

June 13, 2025

To whom it may concern:

Company Name: TAIYO HOLDINGS CO., LTD.
Representative: Eiji Sato, President, and CEO
(Code: 4626, Listed on Prime
Market of Tokyo Stock Exchange)
Inquiries: Sayaka Tomioka, Managing
Executive Officer, CFO
Tel: +81-3-5953-5200 (main line)

**Notice of the Opinion Statements from the Voluntary Group of Employees of Taiyo Holdings and
Taiyo Ink Mfg. Co., Ltd. and the Labor Union of Taiyo Pharma Tech Co., Ltd.
Regarding Company Proposals and Shareholder Proposals**

As announced in the “Notice of the Opinion of Taiyo Holdings’ Board of Directors on the Shareholder Proposals” dated May 16, 2025, Taiyo Holdings Co., Ltd. (hereinafter, “Taiyo Holdings”) has received shareholder proposals for the dismissal of its Board Directors, Mr. Eiji Sato and Mr. Kiyofumi Takano (hereinafter “Shareholder Proposals”), as two of the agenda items for the 79th Ordinary General Shareholders’ Meeting scheduled to be held on June 21, 2025 (hereinafter, “2025 Ordinary General Shareholders’ Meeting”). Taiyo Holdings has resolved to oppose these Shareholder Proposals.

Additionally, DIC Corporation (hereinafter, “DIC”), a major shareholder of Taiyo Holdings, expressed opposition to the reappointment of Mr. Eiji Sato, President and CEO of Taiyo Holdings, in its release dated June 3, 2025. Furthermore, some news media have reported that Kowa Co., Ltd. (hereinafter, “Kowa”), another major shareholder, is also opposed to the reappointment of President and CEO Mr. Eiji Sato.

In this context, the Board of Directors has received an opinion statement from the voluntary group of employees of Taiyo Holdings and its subsidiary, Taiyo Ink Mfg. Co., Ltd., regarding both the Shareholder Proposals and the company proposals for the 2025 Ordinary General Shareholders’ Meeting. The statement expresses support for the company proposals. It also requests that the statement be sent to each shareholder (Taiyo Holdings has received the opinion statement addressed to DIC and Kowa) and disseminated widely through Taiyo Holdings to all stakeholders. Please refer to Appendix 1 for details.

Moreover, the Board of Directors has received an opinion statement from a labor union of Taiyo Pharma Tech Co., Ltd., which is a subsidiary of Taiyo Holdings, regarding both the Shareholder Proposals and the company proposals for the 2025 Ordinary General Shareholders’ Meeting. The labor union requests that the statement be sent to DIC and Kowa and disseminated widely through Taiyo Holdings to all stakeholders. Please refer to Appendix 2 for details.

Appendix 1

June 12, 2025

To all shareholders and whom it may concern:

The Voluntary Group of Employees of
Taiyo Holdings and Taiyo Ink Mfg. Co., Ltd.

The Opinion Statement Regarding Shareholder Proposals and Company Proposals

The Voluntary Group of Employees of Taiyo Holdings Co., Ltd. and Taiyo Ink Mfg. Co., Ltd. (hereinafter, “The Voluntary Group”) hereby expresses its opinion from the perspective of employees, requesting support for all of the company proposals at the 79th Ordinary General Shareholders’ Meeting scheduled to be held on June 21.

The Voluntary Group is concerned that the rejection of company proposals, including the appointment of Mr. Eiji Sato, may compromise the stability of the working environment and decision-making process, thereby disrupting the overall operation of the company.

Over time, the Voluntary Group has performed its duties with peace of mind in support of the management policy under the current management structure. We believe that our ability to steadily perform our duties is due to the considerable contributions of the current management team, including Mr. Eiji Sato. For example, continuous investments in human resources and other measures have allowed us to work in an environment where we can simultaneously experience the company's development and our individual growth.

In this manner, the Voluntary Group believes that the current management team has contributed to the establishment of the existing corporate culture and working environment. Therefore, we hope Mr. Eiji Sato is reappointed to maintain the current stable environment, where employees feel fulfilled and experience a healthy level of tension.

The Voluntary Group recognizes that corporate growth and innovation are directly linked to medium- to long-term profit growth, and it is committed to making every effort toward achieving this goal. However, we are concerned that rapid changes to the management structure due to the shareholder proposals pose a risk to the stability of the current working environment. Furthermore, we believe that there is a risk that these changes could lead to a decline in external confidence, a stagnation in our medium- to long-term growth strategies, and potential damage to our corporate value.

In fact, some customers and suppliers have expressed concerns following the statement that approximately 40% of the total shareholder voting rights of Taiyo Holdings are opposed to the company proposals. The Voluntary Group is highly concerned that a sudden change in the President and CEO under such circumstances will negatively impact the working environment and the overall operation of the company.

Moreover, many employees have joined and continue to work at Taiyo Holdings and its subsidiary due to their alignment with the medium- to long-term corporate guideline of "growing as a global chemical manufacturer." There is increasing anxiety among these employees that the dismissal of Mr. Eiji Sato will potentially result in the loss of strategic continuity for the company.

The Voluntary Group earnestly hope for the sustained and steady growth of the company while preserving an environment where employees can engage in their duties with peace of mind. To achieve our hope, we sincerely request your support by voting in favor of all the company proposals.

Sincerely yours,

The Voluntary Group of Employees of Taiyo Holdings Co., Ltd. and Taiyo Ink Mfg. Co., Ltd.

Appendix 2

June 12, 2025

To all shareholders:

The Labor Union of Taiyo Pharma Tech Co., Ltd.
Executive Chairman

The Opinion Statement Regarding Shareholder Proposals and Company Proposals

The Labor Union of Taiyo Pharma Tech Co., Ltd. (hereinafter, “the Labor Union”) hereby presents the following opinion regarding the shareholder proposals and company proposals.

Five years have passed since Taiyo Pharma Tech Co., Ltd. (hereinafter, “Taiyo Pharma Tech”) joined the Taiyo Holdings Group and commenced operation in October 2019. The Labor Union believes that over this time, the synergy with Taiyo Holdings, the acquisition of large contract projects, stable employment, ongoing recruitment, improvement of the workplace environment, collaboration with the local community, and other factors have led to employee job satisfaction. These contributions have also formed a foundation for high-quality manufacturing and ensuring a stable supply to the medical field and patients. Additionally, since commencing operations, profits have been trending upward. We recognize that Taiyo Pharma Tech has grown into the second business pillar of Taiyo Holdings.

Our employees take pride in working within the Medical and Pharmaceuticals business and are dedicated to their daily tasks. Going forward, as a significant business unit that plays a crucial role within Taiyo Holdings, the stable supply of high-quality pharmaceuticals and the enhancement and evolution of corporate value will require continuous synergy with Taiyo Holdings. For these reasons, we believe that the appointment of Mr. Eiji Sato is essential.

Should Mr. Eiji Sato be dismissed, the Labor Union believes that the entire Taiyo Group would experience considerable disruption, both in terms of business operations and within the workplace. Moreover, at Taiyo Pharma Tech, some shareholders perceive the Medical and Pharmaceuticals business as detrimental to corporate value. This perception, coupled with strong concerns about changes in the working environment, such as “the continuity of the Medical and Pharmaceutical Business,” “stable employment,” and “sense of fulfillment for employees,” has led to employees expressing anxiety about the future, particularly following certain news reports.

The Labor Union believes that in enhancing corporate value, it is crucial to regard human resources as "capital" and to maximize their potential. We kindly request that shareholders turn their attention anew to the "people" who serve as the foundation of our business, and by extension, to the employees working within the Taiyo Group. Finally, based on comprehensive judgement, we sincerely request your support by voting in favor of all the company proposals, including the appointment of Mr. Eiji Sato.