

May 8, 2025

To whom it may concern:

Company SHIBAURA ELECTRONICS CO.,  
Name: LTD.  
Representative: Akira Kasai, President & Chief  
Executive Officer  
(Code Number: 6957; TSE Standard Market)  
Contact: Yukihide Hoshinoya, Executive  
Officer & General Manager of  
Administrative Department  
(TEL: 048-614-4000)

Company YAGEO Corporation  
Name:  
Representative: Pierre T.M. Chen, Founder and  
Chairman

**Notice Regarding Commencement of Tender Offer for  
SHIBAURA ELECTRONICS CO., LTD. (Securities Code: 6957)**

YAGEO Corporation announces the commencement of the tender offer for SHIBAURA ELECTRONICS CO., LTD.'s Stock through its intermediate holding company, YAGEO Electronics Japan LLC, as announced in its February 5, 2025 press release titled “Notice Regarding the Scheduled Commencement of Tender Offer for SHIBAURA ELECTRONICS CO., LTD. (Securities Code: 6957)” (including its amendment).

End

This press release is published by YAGEO Corporation. (the wholly owning parent company of the Tender Offeror) in accordance with Article 30, paragraph (1), item (iv) of the Order for Enforcement of the Financial Instruments and Exchange Act based on a request made by SHIBAURA ELECTRONICS CO., LTD. (the Target Company in the Tender Offer).

(Attachment)

“Notice Regarding Commencement of Tender Offer for SHIBAURA ELECTRONICS CO., LTD. (Securities Code: 6957) ” dated May 8, 2025

To whom it may concern:

**YAGEO Corporation**  
**Representative: Pierre T.M. Chen, Founder and Chairman**

**Notice Regarding Commencement of Tender Offer for  
SHIBAURA ELECTRONICS CO., LTD.  
(Securities Code: 6957)**

YAGEO Corporation (“YAGEO”) hereby announces that YAGEO today has made the decision to, through YAGEO Electronics Japan LLC, an intermediate holding company established by YAGEO on February 6 (the “Tender Offeror”), acquire the shares of SHIBAURA ELECTRONICS CO., LTD. (the “Target Company”; such shares, the “Target Company’s Stock”), which is listed on the Standard Market of the Tokyo Stock Exchange, Inc. (the “TSE”), through a tender offer (the “Tender Offer”) commencing from May 9, 2025 pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “Act”) as part of a series of transactions (the “Transaction”) for the purpose of making the Target Company a wholly owned subsidiary of the Tender Offeror.

1. Purpose, etc. of the Tender Offer

(1) Outline of the Tender Offer

The Tender Offeror is a limited liability company (*Godo Kaisha*) established on February 6, 2025, for the purpose of acquiring and owning all of the Target Company’s Stock, which is listed on the TSE, through the Tender Offer to control and manage the Target Company’s business activities. As of today, all of the equity of the Tender Offeror is owned by YAGEO. As announced in the “Notice Regarding Scheduled Commencement of Tender Offer for SHIBAURA ELECTRONICS CO., LTD. (Securities Code: 6957)” dated February 5, 2025 (together with the “(Amendment) Notice Regarding Partial Amendments to the Press Release Titled “Notice Regarding Scheduled Commencement of Tender Offer for SHIBAURA ELECTRONICS CO., LTD. (Securities Code: 6957)”” dated March 28, 2025, the “Notice Regarding Changes to the Terms and Conditions of Tender Offer for the Shares of SHIBAURA ELECTRONICS CO., LTD. (Securities Code: 6957)” dated April 17, 2025, and the “(Update on Disclosed Matter) Notice regarding Progress toward Commencement of Tender Offer of Shares of SHIBAURA ELECTRONICS CO., LTD. (Securities Code: 6957)” dated May 1, 2025, the “Tender Offer Announcement”), as part of the Transaction for the purpose of making the Target Company a wholly-owned subsidiary of the Tender Offeror, YAGEO has made the decision to cause the Tender Offeror to implement the Tender Offer, the commencement of which is subject to satisfaction of all of the following conditions (the “Tender Offer Preconditions”) (or waiver by YAGEO of the Tender Offer Preconditions, provided, however, that YAGEO may waive only Tender Offer Precondition (ii) and Tender Offer Precondition (iii)):

- (i) all procedures required under domestic and foreign investment regulations and outward investment regulations to execute the Transaction as well as all procedures required under foreign competition acts have been completed or are reasonably expected by YAGEO to be completed by the last day of the period of purchase for the Tender Offer (the “Tender Offer Period”);
- (ii) (a) no event has occurred that would permit the withdrawal of the Tender Offer as provided for in the proviso of Article 27-11, Paragraph 1 of the Act; and (b) no decision on the distribution of surplus with a record date prior to the settlement commencement date for the Tender Offer (the “Settlement Commencement Date”) or the acquisition of treasury shares with an acquisition date prior to the Settlement Commencement Date has been made by the body that determines the Target Company’s business execution; and
- (iii) a resolution by the board of directors of the Target Company has been passed, stating the board of directors’ opinion in favor of the Tender Offer, such opinion has been disclosed in accordance with applicable laws and regulations, and such favorable opinion has not been modified or withdrawn.

According to the “Notice regarding Scheduled Commencement of Tender Offer of Shares of SHIBAURA ELECTRONICS CO., LTD. (Securities Code: 6957)” released on April 10, 2025 (the “MINEBEA MITSUMI Announcement”), MINEBEA MITSUMI Inc. (“MINEBEA MITSUMI”) announced that it plans to commence a tender offer for the Target Company’s shares (the “MINEBEA MITSUMI Tender Offer”) (the purchase price per share of the Target Company’s Stock: 4,500 yen), and according to the Target Company’s announcement on the same date of “Notice Regarding Expression of Opinion in Support of the Scheduled Commencement of the Tender Offer for the Company’s Shares by MINEBEA MITSUMI Inc. and Recommendation to Tender Shares in Tender Offer” and “Notice Regarding Expression of Opposing Opinion for the Scheduled Commencement of Tender Offer for the Company Shares by YAGEO Electronics Japan LLC” (together, the “Target Company’s April 10, 2025 Press Release”), the board of the Target Company has resolved, as its current opinion, that in the event the MINEBEA MITSUMI Tender Offer is commenced, it will express its support for the MINEBEA MITSUMI Tender Offer and recommend that its shareholders tender their shares in the MINEBEA MITSUMI Tender Offer and also resolved that if the Tender Offer is commenced according to the terms and conditions prior to the Change in the Tender Offer Conditions (1) (defined below), it will express its opposition to it and encourage the Target Company’s shareholders not to tender their shares in the Tender Offer. Considering the above, market conditions and other factors, the Tender Offeror has reconsidered the purchase price per share of the Target Company’s Stock for the Tender Offer (the “Tender Offer Price”) and decided on April 17, 2025 to change the Tender Offer Price from 4,300 yen to 5,400 yen (the “Change in the Tender Offer Conditions (1)”).

According to the “Notice regarding Commencement of Tender Offer of Shares of SHIBAURA ELECTRONICS CO., LTD. (Securities Code: 6957)” released on May 1, 2025 (the “MINEBEA MITSUMI TOB Commencement Announcement”), MINEBEA MITSUMI announced that it would commence the MINEBEA MITSUMI Tender Offer from May 2, 2025 at an increased purchase price of 5,500 yen per share of the Target Company’s Stock, and according to the Target Company’s announcement on the same date of “Notice Regarding Expression of Opinion in Support of the Tender Offer for the Company Shares by Minebea Mitsumi, Inc. and Recommendation to Tender Shares” (the “Target Company’s Opinion Announcement”), the board of the Target Company has resolved to express its support for the MINEBEA MITSUMI Tender Offer and recommend that its shareholders tender their shares in the MINEBEA MITSUMI Tender Offer and also confirmed that there has been no change from its previous opinion that it opposes to the Tender Offer. Considering the above, market conditions and other factors, the Tender Offeror has decided on May 8 to change the Tender Offer Price from 5,400 yen to 6,200 yen (the “Change in the Tender Offer Conditions (2)”) (unless otherwise specified, the “Tender Offer Price” refers to the price after the Change in the Tender Offer Conditions (2)).

Subsequently, by May 8, 2025, as the Tender Offeror confirmed that both the Tender Offer Precondition (i) and the Tender Offer Precondition (ii) have been satisfied, and decided to waive the Tender Offer Precondition (iii) using the methods below, on May 8, 2025, the Tender Offeror decided to commence the Tender Offer from May 9, 2025.

- (i) The Tender Offeror has determined that procedures under foreign investment regulations in Japan and outward investment regulations in Taiwan, as well as procedures under competition acts in Germany and Austria, will be required to execute the Transaction.

With respect to the procedures and measures under the Foreign Exchange and Foreign Trade Act of Japan, the Tender Offeror has filed a notification to the Minister of Finance and the competent minister for the business of the Target Company through the Bank of Japan on February 6, 2025, pursuant to Article 27, Paragraph 1 of the Foreign Exchange and Foreign Trade Act of Japan, and receipt thereof was acknowledged for the same day. However, following the acknowledgement of the notification, on February 28, 2025, the Ministry of Economy, Trade and Industry, which has jurisdiction over the business of the Target Company, contacted the Tender Offeror to withdraw the notification once in order to continue the review due to the difficulty in completing the review within the statutory waiting period. As such, the Tender Offeror withdrew the notification on March 4, 2025. As of today, the notification has not been refiled. However, the Tender Offeror plans to promptly refile the notification as soon as preparations are complete. Based on advice from Japanese legal counsel, the Tender Offeror expects that it will be able to obtain the necessary approval for the acquisition of the Target Company’s

Stock through the Tender Offer by the Tender Offeror (the “Share Acquisition”) by the last day of the Tender Offer Period (including where it has been extended).

With respect to the procedures under outward investment regulations in Taiwan, the Tender Offeror plans to file a notification on May 9, 2025; and based on advice from a local law firm, the Tender Offeror expects that it will be able to obtain the approval regarding the Share Acquisition by the last day of the Tender Offer Period (including where it has been extended).

The procedures under the competition act in Germany (German Act against Restraints of Competition) were completed on April 17, 2025 (local time).

The procedures under the Austrian Cartel Act (Kartellgesetz) were completed on April 25, 2025 (local time).

Based on the above, the Tender Offeror has either already completed, or is reasonably expected, based on advice from Japanese and Taiwanese legal counsel, to obtain the necessary approvals for the Share Acquisition under the foreign investment regulations in Japan and outward investment regulations in Taiwan, as well as procedures under competition acts in Germany and Austria, by the last day of the Tender Offer Period (including where it has been extended). Accordingly, it has been determined that completion of all such procedures by the end of the Tender Offer Period can be reasonably expected, and the Tender Offeror has confirmed satisfaction of the Tender Offer Precondition (i).

- (ii) The Tender Offeror is unaware that (a) an event has occurred that would permit the withdrawal of the Tender Offer as set forth in the proviso of Article 27-11, Paragraph 1 of the Act, and (b) a decision has been made by the Target Company’s body that determines the execution of its business affairs regarding the distribution of surplus with a record date prior to the Settlement Commencement Date or the acquisition of treasury shares with an acquisition date prior to the Settlement Commencement Date. As the Target Company is a listed company and owes a duty of disclosure under laws and regulations, if any of the events above occurs, the Target Company is generally supposed to make a disclosure; however, given that there has been no such disclosure as of today, the Tender Offeror has confirmed the satisfaction of the Tender Offer Precondition (ii).
- (iii) Until today, although YAGEO has communicated with the Target Company in good faith to obtain the Target Company’s support for the Transaction, according to the Target Company’s Opinion Announcement dated on May 1, following the announcement by MINEBEA MITSUMI on May 1, 2025 in the MINEBEA MITSUMI TOB Commencement Announcement that it plans to commence a tender offer from May 2, 2025 to acquire the Target Company’s Stock at a price of JPY 5,500 per share, the board of directors of the Target Company resolved to express its support for the MINEBEA MITSUMI Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the MINEBEA MITSUMI Tender Offer, and confirmed that there has been no change from its previous opinion that it opposes to the Tender Offer. However, the Tender Offeror believes that it is important for shareholders of the Target Company to determine whether the Tender Offer is appropriate and whether they support the Tender Offer through a transparent process. Moreover, while the Tender Offeror announced that it planned to commence the Tender Offer from mid-May following the release of the MINEBEA MITSUMI TOB Commencement Announcement, as stated in (i) above, the Tender Offeror has determined that the procedures under foreign investment regulations and outward investment regulations in and outside Japan as well as the procedures under competition acts outside Japan required to execute the Transaction have either already completed or are expected to be completed by the last day of the Tender Offer Period (including where it has been extended), and the Tender Offeror has decided to waive the Tender Offer Precondition (iii).

As of today, the Tender Offeror holds 1,000 shares of the Target Company’s Stock (Ownership Ratio (Note 1): 0.01%) (on March 12, 2025, the Tender Offeror acquired 1,000 shares of the Target Company’s Stock from YAGEO through an off-market transaction). In the Tender Offer, the Tender Offeror has set the minimum number of shares to be purchased at 7,623,200 shares (Ownership Ratio: 50.00%; the Ownership Ratio pertaining to the number of shares (7,624,200 shares) obtained by adding the number of the Target Company’s Stock (1,000 shares) held by the Tender Offeror is 50.01%) (Notes 2 and 3), and (i) if the total number of shares tendered in the Tender Offer (the “Tendered Shares”) is less than 7,623,200 shares, the Tender Offeror will not

purchase any of the Tendered Shares, but (ii) if the total number of Tendered Shares reaches 7,623,200 shares (for the method of confirmation, please refer to (Note 4)) during the Tender Offer Period, the Tender Offeror will promptly announce such fact and extend the Tender Offer Period to ensure 10 Business Days from the Business Day following the date of such announcement (provided, however, that if the total number of Tendered Shares reaches the minimum number of shares to be purchased within 20 Business Days from the commencement date of the Tender Offer, the Tender Offeror will not extend the Tender Offer Period because it has secured 10 Business Days from the Business Day following the date of the announcement to that effect to the last day of the Tender Offer Period). As a result, shareholders who oppose the Transaction will have an opportunity to tender their shares in the Tender Offer for 10 Business Days from such announcement that the total number of Tendered Shares has reached the minimum number of shares to be purchased (i.e. that the Tender Offer is expected to be successful). As such, they can first indicate their intention (opposition) to the Transaction by not tendering their shares in the Tender Offer, and if the Tender Offeror announces that the total number of Tendered Shares has reached the minimum number of shares to be purchased, they will have an additional 10 Business Days from such announcement (i.e. that the Tender Offer is expected to be successful) to indicate whether or not they would like to tender their shares in the Tender Offer. The Tender Offeror intends to eliminate coercion by providing separate opportunities for the shareholders to indicate their approval or disapproval with respect to the Transaction and whether or not they intend to tender their shares in the Tender Offer, and believes this will also provide an opportunity for more shareholders of the Target Company to tender their shares in the Tender Offer. On the other hand, since the Tender Offeror intends to make the Target Company a wholly-owned subsidiary of the Tender Offeror by acquiring all of the Target Company's Stock (excluding the Target Company's Stock held by the Tender Offeror (1,000 shares) and treasury shares held by the Target Company (313,997 shares)) through the Tender Offer, the Tender Offeror has not set a maximum number of shares to be purchased, and if the total number of Tendered Shares exceeds the minimum number of shares to be purchased (7,623,200 shares), the Tender Offeror will purchase all of the Tendered Shares.

(Note 1) "Ownership Ratio" is the ratio (rounded to two decimal places; the same applies hereinafter for the calculation of Ownership Ratio) to the number of shares (15,245,733 shares) calculated by subtracting the number of treasury shares held by the Target Company as of December 31, 2024 (313,997 shares) (which is the number of shares calculated by subtracting the number of the Target Company's Stock (169,050 shares) held by the BIP (Board Incentive Plan) trust (the "BIP Trust") as of November 30, 2024, as stated in the status report on the purchase of treasury shares submitted by the Target Company on December 13, 2024 (the "Target Company's Treasury Stock Acquisition Status Report") from the number of treasury shares including the Target Company's Stock held by the BIP Trust as of December 31, 2024, as stated in the Target Company's Consolidated Financial Results for the Three Months Ended December 31, 2024 [Japanese GAAP] (Consolidated), submitted by the Target Company on February 10, 2025 (the "Target Company's Financial Results") (483,047 shares) from the total number of issued shares of the Target Company as of December 31, 2024 (15,559,730 shares) as stated in the Target Company's Financial Results. The same applies hereinafter.

(Note 2) The minimum number of shares to be purchased is the number of shares (7,623,200 shares) (Ownership Ratio: 50.00%) calculated by subtracting the number of the Target Company's Stock held by the Tender Offeror (1,000 shares) from the number of shares (7,624,200 shares) obtained by multiplying the number of shares constituting one unit (100 shares) of the Target Company by the number of voting rights (76,242 voting rights), which is 50.57% of the number of voting rights (150,766 voting rights) represented by the number of shares (15,076,683 shares) obtained by subtracting the number of treasury shares (483,047 shares) held by the Target Company as of December 31, 2024, as stated in the Target Company's Financial Results (which includes 169,050 shares of the Target Company's Stock held by the BIP Trust as of November 30, 2024, as stated in the Target Company's Treasury Stock Acquisition Status Report) from the total number of issued shares of the Target Company as of December 31, 2024 (15,559,730 shares) as stated in the Target Company's Financial Results.

(Note 3) As set forth in "Notice Regarding Continuation and Partial Amendment of Performance-Linked Restricted Stock Remunerations for Directors" announced by the Target Company on May 21, 2021, the voting rights for the Target Company's Stock held by the BIP Trust will not be exercised during its trust term (the term of the BIP Trust is until August 31, 2026 according to the Target Company), and since there is no possibility that such voting rights will be exercised at the Extraordinary Shareholders' Meeting, the Tender Offeror has not, in setting the minimum number of shares to be purchased, included the Target Company's Stock held by the BIP Trust as of November 30, 2024

(169,050 shares) in the number of Target Company's Stock used to calculate the minimum number of shares to be purchased.

- (Note 4) As a specific method of confirmation, the Tender Offeror will confirm that the total number of Tendered Shares has reached the minimum number of shares to be purchased (7,623,200 shares) during the Tender Offer Period (the same applies to the extended Tender Offer Period, in the event the Tender Offer Period is extended after confirming that the total number of Tendered Shares has reached the minimum number of shares to be purchased in accordance with the method described in this Note) by causing the Tender Offer Agent to (i) count the number of shares actually tendered in the securities accounts at Tender Offer Agent as of 2:00 p.m. (Japan Standard Time. The same applies hereinafter in this Note) every Business Day as a base time, and (ii) report to the Tender Offeror by 5:00 p.m. on the same day. If the total number of Tendered Shares as of such time reaches the minimum number of shares to be purchased (7,623,200 shares), the Tender Offeror plans to make a public announcement to that effect on the same day or the following Business Day based on such report. However, if the Tender Offeror cannot confirm that the total number of Tendered Shares has reached the minimum number of shares to be purchased by the base time of the Business Day immediately preceding the last day of the Tender Offer Period, and if the total number of Tendered Shares reaches the minimum number of shares to be purchased (7,623,200 shares) as of 12:00 p.m. on the last day of the Tender Offer Period, the Tender Offeror plans to announce such fact and submit an amended statement for the Tender Offer Registration Statement on the same day.

Further, for reasons below (please refer to “(i) Purpose and Decision-Making Process of the Tender Offer” in “(2) Background, Reasons and Decision-Making Process of the Tender Offer, and Management Policy after the Tender Offer” below for details), the Tender Offeror believes that the Transaction falls under the category of a “desirable acquisition” under the “Guidelines for Corporate Takeovers - Enhancing Corporate Value and Securing Shareholders’ Interests” (the “Guidelines for Corporate Takeovers”) published by the Ministry of Economy, Trade and Industry on August 31, 2023. According to the Guidelines for Corporate Takeovers, whether an acquisition is desirable should be assessed based on whether it ensures or enhances (i) corporate value and (ii) the common interests of shareholders.

First, as set forth in “(2) Background, Reasons and Decision-Making Process of the Tender Offer, and Management Policy after the Tender Offer – “(i) Purpose and Decision-Making Process of the Tender Offer” – “IV. Expected synergies with YAGEO group, etc.” below, by making the Target Company a wholly-owned subsidiary of YAGEO, the Tender Offeror is confident that the realization of synergies is anticipated in terms of products and technological development, production, and sales network and services, the two companies will maximize their corporate value, and the Transaction will contribute to enhancing the corporate value of the Target Company ((i) above).

Moreover, the Tender Offer Price (6,200 yen) reflects (x) a premium of, respectively, 97.45%, 95.65%, 92.97%, 90.65%, and 89.37% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252 yen), and the simple average of the closing prices for the past six months (3,274 yen), and as described below in “(4) Basis for Calculation of the Tender Offer Price” in “2. Overview of the Tender Offer,” these figures are higher than median premium levels (42.41%, 41.69%, 42.27%, and 42.14%, respectively, over the simple average closing prices for the Business Day immediately prior to the announcement date and the one, three, and six months immediately preceding the announcement date) of 37 cases announced in January through December of 2024 with the purpose of delisting target companies with a PBR (price-to-book ratio) of 1x or more prior to the announcement (provided, however, excluding tender offers of treasury shares and tender offers that have not been consummated as of today), and (y) according to the statistical materials published by the TSE, as of January 2025, the average PBR of companies in the electrical equipment industry listed on the Standard Market to which the Target Company belongs was 0.8x, and the Tender Offer Price is equivalent to a PBR of 2.6x. As such, the Tender Offeror believes that the Tender Offer Price is a price at which the shareholders of the Target Company will enjoy a significant premium, and the Transaction will contribute to enhancing the common interests of shareholders ((ii) above).

In addition, while the total purchase amount for the Tender Offer is 94,517,344,600 yen (an amount equal to the number of shares to be purchased (15,244,733 shares) multiplied by the Tender Offer Price (6,200 yen)),

the Tender Offer is planned to be settled through an investment from YAGEO (if the Tender Offer is successfully consummated, the Tender Offeror is scheduled to receive, by the Business Day immediately prior to the commencement date of settlement for the Tender Offer (the “Settlement Commencement Date”), an investment or financing from YAGEO in the amount equal to the total purchase amount for the Tender Offer plus any applicable fees and expenses). YAGEO has completed the preparation of settlement funds, with a deposit balance of 488,745.60 million yen as of December 31, 2024 (an amount equal to 101,822 million New Taiwan Dollars converted at 4.80 yen per 1 New Taiwan Dollar (as of the same date)). Therefore, we believe the proposal is not one whose feasibility can be reasonably doubted.

The reason for setting a specific minimum number of shares to be tendered by the Tender Offeror is as follows.

Based on the above, the Tender Offeror believes that the Transaction falls under the category of a “desirable acquisition” under the Guidelines for Corporate Takeovers, and it will not only contribute to the improvement of the Target Company’s corporate value, but is also an attractive transaction for its shareholders and business partners. The Tender Offeror is confident that many shareholders, including shareholders of business corporations, will support and tender their shares.

However, the Tender Offeror believes that a certain amount of the Target Company’s shareholders, such as those that hold the Target Company’s Stock for policy holding or similar purposes, will not tender their shares in the Tender Offer regardless of the Target Company’s opinion, or refrain from tendering their shares as a show of their understanding of the board of directors of the Target Company’s opinion in the Target Company’s April 10, 2025 Press Release opposing the Transaction and the Target Company’s Opinion Announcement dated on May 1 confirming that there has been no change from its previous opinion that it opposes to the Tender Offer. Nonetheless, if the Tender Offer is consummated while the Target Company’s board of directors maintains its opposition to the Tender Offer and the Tender Offeror becomes the new parent company of the Target Company, taking into consideration that the Transaction is considered to be a sincere proposal which will not only contribute to the improvement of the Target Company’s corporate value, but also benefit the Target Company’s business partners who are important stakeholders, as well as the Target Company’s shareholders including employees, it is generally expected that the Target Company’s board of directors will show a certain understanding of the management policies, etc. of the Tender Offeror, the new parent company, and conduct its business operations under policies consistent with those of its parent company, and that the Target Company’s related parties will also understand such management policies, etc. along with such understanding of the Target Company. For that reason, while the Target Company’s board of directors may also support the proposal for Share Consolidation (as defined in “(4) Policy on Matters Including Organizational Restructuring after the Tender Offer (Matters Concerning the So-Called Two-Step Acquisition)” below) if the Tender Offeror becomes the parent company of the Target Company, out of the shareholders that hold the Target Company’s Stock for policy holding or similar purposes, if the Tender Offer is successfully consummated and the Tender Offeror holds the Target Company’s Stock in an amount equivalent to an Ownership Ratio of 50.01% or more (i.e. if the Tender Offeror becomes the Target Company’s parent company), the Tender Offeror believes that a certain amount of the Target Company’s shareholders will exercise their voting rights in favor of a proposal for a Share Consolidation at the Extraordinary Shareholders’ Meeting (as defined in “(4) Policy on Matters Including Organizational Restructuring after the Tender Offer (Matters Concerning the So-Called Two-Step Acquisition)” below) assumed to take place.

While it is unclear at the moment whether or not shareholders will tender their shares in the Tender Offer, the Tender Offeror believes that, out of the shareholders that hold the Target Company’s Stock for policy holding or similar purposes, the Target Company’s Stock held by shareholders expected to exercise their voting rights in favor of a proposal for a Share Consolidation are restricted stock held by the Target Company’s employee stock ownership plan, shares held by the cross-shareholding counterparties of the Target Company, and shares held by shareholders who are considered to be business corporations. According to an estimate of Ownership Ratios provided by Mitsubishi UFJ Morgan Stanley Securities Co., the financial advisor of the Tender Offeror, upon the request of the Tender Offeror, although it is difficult to estimate precisely, based on the information disclosed by the Target Company, as of March 31, 2024, there are 88,620 shares (a number of shares taking into account the stock split conducted on July 1, 2024) of restricted stock held by the Target Company’s employee stock ownership plan (Ownership Ratio: 0.58%), at least 1,336,746 shares held by the cross-shareholding counterparties of the Target Company (Ownership Ratio: 8.77%) based on information as of January 2025 from information vendors that provide data provision services on disclosed information and the financial market, and at least 341,000 shares held by shareholders who are considered to be business corporations (Ownership Ratio: 2.24%), which can be reasonably understood to make up 1,766,366 shares

(Ownership Ratio of at least approximately 11.59%). Specifically, while it is assumed that the Target Company's restricted stock held by the Target Company's employee stock ownership plan (Ownership Ratio: 0.58%), which are subject to transfer restrictions, cannot be tendered in the Tender Offer, regardless of the Target Company's opinion, since employee stock ownership plans, which are composed of employees who have an employment relationship with the issuer, generally tend to exercise their voting rights in accordance with the opinion of the issuing board of directors, and the Tender Offeror is not aware of any circumstances in the Transaction that would suggest a deviation from this tendency, the Tender Offeror believes that the applicable voting rights will be exercised in favor of a proposal for a Share Consolidation. With respect to the Target Company's Stock held by the cross-shareholding counterparties of the Target Company (Ownership Ratio: 8.77%) and shares held by shareholders who are considered to be business corporations (Ownership Ratio: 2.24%), given that these are held for policy holding or similar purposes, it is considered unlikely that they would take any action contrary to the decision by the Target Company, and if the Target Company expresses an opinion other than in favor of the Tender Offer, it is expected that they will understand the opinion of the Target Company's board of directors and refrain from tendering their shares in the Tender Offer. However, after the Tender Offer is successfully consummated, since the Target Company's board of directors is expected to tend to support the proposal for Share Consolidation, and the Tender Offeror is not aware of any circumstances in the Transaction that would suggest a deviation from this tendency, the Tender Offeror believes that the applicable voting rights will be exercised in favor of a proposal for a Share Consolidation, out of respect for the opinion of the Target Company's board of directors.

As described above, while it is possible that the Tender Offeror's Ownership Ratio will remain below two-thirds ( $\frac{2}{3}$ ) even if the Tender Offer is successfully consummated given the situation of the Target Company's shareholders where a certain number of shareholders hold the Target Company's Stock as policy holdings or for similar purposes, given that, out of the shareholders that hold the Target Company's Stock for policy holding or similar purposes, the Target Company's Stock held by shareholders that did not tender their shares in the Tender Offer but are expected to exercise their voting rights in favor of a proposal for a Share Consolidation make up an Ownership Ratio of approximately 11.59%, even if the number of Target Company's Stock held by the Tender Offeror after the Tender Offer is successfully consummated is equal to the minimum number of shares to be purchased (7,623,200 shares), it is expected that the number of the Target Company's Stock expected to have its voting rights exercised in favor of a proposal for Share Consolidation will be 9,390,566 shares when adding the 1,766,366 shares stated above and the number of the Target Company's Stock held by the Tender Offeror (1,000 shares) together, making up an Ownership Ratio of equivalent to 61.59%. Further, taking into consideration that the actual number of Target Company's Stock necessary to pass the resolution for a proposal for Share Consolidation is, as an Ownership Ratio, the maximum ratio of voting rights exercised at the Target Company's last five annual general meetings of shareholders (approximately 86%) (Note 5) multiplied by two-thirds ( $\frac{2}{3}$ ), the voting ratio necessary to pass a special resolution at the shareholders meeting (approximately 57%), and that the level of the Target Company's Stock expected to have its voting rights exercised in favor of a proposal for Share Consolidation (approximately 61.59%) is estimated to surpass this figure, the requirements for the approval of the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting are expected to be satisfied. Based on the above, to ensure the stable completion of the Tender Offer, maximize the likelihood of the Transaction, and secure a level of voting rights that allows the approval of the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting even in the event that, following the Tender Offer, the Tender Offeror does not come to own two-thirds ( $\frac{2}{3}$ ) of the total voting rights of the Target Company's shareholders but still holds, together with the number of the Target Company's Stock held by the Tender Offeror as of today (1,000 shares), at least 50.01% of the Target Company's shares, the Tender Offeror has set the minimum number of shares to be purchased as the number of shares (7,623,200 shares) (Ownership Ratio: 50.00%) calculated by subtracting the number of the Target Company's Stock held by the Tender Offeror (1,000 shares) from the number of shares (7,624,200 shares) obtained by multiplying the number of shares constituting one unit (100 shares) of the Target Company by the number of voting rights (76,242 voting rights), which is 50.57% of the number of voting rights (150,766 voting rights) represented by the number of shares (15,076,683 shares) obtained by subtracting the number of treasury shares (483,047 shares) held by the Target Company as of December 31, 2024, as stated in the Target Company's Financial Results (which includes 169,050 shares of the Target Company's Stock held by the BIP Trust as of November 30, 2024, as stated in the Target Company's Treasury Stock Acquisition Status Report) (Note 3), from the total number of issued shares of the Target Company as of December 31, 2024 (15,559,730 shares) as stated in the Target Company's Financial Results. As of May 8, 2025, regarding the 1,336,746 shares held by the cross-shareholding counterparties of the Target Company (Ownership Ratio: 8.77%), the 341,000 shares held by shareholders who are considered to be business corporations (Ownership Ratio: 2.24%), and the



restricted stock held by the Target Company's employee stock ownership plan (Ownership Ratio: 0.58%), the relevant shareholders have not given their consent to exercise their voting rights in favor of the proposal regarding the Share Consolidation.

In setting the minimum number of shares to be purchased through the Tender Offer, given the situation where information in relation to shareholders have not been provided by the Target Company, the Tender Offeror is considering actions related to the proposal for the Tender Offer and Share Consolidation according to the attributes of each of the shareholders, based on a reasonable analysis pursuant to common opinion. In addition, as described in "(ii) Setting Conditions to Eliminate Coercion" in "(7) Fairness of the Transaction Procedures in Consideration of the Guidelines for Corporate Takeovers", since the Tender Offeror has set conditions that intend to reduce coercion in the Transaction, even with the minimum number of shares to be purchased, the Tender Offeror believes that coercion has been eliminated in the Transaction.

(Note 5) According to the 66th Annual Securities Report filed by the Target Company on June 26, 2024 (the "Target Company's Annual Securities Report"), the number of voting rights as of the record date of the 66th Annual General Meeting of Shareholders of the Target Company held on June 25, 2024 was 76,822, but according to the Extraordinary Report submitted by the Target Company on June 27, 2024, the average number of voting rights exercised was 61,206 for all proposals, which corresponds to approximately 80% (rounded to the nearest whole number) of the total number of voting rights. Similarly, when calculating the voting right exercise ratios for previous years, it was approximately 80% at the 65th Annual General Meeting of Shareholders, approximately 85% at the 64th Annual General Meeting of Shareholders, approximately 81% at the 63rd Annual General Meeting of Shareholders, and approximately 86% at the 62nd Annual General Meeting of Shareholders, and the maximum ratio of voting rights exercised at the Target Company's last five annual general meetings of shareholders was approximately 86% (the "Maximum Voting Rights Exercised Ratio"). In addition, among the 30 cases of tender offers aimed at taking listed companies private that were announced between January and December 2024, where a share consolidation proposal was approved following the successful completion of the tender offer, the first quartile, median, and third quartile (Note 6) voting rights exercise ratios for the share consolidation proposal (squeeze-out proposal) were respectively approximately 20%, 33%, and 55%. (For calculation purposes, the voting rights exercised by the tender offeror and its specially related parties were excluded.) The median of the ratio obtained by dividing the median voting rights percentage by the voting rights exercise ratio at each such target company's most recent annual general meeting of shareholders was approximately 44%, which is less than half of 100%. This suggests that the voting rights exercise ratio of shareholders (excluding the tender offeror and its specially related parties) for share consolidation proposals tends to decrease significantly compared to the voting rights exercise ratio at regular annual general meetings of shareholders. When considering the number of voting rights necessary for the approval of the Share Consolidation proposal, it may be appropriate to refer to the voting rights exercise ratio at the Target Company's most recent shareholders' meeting and take into account the tendency for the voting rights exercise ratio of shareholders (excluding the Tender Offeror) to decrease in share consolidation proposals compared to ordinary annual general meetings. However, in a conservative approach, this decrease in voting rights exercise ratio for the Share Consolidation proposal was not taken into account, and the Target Company's Maximum Voting Rights Exercised Ratio was used.

(Note 6) Arranging the data in ascending order, the data corresponding to the first quarter from the bottom is called the first quartile, the data corresponding to the second quarter from the bottom is called the second quartile (median), and the data corresponding to the third quarter from the bottom is called the third quartile.

In addition, if the Tender Offer is successfully consummated but the Tender Offeror does not acquire all of the Target Company's Stock (excluding the Target Company's Stock held by the Tender Offeror and treasury shares held by the Target Company) in the Tender Offer and, if, as a result of the Tender Offer, (i) the Tender Offeror comes to hold the Target Company's Stock representing 90% or more of the total voting rights of all shareholders of the Target Company, (ii) the Tender Offeror comes to hold the Target Company's Stock representing two-thirds (2/3) or more, but less than 90%, of the voting rights of all shareholders of the Target Company, or (iii) the Tender Offeror does not come to hold the Target Company's Stock representing two-thirds (2/3) or more of the voting rights of all shareholders of the Target Company, the Tender Offeror plans to implement the squeeze-out procedures (the "Squeeze-Out Procedure") as set forth in "(4) Policy on Matters

including Organizational Restructuring after the Tender Offer (Matters Concerning the So-Called Two-Step Acquisition)” below. In the event of (ii) and (iii) above, the Tender Offeror plans to request the Target Company to hold the Extraordinary Shareholders’ Meeting. As set forth in (Note 5) above, the Tender Offeror believes that even in the case of (iii) above, the requirements for the approval of the proposal for the Share Consolidation at the Extraordinary Shareholders’ Meeting are expected to be satisfied.

However, in the case of (iii) above, there is a possibility that the proposal for the Share Consolidation will be rejected at the Extraordinary Shareholders’ Meeting. However, even if such proposal is rejected, based on the Tender Offeror’s intention to ultimately acquire all of the Target Company’s Stock (excluding the Target Company’s Stock held by the Tender Offeror and treasury shares held by the Target Company), the Tender Offeror intends to acquire additional shares of the Target Company until it reaches the number of shares equivalent to the number of voting rights obtained by multiplying the number of voting rights at the next general shareholders’ meeting to be held for approval of the Share Consolidation by two-thirds (2/3), and will request such shareholders’ meeting (with respect to the period required for such additional acquisition and subsequent approval of the Share Consolidation by the general shareholders’ meeting, it is difficult to specify a definite timing at this time, as it depends on market conditions and other circumstances, and the Tender Offeror will announce such timing when a specific expected timing becomes known). The Tender Offeror plans to make such additional acquisition through in-market transactions, tender offers, and off-market purchases other than tender offers (limited to cases permitted under the law). If the Tender Offer is successfully consummated, the Tender Offeror will not change its policy of making the Target Company a wholly-owned subsidiary regardless of such expected timing.

Please note that the consideration to be paid by the Tender Offeror to the shareholders in the above additional acquisition will be a price that is evaluated to be economically equivalent to the Tender Offer Price for the shareholders of the Target Company who sell their shares in response to such additional acquisition (unless the Target Company takes any action that requires adjustment of the consideration to be paid, such as a stock consolidation or stock split, the consideration per share will be the same as the Tender Offer Price).

As announced in the Tender Offer Announcement, the Tender Offeror started to consider the Transaction from around September 2024. YAGEO first delivered the request on October 11, 2024 that the Founder and Chairman of YAGEO would like to meet with the President of the Target Company to explore the possibility of a business collaboration. Although YAGEO subsequently made numerous requests to the Target Company for face-to-face meetings, the Target Company rejected them all. Thereafter, in accordance with the objective of the Guidelines for Corporate Takeovers, which recommends the board of directors to seriously consider any takeover proposal to acquire control of a company it receives, in pursuing friendly discussions with the Target Company’s board of directors for the Transaction, YAGEO submitted a letter of intent (the “Letter of Intent”) to the Target Company’s board of directors on December 30, 2024 with respect to the Transaction. After submitting the Letter of Intent, YAGEO continued to request the Target Company to provide an opportunity for YAGEO to explain the contents of the Letter of Intent and YAGEO’s intentions as promptly as possible to facilitate mutual agreement, but on January 16, 2025, YAGEO received a letter from the Target Company indicating the need to execute a non-disclosure agreement for consideration of the Transaction, for which YAGEO received a draft NDA (the “Target Company’s Draft NDA”) on January 22, 2025. The Target Company’s Draft NDA imposed one-sided confidentiality obligations on YAGEO and prohibited YAGEO from acquiring shares of the Target Company and making disclosures related to or commencing the Transaction for a certain period of time. Since YAGEO’s purpose for the discussion was for the sole purpose of explaining the contents of the proposal to the Target Company in person and not to receive information from the Target Company, YAGEO believed that the Target Company’s response that the Target Company’s Draft NDA would have to be entered into in order to have the meeting was practically a rejection of the request. Since YAGEO had hoped to move forward with the Transaction after obtaining the understanding of the Target Company, YAGEO continued to request a meeting, explaining to the Target Company that entering into the Target Company’s Draft NDA should not be a precondition to engaging in discussions; however, as of February 5, 2025, no such opportunity had been provided. In light of the current situation where YAGEO has been unable to receive a reasonable explanation from the Target Company regarding not being provided with such opportunity, YAGEO, out of concern that the shareholders of the Target Company may not be provided with an opportunity to consider YAGEO’s proposal, decided on February 5, 2025 to announce its plans regarding the Transaction to encourage the proper and proactive disclosure of information that will assist shareholders of the Target Company in making informed decisions by the Tender Offeror and Target Company through a transparent process, and to aim to secure circumstances that would allow shareholders of the Target Company to make the most optimal decision for the Target Company and its shareholders in relation to the approval or disapproval as well as terms and conditions

with respect to the Transaction, at a Tender Offer Price of 4,300 yen (which reflects a premium of, respectively, 36.94%, 35.69%, 33.83%, 32.23%, and 31.34% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252yen), and the simple average of the closing prices for the past six months (3,274 yen)).

The Tender Offeror received a questionnaire from the Target Company on February 26, 2025, requesting information that the Target Company's board of directors and the special committee established by the Company to consider the proposals set forth in the Letter of Intent (the "Special Committee") felt necessary. In response, on March 6, 2025, the Tender Offeror delivered to the Target Company responses to the aforementioned questionnaire. Thereafter, on March 19, 2025, the Tender Offeror received from the Target Company a (second) questionnaire requesting additional information. In response, on March 26, 2025, the Tender Offeror delivered to the Target Company (second) responses to the aforementioned (second) questionnaire.

Thereafter, the Tender Offeror entered into a non-disclosure agreement with the Target Company dated March 31, 2025, and held a meeting on April 2, 2025 with management and the Special Committee for the purpose of providing material supplementary explanations and additional information regarding certain questions in the abovementioned questionnaire and (second) questionnaire to which the Tender Offeror had refrained from answering as not appropriate for responses that were assumed to be made public.

MINEBEA MITSUMI announced on April 10, 2025 that it plans to commence the MINEBEA MITSUMI Tender Offer, and according to the Target Company's April 10, 2025 Press Release announced on the same date, the board of the Target Company has resolved, as its current opinion, that in the event the MINEBEA MITSUMI Tender Offer is commenced, it will express its support for the MINEBEA MITSUMI Tender Offer and recommend that its shareholders tender their shares in the MINEBEA MITSUMI Tender Offer, and also resolved that if the Tender Offer is commenced according to the terms and conditions prior to the Change in the Tender Offer Conditions (1), it will express its opposition to it and encourage the Target Company's shareholders not to tender their shares in the Tender Offer. Considering the above, market conditions and other factors, the Tender Offeror has reconsidered the purchase price per share of the Target Company's Stock for the Tender Offer and decided on April 17, 2025 to change the Tender Offer Price from 4,300 yen to 5,400 yen (a premium of, respectively, 71.97%, 70.40%, 68.07%, 66.05%, and 64.94% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252 yen), and the simple average of the closing prices for the past six months (3,274 yen)).

According to the MINEBEA MITSUMI TOB Commencement Announcement, MINEBEA MITSUMI announced that it would commence a tender offer from May 2, 2025 at an increased purchase price of 5,500 yen per share of the Target Company's Stock, and according to the Target Company's Opinion Announcement dated on May 1, 2025, the board of the Target Company has resolved to express its support for the MINEBEA MITSUMI Tender Offer and recommend that its shareholders tender their shares in the MINEBEA MITSUMI Tender Offer and also confirmed that there has been no change from its previous opinion that it opposes to the Tender Offer. Considering the above, market conditions and other factors, the Tender Offeror has decided on May 8 to change the Tender Offer Price from 5,400 yen to 6,200 yen.

(2) Background, Reasons and Decision-Making Process of the Tender Offer, and Management Policy after the Tender Offer

(i) Purpose and Decision-Making Process of the Tender Offer

I. About YAGEO Group

Founded in 1977 and headquartered in Taiwan, YAGEO is a global service provider of electronic component solutions, offering the broad selection of passive component technologies (Note 1) from some of the industry's broadly recognized "YAGEO" brands. YAGEO is listed on the Taiwan Stock Exchange (2327-TW) with a market capitalization of around US\$78 billion as of May 7, 2025.

With 61 manufacturing sites located in 35 countries and 20 R&D centers, YAGEO has a leading portfolio of chip resistors, tantalum, MLCC, film, and aluminum electrolytic capacitors, inductors, circuit protection components, magnetics, antennas, sensors, actuators, and wireless components, as well as global production sites and sales capabilities for global customers designed to meet the diverse requirements of customers and a full range of end market segments.

Its products are widely used in all kinds of electronic applications, including automotive, industrial, 5G, Internet of Things (IoT), AI datacenters, telecommunications, medical, aerospace, alternative energy, computers and peripherals, and consumer electronics. YAGEO also has a strong and diversified customer profile, including global brand customers (Note 2), EMS (Note 3), ODM (Note 4)/OEM (Note 5), and distributors.

In addition to organic growth, the growth of YAGEO group over the past few years into a corporate group with more than 40,000 employees around the globe and consolidated sales of over US\$4 billion has been supported by the strategic M&A activities in the global market. YAGEO believes that through M&A, it has been able to enhance its product portfolio and continue to grow by combining advanced technology, know-how, and excellent human resources that YAGEO requires, and M&A is one of the sources of this growth. For instance, it has completed the acquisition of Heraeus Nexensos, a high-end temperature sensor leader in Germany and Telemecanique Sensors from Schneider Electric in France in 2023. It has also integrated Chilisin Electronics, a major inductor maker, through share-swap transaction in 2022. The acquisition of KEMET for its high-end (Note 6) technology related to products including various capacitors and sensors and sales channels in industries such as the automotive, 5G, networks, telecommunications, and industry in 2020 also fueled YAGEO's further growth. YAGEO adheres to the corporate philosophy of "Rooted in Taiwan and deploying globally" and continues to deepen its development in the passive component industry and expand its global business scale. After years of international acquisitions described above and internal product portfolio optimization, YAGEO believe that it has transformed into a solution provider with high design-in (Note 7) capability and extensive reach into those hard to penetrate segments and markets, and has a leading position in global competitive advantages in products, technology, talents and sales.

YAGEO believes itself to be one of the largest global passive component providers, and in order to further strengthen its position, YAGEO aims to continue to grow through organic growth and M&A. It is YAGEO's policy to continue to use the brands of companies that have joined the group in principle if they can be used. This is out of respect for the companies that have built up a long history and a desire to grow "together" with them. YAGEO weighs the importance of the talents, technology, products and entire business upon acquisition, and respects the Target Company's independency following the acquisition. YAGEO will continue to utilize its expertise to deliver innovative, reliable solutions that elevate customers' products, shaping a safer, more efficient, and interconnected future.

(Note 1) Passive component technologies means electronic components that function passively, such as consuming, storing, and releasing power supplied.

(Note 2) Brand customers means customers who supply the final products to consumers.

(Note 3) EMS (Electronics Manufacturing Services) means commissioned manufacturing of electronic equipment.

- (Note 4) ODM (Original Design Manufacturing) means the design and production of products using other company's brand.
- (Note 5) OEM (Original Equipment Manufacturing) means the production of products using other company's brand.
- (Note 6) High-end means high-performance and high-quality.
- (Note 7) Design-in means sales activities to promote the adoption of products in the design stage before the specifications of the customer products are established.

## II. Background of the proposal

YAGEO believes the passive component industry has been affected by multiple uncertain factors such as slowing market demand, continuous inventory adjustment in supply chain, international conflicts, and global rising inflation. Despite such business environment, YAGEO has continued to grow by expanding the high-end market, optimizing premium product portfolios, executing the M&A strategy, and leveraging integration synergies. YAGEO will continue to implement its transformation strategy, expand the proportion of premium business and global scale, and provide customers with global one-stop high-quality services through comprehensive product portfolios, focusing on high-end automotive, industrial, aerospace, smart healthcare, AI/5G/IoT segments to establish sustainable business strength and create higher value for its shareholders and the industry.

As part of this strategy, YAGEO has positioned the circuit protection components and sensors as its new business pillars and successfully completed multiple acquisitions of companies that manufacture and sell high-end sensors over the past few years, including Heraeus Nexensos in Germany and Telemecanique Sensors in France. YAGEO believes that Heraeus Nexensos is a company in premium platinum thin-film temperature sensors for superior temperature range, high precision measurement and high stability with over 100 years of history in high-end industrials and automotive segments. Heraeus Nexensos offers a variety of platinum thin-film temperature sensing components, including wire sensors, SMD (Surface Mount Device) sensors, and PCB (Printed Circuit Board) sensors, to meet various design requirements from clients. Telemecanique Sensors is recognized globally in the design, development, and delivery of electromechanical and electronic sensors. With over 90 years of continuous innovation in sensors, Telemecanique Sensors has built a broad portfolio of sensing solutions including high-end limit switches, proximity sensors, and pressure sensors. Its products are used in several fast-growing industrial field such as IoT, Industrial Automation, Industry 4.0 (Note 8) and Infrastructure, including a wide array of applications. Welcoming these companies into YAGEO group closely follow its ongoing strategic focus on the premium segment and broadens the high-end design-in product portfolio as a premium component solution provider. With its years of international M&A and integration experiences, these acquisitions have propelled YAGEO further into the sensor market, especially in the industrial segments, which are the key drivers for future growth. For instance, these acquisitions have brought YAGEO immediate cross-selling opportunities. Leveraging off Heraeus Nexensos, Telemecanique Sensors, and YAGEO's advanced technology and its global distribution channels, YAGEO has been able to continue to capture its content share per box (Note 9) among its customers and further simplify their supply chain management process to provide customers with global one-stop services. This is how YAGEO has built a strong industrial sensor platform with broad product portfolio. The annual revenue of its sensors segment exceeded US\$400 million in 2023.

YAGEO, after years of transformation efforts, has a wide range of channels for all types of electronic applications including automotive, industrial, etc. around the globe and prides itself for its dominant position among global distributors in terms of sales performance, and firmly believes it can be of great help for further growth the Target Company leveraging such extensive global sales and marketing network to sell products to a wide range of customers and further understand customer needs. Furthermore, YAGEO expects the Target Company could collaborate with YAGEO's circuit protection component division and potentially the broader US\$400 Million sensor business group on top of the Target Company's existing business by the Transaction – something that YAGEO trusts as the way to be a leader with top share by scaling up in the unique and niche market of NTC thermistors (Note 10). This is the way YAGEO has grown the businesses in the past weighing the importance of the talents, technology, products and entire businesses upon acquisition. YAGEO intends to execute

in similar manner for the Target Company, a formidable industry player that YAGEO has utmost respect.

(Note 8) Industry 4.0 means technological innovation using IoT, AI, etc. in manufacturing.

(Note 9) The ratio of the amount spent by a customer on a particular company's products or services to the amount spent on the products or services of a certain category.

(Note 10) Temperature sensors which show a decrease in resistance as temperature increases.

### III. Challenges faced by major Japanese electronic device manufacturers, including the Target Company

#### (a) Challenges faced by major Japanese electronic device manufacturers

The electronic components industry where the Target Company belongs has shown robust trends in sectors with improving business conditions, as demonstrated by the recovery of automotive production after the easing of semiconductor shortages. However, the situation remains unpredictable, given the slow growth in home appliances and other sectors facing a delayed recovery for reasons such as stagnant final demand as well as macroeconomic factors such as inflation, exchange rate trends, and rising geopolitical risks. Under such circumstances, YAGEO believes many companies have been trying to promote high value-added products and services, globalization, and solution-oriented services to stabilize their earnings.

YAGEO also believes demand for temperature sensors capable of detecting, managing and controlling the temperatures of industrial products, key products of the Target Company, has been increasing. There will be continued strong demand for temperature sensors, propelled by energy saving and environmental ecology movements in a variety of fields, including in the field of automobiles which is continuing its move toward electrification. In this growing market, there could be more and more fierce competitions among Japanese electronic component manufacturers, including major players such as the Target Company, which requires a certain amount of continuous investment in product development and marketing efforts for survival.

#### (b) About the Target Company

YAGEO believes that the Target Company has been globally recognized as a leading NTC thermistors manufacturer with strong technological capabilities. According to the Target Company's Annual Securities Report, it aims to enhance its technological, production, and sales capabilities to respond swiftly and flexibly to the customer needs and address the demands of the era, including the environment, energy-saving, and safety, as well as expand its market share while being conscious of developing new business and diversifying its business. The Target Company will focus on strengthening its overseas sales and overseas production bases to contribute to the lives of people all over the world through its thermistors. Based on its long-term management vision of new value creation, it has formulated and resolved the Medium-Term Business Plan 2024-2026 at the meeting of the board of directors held on May 20, 2024. Within the 10-year period up to FY2033, from FY2024 to FY2026, which is the period of its Medium-Term Business Plan, it aims to tap into new markets, develop new products, diversify its business, introduce advanced technology, and engage in business collaboration and joint development. Its three management bases during the period include 1) product development; develop products that meet and exceed customer needs, 2) productivity improvement; improve efficiency of the manufacturing process, and 3) marketing; create synergies through collaboration with customers worldwide. It has also set targets for four key financial indicators: net sales, operating profit, operating profit margin, and ROE, in order to engage in management with an awareness of the cost of capital. In order to realize the Target Company's vision and financial targets, YAGEO believes that it will take time and can be challenging for the Target Company to respond to global market changes and expand its business globally to secure stable earnings without the support of YAGEO. Single product providers might face challenges as the world streamlines its supply chain, especially for low ASP (Average Sales Price) products comparing to the total bill of materials, and may be difficult to realize its potential. Although YAGEO believes that the Target Company has developed its business by leveraging its technological capability that it has cultivated over its long history and has built a solid position in the NTC thermistor market, the Target Company could take

advantage of YAGEO's extensive global sales and marketing network upon the Transaction, which will enable the Target Company to expand its businesses in more end markets and accelerate its growth in an increasingly competitive environment. YAGEO believes that the Target Company will be able to achieve its vision and financial targets with higher certainty, more quickly, or even higher margin level with increased productivity and sales / marketing efficiency through various collaborations between the two companies.

#### IV. Expected synergies with YAGEO group, etc.

YAGEO is confident that there are multiple complementary areas between the Target Company and YAGEO, and the two companies can grow together through various collaborations including the following. YAGEO does not anticipate dis-synergy from the Transaction at this time as a result of our consideration.

- (a) Enhance product portfolio
  - o YAGEO has expanded its sensor product portfolio through multiple acquisitions over the past years, and believes the Target Company can further enhance breadth and depth of YAGEO's sensor product portfolio.
- (b) Capture market opportunity in key end market
  - o Demand for NTC thermistors is expected to grow steadily not only in Automotive, Industrial, Power & Energy, Consumer Electronics, but also in AI/data center computing space.
  - o YAGEO has revenues generated from highly balanced and diversified segments and believes its customer-base and close relationship will help the Target Company expand its business leveraging them in various end markets. For example, a certain percentage of the Target Company's sales are for customers of automotive and consumer equipment, while YAGEO believes it is able to support the Target Company's growth in other areas as well.
- (c) Globally expand sell-through of the Target Company's NTC thermistors
  - o YAGEO believes it has strong presence in Americas and Europe as well as Asia while the Target Company is more focusing on Asian market. YAGEO will be able to help the Target Company further boost its NTC thermistor business through YAGEO's extensive global sales and marketing network.
  - o YAGEO believes it holds long term broad business relationships with the most recognized global distribution network in the electronic component industry. Such network allows YAGEO to reach over 250,000 end customers and realize over US\$1 billion in resale value of its products a year. YAGEO believes the Target Company can greatly benefit from leveraging YAGEO's access to such extensive distribution platform.
- (d) Win more long-term, design-in based and profitable businesses
  - o Providing total solutions to customers with broad product selection is one of YAGEO's key strategies.
  - o By combining the Target Company's products into YAGEO's product portfolio and hence increasing percentage of YAGEO's products within bill of materials of key end markets / final products to supply customers with broad products while leveraging YAGEO's expertise in design-in capabilities, YAGEO believes the two companies can together win more long-term, design-in based and profitable businesses with Brand / OEM clients.
  - o The magnetics and discrete semiconductor of its product portfolio allows YAGEO to partner with its OEM clients and participate in the early stages of the client platform design and BOM (Bill of Material for electronic components) definition. This early access and the collaborative nature of the design cycle with its OEM clients favors a higher degree of cross design and ultimately cross selling of a more extended portion of YAGEO's product

portfolio. YAGEO believes the Target Company can greatly benefit from leveraging YAGEO's one stop design solution concept.

- (e) Design and develop the entire sensor and circuit protection platform
  - o YAGEO intends to integrate the development, manufacturing, and sales of not only its own NTC, but also the circuit protection business and the sensor business as a whole (sales of \$400MM) into the Target Company upon completion of the Transaction.
- (f) Accelerate growth investment
  - o YAGEO has enormous investment capacity compared to the Target Company, and intends to support the Target Company accelerate growth investment upon completion of the Transaction, which will allow the Target Company to pursue faster business growth opportunities.

#### V. Summation

As described above in "III. Challenges faced by major Japanese electronic device manufacturers, including the Target Company" above, YAGEO has analyzed that the market environment for the passive components manufacturers where YAGEO and the Target Company belong is extremely competitive.

However, YAGEO believes that the Transaction will have synergies as described in (a) through (f) of "IV. Expected synergies with YAGEO group, etc." above, which will allow YAGEO and the Target Company to work together to survive the severe competitive environment to which major electronic components manufacturers are exposed. Believing that the Transaction will enable the Target Company to maximize its corporate value for all of its shareholders and stakeholders with meaningful synergies by utilizing the advantages described above in "(b) About the Target Company" of "III. Challenges faced by major Japanese electronic device manufacturers, including the Target Company" above, YAGEO started to consider the Transaction from around September 2024. In light of such past history, YAGEO first delivered the request on October 11, 2024 that the Founder and Chairman of YAGEO would like to meet with the President of the Target Company to explore the possibility of business collaboration. After the Target Company declined to hold the meeting on October 21, 2024, YAGEO sent a letter directly to the President of the Target Company on November 4, 2024, to request a face-to-face meeting and provide more context. On November 26, 2024, the Target Company sent back a letter to YAGEO declining the meeting request again. Then YAGEO submitted a letter of intent (the "Letter of Intent") to the Target Company's board of directors on December 30, 2024, stating the intention to acquire all the Target Company's Stock for 4,300 yen per share through the Transaction, as well as the expected synergies between YAGEO and the Target Company and management policy after the Transaction, in pursuing friendly discussions with the Target Company's board of directors for the Transaction. YAGEO also submitted detailed supplemental materials elaborating on YAGEO's proposal, potential synergies between the two companies and YAGEO's plan for the Target Company's further growth to enhance the Target Company's corporate value. Upon preparing the Letter of Intent, YAGEO has carefully assessed various laws and regulations related to the acquisition and corporate takeover in Japan, including the Guidelines for Corporate Takeovers formulated by the Ministry of Economy, Trade and Industry. After submitting the Letter of Intent, YAGEO continued to request the Target Company to provide an opportunity for YAGEO to explain the contents of the Letter of Intent and YAGEO's intentions as promptly as possible to facilitate mutual agreement, but was unable to obtain such an opportunity. In light of such situation, YAGEO sent a letter on January 13, 2025 to the President of the Target Company to request a meeting with the President including specific proposed dates. However, YAGEO received a letter from the Target Company on January 16, 2025, indicating that they were not able to engage in discussions with YAGEO without the execution of a non-disclosure agreement, for which YAGEO received the Target Company's Draft NDA on January 22, 2025. The Target Company's Draft NDA imposed one-sided confidentiality obligations on YAGEO and prohibited YAGEO from acquiring shares of the Target Company and making disclosures related to or commencing the Transaction for a certain period of time. Since YAGEO's purpose for the discussion was for the sole purpose of explaining the contents of the proposal to the Target Company in person and not to receive information from the Target Company, YAGEO believed that the Target Company's response that the Target Company's Draft NDA would have to be entered



into in order to have the meeting is practically a rejection of the request. Since YAGEO had hoped to move forward with the Transaction after obtaining the understanding of the Target Company, YAGEO continued to request for a meeting, explaining to the Target Company that entering into the Target Company's Draft NDA should not be a precondition to engaging in discussions; however, as of February 5, 2025, no such opportunity has been provided. In light of the current situation where YAGEO has been unable to receive a reasonable explanation from the Target Company regarding not being provided with such opportunity, YAGEO, out of concern that the shareholders of the Target Company may not be provided with an opportunity to consider YAGEO's proposal, through a transparent process, encourages the proper and proactive disclosure of information that will assist shareholders of the Target Company in making informed decisions by the Tender Offeror and Target Company, aims to secure circumstances that would allow shareholders of the Target Company to make the most optimal decision for the Target Company and its shareholders in relation to the approval or disapproval as well as terms and conditions with respect to the Transaction, and announced on February 5, 2025 its plans regarding the Transaction with a Tender Offer Price of 4,300 yen (a premium of, respectively, 36.94%, 35.69%, 33.83%, 32.23%, and 31.34% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252 yen), and the simple average of the closing prices for the past six months (3,274 yen)).

Following the Public Announcement, the Target Company delivered a questionnaire to the Tender Offeror on February 26, 2025, requesting information that the Target Company's board of directors and the Special Committee established by the Company to consider the proposals set forth in the Letter of Intent felt necessary. In response, on March 6, 2025, the Tender Offeror delivered to the Target Company responses to the aforementioned questionnaire. Thereafter, on March 19, 2025, the Target Company delivered to the Tender Offeror a (second) questionnaire requesting additional information. In response, on March 26, 2025, the Tender Offeror delivered to the Target Company (second) responses to the aforementioned (second) questionnaire.

Thereafter, the Tender Offeror entered into a non-disclosure agreement with the Target Company dated March 31, 2025, and held a meeting on April 2, 2025 with management and the Special Committee for the purpose of providing material supplementary explanations and additional information regarding certain questions in the abovementioned questionnaire and (second) questions to which the Tender Offeror had refrained from answering as not appropriate for responses that were assumed to be made public.

MINEBEA MITSUMI announced on April 10, 2025 that it plans to commence the MINEBEA MITSUMI Tender Offer, and according to the Target Company's April 10, 2025 Press Release announced on the same date, the board of the Target Company has resolved, as its current opinion, that in the event the MINEBEA MITSUMI Tender Offer is commenced, it will express its support for the MINEBEA MITSUMI Tender Offer and recommend that its shareholders tender their shares in the MINEBEA MITSUMI Tender Offer, and also resolved that if the Tender Offer is commenced according to the terms and conditions prior to the Change in the Tender Offer Conditions, it will express its opposition to it and encourage the Target Company's shareholders not to tender their shares in the Tender Offer. Considering the above, market conditions and other factors, the Tender Offeror has reconsidered the purchase price per share of the Target Company's Stock for the Tender Offer and decided on April 17, 2025 to change the Tender Offer Price from 4,300 yen to 5,400 yen (a premium of, respectively, 71.97%, 70.40%, 68.07%, 66.05%, and 64.94% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252 yen), and the simple average of the closing prices for the past six months (3,274 yen)).

According to the MINEBEA MITSUMI TOB Commencement Announcement, MINEBEA MITSUMI announced that it would commence a tender offer from May 2, 2025 at an increased

purchase price of 5,500 yen per share of the Target Company's Stock, and according to the Target Company's Opinion Announcement dated on May 1, 2025, the board of the Target Company has resolved to express its support for the MINEBEA MITSUMI Tender Offer and recommend that its shareholders tender their shares in the MINEBEA MITSUMI Tender Offer and also confirmed that there has been no change from its previous opinion that it opposes to the Tender Offer. Considering the above, market conditions and other factors, the Tender Offeror has decided on May 8 to change the Tender Offer Price from 5,400 yen to 6,200 yen (a premium of, respectively, 97.45%, 95.65%, 92.97%, 90.65%, and 89.37% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252 yen), and the simple average of the closing prices for the past six months (3,274 yen)).

(ii) Management Policy after the Tender Offer

I. The management structure will be discussed and decided together with the Target Company.

YAGEO is considering entrusting the management of its circuit protection component division and potentially the broader sensor business group to the Target Company, while maintaining the Target Company's manufacturing facilities and R&D capabilities in Japan and collaborating YAGEO's related business activities with the Target Company efficiently. YAGEO is considering to provide more R&D resources to advance the Target's technology leadership and additional financial resources to support the Target's growth. YAGEO will expand the Target's manufacturing capacity and equipment in Japan in preparation for future growth. YAGEO believes YAGEO can amplify the Target's customer reach through access to YAGEO's global distribution platform and global customer base to accelerate global market share gain, especially in the Americas and EMEA. With each resource collaborated and further capital assistance from the top, YAGEO believes that the business group including the Target Company and YAGEO's circuit protection components and sensors would have over US\$600 million in revenue, which will be an important component leading company for its scale, product breadth, and technology. To reiterate, YAGEO's successful case with the recent integrations should provide the Target Company the comfort that it will operate independently with all the support YAGEO can bring to ensure its success.

If the Tender Offer is successful, since YAGEO would like the Target Company and YAGEO to work together to further develop the sensor industry and become a leading industrial sensor manufacturer, the specific management structure will be decided upon sincere discussions with the Target Company from the perspective of further enhancing the corporate value of both companies.

After the Transaction, YAGEO intends to realize synergies between the two companies as soon as possible to realize the potential corporate value of the Target Company and to work together to become a leading industrial sensor manufacturer. YAGEO believes the Target Company's long-term management vision of realizing new value creation in the long-term is completely consistent with YAGEO's management philosophy of long-term growth and corporate value enhancement. Thus, YAGEO is willing to support the long-term growth of the Target Company in each growth phase, starting from the Phase 1 "Preparation of growth base" as stated in the Target Company's Medium-Term Business Plan announced on May 20, 2024. For example, YAGEO fully agrees with and will support each of the three management bases stated in the Medium-Term Business Plan as follows:

(a) Product development

- o YAGEO believes that the Target Company can proceed with completing temperature sensors through repeating the cycle of listening to customer needs, development and design by itself.
- o However, YAGEO believes it can be of great help if the Target Company intends to expand new products and new markets. Upon integration, YAGEO intends to integrate sensor related businesses into the Target Company and delegate the entire management as

mentioned in “I. The management structure will be discussed and decided together with the Target Company” above. This not only provides an important sensor function for detecting temperature abnormalities, but also enables the Target Company to design and develop an entire circuit protection business.

- o YAGEO believes that providing the functions that directly meet the broader needs of whole circuit protection by utilizing the Target Company’s strengths and technological capabilities will greatly contribute to the development of products that exceed customer needs and increase of new products and new markets.
- (b) Productivity improvement
  - o YAGEO believes that the complementarity between the two companies will greatly contribute to the productivity improvement. For example, by utilizing YAGEO’s manufacturing sites and resources in 61 locations around the globe, the Target Company will have more options for “transferring production lines to overseas factories”.
  - o In the inspection and assembling processes, YAGEO has already implemented AI introduction, automation and manpower saving by collaborative robots, and YAGEO can help the Target Company further improve productivity by sharing know-how and data.
  - o Each strategy, including transferring production lines to overseas factories, automation by introduction of AI, and manpower saving by collaborative robots, stated in this management base is consistent with what YAGEO has been aiming for and YAGEO will fully support them.
- (c) Marketing
  - o YAGEO believes the Target Company can accelerate its marketing strategy by leveraging YAGEO’s extensive network with high wallet share across a wide range of customers.
  - o For example, the Target Company can leverage YAGEO’s extensive global sales and marketing network across three client categories including Brand / OEM clients that YAGEO fully utilizes engineering resources to win long-term / design-win based businesses, EMS customers that it sells wide array of its products through direct sales and marketing specialists, and approximately 221,000 broad customers that it sells products through global distributors.
  - o By leveraging YAGEO’s network, the Target Company will be able to sell its NTC thermistors to a wider range of customers, better grasp customer needs and create more innovations, which will make it easier to develop new fields, new products, new services, and new markets which the Target Company has aimed for. YAGEO believes this is exactly “creating synergies through collaboration with customers worldwide”.

In addition to the support on the management bases, as mentioned in (a), (b), and (c) above, YAGEO will help the Target Company achieve financial targets in the Medium-Term Business Plan as well as support long-term success of the Target Company in many aspects such as investment for future growth, compensation plan and new business development.

YAGEO believes that having the Target Company join YAGEO group is not the goal, but rather the first step toward the Target Company becoming a company capable of sustainable growth, and that it is of utmost importance that the Target Company continues to grow together with YAGEO group in the long term after the Transaction. To this end, YAGEO believes that it is necessary to maintain the excellent corporate culture that the Target Company has cultivated to date, and that it is essential for the employees of the Target Company, who are the bearers of such corporate culture, to work proactively with high motivation and high hopes, as before. While YAGEO intends to discuss and determine the specific personnel allocation with the Target Company in the future on the assumption of making all the necessary decisions based on the best interests of the company, YAGEO plans to keep the dispatch of officers from YAGEO group to the minimum extent upon completion of the Transaction, as is the case with other group companies that have joined YAGEO. YAGEO plans to

maintain the business relationships of the Target Company and its existing business partners in principle.

On the other hand, in order to quickly realize synergies with YAGEO group using the management know-how accumulated through YAGEO's M&A and PMI experience to date, the top management of YAGEO as well as the responsible persons at the field level will visit the Target Company on an ongoing basis, and the Target Company will visit YAGEO. YAGEO will visit the Target Company and hold direct discussions with the executives and employees of the Target Company to discuss growth strategy issues for the future growth of both companies, and YAGEO group will take responsibility for the realization of becoming a world's leading sensor company.

## II. YAGEO will carefully consider maintaining the Target Company brand.

With regard to the trade name, basically, YAGEO will ask companies that join YAGEO group to use "YAGEO" in their company name, but YAGEO will carefully consider, including maintaining the Target Company's brand, given that it is already well known in the sensor industry.

### (3) Measures to Ensure the Fairness of the Tender Offer Including Measures to Ensure the Fairness of the Tender Offer Price and to Avoid Conflicts of Interest

As of today, given that the Tender Offeror only holds 1,000 shares of the Target Company's Stock (Ownership Ratio: 0.01%) (on March 12, 2025, the Tender Offeror acquired 1,000 shares of the Target Company's Stock from YAGEO through an off-market transaction), the Tender Offer does not fall under the category of a tender offer by the controlling shareholder. Also, as none of the management of the Target Company plans to directly or indirectly invest in the Tender Offeror, the Transaction, including the Tender Offer, does not fall under the category of a management buyout (MBO) transaction. However, in light of the fact that making the Target Company a wholly-owned subsidiary of the Tender Offeror is part of the purposes of implementing the Tender Offer, the Tender Offeror has taken the measures below from the perspective of being careful about ensuring the fairness of the Transaction, including the Tender Offer.

#### (i) Securing Objectivity to Ensure the Fairness of the Tender Offer

As the Tender Offeror has announced the scheduled commencement of the Tender Offer on February 5, 2025, and 61 Business Days have elapsed following such announcement before commencement of the Tender Offer, the Tender Offeror believes that an opportunity is secured for persons other than the Tender Offeror to purchase the Target Company's Stock. Moreover, the Tender Offeror has set the Tender Offer Period as 30 Business Days, despite the shortest period prescribed by laws and regulations being 20 Business Days. As such, by securing 91 Business Days, which exceeds the longest period of a tender offer prescribed by law of 60 Business Days, following the announcement of the Tender Offer to the end of the Tender Offer Period, the Tender Offeror believes that an opportunity is secured for the Target Company's shareholders to make an informed decision on whether to tender their shares in the Tender Offer. Furthermore, the Tender Offeror has concluded with the Target Company no agreements containing provisions regarding the protection of transactions that prohibits the Target Company from contacting persons proposing a competing purchase or any other agreements that limit the persons proposing the competing purchase from contacting the Target Company. As such, together with the setting of the Tender Offer Period above, by securing an opportunity for the competing purchase, the Tender Offeror has given consideration to ensuring the fairness of the Tender Offer.

### (4) Policy on Matters Including Organizational Restructuring after the Tender Offer (Matters Concerning the So-Called Two-Step Acquisition)

As stated in "(1) Outline of the Tender Offer" above, the Tender Offeror intends to make the Target Company a wholly-owned subsidiary of the Tender Offeror, and therefore, if the Tender Offer is consummated but the Tender Offeror does not acquire all of the Target Company's Stock (excluding the Target Company's Stock held by the Tender Offeror (1,000 shares) and treasury shares held by the Target Company (313,997 shares)) in the Tender Offer, regardless of whether (i) the Tender Offeror comes to hold the Target Company's Stock representing 90% or more of the total voting rights of the Target Company, (ii) the Tender Offeror comes to hold the Target Company's Stock representing at least two-thirds (2/3) but less than 90% of the total voting rights of the Target Company, or (iii) the Tender Offeror does not hold the Target Company's Stock representing at least two-thirds (2/3) of the total voting rights of the Target Company, the Tender Offeror plans to implement

the Squeeze-Out Procedures. In the case of (i) above, the Tender Offeror plans to make a demand for the sale of shares pursuant to the provisions of Section 4-2, Chapter 2, Part 2 of the Companies Act. In the event of (ii) and (iii) above, the Tender Offeror plans to request that the Target Company hold the Extraordinary Shareholders' Meeting, which will include a proposal to conduct a consolidation of the Target Company's Stock (the "Share Consolidation") pursuant to Article 180 of the Companies Act and to partially amend the Articles of Incorporation to abolish the stipulation on the number of shares constituting one unit of shares subject to the Share Consolidation taking effect. As described in "(1) Outline of the Tender Offer" above, the Tender Offeror believes that even in the case of (iii) above, the requirements for approval of the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting are expected to be satisfied.

However, in the case of (iii) above, there is a possibility that the proposal for the Share Consolidation will be rejected at the Extraordinary Shareholders' Meeting. However, even if such proposal is rejected, based on the Tender Offeror's intention to ultimately acquire all of the Target Company's Stock (excluding the Target Company's Stock held by the Tender Offeror (1,000 shares) and treasury shares held by the Target Company (313,997 shares)), the Tender Offeror intends to acquire additional shares of the Target Company's Stock until it reaches the number of shares equivalent to the number of voting rights obtained by multiplying the number of voting rights at the next general shareholders' meeting to be held for approval of the Share Consolidation by two-thirds (2/3), and will request such shareholders' meeting (with respect to the period required for such additional acquisition and subsequent approval of the Share Consolidation by the shareholders' meeting, it is difficult to specify a definite timing at this time, as it depends on market conditions and other circumstances, and the Tender Offeror will announce such timing when a specific expected timing becomes known). The Tender Offeror plans to make such additional acquisition through in-market transactions, tender offers, and off-market purchases other than tender offers (limited to cases permitted under the law). If the Tender Offer is consummated, the Tender Offeror will not change its policy of making the Target Company a wholly-owned subsidiary regardless of such expected timing.

Please note that the consideration to be paid by the Tender Offeror to the shareholders of the Target Company in the above additional acquisition will be a price that is evaluated to be economically equivalent to the Tender Offer Price for the shareholders who sell their shares in response to such additional acquisition (unless the Target Company takes any action that requires adjustment of the consideration to be paid, such as a stock consolidation or stock split, the consideration per share will be the same as the Tender Offer Price).

(i) Demand for Sale of Shares

In the event that, as a result of the completion of the Tender Offer, the total number of voting rights of the Target Company held by the Tender Offeror constitutes 90% or more of the total number of voting rights of all shareholders of the Target Company, and the Tender Offeror becomes a Special Controlling Shareholder as defined in Article 179, Paragraph 1 of the Companies Act, the Tender Offeror plans to promptly demand, pursuant to the provisions of Section 4-2, Chapter 2, Part 2 of the Companies Act, that all shareholders of the Target Company (excluding the Tender Offeror and the Target Company; the same applies hereinafter in this section (i)) sell all the Target Company's Stock they hold (the "Demand for Sale of Shares"). In the Demand for Sale of Shares, the Tender Offeror plans to deliver to the Target Company's shareholders an amount of money equal to the Tender Offer Price as consideration for each share of the Target Company's Stock. In this case, the Tender Offeror will notify the Target Company to that effect and request the Target Company to approve the Demand for Sale of Shares. If the Target Company approves the Demand for Sale of Shares by resolution of its board of directors, the Tender Offeror will acquire all of the Target Company's Stock from all of the shareholders of the Target Company as of the acquisition date specified in the Demand for Sale of Shares, without requiring individual approval by the shareholders of the Target Company, in accordance with the procedures prescribed by applicable laws and regulations.

The Companies Act provides that, in order to protect the rights of minority shareholders in connection with a demand for sale of shares, the selling shareholders may file a petition with the court for a determination of the trading price of the Target Company's Stock in accordance with Article 179-8 of the Companies Act and other relevant laws and regulations. In the event that the above petition is filed, the court will make the final decision on the trading price of the Target Company's Stock.

(ii) Share Consolidation

On the other hand, if, as a result of the completion of the Tender Offer, the total number of voting rights of the Target Company held by the Tender Offeror does not reach 90% or more of the total number of voting rights of all shareholders of the Target Company, the Tender Offeror intends to promptly request the Target Company, following the completion of the settlement of the Tender Offer, to convene an extraordinary general meeting of shareholders (the “Extraordinary Shareholders’ Meeting”) within approximately three months of the completion of the Tender Offer. The agenda for the Extraordinary Shareholders’ Meeting will include a proposal to conduct the Share Consolidation pursuant to Article 180 of the Companies Act and a partial amendment to the articles of incorporation to abolish the provision on the number of shares constituting one unit, conditional upon the effectiveness of the Share Consolidation.

YAGEO, the Tender Offeror and the Target Company will discuss the timing of the Extraordinary Shareholders’ Meeting and YAGEO and the Tender Offeror will request that the Target Company promptly announce the holding of the Extraordinary Shareholders’ Meeting as soon as it is determined. YAGEO and the Tender Offeror intend to provide the Target Company with an explanation in good faith so that the Target Company will cooperate with the holding of the Extraordinary Shareholders’ Meeting, but if the Target Company is unable to cooperate, YAGEO and the Tender Offeror will unavoidably take the necessary procedures for holding the Extraordinary Shareholders’ Meeting based on its status as a shareholder, by itself, as soon as possible. In addition, the Tender Offeror plans to vote in favor of each of the above proposals at the Extraordinary Shareholders’ Meeting.

If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders’ Meeting, the shareholders of the Target Company will own the number of the Target Company’s Stock corresponding to the ratio of the Share Consolidation approved at the Extraordinary Shareholders’ Meeting as of the effective date of the Share Consolidation. In the event that a fraction of less than one share arises in the number of the Target Company’s Stock as a result of the Share Consolidation, the shareholders of the Target Company (excluding the Tender Offeror) will be provided with monetary consideration equivalent to the total number of such fractional shares (with any fraction less than one share resulting from the aggregation being rounded down) (the “Total Fractional Shares”) in accordance with the procedures prescribed by Article 235 of the Companies Act and other applicable laws and regulations. The Tender Offeror intends to request the Target Company to calculate the sale price of the Total Fractional Shares so that the amount of monetary consideration distributed to the shareholders of the Target Company (excluding the Tender Offeror and the Target Company) who did not tender their shares in the Tender Offer is equivalent to the price obtained by multiplying the Tender Offer Price by the number of the Target Company’s Stock they owned, and to submit a petition to the court for permission for a voluntary sale based on this calculation.

The ratio for the Share Consolidation has not been determined as of today. However, the Tender Offeror intends to request that it be set in such a way that the Target Company’s Stock held by shareholders of the Target Company (excluding the Tender Offeror and the Target Company) who did not tender their shares in the Tender Offer result in fractions of less than one share, thereby ensuring that the Tender Offeror will own all the Target Company’s Stock.

Under the provisions of the Companies Act aimed at protecting the rights of minority shareholders in connection with share consolidation, it is stipulated that when a share consolidation results in fractions of less than one share, shareholders of the Target Company (excluding the Tender Offeror and the Target Company) are entitled to request the Target Company to purchase all such fractional shares at a fair price, pursuant to Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. Additionally, such shareholders may file a petition with the court to determine the price of the shares. As noted above, in the share consolidation, the Target Company’s Stock held by shareholders (excluding the Tender Offeror and the Target Company) who did not tender their shares in the Tender Offer are expected to result in fractions of less than one share. Therefore, such shareholders of the Target Company are expected to have the right to file the aforementioned petition. It should be noted that the purchase price in the event of such a petition will ultimately be determined by the court.

Regarding the respective procedures described in items (i) and (ii) above, implementation may take time or require modifications depending on changes, enforcement, and interpretations of applicable laws and regulations. Nevertheless, in such cases, a method involving the ultimate payment of monetary consideration is planned for shareholders of the Target Company who do not tender their shares in the Tender Offer (excluding the Tender Offeror and the Target Company). The amount of money paid to each such shareholder will be calculated to equal the Tender Offer Price multiplied by the number of shares of the Target Company’s Stock owned by each shareholder.

Details concerning the specific procedures and their implementation schedule in such cases will be determined in consultation with the Target Company and promptly disclosed by the Target Company as soon as they are decided.

It should be noted that the Tender Offer does not solicit the approval of the Target Company's shareholders at the Extraordinary Shareholders' Meeting. Shareholders are also requested to confirm the tax treatment of their participation in the Tender Offer or the procedures above with tax professionals or other specialists at their own responsibility.

(5) Prospects for Delisting and Reasons Thereof

As of today, the Target Company's Stock is listed on the TSE Standard Market. However, since the Tender Offeror has not set an upper limit on the number of shares to be purchased in the Tender Offer, the Target Company's Stock may be delisted in accordance with the TSE's delisting criteria, depending on the outcome of the Tender Offer and following the prescribed procedures.

Even if the Target Company's Stock does not meet such criteria at the time of the Tender Offer's completion, it may still be delisted if the procedures described in "(4) Policy on Matters Including Organizational Restructuring after the Tender Offer (Matters Concerning the So-Called Two-Step Acquisition)" are implemented after the completion of the Tender Offer, pursuant to the TSE's delisting criteria and following the prescribed procedures. Once delisted, the Target Company's Stock will no longer be tradable on the TSE.

Furthermore, the Tender Offer may not result in the Tender Offeror owning at least two-thirds (2/3) of the total voting rights of the Target Company. Consequently, the proposal for the Share Consolidation, as described in "(4) Policy on Matters Including Organizational Restructuring after the Tender Offer (Matters Concerning the So-Called Two-Step Acquisition)", might not receive approval at the Extraordinary Shareholders' Meeting. However, even in such a case, the Tender Offeror intends to ultimately acquire all shares of the Target Company's Stock (excluding the Target Company's Stock held by the Tender Offeror (1,000 shares) and treasury shares held by the Target Company (313,997 shares)), and acquire additional shares until the required voting rights threshold for approval at a subsequent shareholders' meeting is reached. The Tender Offeror intends to acquire such additional shares through market transactions, tender offers, or off-market acquisitions (to the extent permitted by the Act). Regardless of the anticipated timing, the Tender Offeror remains committed to fully acquiring the Target Company and converting it into a wholly-owned subsidiary. Regarding the consideration for such additional acquisitions, the Tender Offeror will ensure that the price paid to shareholders of the Target Company is economically equivalent to the Tender Offer Price. Unless the Target Company undertakes actions requiring price adjustments, such as share consolidations or splits, the price per share is expected to be identical to the Tender Offer Price.

(6) Significant Agreements Related to the Tender Offer

Not applicable.

(7) Fairness of the Transaction Procedures in Consideration of the Guidelines for Corporate Takeovers

As stated in "(1) Outline of the Tender Offer" above, the Tender Offeror believes that the Transaction qualifies as a "desirable acquisition" under the Guidelines for Corporate Takeovers, as it aims to enhance the Target Company's mid- to long-term corporate value through synergies with YAGEO group, while simultaneously providing shareholders of the Target Company with fair consideration that includes a substantial premium over the market price. In the implementation of the Transaction, the Tender Offeror is committed to ensuring fairness by properly and proactively disclosing information that will assist shareholders of the Target Company in making informed decisions (principle of transparency), ensuring reasonable opportunities for shareholders of the Target Company to make rational decisions (principle of shareholder intention), and ultimately relying on the judgment of shareholders. Specifically, the Tender Offeror proposes to implement the Transaction in compliance with the Guidelines for Corporate Takeovers as follows:

(i) Ensuring Opportunities for Informed Judgment

The Tender Offeror believes that it has provided necessary and sufficient information to the Target Company and its shareholders through the Tender Offer Announcement. On February 26, 2025, the Tender Offeror

received a “Questionnaire” from the Target Company, and on March 6, 2025, provided to the Target Company a “Response” to such “Questionnaire” and announced such “Response.” Thereafter, on March 19, 2025, the Tender Offeror received from the Target Company a “(Second) Questionnaire,” and on March 26, 2025, provided to the Target Company a “(Second) Response” to such “(Second) Questionnaire” and announced such “(Second) Response.” In addition, on April 2, 2025, after entering into a non-disclosure agreement on March 31, 2025 and announcing it on the same date, the Tender Offeror held a meeting with the Target Company’s board of directors and Special Committee, and held a meeting with management and the Special Committee for the purpose of providing material supplementary explanations and additional information regarding certain questions in the abovementioned Questionnaire and (Second) Questionnaire to which the Tender Offeror had refrained from answering as not appropriate for responses that were assumed to be made public. The Tender Offeror provided timely explanations to the Target Company’s management meeting and Special Committee to receive their understanding of the content of the Transaction and approval of the Tender Offer, and further, in addition to the information in the Letter of Intent, responded to requests for additional information that the Target Company’s board of directors determined necessary to form an opinion as to the Tender Offer. The Tender Offeror announced on April 3, 2025 that they held a meeting on April 2, 2025 with the Target Company’s management and the Special Committee. Thereafter, on April 15, 2025, the Tender Offeror announced its opinion on the Target Company’s April 10, 2025 Press Release.

In addition, as the Tender Offeror has announced the scheduled commencement of the Tender Offer on February 5, 2025, and 61 Business Days have elapsed following such announcement before commencement of the Tender Offer, the Tender Offeror believes that an opportunity is secured for persons other than the Tender Offeror to purchase the Target Company’s Stock. Moreover, the Tender Offeror has set the Tender Offer Period as 30 Business Days, despite the shortest period prescribed by laws and regulations being 20 Business Days. As such, by securing 91 Business Days, which exceeds the longest period of a tender offer prescribed by law of 60 Business Days, following the announcement of the Tender Offer to the end of the Tender Offer Period, the Tender Offeror believes that an opportunity is secured for the Target Company’s shareholders to make an informed decision on whether to tender their shares in the Tender Offer.

Therefore, the Tender Offeror believes that it is fully adhering to the “principle of shareholder intention” and the “principle of transparency” as set forth in the Guidelines for Corporate Takeovers, and that it has sufficiently ensured that shareholders will have ample opportunity to make an informed judgment on whether or not to tender their shares.

(ii) Setting Conditions to Eliminate Coercion

(a) Setting of the Number of Shares to Be Purchased for the Purpose of Delisting

The Tender Offeror aims to ultimately acquire all of the Target Company’s Stock (excluding the Target Company’s Stock held by the Tender Offeror and treasury shares held by the Target Company) in the Tender Offer and has not set a cap on the number of shares to be purchased.

Furthermore, if the Tender Offer is consummated but the Tender Offeror does not acquire all of the Target Company’s Stock (excluding the Target Company’s Stock held by the Tender Offeror and treasury shares held by the Target Company), the Tender Offeror intends to proceed with the following regardless of the specific outcome: (i) if the Tender Offeror owns the Target Company’s Stock representing at least 90% of the total voting rights of the Target Company; (ii) if the Tender Offeror owns the Target Company’s Stock representing between two-thirds (2/3) and 90% of the total voting rights of the Target Company; or (iii) if the Tender Offeror fails to own the Target Company’s Stock representing at least two-thirds (2/3) of the total voting rights of the Target Company. In all of the above cases, the Tender Offeror will maintain its intention to make the Target Company a wholly-owned subsidiary and will implement the Squeeze-Out Procedures. In cases (ii) and (iii), the Tender Offeror plans to request the convening of an Extraordinary Shareholders’ Meeting. As stated in “(1) Outline of the Tender Offer”, the Tender Offeror expects to meet the approval requirements for the Share Consolidation at the Extraordinary Shareholders’ Meeting, even in case (iii).

If approval for the Share Consolidation is not obtained at the Extraordinary Shareholders’ Meeting, the Tender Offeror will still aim to ultimately acquire all of the Target Company’s Stock (excluding the Target Company’s Stock held by the Tender Offeror and treasury shares held by the Target Company) and will seek to obtain the necessary number of votes by acquiring additional shares until the required number of votes is reached for approval at the next shareholders’ meeting. The Tender Offeror intends to acquire these additional shares



through market transactions, tender offers, or off-market acquisitions (where permitted by law). Even if the Tender Offer is completed, the Tender Offeror will not change its plan to make the Target Company a wholly-owned subsidiary.

Additionally, the consideration paid to shareholders of the Target Company for such additional acquisitions will be evaluated to be economically equivalent to the Tender Offer Price (unless the Target Company undertakes actions such as share consolidations or stock splits that require adjustments). In principle, the price per share will be the same as the Tender Offer Price.

Thus, the Transaction is a commitment to carry out the Squeeze-Out Procedure at a price equivalent to the Tender Offer, the Tender Offeror believes that its terms and conditions will reduce coercion on the Target Company's shareholders.

(b) Setting of the Tender Offer Period for the Purpose of Providing Shareholders with Opportunities to Decide on Both the Tender Offer and the Transaction

The Tender Offeror has set the minimum number of shares to be purchased through the Tender Offer at 7,623,200 shares, and (i) if the total number of Tendered Shares is less than 7,623,200 shares, the Tender Offeror will not purchase any of the Tendered Shares, but (ii) if the total number of Tendered Shares reaches 7,623,200 shares, the Tender Offeror will promptly announce such fact and extend the Tender Offer Period to ensure 10 Business Days from the Business Day following the date of such announcement (provided, however, that if the total number of Tendered Shares reaches the minimum number of shares to be purchased within 20 Business Days from the commencement date of the Tender Offer, the Tender Offeror will not extend the Tender Offer Period because it has secured 10 Business Days from the Business Day following the date of the announcement to that effect to the last day of the Tender Offer Period). The Tender Offeror intends to eliminate coercion by providing separate opportunities for the shareholders to indicate their approval or disapproval with respect to the Transaction and whether or not they intend to tender their shares in the Tender Offer, and believes this will also provide an opportunity for more shareholders of the Target Company to tender their shares in the Tender Offer.

## 2. Overview of the Tender Offer

### (1) Overview of the Target Company

① Name	SHIBAURA ELECTRONICS CO., LTD.	
② Headquarters	2-1-24 Kamiochiai, Chuo-ku, Saitama City, Saitama	
③ Representative (title and name)	Akira Kasai, President & Chief Executive Officer	
④ Business Description	Manufacture and sale of thermistor and temperature sensors, humidity sensors, and anemometers, etc.	
⑤ Capital	2,144.61 million yen	
⑥ Establishment Date	March 3, 1953	
⑦ Major Shareholders and Shareholding Ratios (as of September 30, 2024)	Custody Bank of Japan, Ltd. (trust account)	12.3%
	The Master Trust Bank of Japan, Ltd. (trust account)	6.1%
	Meiji Yasuda Life Insurance Company	5.4%
	BBH FOR FIDELITYLOW-PRICED STOCKFUND(PRINCIPAL ALL SECTOR SUBPORTFOLIO) (Standing Proxy: MUFG Bank, Ltd.)	4.8%
	Saitama Resona Bank, Limited	4.6%

	MUFG Bank, Ltd.	2.8%
	NISSEI ELECTRIC CO., LTD.	2.2%
	BPN PARIBAS LUXEMBOURG/2S/JASDEC/FIM/LUXEMBOURG FUNDS/UCITS ASSETS (Standing Proxy: The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch, Custody Department)	2.1%
	SBI SECURITIES Co., Ltd.	2.1%
	MSIP CLIENT SECURITIES (Standing Proxy: Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)	1.8%
⑧ Relationship between the Tender Offeror and the Target Company		
Capital relationship	As of today, the Tender Offeror owns 1,000 shares of the Target Company (ownership ratio: 0.01%)	
Personal relationship	There are no applicable matters.	
Business relationship	There are no applicable matters.	
Status as a Related Party	There are no applicable matters.	

(2) Schedule, etc.

(i) Schedule

Purchase period	From Friday, May 9, 2025 to Thursday, June 19, 2025 (30 Business Days)
Date of public notice of Commencement of the Tender Offer	Friday, May 9, 2025 Electronic public notice will be issued and the notice to that effect will be posted in the <i>Nihon Keizai Shimbun</i> . (URL of electronic public notice: <a href="https://disclosure.edinet-fsa.go.jp/">https://disclosure.edinet-fsa.go.jp/</a> )
Date of Submission of the Tender Offer Registration Statement	Friday, May 9, 2025

(ii) Possibility of extending the period based on the Target Company's request

Not applicable.

(iii) Contact information to confirm extension period

Not applicable.

(3) Tender Offer Prices

6,200 yen per common stock

#### (4) Basis for Calculation of the Tender Offer Price

##### (i) Basis for Valuation

On February 5, 2025, the Tender Offeror has determined the Tender Offer Price of 4,300 yen based on a comprehensive analysis of the Target Company's business and financial conditions and trends in share price, and based on a comprehensive consideration of the anticipated synergies and the prospects for tendering.

The Tender Offer Price prior to the Change in the Tender Offer Conditions (1) of 4,300 yen reflects a premium of, respectively, 36.94%, 35.69%, 33.83%, 32.23%, and 31.34% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252 yen), and the simple average of the closing prices for the past six months (3,274 yen).

Subsequently, after the Tender Offeror announced the Tender Offer Announcement on February 5, 2025, MINEBEA MITSUMI announced on April 10, 2025 that it plans to commence the MINEBEA MITSUMI Tender Offer, and according to the Target Company's April 10, 2025 Press Release announced on the same date, the board of the Target Company has resolved, as its current opinion, that in the event the MINEBEA MITSUMI Tender Offer is commenced, it will express its support for the MINEBEA MITSUMI Tender Offer and recommend that its shareholders tender their shares in the MINEBEA MITSUMI Tender Offer, and also resolved that if the Tender Offer is commenced according to the terms and conditions prior to the Change in the Tender Offer Conditions (1), it will express its opposition to it and encourage the Target Company's shareholders not to tender their shares in the Tender Offer. Considering the above, market conditions and other factors, the Tender Offeror has reconsidered the purchase price per share of the Target Company's Stock for the Tender Offer and decided on April 17, 2025 to change the Tender Offer Price from 4,300 yen to 5,400 yen.

The Tender Offer Price after the Change in the Tender Offer Conditions (1) of (5,400 yen) reflects (x) a premium of, respectively, 71.97%, 70.40%, 68.07%, 66.05%, and 64.94% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252yen), and the simple average of the closing prices for the past six months (3,274 yen).

According to the MINEBEA MITSUMI TOB Commencement Announcement, MINEBEA MITSUMI announced that it would commence a tender offer from May 2, 2025 at an increased purchase price of 5,500 yen per share of the Target Company's Stock, and according to the Target Company's Opinion Announcement dated on May 1, 2025, the board of the Target Company has resolved to express its support for the MINEBEA MITSUMI Tender Offer and recommend that its shareholders tender their shares in the MINEBEA MITSUMI Tender Offer and also confirmed that there has been no change from its previous opinion that it opposes to the Tender Offer. Considering the above, market conditions and other factors, the Tender Offeror has decided on May 8 to change the Tender Offer Price from 5,400 yen to 6,200 yen.

The Tender Offer Price after the Change in the Tender Offer Conditions (2) of (6,200 yen) reflects (x) a premium of, respectively, 97.45%, 95.65%, 92.97%, 90.65%, and 89.37% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252yen), and the simple average of the closing prices for the past six months (3,274 yen), which are higher than median premium levels (42.41%, 41.69%, 42.27%, and 42.14%, respectively, over the simple average closing prices for the Business Day immediately prior to the announcement date and the one, three, and six months immediately preceding the announcement date) of 37 cases announced in January through December of 2024 with the purpose of delisting target companies with a PBR of 1x or more prior to the announcement (provided, however, excluding tender offers of treasury shares and tender offers that have not been consummated as of today), and (y) according to the statistical materials published by the TSE, as of January 2025, the average PBR (price-to-book ratio) of companies in the electrical equipment industry listed on the Standard Market to which the Target Company belongs was 0.8x, and the Tender Offer Price is equivalent to a PBR of 2.6x. As such, the Tender Offeror believes that the Tender Offer

Price is a price at which the shareholders of the Target Company will enjoy a significant premium. Although it is difficult to quantify the synergies that the Target Company intends to realize through the Transaction at this time, the Tender Offeror believes that the Transaction, including the Tender Offer, will provide the shareholders of the Target Company with a reasonable opportunity to recover their investment that not only guarantees at a minimum the “benefits to be enjoyed by shareholders”, that is, “value that can be realized without an acquisition”, as stated in the Guidelines for Corporate Takeovers, but also fully guarantees a fair distribution of “value that cannot be realized without an acquisition”.

Additionally, the Tender Offeror has determined the Tender Offer Price based on a comprehensive consideration of the above factors, the anticipated synergies described in “(2) Background, Reasons and Decision-Making Process of the Tender Offer, and Management Policy after the Tender Offer” in “1. Purpose, etc. of the Tender Offer”, and the prospects for tendering.

Moreover, under the Securities and Exchange Act in Taiwan and related regulations, if a listed company acquires securities of another company, the acquisition price of which exceeds certain criteria, as the listed company is required to obtain a fairness opinion to the effect that the consideration paid by the listed company is fair for its shareholders from a financial perspective, YAGEO requested that Trust and Assist CPAs (“Trust and Assist”), which is a third-party valuation firm independent from the Tender Offeror and the Target Company, submit a fairness opinion to the effect that the Tender Offer Price prior to the Change in the Tender Offer Conditions (1) of 4,300 yen is fair for YAGEO’s shareholders from a financial perspective; thereafter, YAGEO obtained it on February 5, 2025. Trust and Assist is not a related party of YAGEO and the Target Company, and it does not have a material interest in the Tender Offer. Also, as the Securities and Exchange Act in Taiwan and related regulations do not require an evaluation of the share price of the acquired company, YAGEO has not requested that Trust and Assist calculate the share price of the Target Company. Furthermore, as to the fairness opinion, YAGEO requested that the external experts (accountants) evaluate the fairness of the Tender Offer Price prior to the Change in the Tender Offer Conditions (1) with a view to fulfilling YAGEO’s responsibility to its shareholders in accordance with the Securities and Exchange Act in Taiwan and related regulations, and YAGEO did not refer to the details of the evaluation in determining the Tender Offer Price.

Further, YAGEO requested that Trust and Assist submit a fairness opinion to the effect that the Tender Offer Price after the Change in the Tender Offer Conditions (1) of 5,400 yen is fair for YAGEO’s shareholders from a financial perspective; thereafter, YAGEO obtained it on April 15, 2025. Also, as the Securities and Exchange Act in Taiwan and related regulations do not require an evaluation of the share price of the acquired company, YAGEO has not requested that Trust and Assist calculate the share price of the Target Company. Furthermore, as to the fairness opinion, YAGEO requested that the external experts (accountants) evaluate the fairness of the Tender Offer Price after the Change in the Tender Offer Conditions (1) with a view to fulfilling YAGEO’s responsibility to its shareholders in accordance with the Securities and Exchange Act in Taiwan and related regulations, and YAGEO did not refer to the details of the evaluation in determining the Tender Offer Price.

According to the fairness opinion obtained on April 15, 2025, the Tender Offer Price after the Change in the Tender Offer Conditions (2) of 6,200 yen is also fair for YAGEO’s shareholders from a financial perspective.

## (ii) Background of Valuation

Believing that the Transaction will enable the Target Company to maximize its corporate value for all of its shareholders and stakeholders with meaningful synergies by utilizing the advantages described above in “(b) About the Target Company” of “III. Challenges faced by major Japanese electronic device manufacturers, including the Target Company” above, YAGEO started to consider the Transaction from around September 2024. In light of such past history, YAGEO first delivered the request on October 11, 2024 that the Founder and Chairman of YAGEO would like to meet with the President of the Target Company to explore the possibility of business collaboration. After the Target Company declined to hold the meeting on October 21, 2024, YAGEO sent a letter directly to the President of the Target Company on November 4, 2024, to request a face-to-face meeting and provide more context. On November 26, 2024, the Target Company sent back a letter to YAGEO declining the meeting request again. Then YAGEO submitted the Letter of Intent to the Target Company’s board of directors on December 30, 2024, stating the intention to acquire all the Target Company’s Stock for 4,300 yen per share through the Transaction, as well as the expected synergies between YAGEO and the Target Company and management policy after the Transaction, in pursuing friendly discussions with the Target Company’s board of directors for the Transaction.

YAGEO also submitted detailed supplemental materials elaborating on YAGEO's proposal, potential synergies between the two companies and YAGEO's plan for the Target Company's further growth to enhance the Target Company's corporate value. Upon preparing the Letter of Intent, YAGEO has carefully assessed various laws and regulations related to the acquisition and corporate takeover in Japan, including the Guidelines for Corporate Takeovers formulated by the Ministry of Economy, Trade and Industry. After submitting the Letter of Intent, YAGEO continued to request the Target Company to provide an opportunity for YAGEO to explain the contents of the Letter of Intent and YAGEO's intentions as promptly as possible to facilitate mutual agreement, but was unable to obtain such an opportunity. In light of such situation, YAGEO sent a letter on January 13, 2025 to the President of the Target Company to request a meeting with the President including specific proposed dates. However, YAGEO received a letter from the Target Company on January 16, 2025, indicating that they were not able to engage in discussions with YAGEO without the execution of a non-disclosure agreement, for which YAGEO received the Target Company's Draft NDA on January 22, 2025. The Target Company's Draft NDA imposed one-sided confidentiality obligations on YAGEO and prohibited YAGEO from acquiring shares of the Target Company and making disclosures related to or commencing the Transaction for a certain period of time. Since YAGEO's purpose for the discussion was for the sole purpose of explaining the contents of the proposal to the Target Company in person and not to receive information from the Target Company, YAGEO believed that the Target Company's response that the Target Company's Draft NDA would have to be entered into in order to have the meeting is practically a rejection of the request. Since YAGEO had hoped to move forward with the Transaction after obtaining the understanding of the Target Company, YAGEO continued to request for a meeting, explaining to the Target Company that entering into the Target Company's Draft NDA should not be a precondition to engaging in discussions; however, as of February 5, 2025, no such opportunity has been provided. In light of the current situation where YAGEO has been unable to receive a reasonable explanation from the Target Company regarding not being provided with such opportunity, YAGEO, out of concern that the shareholders of the Target Company may not be provided with an opportunity to consider YAGEO's proposal, through a transparent process, encourages the proper and proactive disclosure of information that will assist shareholders of the Target Company in making informed decisions by the Tender Offeror and Target Company, aims to secure circumstances that would allow shareholders of the Target Company to make the most optimal decision for the Target Company and its shareholders in relation to the approval or disapproval as well as terms and conditions with respect to the Transaction, and announced on February 5, 2025 its plans regarding the Transaction with a Tender Offer Price of 4,300 yen (a premium of, respectively, 36.94%, 35.69%, 33.83%, 32.23%, and 31.34% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252 yen), and the simple average of the closing prices for the past six months (3,274 yen)).

After the Tender Offeror announced the Tender Offer Announcement on February 5, 2025, MINEBEA MITSUMI announced on April 10, 2025 that it plans to commence the MINEBEA MITSUMI Tender Offer, and according to the Target Company's April 10, 2025 Press Release announced on the same date, the board of the Target Company has resolved, as its current opinion, that in the event the MINEBEA MITSUMI Tender Offer is commenced, it will express its support for the MINEBEA MITSUMI Tender Offer and recommend that its shareholders tender their shares in the MINEBEA MITSUMI Tender Offer, and also resolved that if the Tender Offer is commenced according to the terms and conditions prior to the Change in the Tender Offer Conditions (1), it will express its opposition to it and encourage the Target Company's shareholders not to tender their shares in the Tender Offer. Considering the above, market conditions and other factors, the Tender Offeror has reconsidered the purchase price per share of the Target Company's Stock for the Tender Offer and decided on April 17, 2025 to change the Tender Offer Price from 4,300 yen to 5,400 yen (a premium of, respectively, 71.97%, 70.40%, 68.07%, 66.05%, and 64.94% over the closing price of the Target Company's Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company's Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company's Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252 yen), and the simple average of the closing prices for the past six months (3,274 yen)).

According to the MINEBEA MITSUMI TOB Commencement Announcement, MINEBEA MITSUMI announced that it would commence a tender offer from May 2, 2025 at an increased purchase price of 5,500 yen per share of the Target Company's Stock, and according to the Target Company's Opinion Announcement

dated on May 1, 2025, the board of the Target Company has resolved to express its support for the MINEBEA MITSUMI Tender Offer and recommend that its shareholders tender their shares in the MINEBEA MITSUMI Tender Offer and also confirmed that there has been no change from its previous opinion that it opposes to the Tender Offer. Considering the above, market conditions and other factors, the Tender Offeror has decided on May 8 to change the Tender Offer Price from 5,400 yen to 6,200 yen.

As noted in “(i) Basis for Valuation” above, the Tender Offer Price after the Change in the Tender Offer Conditions (2) of (6,200 yen) reflects (x) a premium of, respectively, 97.45%, 95.65%, 92.97%, 90.65%, and 89.37% over the closing price of the Target Company’s Stock on the TSE Standard Market on February 4, 2025, the Business Day immediately prior to the announcement of the scheduled commencement of the Tender Offer (the base date) (3,140 yen), the simple average of the closing prices of the Target Company’s Stock for the past one week (3,169 yen), the simple average of the closing prices of the Target Company’s Stock for the past one month (3,213 yen), the simple average of the closing prices for the past three months (3,252yen), and the simple average of the closing prices for the past six months (3,274 yen), which are higher than median premium levels (42.41%, 41.69%, 42.27%, and 42.14%, respectively, over the simple average closing prices for the Business Day immediately prior to the announcement date and the one, three, and six months immediately preceding the announcement date) of 37 cases announced in January through December of 2024 with the purpose of delisting target companies with a PBR of 1x or more prior to the announcement (provided, however, excluding tender offers of treasury shares and tender offers that have not been consummated as of today), and (y) according to the statistical materials published by the TSE, as of January 2025, the average PBR (price-to-book ratio) of companies in the electrical equipment industry listed on the Standard Market to which the Target Company belongs was 0.8x, and the Tender Offer Price is equivalent to a PBR of 2.6x. As such, the Tender Offeror believes that the Tender Offer Price is a price at which the shareholders of the Target Company will enjoy a significant premium. Although it is difficult to quantify the synergies that the Target Company intends to realize through the Transaction at this time, the Tender Offeror believes that the Transaction, including the Tender Offer, will provide the shareholders of the Target Company with a reasonable opportunity to recover their investment that not only guarantees at a minimum the “benefits to be enjoyed by shareholders”, that is, “value that can be realized without an acquisition”, as stated in the Guidelines for Corporate Takeovers, but also fully guarantees a fair distribution of “value that cannot be realized without an acquisition”. Therefore, the Tender Offeror decided to set the Tender Offer Price at 6,200 yen.

Additionally, the Tender Offeror has determined the Tender Offer Price based on a comprehensive consideration of the above factors, the anticipated synergies described in “(2) Background, Reasons and Decision-Making Process of the Tender Offer, and Management Policy after the Tender Offer” in “1. Purpose, etc. of the Tender Offer”, and the prospects for tendering.

Further, YAGEO requested that Trust and Assist submit a fairness opinion to the effect that the Tender Offer Price after the Change in the Tender Offer Conditions (1) of 5,400 yen is fair for YAGEO’s shareholders from a financial perspective; thereafter, YAGEO obtained it on April 15, 2025. Also, as the Securities and Exchange Act in Taiwan and related regulations do not require an evaluation of the share price of the acquired company, YAGEO has not requested that Trust and Assist calculate the share price of the Target Company. Furthermore, as to the fairness opinion, YAGEO requested that the external experts (accountants) evaluate the fairness of the Tender Offer Price after the Change in the Tender Offer Conditions (1) with a view to fulfilling YAGEO’s responsibility to its shareholders in accordance with the Securities and Exchange Act in Taiwan and related regulations, and YAGEO did not refer to the details of the evaluation in determining the Tender Offer Price. According to the fairness opinion obtained on April 15, 2025, the Tender Offer Price after the Change in the Tender Offer Conditions (2) of 6,200 yen is also fair for YAGEO’s shareholders from a financial perspective.

(5) Number of Common Stock to Be Purchased in the Tender Offer

Planned Number of Shares to Be Purchased	Minimum Number of Shares to Be Purchased	Maximum Number of Shares to Be Purchased
15,244,733 shares	7,623,200 shares	— shares

(Note 1) If the total number of Tendered Shares is less than the minimum number of shares to be purchased (7,623,200 shares), the Tender Offeror will not purchase any of the Tendered

Shares. If the total number of Tendered Shares equals or exceeds the minimum number of shares to be purchased, the Tender Offeror will purchase all of the Tendered Shares.

(Note 2) The planned number of shares to be purchased represents the maximum number of Shares of the Target Company (15,244,733 shares) to be acquired by the Tender Offeror through the Tender Offer. The maximum number is derived from the total number of the Target Company's issued shares as of December 31, 2024, as stated in the Target Company's Financial Results (15,559,730 shares), minus the number of treasury shares held by the Target Company as of the same date (313,997 shares) (referring to the number of shares derived from the number of treasury shares (483,047 shares), including the number of the Target Company's Stock held by the BIP Trust as of the same date, as stated in the Target Company's Financial Results, minus the number of the Target Company's Stock (169,050 shares) held by the BIP Trust as of November 30, 2024, as stated in the Target Company's Treasury Stock Acquisition Status Report) (15,245,733 shares), minus the number of the Target Company's Stock held by the Tender Offeror (1,000 shares), resulting in 15,244,733 shares.

(Note 3) Shares constituting less than one unit are also included in the scope of the Tender Offer. However, if shareholders exercise their right to request the purchase of shares constituting less than one share unit pursuant to the Companies Act, the Target Company may repurchase its own shares during the Tender Offer Period in accordance with statutory procedures.

(Note 4) The Tender Offeror does not intend to acquire the treasury shares held by the Target Company through the Tender Offer.

(6) Changes in the Ownership Ratio Resulting Due to Purchases and Other Transaction

Number of Voting Rights Associated with Shares Owned by the Tender Offeror Before the Tender Offer	10	(Ownership Ratio Before the Tender Offer: 0.01%)
Number of Voting Rights Associated with Shares Owned by Special Related Parties Before the Tender Offer	0	(Ownership Ratio Before the Tender Offer: 0.00%)
Number of Voting Rights Associated with Shares Owned by the Tender Offeror After the Tender Offer	152,457	(Ownership Ratio After the Tender Offer: 100.00%)
Number of Voting Rights Associated with Shares Owned by Special Related Parties After the Tender Offer	0	(Ownership Ratio After the Tender Offer: 0.00%)
Total Number of Voting Rights of All Shareholders, etc., of the Target Company	150,863	

(Note 1) “Number of Voting Rights Associated with Shares Owned by the Tender Offeror After the Tender Offer” is the number of sum of voting rights of ones pertaining to the number of shares to be purchased in the Tender Offer and “Number of Voting Rights Associated with Shares Owned by the Tender Offeror Before the Tender Offer”.

(Note 2) “Number of voting rights of all Target Company shareholders” is the number of voting rights of all shareholders as of September 30, 2024, as stated in the Semiannual Securities Report for the 67th fiscal year submitted by the Target Company on November 14, 2024. However, in the

Tender Offer, as shares of less than one unit (excluding the treasury shares of less than one unit held by the Target Company) are also subject to the purchase, for the purpose of calculating the “Ownership Ratio Before the Tender Offer” and the “Ownership Ratio After the Tender Offer” the number of voting rights (152,457 voting rights) represented by the number of shares derived from the total number of the Target Company’s issued shares as of December 31, 2024, as stated in the Target Company’s Financial Results (15,559,730 shares), minus the number of treasury shares held by the Target Company as of the same date (313,997 shares) (referring to the number of shares derived from the number of treasury shares (483,047 shares), including the number of the Target Company’s Stock held by the BIP Trust as of the same date, as stated in the Target Company’s Financial Results, minus the number of the Target Company’s Stock (169,050 shares) held by the BIP Trust as of November 30, 2024, as stated in the Target Company’s Treasury Stock Acquisition Status Report) (15,245,733 shares), was used as the denominator.

(Note 3) With regard to the “Ownership Ratio Before the Tender Offer” and the “Ownership Ratio After the Tender Offer”, any fraction is rounded off to two decimal places.

(7) Total Purchase Amount

JPY 94,517,344,600

(Note) Total Purchase Amount indicates the amount obtained by multiplying the number of shares to be purchased (15,244,733 shares) in “(5) Number of Common Stock to Be Purchased in the Tender Offer” above by the purchase price per share (6,200 yen).

(8) Method of Settlement

(i) Name and Location of the Head Office of the Financial Instruments Business Operator, Bank, etc. that Settles the Purchase

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	1-9-2, Otemachi, Chiyoda-ku, Tokyo
Mitsubishi UFJ eSmart Securities Co., Ltd. (sub-agent)	3-2-5, Kasumigaseki, Chiyoda-ku, Tokyo

(ii) Commencement Date of Settlement

Thursday, June 26, 2025

(iii) Method of Settlement

After the expiration of the Tender Offer Period, a notice of purchase through the tender offer is mailed to the address or location of the Tendering Shareholders (or the standing proxies in the case of Foreign Shareholders) without delay. Delivery of such notice by the sub-agent will be made electromagnetically on the screen after login.

The purchases are made for cash. The purchase price for purchased Shares will be remitted to places designated by the Tendering Shareholders (or the standing proxies in the case of Foreign Shareholders) from the tender offer agent or the sub-agent in a manner designated by the Tendering Shareholders (or the standing proxies in the case of Foreign Shareholders) or will be paid to the Tendering Shareholders’ accounts used for the tender application at the tender offer agent or the sub-agent, without delay on or after the commencement date of the settlement.

(iv) Method of Returning Shares, etc.

If it is decided that none of the Tendered Shares are purchased pursuant to the conditions stated in “(i) Conditions Set Forth in Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof” and “(ii) Conditions of Withdrawal, etc. of the Tender Offer, Details Thereof and Method of Disclosure of Withdrawal, etc.” in “(9) Other Conditions and Procedures of the Purchase” below, the Shares to be returned are returned promptly after two Business Days following the last day of the Tender Offer Period (where the tender offer has



been withdrawn, the day when the withdrawal was made) by restoring such Shares to the state immediately before the tender application.

(9) Other Conditions and Procedures of the Purchase

(i) Conditions Set Forth in Each Item of Article 27-13, Paragraph 4 of the Act and Details Thereof

If the total number of Tendered Shares is below the minimum number of shares to be purchased (7,623,200 shares), the Tender Offeror will not purchase any of the Tendered Shares. If the total number of Tendered Shares is equal to or exceeds the minimum number of shares to be purchased (7,623,200 shares), the Tender Offeror will purchase all the Tendered Shares.

(ii) Conditions of Withdrawal, etc. of the Tender Offer, Details Thereof and Method of Disclosure of Withdrawal, etc.

If any event listed in Article 14, Paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended, the “Order”), Items (i), (a) through (j) and (m) through (t), Item (iii), (a) through (h) and (j) and Item (iv) and Article 14, Paragraph 2, Item (iii) through (vi) of the Order occurs, the Tender Offer may be withdrawn.

“What is set forth in sub-items (a) through (s)” set forth in Article 14, Paragraph 1, Item (i), (t) of the Order means: (x) except for a dividend of 150 yen per share at the end of the fiscal year ended March 31, 2025, (a) a case where the organ which is responsible for making decisions on the execution of operations of the Target Company decides to distribute a dividend of surplus with a date prior to the Settlement Commencement Date set as the record date (excluding a case where the amount of cash or other property to be delivered to the shareholders is expected to be less than the amount equivalent to 10% of the book value of the net assets in the non-consolidated balance sheet as of the last day of the latest fiscal year of the Target Company (1,635 million yen (Note))) and (b) a case where the organ which is responsible for making decisions on the execution of operations of the Target Company decides to distribute a dividend of surplus with a date prior to the Settlement Commencement Date as the record date without presenting any specific amount of the dividend of surplus, and there is the possibility that a dividend is larger than the amount equivalent to 10% of the book value of the net assets in the non-consolidated balance sheet as of the last day of the latest fiscal year of the Target Company (1,635 million yen); and (y) (a) a case where the organ which is responsible for making decisions on the execution of operations of the Target Company decides to acquire the treasury shares of the Target Company with the Settlement Commencement Date as the acquisition date (excluding a case where the amount of cash or other property to be delivered in exchange for the acquisition of shares is expected to be less than the amount equivalent to 10% of the book value of the net assets in the non-consolidated balance sheet as of the last day of the latest fiscal year of the Target Company (1,635 million yen)) and (b) a case where the organ which is responsible for making decisions on the execution of operations of the Target Company decides to submit a proposal for the acquisition of the treasury shares of the Target Company above to a shareholders meeting of the Target Company.

Moreover, the “facts equivalent to those set forth in sub-items (a) through (i)” set forth in Article 14, Paragraph 1, Item (iii) (j) of the Order mean (x) a case where statutory disclosure documents submitted by the Target Company in the past turn out to contain false statements regarding material matters or to omit statements regarding material matters to be stated, and (y) a case where facts set forth in (a) through (g) of the same item occur in any of the Target Company’s material subsidiaries.

Furthermore, as stated in “(2) Legal Basis” in “6. Permits, etc. for Acquisition of Shares” in the Tender Offer Registration Statement for the Tender offer, by the day immediately preceding the last day of the Tender Offer Period (including where it has been extended), (i) if in response to a notification made in accordance with Article 27, Paragraph 1 of the Foreign Exchange and Foreign Trade Act, the Minister of Finance and the Minister having jurisdiction over the business deem it necessary to examine whether or not the inward direct investment, etc. falls under an inward direct investment, etc. pertaining to national security, etc., or if it is deemed that the inward direct investment, etc. falls under an inward direct investment, etc. pertaining to national security, etc., and the waiting period until the Tender Offeror can acquire the Target Company Shares is extended, or if a change or suspension of the content pertaining to said inward direct investment, etc. is recommended, or (ii) if the approvals under the Regulations on the Handling of Overseas Investments by the Company for the Share Acquisition have not been obtained, this constitutes a failure to obtain the “permission,

etc.” under Article 14, Paragraph 1, Item (iv) of the Order; in which case, the Tender Offeror may withdraw the Tender Offer.

In order to withdraw the Tender Offer, the Tender Offeror will issue an electronic public notice and post the notice to that effect in the *Nihon Keizai Shimbun*. However, if it is difficult to issue an electronic public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method stipulated in Article 20 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer (Ordinance of the Ministry of Finance No. 38 of 1990, as amended, the “Cabinet Office Ordinance”) and subsequently issue a public notice as soon as possible.

(Note) According to the Target Company’s Annual Securities Report, the amount of net assets on the non-consolidated balance sheets for the fiscal year ended March 31, 2024 of the Target Company is 16,353 million yen (the amount of net assets per share (referring to the amount of net assets per share represented by the total number of issued shares (15,559,730 shares) after the share split dated July 1, 2024; the same applies hereinafter) is 1,051 yen).

(iii) Conditions to Reduce Purchase Price, Details Thereof and Method of Disclosure of Reduction

In accordance with Article 27-6, Paragraph 1, Item (i) of the Act, if the Target Company conducts any act listed in Article 13, Paragraph 1 of the Order during the Tender Offer Period, the purchase price may be reduced pursuant to the standards set forth in Article 19, Paragraph 1 of the Cabinet Office Ordinance. In order to reduce the purchase price, the Tender Offeror will issue an electronic public notice and post the notice to that effect in the *Nihon Keizai Shimbun*. However, if it is difficult to issue an electronic public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method stipulated in Article 20 of the Cabinet Office Ordinance and subsequently issue a public notice as soon as possible. If the purchase price is reduced, Tendered Shares that were tendered on or before the date of the public notice are also purchased at the reduced purchase price.

(iv) Matters Concerning Tendering Shareholders’ Rights to Cancel Their Contracts

Tendering Shareholders may cancel their contracts related to the Tender Offer at any time during the Tender Offer Period. To cancel your contract with the Tender Offer Agent, please deliver or send both the “Tender Offer Application Receipt” and a written notice indicating your intention to cancel the contract pertaining to the tender offer (hereinafter referred to as the “Cancellation Document”) to the head office or any branch office nationwide of the Tender Offer Agent that accepted your application by 4:00 p.m. on the last day of the Tender Offer Period. The cancellation of the contract shall become effective when the Cancellation Document is delivered to or received by the person designated below. However, if you choose to send the Cancellation Document by mail, it must be received by the designated person no later than 4:00 p.m. on the last day of the Tender Offer Period. If you applied through Mitsubishi UFJ eSmart Securities Co., Ltd. (sub-agent), please complete the cancellation procedures by 4:00 p.m. on the last day of the Tender Offer Period through the login screen following the method described on the company's website (<https://kabu.com/>) under "Tender Offer (TOB)" (<https://kabu.com/item/tob/>).

Authorized Recipient:

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. 1-9-2, Otemachi, Chiyoda-ku, Tokyo  
(Other nationwide branches of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)

The Tender Offeror will not make any claim for damages or a penalty payment to the Tendering Shareholders due to the cancellation of their contracts. In addition, the Tender Offeror will bear the cost of returning the Tendered Shares to the Tendering Shareholders. If a Tender Offeror applies to cancel a contract, tendered shares Tendered Shares will be returned promptly after procedures for such cancellation are completed, in a method pursuant to “(iv) Method of Returning Shares, etc.” in “(8) Method of Settlement”.

(v) Method of Disclosure in Case of Change in the Purchase Terms

The Tender Offeror may, during the Tender Offer Period, change the purchase terms, except in cases where it is prohibited by Article 27-6, Paragraph 1 of the Act and Article 13 of the Order.

In such a case, the Tender Offeror will issue an electronic public notice regarding the details of the change and post the notice to that effect in the *Nihon Keizai Shimbun*. However, if it is difficult to issue an electronic public notice by the last day of the Tender Offer Period, the Tender Offeror will make a public announcement by the method stipulated in Article 20 of the Cabinet Office Ordinance and subsequently issue a public notice immediately. If the purchase terms have been changed, Tendered Shares that were tendered on or before the date of the public notice are also purchased based on the changed purchase terms.

(vi) Method of Disclosure in Case of Filing of Amendment Statement

If the Tender Offeror files an amendment statement with the Director General of the Kanto Local Finance Bureau (excluding the cases set forth in the proviso to Article 27-8, Paragraph 11 of the Act), the Tender Offeror will immediately make a public announcement on the details relating to those described in the public notice of the commencement of the tender offer among other things in the amendment statement, by the method stipulated in Article 20 of the Cabinet Office Ordinance. The Tender Offeror will also immediately amend the explanatory statement of the tender offer and deliver the amended explanatory statement of the tender offer to the Tendering Shareholders to whom the explanatory statement of the tender offer has already been delivered. However, if the scope of the amendment is limited, the amendment may be made by preparing a document stating the reason for the amendment and the subject matters before and after the amendment, and delivering the document to the Tendering Shareholders.

(vii) Method of Disclosure of Results of Tender Offer

The results of the Tender Offer will be publicly announced on the day following the last day of the Tender Offer Period using the method stipulated in Article 9-4 of the Order and Article 30-2 of the Cabinet Office Ordinance.

(10) Date of public notice of Commencement of the Tender Offer  
Friday, May 9, 2025

(11) Tender Offer Agent

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	1-9-2, Otemachi, Chiyoda-ku, Tokyo
Mitsubishi UFJ eSmart Securities Co., Ltd. (sub-agent)	3-2-5, Kasumigaseki, Chiyoda-ku, Tokyo

3. Policies Following the Tender Offer and Future Outlook

For policies and other related matters following this Tender Offer, please refer to the sections above under “1. Purpose, etc. of the Tender Offer.” namely “(2) Background, Reasons and Decision-Making Process of the Tender Offer, and Management Policy after the Tender Offer,” “(4) Policy on Matters Including Organizational Restructuring after the Tender Offer (Matters Concerning the So-Called Two-Step Acquisition),” and “(5) Prospects for Delisting and Reasons Thereof.”

4. Other Matters

(1) Whether There Is Any Agreement between the Tender Offeror and the Target Company or Its Directors; Details Thereof If Applicable

Not applicable.

End.

## **Regulations on Solicitation**

This press release has been prepared for the purpose of informing the public of the Tender Offer and has not been prepared for the purpose of soliciting an offer to sell, or making an offer to purchase, any securities. If shareholders wish to make an offer to sell their shares in the Tender Offer, they should first read the Tender Offer Explanation Statement for the Tender Offer and offer their shares or stock options for sale at their own discretion. This press release shall neither be, nor constitute a part of, an offer to sell or purchase, or a solicitation of an offer to sell or purchase, any securities, and neither this press release (or a part thereof) nor its distribution shall be interpreted to be the basis of any agreement in relation to the Tender Offer, and this press release may not be relied on at the time of entering into any such agreement.

## **Future Prospects**

This press release, including the descriptions regarding the future business of the Offeror and other companies, may contain expressions for the future prospects such as “anticipate,” “expect,” “intend,” “plan,” “believe” and “assume,” and other similar expressions. These expressions are based on the Offeror’s current expectations as to the businesses, and may change depending on the future circumstances. Regarding the information herein, the Offeror undertakes no obligation to change the expressions for the future prospects into those for the actual events by reflecting the actual business performance, various circumstances and changes in conditions, etc. These expressions refer to, and this press release includes, statements that fall under “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the “*U.S. Exchange Act*”). Due to the known and unknown risks and uncertainties, the actual results might differ significantly from the statements that are implicitly or explicitly forward-looking. The Offeror and its affiliates do not guarantee for such implicit and explicit forward-looking statements to materialize. The “forward-looking statements” in this press release were prepared based on the information obtained by the Offeror as of the date hereof, unless required by law, the Offeror and its affiliates are not obligated to amend or revise such forward-looking statements to reflect future matters and situation.

## **US Regulations**

Although the Tender Offer will be conducted in accordance with the procedures and information disclosure standards prescribed under Japanese law, those procedures and standards may differ from the procedures and information disclosure standards in the United States. In particular, Sections 13(e) and 14(d) of the U.S. Exchange Act, and the rules prescribed thereunder, do not apply to the Tender Offer, and therefore the Tender Offer does not conform to those procedures and standards. In addition, the financial information contained in this press release was prepared based on Japanese accounting standards and not based on U.S. accounting standards, and thus may not necessarily be comparable to the content of any financial information prepared based on U.S. accounting standards. It may be difficult to enforce any right or claim arising under U.S. federal securities laws because, among other reasons, the Offeror and the Target Company are incorporated outside the United States and some or all of their directors are non-U.S. residents. Shareholders may not be able to sue a company outside the United States and its directors in a non-U.S. court for violations of U.S. securities laws. Furthermore, there is no guarantee that shareholders will be able to compel a company outside the United States or its subsidiaries and affiliates to subject themselves to the jurisdiction of a U.S. court.

Unless otherwise specified, all procedures relating to the Tender Offer shall be conducted entirely in Japanese. While some or all of the documentation relating to the Tender Offer will be prepared in English, if there is any inconsistency between the English documentation and the Japanese documentation, the Japanese documentation will prevail.

The Offeror, the financial advisors to the Offeror, and the Tender Offer Agent (including their respective affiliates) may purchase the Target Shares by means other than the Tender Offer to the extent permitted by Rule 14e-5(b) of the U.S. Exchange Act, applicable laws and regulations in Japan, and other applicable laws and regulations. Such purchases may be made at the market price through market transactions, or at a price determined by negotiation outside of the market. In the event that information regarding such purchases is disclosed in Japan, such information will also be disclosed in a similar manner in the United States, including on the English website of the person conducting such purchases.

## **Other Countries**

In certain countries or regions, the announcement, issue or distribution of this press release may be restricted by laws or regulations. In such cases, you are required to be aware of such restrictions and comply with them. This press release does not constitute any solicitation of an offer to sell or offer to purchase shares in relation to the Tender Offer, and shall be considered as a mere distribution of informative materials.

This press release is not for announcement, issue or distribution, in whole or in part in, into or from any jurisdiction where doing so would constitute a violation of the relevant laws or regulations of that jurisdiction.