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March 14, 2025

To whom it may concern

Company name: TENMA CORPORATION

Representative: Hirohiko Hirono, President and Representative Director

(Securities code: 7958, TSE Prime)

Contact: Masaru Noritake, Director, in charge of the General Affairs Department

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Company name: FHL Holdings Inc.

Representative: Hiroshi Kaneda, Representative Director

**Notice Regarding Commencement of Tender Offer for the Shares of
Tenma Corporation (Securities Code 7958) by FHL Holdings Inc.**

FHL Holdings Inc. hereby announces that as of March 14, 2025, it has decided to acquire the shares of common stock of Tenma Corporation through a tender offer as described in the Attachment.

End

This material is being made public in accordance with Article 30, Paragraph 1, Item 4 of the Enforcement Order of the Financial Instruments and Exchange Act pursuant to the request made by FHL Holdings Inc. (the Tender Offeror) to Tenma Corporation (the Target Company of the Tender Offer).

(Attachment)

“Notice Regarding Commencement of Tender Offer for the Shares of Tenma Corporation (Securities Code 7958)” dated March 14, 2025

March 14, 2025

To whom it may concern

Company name: FHL Holdings Inc.

Representative: Hiroshi Kaneda, Representative Director

**Notice Regarding Commencement of Tender Offer for the Shares of Tenma Corporation
(Securities Code: 7958)**

FHL Holdings Inc. (the “Tender Offeror”) hereby announces that, today, it has decided to acquire all of the shares of common stock of Tenma Corporation (Securities code: 7958; Prime Market of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”); the “Target Company”) (the “Target Company Shares”) (excluding the Target Company Shares held by the Tender Offeror, the treasury shares held by the Target Company, and the Shares Agreed Not to Be Tendered (as defined below; the same shall apply hereinafter)) through a tender offer (the “Tender Offer”) in accordance with the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended).

The Tender Offeror is a stock company (*kabushiki kaisha*) established on August 27, 2018, and as of today, it is principally engaged in the investment business and is the asset management company of the Target Company’s founding family which primarily owns the Target Company Shares. As of today, Mr. Hiroshi Kaneda, who is a director and a founding family member of the Target Company (“Mr. Hiroshi Kaneda”), and Ms. Soo Jung Lee, Mr. Hiroshi Kaneda’s spouse, serve as the representative director and own all of the issued shares of the Tender Offeror. As of today, the Tender Offeror is a major shareholder and the second largest shareholder of the Target Company (as of September 30, 2024; hereinafter the same shall apply to the order of the shareholders (Note 2)), holding 2,786,000 shares of the Target Company Shares (Ownership Ratio (Note 1): 13.80%) listed on the Prime Market of the Tokyo Stock Exchange. In addition, Kaneda Kosan Corporation (“Kaneda Kosan”), which is wholly owned by the Tender Offeror and whose representative director is Mr. Hiroshi Kaneda, is a major shareholder and the largest shareholder of the Target Company, holding 2,924,120 shares of the Target Company Shares (Ownership Ratio: 14.49%), and Mr. Hiroshi Kaneda holds 300,771 shares (Note 3) of the Target Company Shares (Ownership Ratio: 1.49%).

(Note 1) “Ownership Ratio” means the ratio (rounded off to the second decimal place; hereinafter the same shall apply to the calculation of the Ownership Ratio) of the number of shares held by a relevant shareholder out of the number of shares (20,182,637 shares) (the “Base Number of Shares”) calculated by subtracting the number of the treasury shares owned by the Target Company as of February 28, 2025 (i.e., 2,130,389 shares; the number of such treasury shares does not include 237,504 shares of the Target Company Shares (Ownership Ratio: 1.18%) and 13,000 shares of the Target Company Shares (Ownership Ratio: 0.06%), owned by Sumitomo Mitsui Trust Bank, Limited as trust assets for the stock granting trust for officers and as trust assets for the stock granting trust for employees, respectively, under the stock compensation plan for employees and officers of the Target Company; hereinafter the same shall apply to the number of the treasury shares owned by the Target Company) from the total number of issued shares of the Target Company as of the same date (i.e., 22,313,026 shares) set forth in the “Share Buyback Report” as disclosed by the Target Company on March 11, 2025.

(Note 2) According to “(5) Status of Major Shareholders” of “1. Status of Shares, etc.” of “III. Status of the Filing Company” of “Part I. Corporate Information” in the Semi-annual Report for the 77th

Fiscal Year filed by the Target Company on November 8, 2024 (the “Target Company’s Semi-Annual Report”), a large volume holding report (a change report) was filed with respect to the Target Company Shares by Dalton Investments, Inc. (“Dalton Investments”); however, as the Target Company was unable to confirm the number of shares actually held by Dalton Investments as of September 30, 2024, the order of shareholders in this press release is based on the order of percentage of shares held as stated in the “Percentage of shares held to the total number of issued shares (excluding treasury shares)” of “(5) Status of Major Shareholders” of “1. Status of Shares, etc.” of “III. Status of the Filing Company” of “Part I. Corporate Information” in the Target Company’s Semi-Annual Report. The number of shares held by Dalton Investments as of today, as reported by Dalton Investments, is 3,699,700 shares (Ownership Ratio: 18.33%).

(Note 3) 300,771 shares owned by Mr. Hiroshi Kaneda (Ownership Ratio: 1.49%) does not include the number of the Target Company Shares corresponding to the number of points held by him as of today under the stock compensation plan (6,821 shares), as the provisions concerning the stock granting trust provide that the Target Company Shares under the stock compensation plan will, in principle, be delivered upon retirement from office.

The Tender Offeror has decided to implement the Tender Offer as part of the transactions for the purposes of acquiring all of the Target Company Shares listed on the Prime Market of the Tokyo Stock Exchange (excluding the Target Company Shares held by the Tender Offeror, the treasury shares held by the Target Company and the Shares Agreed Not to Be Tendered) and privatizing the Target Company Shares (the “Transactions”).

The Transactions fall under the category of a so-called “management buyout” (MBO) (Note 4) and Mr. Hiroshi Kaneda will continue engaging in the management of the Target Company after the Transactions. As of today, there is no agreement between the Tender Offeror and other directors (including directors who are members of the Audit and Supervisory Committee) of the Target Company regarding their assumption of office or treatment after the Transactions. The management structure, including the composition of officers of the Target Company after the completion of the Transactions, will be determined in consultation with the Target Company after the completion of the Transactions.

(Note 4) A “management buyout” (MBO) generally refers to a transaction where the management team of a company being acquired invests all or part of the acquisition funds and acquires the company’s shares on the assumption that the business of the company will continue.

In implementing the Tender Offer, the Tender Offeror has, as of today, entered into tender/ non-tender agreements respectively with Mr. Hiroshi Kaneda (shares owned: 300,771 shares; Ownership Ratio: 1.49%) and Mr. Yasuichi Kaneda, who is the sixth largest shareholder of the Target Company, who had been served as the Target Company’s chairman of the board and representative director from June 2014 to June 2020 and the father of Mr. Hiroshi Kaneda (“Mr. Yasuichi Kaneda”) (shares owned: 840,716 shares; Ownership Ratio: 4.17%) (collectively, the “Tender/Non-Tender Agreements”) to ensure that Mr. Hiroshi Kaneda and Mr. Yasuichi Kaneda will continue to hold the position of the shareholders of the Target Company after the Transactions, and Mr. Hiroshi Kaneda has agreed to tender 101,000 shares (Ownership Ratio: 0.50%) of the Target Company Shares owned by him in the Tender Offer and not to tender the remaining 199,771 shares (Ownership Ratio: 0.99%) in the Tender Offer and Mr. Yasuichi Kaneda has agreed to tender 281,000 shares (Ownership Ratio: 1.39%) of the Target Company Shares owned by him in the Tender Offer and not to tender the remaining 559,716 shares (Ownership Ratio: 2.77%) in the Tender Offer. In addition, the Tender Offeror has, as of today, entered into non-tender agreements respectively with Kaneda Kosan (shares owned: 2,924,120 shares; Ownership Ratio: 14.49%) and BK Finance Ltd. (“BK Finance”), an asset management company of Mr. Hiroshi Kaneda and Mr. Yasuichi Kaneda, and which Mr. Yasuichi Kaneda serves as a representative director (shares owned: 220,700 shares; Ownership Ratio: 1.09%) (hereinafter, Kaneda Kosan and BK Finance are collectively referred to as the “Shareholders Agreeing Not to Tender Any Shares”) (collectively, the “Non-Tender Agreements”), and the Shareholders Agreeing Not to Tender Any Shares have agreed not to tender any of the Target Company Shares held respectively by them (i.e. 3,144,820 shares; Ownership Ratio: 15.58%) in the Tender Offer. Thus, the total number of the Target Company Shares that Mr. Hiroshi Kaneda, Mr. Yasuichi Kaneda and the

Shareholders Agreeing Not to Tender Any Shares (collectively, the “Shareholders Agreeing Not to Tender Shares”) have agreed not to tender in the Tender Offer is 3,904,307 shares (Ownership Ratio: 19.34%) (the “Shares Agreed Not to Be Tendered”). Further, in the Tender/Non-Tender Agreements and the Non-Tender Agreements, the Shareholders Agreeing Not to Tender Shares have agreed that (a) if the Tender Offeror does not succeed in acquiring all of the Target Company Shares (excluding the Target Company Shares held by the Tender Offeror, treasury shares held by the Target Company and the Shares Agreed Not to Be Tendered) despite the consummation of the Tender Offer, they will, after the consummation of the Tender Offer, vote in favor of any proposals at the Extraordinary Shareholders’ Meeting (Note 5) relating to the series of procedures to make the Tender Offeror and the Shareholders Agreeing Not to Tender Shares the only shareholders of the Target Company and privatize the Target Company Shares (the “Squeeze-out Procedures”) below; and (b) if requested by the Tender Offeror before the consolidation of the Target Company Shares under Article 180 of the Companies Act (Act No. 86 of 2005, as amended) (the “Share Consolidation”), which is carried out as part of the Squeeze-out Procedures, becomes effective, they will enter into a share lending agreement with respect to the Target Company Shares with the other Shareholders Agreeing Not to Tender Shares and carry out the Share Lending Transaction (Note 6).]

(Note 5) The “Extraordinary Shareholders’ Meeting” refers to an extraordinary shareholders’ meeting which the Tender Offeror plans to request the Target Company to hold and where the agenda includes (a) a proposal to implement the Share Consolidation after the consummation of the Tender Offer, (b) a proposal to amend the articles of incorporation, subject to the Share Consolidation becoming effective, for the purpose of abolishing the provision regarding the share unit, as well as other matters considered reasonably necessary for the implementation of the Squeeze-Out Procedures.

(Note 6) The term “Share Lending Transaction” refers to a transaction in which, if requested by the Tender Offeror, a share lending agreement is executed between the Shareholders Agreeing Not to Tender Shares with respect to the Target Company Shares and one of the Shareholders Agreeing Not to Tender Shares who is to be a borrower borrows a portion or all of the Target Company Shares owned by Shareholders Agreeing Not to Tender Shares who are to be the lenders, with effective time set before the Share Consolidation takes effect. Specifically, it is planned that, in order to realize that Shareholders Agreeing Not to Tender Shares continue to hold the Target Company Shares even after the Squeeze-out Procedures, (i) Mr. Yasuichi Kaneda, Kaneda Kosan and BK Finance become lenders in the Share Lending Transaction and lend all of the Target Company Shares they own to Mr. Hiroshi Kaneda and (ii) after the Share Consolidation takes effect, Mr. Hiroshi Kaneda, the borrower in the Share Lending Transaction, unwinds the Share Lending Transaction and returns all of the Target Company Shares he borrowed to Mr. Yasuichi Kaneda, Kaneda Kosan and BK Finance.

In addition, in implementing the Tender Offer, the Tender Offeror has entered into a tender agreement (the “Tender Agreement”) with Dalton Investments (shares owned: 3,699,700 shares; Ownership Ratio: 18.33%) today and pursuant to which Dalton Investments has agreed to tender all of the Target Company Shares held by it (shares owned: 3,699,700 shares; Ownership Ratio: 18.33%) in the Tender Offer. As a result, the total number of the Target Company Shares that Mr. Hiroshi Kaneda, Mr. Yasuichi Kaneda, and Dalton Investments have agreed to tender in the Tender Offer is 4,081,700 shares (Ownership Ratio: 20.22%).

The overview of the Tender Offer is as follows:

(1) Name of the Target Company

Tenma Corporation

(2) Class of Shares, Etc., to be Purchased, Etc.

Common stock

(3) Price for Purchase, Etc.

3,580 yen per common stock

(4) Period for Purchase, Etc.

From March 17, 2025 (Monday) to April 28, 2025 (Monday) (30 business days)

(5) Settlement Commencement Date

May 9, 2025 (Friday)

(6) Number of Shares, Etc., to be Purchased

Class of Shares	Number of Shares to Be Purchased	Minimum Number of Shares to Be Purchased	Maximum Number of Shares to Be Purchased
Common Stocks	13,492,330 (shares)	6,764,800 (shares)	– (shares)
Total	13,492,330 (shares)	6,764,800 (shares)	– (shares)

(7) Tender Offer Agent

SMBC Nikko Securities Inc. 3-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo

For details of the Tender Offer, please refer to the Tender Offer Registration Statement concerning the Tender Offer to be submitted by the Tender Offeror on March 17, 2025.

End

[Soliciting Regulations]

This press release is an announcement regarding the Tender Offer to the general public and is not prepared for the purpose of solicitation of selling. If a shareholder tenders his or her shares for selling, the shareholder is required to tender based on his/her own judgment after carefully reading the tender offer explanatory statement concerning the Tender Offer. This press release and reference documents thereof shall neither be, nor constitute a part of, an offer to sell or a solicitation thereof, or a solicitation of an offer to purchase, any securities whatsoever. Moreover, this press release and reference documents thereof (or any part thereof) or the fact of distribution thereof shall not be interpreted to be the grounds for any agreement related to the Tender Offer, nor can it be relied in concluding any agreement.

[Regulations of the United States]

The Tender Offer is for the shares of the Target Company, which is a company incorporated in Japan. The Tender Offer is to be conducted in accordance with the procedures and information disclosure standards prescribed in the laws of Japan, and these procedures and information disclosure standards are not necessarily the same as the procedures and information disclosure standards in the U.S. In particular, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended), and the rules prescribed thereunder do not apply to the Tender Offer, and the Tender Offer does not conform to those procedures and standards. The financial statements contained in this press release and reference materials thereof have been prepared in accordance with Japanese accounting standards, which may substantially differ from generally accepted accounting principles in the U.S. and other countries. Moreover, as the Tender Offeror is a company incorporated outside of the U.S. and some or all of its directors are non-U.S. residents, it may be difficult to enforce any rights or claims arising under the U.S. federal securities laws. In addition, it may not be able to commence legal actions against a non-U.S. company or its directors in a non-U.S. court on the ground of a violation of the U.S. securities laws. Furthermore, a company incorporated outside the U.S. and its affiliates may not necessarily be compelled to submit to the jurisdiction of U.S. courts.

Unless otherwise provided, all procedures for the Tender Offer shall be conducted entirely in the Japanese language. Some or all of the documents relating to the Tender Offer are or will be prepared in the English language. However, should there be any inconsistency between the document in English and that in Japanese, the Japanese document shall prevail.

This press release and reference documents thereof contain “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. Due to any known or unknown risks, uncertainties, or any other factors, it is possible that actual results may substantially differ from the description as expressly or implicitly indicated in these forward-looking statements. Neither the Tender Offeror, the Target Company nor any of their affiliates gives any assurance that the results expressly or implicitly indicated in these forward-looking statements will be achieved. The “forward-looking statements” in this Statement or reference materials thereof have been prepared based on the information held by the Tender Offeror or the Target Company as of today, and unless otherwise required by applicable laws and regulations, neither the Tender Offeror, the Target Company nor any of their affiliates is obliged to amend or modify such statements in order to reflect any events or circumstances in the future.

During the period for purchase, etc. in the Tender Offer, the Tender Offeror, the Tender Offeror and the Target Company’s respective financial advisors and the Tender Offer Agent (including their respective affiliates) may, in addition to the ordinary course of their business and to the extent permitted under the related Japanese financial instruments and exchange laws and regulations and other applicable laws and regulations, make purchases or take actions in connection with the purchase of the Target Company Shares for their own accounts or for their customers’ accounts outside the Tender Offer in accordance with the requirements of Rule 14e-5(b) under the U.S. Securities Exchange Act of 1934. In such cases, the Target Company Shares may be purchased and sold at a market price through market transactions or at a price determined through negotiations outside the market. Such purchase and similar transactions may be made at a market price through market transactions or at a price determined

through negotiations outside the market. If any information concerning such purchase is disclosed in Japan, such information will also be disclosed on the English website (or another means of disclosure) of the person who made such purchase.

[Other Countries]

In certain countries or regions, the announcement, issue or distribution of this press release may be restricted under the laws thereof. In such cases, please take note of such restrictions and comply therewith. The announcement, issue, or distribution of this press release does not constitute any solicitation of an offer for selling, etc., or offer for purchase, etc., of shares concerning the Tender Offer, and it constitutes nothing more than the distribution of materials for reference.