



May 13, 2025

Company Name: SERENDIP HOLDINGS CO., LTD.
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(TSE Growth Market, Securities Code: 7318)
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To achieve "SERENDIP Challenge 500" through non-organic growth

Notice Concerning the Acquisition of Entire Shares of SURTECKARIYA Co., Ltd.

SERENDIP HOLDINGS CO., LTD. (headquartered in Naka-ku, Nagoya, Aichi Prefecture; President and CEO: Ari Takeuchi; hereinafter referred to as "SERENDIP") announces that, pursuant to a mandate of the board of directors of SERENDIP held on May 13, 2025, SERENDIP has acquired all shares of SURTECKARIYA Co., Ltd. (headquartered in Kariya, Aichi Prefecture; President: Hirokazu Takeuchi, hereinafter referred to as "SURTECKARIYA") through SERENDIP subsidiary, SERENDIP SPC No. 2 Co., Ltd. (headquartered in Naka-ku, Nagoya, Aichi Prefecture; President: Naoya Imura, hereinafter referred to as "SPC") and to acquire 100% ownership of SURTECKARIYA. The acquired company consists of a total of ten group companies, two of which are located in Japan and eight of which are located outside of Japan. **In the fiscal year that ended in December 2024, its consolidated sales were 21.6 billion yen*, consolidated operating income was 1.1 billion yen, consolidated ordinary income was 1 billion yen, total assets were 24.9 billion yen, and net assets were 13.4 billion yen.** This is the biggest M&A transaction for SERENDIP since it was founded.

* SURTECKARIYA is an unlisted company and does not adopt consolidated accounting. This figure is a simplified consolidated figure calculated by deducting the internal transaction figures from the financial results for the fiscal year that ended in December 2024. This figure shall be considered for reference purposes only.

These consolidated sales do not include figures from "buy-sell transactions," which will not be recognized as operating sales after SURTECKARIYA joins the SERENDIP group. Here, "buy-sell transaction" means that SURTECKARIYA purchases items for plating from a client and then sells the plated products back to the client. Since the sum of processing costs and the purchase price of the items to be processed determines the sales unit price, the sales amount increases accordingly.

The financial results of SURTECKARIYA's three unconsolidated companies are excluded.

1. Purpose of the Acquisition of Shares

【About SERENDIP HOLDINGS CO., LTD.】

SERENDIP invests in small- and medium-sized manufacturing companies to support modernization and re-growth. We send management executives to provide hands-on support, allowing these companies to dedicate themselves to manufacturing. Additionally, our group companies have extensive expertise in developing and manufacturing automotive parts and other products.

In June 2024, SERENDIP announced its medium-term management plan, SERENDIP Challenge 500. The plan outlines four growth strategies: "Business Succession M&A" to achieve non-linear growth; "Global Business Expansion" to expand into growing global markets; "Decarbonization and EV Shift" to create new value; and "Promotion of Future Factory" to dramatically enhance manufacturing productivity. Through these initiatives, SERENDIP plans to achieve 50 billion yen in consolidated net sales in the fiscal year ending in March 2027.

【About SURTECKARIYA Co., Ltd.】

SURTECKARIYA Co., Ltd. is a pioneer in surface treatment, imparting resistance to heat, wear, and corrosion to metal surfaces. Since its founding in 1950, the company has established a solid reputation for mass production of high-performance components for safety- and reliability-critical automotive applications, including engines, brakes, and air conditioning systems.

In Japan's plating and surface treatment industry, the average annual sales per company are reported to be around one billion yen. However, SURTECKARIYA's annual sales exceed ten billion yen, solidifying its position as a leader in functional plating.

SURTECKARIYA performs a wide range of plating processes with electroless nickel, zinc and copper. In addition to plating, the company specializes in surface treatment technologies, including anodization. With production facilities in Japan, Thailand, Indonesia, Vietnam, the Philippines, and Mexico, SURTECKARIYA has developed a global supply chain that ensures a steady supply of its products to manufacturers worldwide.

SURTECKARIYA can also design and manufacture dedicated manufacturing systems to meet each product's specifications within its own group. Such flexible development capabilities enable the company to achieve short delivery times and high productivity.

Furthermore, as the automotive industry advances toward electrification, SURTECKARIYA is leveraging its strengths cultivated over its 75-year history and its solid, long-standing customer base to expand its business domains in line with global trends toward decarbonization and electrification. Specifically, SURTECKARIYA has been collaborating with car manufacturers on components essential to electric vehicles, including electric compressors for air conditioning systems, inverters for power control, and busbars for conducting large amounts of current.

【Expected Synergies】

(1) Synergies in Business

SERENDIP's group companies have been transitioning from a single-item sales model to one that enables them to offer automobile manufacturers comprehensive proposals centered on functionality and technology. Through roll-up-type mergers, they have leveraged synergies with their group companies to expand their proposal domains and increase revenue and profits. APEX Corporation and Mitsuiya Industrial Co., Ltd. are two examples that demonstrate the effectiveness of this strategy. After joining our group, each company has collaborated with other group companies to strengthen technology and sales channels, resulting in growth in revenue and profits.

As a result of joining our group, SURTECKARIYA will acquire the following synergistic effects:

- 1) Through collaboration with our group companies, Tenryu Seiki Co., Ltd. and the Excel Group,

SURTECKARIYA will expand its sales channels to include automotive electronics component manufacturers and automakers in addition to its existing client base.

- 2) Through collaboration with our group companies, Mitsuiya Industrial Co., Ltd. and Excel Group, SURTECKARIYA will expand its sales channels to include overseas automakers, in addition to Japanese manufacturers.
- 3) Through collaboration with our group company, UNICREA Co., Ltd., SURTECKARIYA will expand its sales channels by providing integrated solutions in metal and surface treatment processing.
- 4) Through collaboration with SERENDIP and our group companies, SURTECKARIYA will expand its production bases through mergers and acquisitions and other types of investments.
- 5) Through collaboration with Tenryu Seiki, which develops and manufactures automated machinery, and SERENDIP's consulting division, which supports the implementation of HiConnex—a management tool for collaborative robots and production performance—SURTECKARIYA will promote automation, reduce workforce and improve productivity.

(2) Synergies in Management

SERENDIP will station experienced management personnel at SURTECKARIYA to provide on-site managerial support. Additionally, SERENDIP will organize project teams of experts in sales, manufacturing, accounting, human resources, information technology, and other relevant fields to support SURTECKARIYA in various domains. These efforts will help SURTECKARIYA strengthen its management and back-office systems, improve efficiency at its manufacturing sites, and establish a solid foundation for future growth.

【Management after SURTECKARIYA joins our group】

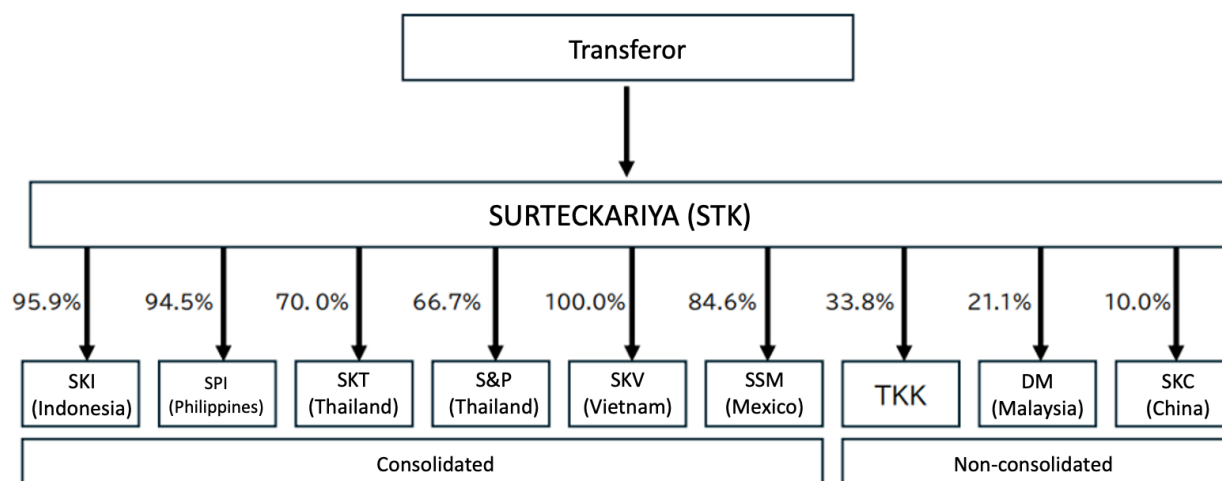
Koichi Takeuchi, the president of SURTECKARIYA, will remain in his position even after SERENDIP acquires shares in SURTECKARIYA through SPC. Kazushige Sakai, formerly a project manager at Toyota Motor Corporation, will serve as SURTECKARIYA's director and CFO. He will collaborate with other SURTECKARIYA executives to expand the company's business.

Comment from Mr. Sakai

"I am excited to work with the highly skilled team at SURTECKARIYA and contribute to society by developing innovative products. The mobility industry is currently undergoing 'once-in-a-century' transformative changes. I am confident that the company's surface treatment technology will play a significant role in promoting automotive electrification and achieving carbon neutrality in this drastically changing environment. Moving forward, all SURTECKARIYA employees will work together to deliver technologically advanced, high-quality products that exceed expectations and contribute to a future society filled with smiles."

2. Overview of SURTECKARIYA

SURTECKARIYA is an unlisted company and does not report consolidated financial results. The following image depicts an overview of the structure of the SURTECKARIYA group. SERENDIP will acquire 100% of the shares of SURTECKARIYA.



(1)	Name	SURTECKARIYA Co., Ltd. (STK)	
(2)	Location	6-100 Shinmei-cho, Kariya, Aichi, Japan	
(3)	Name and Title of Representative	Koichi Takeuchi, President	
(4)	Nature of Business	Plating and surface treatment processing	
(5)	Capital	100 million yen	
(6)	Date of Establishment	February 4, 1954	
(7)	Principal Shareholder(s) and Shareholding Ratio	Individual: 100.0%*1	
(8)	Relationship between SERENDIP and STK	Capital relationship	Not applicable
		Personal relationship	Not applicable
		Business relationship	Not applicable
(9)	Fiscal conditions and business performance in the past three business years (unit: yen)		
	Fiscal Year	FY ended on Dec. 31. 2022	FY ended on Dec. 31. 2023
			FY ended on Dec. 31. 2024
	Net Assets (million)	5,719	5,698
	Total Assets (million)	16,119	16,467
	Net Assets per Share	86,000	86,000
	Sales (million) *2	43,055	44,095
	Net Operating Profit (million)	(56)	20
	Recurring Profit (million)	333	327
	Current Net Income (million)	200	2
	Current Net Income per Share	3,000	0
	Dividend per Share	350.00	100.00

*1: As of the date of the resolution, 17 individual shareholders (holding 78.11% of the shares) and the Employee Shareholding Association (21.89%) owned shares. These shareholders will transfer their shares to one individual, who will then sell them to SERENDIP.

*2: After SURTECKARIYA joins the SERENDIP group, figures arising from "buy-sell transactions" that

are not recognized as operating revenue will be included.

(1)	Name	PT.Surteckariya Indonesia (SKI)	
(2)	Location	Komplek Industri Cibitung, Jalan Teuku Umar Km.29 Cibitung, Bekasi-Jawa Barat 17520, Indonesia	
(3)	Name and Title of Representative	Junji Yato, President	
(4)	Nature of Business	Metal plating	
(5)	Capital	142,914 million rupiah	
(6)	Date of Establishment	October 17, 1994	
(7)	Principal Shareholder(s) and Shareholding Ratio	SURTECKARIYA Co., Ltd.: 95.9%	
(8)	Relationship between SERENDIP and SKI	Capital relationship	Not applicable
		Personal relationship	Not applicable
		Business relationship	Not applicable
(9)	Fiscal conditions and business performance in the past three business years (unit: rupiah)		
	Fiscal Year	FY ended on Dec. 31. 2022	FY ended on Dec. 31. 2023
			FY ended on Dec. 31. 2024
	Net Assets (million)	39,227	62,070
	Total Assets (million)	218,332	215,520
	Net Assets per Share (thousand)	2,693	4,261
	Sales (million)	212,230	224,177
	Net Operating Profit (million)	5,951	4,048
	Recurring Profit (million)	13,873	13,125
	Current Net Income (million)	13,534	22,993
	Current Net Income per Share (thousand)	929	1,578
	Dividend per Share	-	-

* MUFG Bank, Ltd. Exchange Quotations as of May 2, 2025: 1 rupiah = 0.0088 yen

(1)	Name	Surteckariya (Thailand) Co., Ltd. (SKT)	
(2)	Location	65 MOO 9 Tambol Thanu, Amphur Uthai Phranakorn Sri Ayutthaya 13210, Thailand	
(3)	Name and Title of Representative	Kiyoshi Inoue, President	
(4)	Nature of Business	Metal plating	
(5)	Capital	123 million baht	
(6)	Date of Establishment	November 1, 2002	
(7)	Principal Shareholder(s) and Equity Ratio	SURTECKARIYA Co., Ltd.: 70.0% DIPSOL CHEMICALS Co., Ltd.: 30.0%	
(8)	Relationship between SERENDIP and SKT	Capital relationship	Not applicable
		Personal relationship	Not applicable
		Business relationship	Not applicable
(9)	Fiscal conditions and business performance in the past three business years (unit: baht)		

Fiscal Year	FY ended on Dec. 31. 2022	FY ended on Dec. 31. 2023	FY ended on Dec. 31. 2024
Net Assets (million)	910	926	937
Total Assets (million)	1,037	1,054	1,050
Net Assets per Share	8,000	8,000	8,000
Sales (million)	530	514	459
Net Operating Profit (million)	109	69	57
Recurring Profit (million)	117	74	53
Current Net Income (million)	112	75	50
Current Net Income per Share	1,000	0	0
Dividend per Share	580.35	526.78	240.00

* MUFG Bank, Ltd. Exchange Quotations as of May 2, 2025: 1 baht = 4.35 yen

(1)	Name	Surtec & Plamex Co., Ltd. (S&P)	
(2)	Location	304 Industrial Park, 586 Moo 7, Tambol Thatoom, Amphur Srimahaphote, Prachinburi 25410, Thailand	
(3)	Name and Title of Representative	Tsuyoshi Morioka, President	
(4)	Nature of Business	Metal plating	
(5)	Capital	168 million baht	
(6)	Date of Establishment	March 28, 2012	
(7)	Principal Shareholder(s) and Equity Ratio	SURTECKARIYA Co., Ltd.: 66.7% Plamex Co., Ltd.: 33.3%	
(8)	Relationship between SERENDIP and S&P	Capital relationship	Not applicable
		Personal relationship	Not applicable
		Business relationship	Not applicable
(9)	Fiscal conditions and business performance in the past three business years (unit: baht)		
	Fiscal Year	FY ended on Dec. 31. 2022	FY ended on Dec. 31. 2023
			FY ended on Dec. 31. 2024
	Net Assets (million)	938	956
	Total Assets (million)	1,029	1,042
	Net Assets per Share	5,000	5,000
	Sales (million)	686	663
	Net Operating Profit (million)	53	47
	Recurring Profit (million)	69	65
	Current Net Income (million)	59	49
	Current Net Income per Share	0	0
	Dividend per Share	434.52	184.52

* MUFG Bank, Ltd. Exchange Quotations as of May 2, 2025: 1 baht = 4.35 yen

(1)	Name	Surtec & Suzuki Technology Mexicana, S.A.DE C.V. (SSM)
(2)	Location	Calle Amsterdam#105 Parque Industrial Logistik II Col. Laguna de San Viente, Mpio Villa de Reyes, S,LP C.P79526, Mexico
(3)	Name and Title of Representative	Toru Ohashi, President

(4)	Nature of Business	Metal plating	
(5)	Capital	351 million Mexican pesos	
(6)	Date of Establishment	August 1, 2014	
(7)	Principal Shareholder(s) and Equity Ratio	SURTECKARIYA Co., Ltd.: 84.6% Suzuki High-Tech, Inc.: 9.2%	
(8)	Relationship between SERENDIP and SSM	Capital relationship	Not applicable
		Personal relationship	Not applicable
		Business relationship	Not applicable
(9)	Fiscal conditions and business performance in the past three business years (unit: Mexican peso)		
	Fiscal Year	FY ended on Dec. 31. 2022	FY ended on Dec. 31. 2023
			FY ended on Dec. 31. 2024
	Net Assets (million)	58	43
	Total Assets (million)	319	283
	Net Assets per Share	0	0
	Sales (million)	345	324
	Net Operating Profit (million)	(20)	(47)
	Recurring Profit (million)	39	(10)
	Current Net Income (million)	39	(10)
	Current Net Income per Share (million)	3	(1)
	Dividend per Share	-	-

* MUFG Bank, Ltd. Exchange Quotations as of May 2, 2025: 1 Mexican peso = 7.45 yen

Summaries of the operating results of other group companies are as follows.

Name	Surtec Philippines Inc. (SPI)	Surteckariya Vietnam Co., Ltd. (SKV)
Fiscal Year	FY ended on Dec. 31. 2024	FY ended on Dec. 31. 2024
Sales	269 million Philippine pesos	112,670 million dong
Net Operating Profit	16 million Philippine pesos	33,610 million dong

* Summaries of TOKAIKAKOKI Co., Ltd. (TKK), Dipsol (M) Sdn. Bhd (DM) and KARIYA SURFACE ENGINEERING (ZHENJIANG) CO., LTD. (SKC) are omitted because they are not consolidated companies of STK.

* MUFG Bank, Ltd. Exchange Quotations as of May 2, 2025: 1 Philippine peso = 2.61 yen

* 1 dong = around 0.0055 yen

3. Overview of SPC

(1)	Name	SERENDIP SPC No. 2 Co., Ltd.
(2)	Location	1-5-11 Nishiki, Naka-ku, Nagoya, Aichi, Japan
(3)	Name and Title of Representative	Naoya Imura, President
(4)	Nature of Business	Business consulting Holding and transactions of securities and other investments Directorship service for enterprise growth
(5)	Capital	250 thousand yen
(6)	Principal Shareholder(s) and Equity Ratio	SERENDIP HOLDINGS CO., LTD.: 100%

(7)	Date of Establishment	September 27, 2024
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4. Overview of Transferors of Shares

(1)	Name	Details of the transferor are undisclosed for security reasons, as the said transferor is an individual. Additionally, the parties have concluded a confidentiality agreement.
(2)	Location	
(3)	Relationship between SERENDIP and the said transferor	There is no capital, personal or business relationship between the said transferor and SERENDIP.

5. Overview of Share Acquisition

The amount of the acquisition consideration will not be disclosed at the request of the transferor of the shares. This amount exceeds 15% of the consolidated net assets of SERENDIP for the fiscal year that ended on March 31, 2025. SERENDIP will purchase all of SURTECKARIYA's shares for a cash consideration agreed upon by the parties after an independent third party conducts a share valuation based on due diligence.

6. Schedule

(1)	Date of Resolution of SERENDIP Board of Directors' Meeting	May 13, 2025
(2)	Date of Conclusion of Contract	May 13, 2025
(3)	Scheduled Date of Share Transfer	July 1, 2025

7. Future Outlook

SERENDIP will be deemed to fully acquire SURTECKARIYA's shares at the end of September 2025. SERENDIP expects negative goodwill to arise from this acquisition, which will then be posted as a special gain. However, the impact of this acquisition, as well as the impact of other factors, on the consolidated financial results for the fiscal year ending in March 2026 is under review.

End

(Reference) Forecast of Consolidated Operating Performance for the Financial Year Ending March 31, 2026 (as of May 12, 2025) and Consolidated Operating Performance for the Previous Fiscal Year (yen in millions)

	Consolidated Net Sales	Consolidated Operating Profit	Consolidated Profit	Net Profit Belonging to the Shareholders of the Parent Company
Forecast of Consolidated Operating Performance (Ending on March 31, 2026)	40,000	1,800	1,850	1,100
Consolidated Operating Performance (Ended on March 31, 2025)	25,214	734	735	2,088