.

#### **b. Agreements Between the Tender Offeror and the Target Company**

The Tender Offeror entered into the Tender Offer Agreement with the Target Company as of February 6, 2025. For details, please refer to “a. Tender Offer Agreement,” “(6) Matters Concerning Material Agreements Related to the Tender Offer” under “2. Purpose of Purchase” above.

#### **c. Agreements Between the Tender Offeror and the Target Company’s Officers**

N/A

### **(2) Other Information Deemed Necessary for Investors to Decide Whether to Tender Their Shares to the Offer, Etc.**

#### **a. Announcement of “Notice Regarding Revision of Final Dividend Forecast for the Fiscal Year Ending March 2026 (No Dividend)”**

According to the “Notice Regarding Revision of Final Dividend Forecast for the Fiscal Year Ending March 2026 (No Dividend)” announced by the Target Company on February 6, 2026, The Target Company resolved at a meeting of its board of directors held on February 6, 2026, not to pay surplus dividends having a record date of March 31, 2026 (end of the fiscal year). For details, please refer to the “Notice of Surplus Dividends (No Dividend)”.

#### **b. Announcement of “Non-Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2026 (Under Japanese GAAP)”**

The Target Company announced the Target Company’s Financial Results on January 27, 2026. The status of the Target Company’s profit and loss for the relevant period based on such release is as below. The financial information for the first and third quarters of the Target Company was neither

reviewed nor audited by an auditing firm. Although the Target Company was engaged to perform interim procedures for the audit period, including checking and confirming the figures in the financial statements, these procedures do not constitute reviews or audits and do not provide any assurance regarding such financial information. The below outline of the release is an excerpt from the release of the Target Company and the Tender Offeror has not independently verified the accuracy and truthfulness thereof. For details, please refer to the “Non-Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2026 (Under Japanese GAAP)”.

(End of Document)