



March 31, 2026

Company name	DIC Corporation
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### **Notice Regarding Planned Transfer of Equity-Method Affiliate and Termination of Capital and Business Alliance**

DIC Corporation (“DIC” or the “Company”) today entered into a basic agreement (the “Basic Agreement”) with KJ005 Co., Ltd.(the “Tender Offeror”), which was established on February 12, 2026 with the primary business of acquisition and possession of TAIYO HOLDINGS CO., LTD. (the “Target Company”; Hitoshi Saito, President, CEO), and which is a wholly owned subsidiary of KJ005HD Co., Ltd., the outstanding shares of which are held in full by KJ005 Investment L.P., a limited partnership established on January 30, 2026, pursuant to the laws of Ontario Province, Canada, that is indirectly operated by Kohlberg Kravis Roberts & Co. L.P. (including affiliates and related funds, “KKR”). Pursuant to the Basic Agreement regarding a series of transactions (the “Transactions”) with the purpose of making Tender Offeror the sole shareholder of the Target Company and delisting the Target Company’s shares: (i) the Tender Offeror will conduct a tender offer (the “Tender Offer”) for the common shares of the Target Company, which is an equity-method affiliate of DIC; (ii) DIC will not tender the shares of the Target Company that it holds (the “DIC-Owned Company Shares”) in the Tender Offer (the “Non-Tender”); (iii) if the Tender Offer is consummated but the Tender Offeror is unable to acquire all of the Target Company’s shares in the Tender Offer (excluding the treasury shares held by the Target Company, the shares of the Target Company held by Kowa Co., Ltd. (“Kowa”) (the “Kowa-Owned Company Shares”), and the DIC-Owned Company Shares), the Target Company will conduct a consolidation of its common shares (the “Share Consolidation”); (iv) the Tender Offeror will provide funding to the Target Company and will reduce the Target Company’s stated capital and capital reserves (the “Capital Changes”); and (v) the Target Company will acquire all of the Kowa-Owned Company Shares and the DIC-Owned Company Shares through share buyback (the “Share Buyback”), and the Tender Offeror will delist the Target Company’s shares.

The Tender Offer will be conducted by the Tender Offeror as part of the Transactions for the purpose of making Tender Offeror the sole shareholder of the Target Company and delisting the Target Company’s shares. Upon

consummation of the Transactions, the Target Company is expected to cease to be an equity-method affiliate of DIC.

Further, as announced in its January 25, 2017 press release titled “Notice Concerning a Capital and Business Alliance with TAIYO HOLDINGS CO., LTD., which would Become an Equity-Method Affiliate,” DIC entered into a capital and business alliance agreement with the Target Company (the “Capital and Business Alliance Agreement”) and has maintained a capital and business alliance (the “Capital and Business Alliance”), as a result of which the Target Company became an equity-method affiliate of DIC. Upon consummation of the Transactions, the Capital and Business Alliance Agreement will terminate, resulting in the termination of the Capital and Business Alliance, as outlined below.

#### 1. Reasons for entering into the Basic Agreement and for termination of the Capital and Business Alliance

The Target Company and DIC entered into the Capital and Business Alliance Agreement with the aim of generating synergies in the area of electronics and have built a collaborative relationship as our equity-method affiliate of DIC. However, as announced in its June 3, 2025 press release titled “Notice Regarding the Planned Exercise of Voting Rights on the Proposal for the Election of Board Directors (Proposal 2) at the 79th Ordinary General Shareholders’ Meeting of TAIYO HOLDINGS,” owing to changes in the operating environment in the electronics sector, as well as changes in the Target Company’s business portfolio, including the expansion of its medical and pharmaceuticals business, DIC has determined that further business expansion through synergies with the Target Company is limited. Further, given the policy DIC has outlined in its priority business area of Smart living to concentrate management resources on businesses expected to generate profits swiftly and reliably, the Company has reached the conclusion that continued investment of capital in the Target Company will not necessarily contribute to the improvement of its own corporate value over the medium to long term.

Against this backdrop, DIC has engaged in careful discussions with KKR regarding the Transactions and has reached the conclusion that the Transactions would contribute to the improvement of the Target Company’s corporate value, and that it would provide an economic rationale for DIC and deliver benefit to DIC and its shareholders. Accordingly, the Company has decided to enter into the Basic Agreement.

Following consummation of the Transactions, the Target Company will cease to be an equity-method affiliate of DIC, and the Capital and Business Alliance Agreement will terminate, resulting in the termination of the Capital and Business Alliance. Notwithstanding the foregoing, the Target Company and DIC intend to continue their stable business relationship as before the Transactions.

#### 2. Details of the Transactions

The Transactions consist of (i) the Tender Offer, (ii) the Non-Tender, (iii) the Share Consolidation, (iv) the Capital Changes, and (v) the Share Buyback.

For further details of the Transactions, the Target Company today published a press release titled “Notice Concerning Expression of Opinion in Support of the Planned Commencement of the Tender Offer for Company Shares by KJ005 Co., Ltd. and Neutral Position Regarding Tendering of Shares” (the “Target Company Notice”). The implementation of the Tender Offer is subject to certain conditions precedent. Please see the Target Company Notice for details of those conditions.

3. Profile of the counterparty to the Capital and Business Alliance to be terminated and the equity-method affiliate to be transferred

1	Company name	TAIYO HOLDINGS CO., LTD.		
2	Location	388 Oaza Ohkura, Ranzan-machi, Hiki-gun, Saitama		
3	Name and title of representative	Hitoshi Saito, President and CEO		
4	Principal business	Development of TAIYO Group management strategies, management guidance to its subsidiaries, research and development, etc.		
5	Stated capital	10,206 million yen (as of September 30, 2025)		
6	Date of establishment	September 29, 1953		
7	Major shareholders and percentages of shares held (as of September 30, 2025) (Note 1)	DIC Corporation		20.02%
		The Master Trust Bank of Japan, Ltd. (Trust account)		8.51%
		Kowa Co., Ltd.		6.30%
		SMBC Trust Bank Ltd. (Sumitomo Mitsui Banking Corporation retirement benefit trust account)		3.98%
		OASIS JAPAN STRATEGIC FUND Y LTD.		3.28%
		CGML PB CLIENT ACCOUNT/COLLATERAL		2.86%
		UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT		2.70%
		Shikoku Kasei Holdings Corporation		2.66%
		Custody Bank of Japan, Ltd. (Trust account)		2.64%
		Custody Bank of Japan, Ltd. (Trust account 4)		2.03%
8	Relationship with DIC			
	Capital relationships	DIC holds 20.19% (Note 2) of the Target Company's outstanding common shares (excluding treasury shares).		
	Personal relationships	None		
	Business relationships	DIC supplies raw materials for solder resist to the Target Company.		
	Related party status	The Target Company is an equity-method affiliate of DIC and falls under the category of a related party.		
9	Consolidated operating results and consolidated financial position for the last three years for the Target Company (in millions of yen other than those specified otherwise)			
	Fiscal year ended	March 31, 2023	March 31, 2024	March 31, 2025
	Consolidated net assets	92,739	100,398	102,978
	Consolidated total assets	187,263	212,751	192,022
	Consolidated net assets per share (yen)	1,663.25	1,795.14	1,854.68

(Note 3)			
Consolidated net sales	97,338	104,775	119,010
Consolidated operating income	15,972	18,203	22,067
Consolidated ordinary income	15,462	17,310	21,577
Profit attributable to owners of the parent	11,405	8,654	10,780
Basic earnings per share (yen) (Note 3)	203.71	154.89	193.18
Cash dividends per share (yen) (Note 3)	89.00	80.00	190.00

(Note 1) “7 Major shareholders and percentages of shares held (as of September 30, 2025)” is based on the “Major Shareholders” reported in the 80th Semiannual Report submitted by the Target Company on November 6, 2025.

(Note 2) The ownership percentage is calculated by dividing the number of shares held by DIC by the total number of shares outstanding as of December 31, 2025 (116,839,616 shares), as reported in the Summary of Financial Results for the Third Quarter of the Fiscal Year Ended March 2026 Japanese GAAP (Consolidated) published by the Target Company on February 4, 2026, less treasury shares as of that date (5,562,854 shares), i.e., 111,276,762 shares (the “Adjusted Total Number of Issued and Outstanding Company Shares”). Please note that figures are rounded to two decimal places.

(Note 3) Target Company implemented a two-for-one share split effective December 1, 2025; however, the figures shown reflect the actual amounts without any retroactive adjustments.

#### 4. Profile of the Tender Offeror

1	Company name	KJ005 Co., Ltd.	
2	Location	11th Floor, Meiji Yasuda Seimei Building, 2-1-1 Marunouchi, Chiyoda-ku, Tokyo	
3	Name and title of representative	Scott Karnas, Representative Director	
4	Principal business	Commercial activities and all businesses related to or ancillary to such activities	
5	Stated capital	10,000 yen	
6	Date of establishment	February 12, 2026	
7	Major shareholders and percentages of shares held	KJ005HD Co., Ltd.	100%
8	Relationship with DIC		
	Capital relationships	None	
	Personal relationships	None	
	Business relationships	None	
	Related party status	None	

5. Number of shares to be transferred in the Transactions, price of transfer and number of shares held before and after the Transactions

(1) Number of shares held before the Transactions	22,469,200 shares (Number of voting rights: 224,692) (20.19% of voting rights) (Note 1)
(2) Number of shares to be transferred in the Transactions	22,469,200 shares (Note2) (Number of voting rights: 224,692) (20.19% of voting rights) (Note 1)
(3) Expected price of transfer	Approximately 82.6 billion yen
(4) Number of shares held after the Transactions	0 shares (Number of voting rights: 0) (0.00% of voting rights)

(Note 1) The percentage of voting rights held is calculated by dividing the number of voting rights held by DIC by the number of voting rights concerning the Adjusted Total Number of Issued and Outstanding Company Shares (1,112,767).

(Note 2) The number of shares before the Share Consolidation is stated. The actual number of shares to be transferred in the Share Buyback will be calculated by subtracting the number of fractional shares that will be purchased by the Tender Offeror or the Target Company as a result of the Share Consolidation from the number of shares the Company intends to sell.

6. Schedule of the Transactions

(1) Conclusion of the Basic Agreement	March 31, 2026
(2) Tender Offer	The Tender Offeror aims to commence the Tender Offer around early October 2026, taking into account consultations with local counsel regarding the procedures and clearances required under applicable domestic and foreign competition laws and investment control laws (the “Clearances”). However, as it is difficult to precisely predict the time required for the procedures before the domestic and foreign authorities responsible for the Clearances, the Tender Offeror will promptly announce the detailed schedule for the Tender Offer as soon as it is determined. The tender offer period for the Tender Offer is expected to be 21 business days.
(3) Share Consolidation	Mid-November 2026 to late January 2027 (scheduled)
(4) Share Buyback	Early February 2027 to early March 2027 (scheduled)
(5) Termination of the Capital and Business Alliance	After the consummation of the Share Buyback (scheduled)

7. Outlook

Upon the consummation of the Transactions, the Target Company will cease to be an equity-method affiliate of DIC. Accordingly, if the Transactions are executed in accordance with the above schedule, the Company will record an extraordinary gain on the sale of shares in affiliated companies of 57.3 billion yen (approx.) in its consolidated financial statements, and an extraordinary gain on the sale of shares in affiliated companies of 56.4 billion yen (approx.) in its individual financial statements, for fiscal year 2027, respectively. Please note that the figures for the gain on the sale of shares in affiliated companies are preliminary estimates calculated based on information available as of the date of submission. The actual amount recorded may differ from the estimated figures due to various factors.

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