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September 1st, 2025

Company Name:	Niterra Co., Ltd.
Name of Representative:	Takeshi Kawai, President and COO
Securities Code:	5334
Markets:	TSE Prime Market, NSE Premier Market
Contact:	Tomoyuki Kamohara, General Manager Business Management Dept.

Announcement on the acquisition of DENSO CORPORATION's Spark Plug business and Exhaust Gas Sensor business

Niterra Co., Ltd. (the “Company”) is pleased to announce that the Company concluded a business transfer agreement (the “Business Transfer Agreement”) regarding the acquisition of the Spark Plug business and the Exhaust Gas Sensor business (the “Business”) (the “Acquisition”), from DENSO CORPORATION (“DENSO”) today.

Please note that the Acquisition is subject to the fulfillment of conditions precedent to the transaction, including obtaining clearances from domestic and foreign competition authorities and any other permits or approvals from relevant authorities required by law.

1. Purpose

As announced in the “Announcement on the conclusion of Memorandum of Understanding with DENSO CORPORATION for partial business acquisition” on July 10, 2023, the Company and DENSO have been considering the Acquisition to fulfill our supply responsibilities for internal-combustion-engine parts.

While countries explore pathways such as electrification and fuel diversification to achieve carbon neutrality, various power sources and related technologies tailored to regional and national energy circumstances and the vehicles already in use will continue to be required. In that process, ongoing demand for internal-combustion engines is expected to continue.

Against this background, the Company aims to contribute to the transition to carbon neutrality by leveraging its core technologies of ceramic development and manufacturing and fulfilling its supply responsibilities for internal-combustion-engine parts.

We have concluded that the integration of sales channels and production systems to build an industry-wide, optimized production systems will ensure stable global supply and further strengthening our business foundation will support our sustainable growth. Accordingly, we have decided to proceed with the acquisition of the Business.

2. Overview of the Acquisition

(1) Details of the Business

Domestic and international development, manufacture and sale of spark plugs and exhaust sensors (limited to oxygen sensors and air–fuel ratio sensors) operated by Denso and its subsidiaries.

*note: Officers and employees of Denso and its subsidiaries, and lands and buildings, are not included in the Acquisition.

(2) Operating results of the Business (Fiscal year ended March 2025)

- Net sales: 191,819 million yen*

*Since certain details regarding the scope of the Acquisition have not been finalized at this time, profit-related information is not be disclosed for now. However, it will be disclosed once the details are finalized.

(3) Items and Book Values of Assets and Liabilities of the Business (As of March 31, 2025)

Assets		Liabilities	
Current assets	48,050 million yen	Current liabilities	31,317 million yen
Noncurrent assets	21,800 million yen	Noncurrent liabilities	- million yen
Total assets	69,851 million yen	Total liabilities	31,317 million yen

*The figures above include assets and liabilities that are not subject to the Acquisition.

(4) Purchase price and method of settlement

- Purchase price for the Acquisition: 180,600 million yen*
- Method of settlement: Cash

*The purchase price for the Acquisition is the total consideration for the Business agreed based on March 31, 2026 as valuation date (hereinafter the “Valuation Reference Date”).

*The purchase price for the Acquisition is scheduled to be reduced pro rata according to the number of days from the Valuation Reference Date to the closing date under the Business Transfer Agreement. The final purchase price will be determined after other price adjustments provided for in the Business Transfer Agreement.

3. Company profile of DENSO

(1) Company name	DENSO CORPORATION
(2) Location	1-1, Showa-cho, Kariya, Aichi 448-8661, Japan
(3) Representative	President and COO Shinnosuke Hayashi
(4) Business description	Development, manufacture and sale of automotive parts, systems and life-related equipment
(5) Share capital*	187,457 million yen
(6) Date of establishment	December 16, 1949
(7) Net assets*	5,188,918 million yen
(8) Total assets*	8,125,000 million yen
(9) Main shareholders and shareholding ratio (Ratio of shares held to total shares outstanding (excluding treasury shares))	Toyota Motor Corporation : 21.25% The Master Trust Bank of Japan, Ltd. : 13.20% Toyota Industries Corporation : 5.59% The Bank of Japan (Trust Account) : 5.00% Toyota Real Estate Co., Ltd. : 4.72% Nippon Life Insurance Company : 3.07% DENSO Employee Shareholding Association : 1.77% State Street Bank and Trust Company 505001 : 1.32% State Street Bank West Client – Treaty 505234 : 1.29% JPMorgan Chase Bank 385632 : 1.26%

(10) Relationship between the parties	Capital relationship	Not applicable.
	Personnel relationship	Not applicable.
	Business relationship	Not applicable.
	Related party relationship	Not applicable.

*As of the end of March, 2025

DENSO currently operates the Business through itself and its domestic and overseas subsidiaries. The Business at each location is scheduled to be transferred to the Company or its subsidiaries.

4. Schedule

(1) Date of resolution at the meeting of the Board of Directors	August 25 th , 2025*1
(2) Date of conclusion of the Business Transfer Agreement	September 1 st , 2025
(3) Closing Date of the Acquisition	To be determined*2

*1: At this board resolution, within the scope not inconsistent with the matters resolved, the final decision regarding the Acquisition and the execution of the Business Transfer Agreement has been delegated to President and COO Takeshi Kawai.

*2: The closing of the Acquisition is subject to fulfillment of conditions precedent to the transaction, including obtaining clearances from domestic and foreign competition law authorities and any other permits or approvals from relevant authorities required by law, and the closing date of the Acquisition is currently undecided.

5. Summary of accounting treatment

The Acquisition is expected to qualify as an "acquisition" under the accounting standards for business combinations. As a result of this treatment, positive goodwill is expected to arise; however, the amount of goodwill has not yet been finalized as it is still under review. We will notify you once the amount is determined.

6. Outlook

With respect to the impact of the Acquisition on our consolidated financial results, we will promptly disclose any matters that should be made public as they arise.

7. Financing

The Acquisition is expected to be financed through the Company's own capital and interest-bearing debt.