



July 1, 2025

To whom it may concern:

Company Name: TAIYO HOLDINGS CO., LTD.
Representative: Hitoshi Saito, 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 Regarding Initiatives to Enhance Corporate Value and Secure Shareholders' Common Interests Following the Transition to a New Management Structure

As announced in the “Notice Regarding Change in Representative Director” dated June 23, 2025, Taiyo Holdings Co., Ltd. (hereinafter, “Taiyo Holdings”) transitioned to a new management structure following the resolutions adopted at the 79th Ordinary General Shareholders’ Meeting held on June 21, 2025 (hereinafter, the “2025 Ordinary General Shareholders’ Meeting”). As set forth below, Taiyo Holdings hereby announces an overview of this new management structure, together with its future policy regarding consideration of various options. These options include proposals already received by Taiyo Holdings, such as capital and business alliances and acquisition proposals, including privatization offers through a special purpose company (hereinafter, the “Proposals”).

1. Regarding the Transition to a New Management Structure

Mr. Hitoshi Saito (hereinafter, “Mr. Saito”) was appointed as a Board Director of Taiyo Holdings in June 2016. Since May 2022, he has served as CEO of the Electronics Company, and since June of the same year, as Vice President. In addition, Mr. Saito has overseen the Group’s subsidiaries as the person responsible for those companies. At the Board of Directors meeting held on June 21, 2025, taking into consideration the report from the voluntary Nomination and Compensation Committee held on the same day, the Board of Directors resolved to appoint Mr. Saito as President and CEO, judging that his experience and expertise would contribute to the Group’s decision-making.

Furthermore, at the same Board of Directors meeting, taking into consideration the report from the said Nomination and Compensation Committee, the Board of Directors also resolved to appoint Mr. Eiji Sato (hereinafter, “Mr. Sato”), who has served as President and CEO to date, as Senior Corporate Executive Officer.

Please note that Mr. Sato will only serve as interim head of the Medical and Pharmaceuticals business and will not participate in either the 2030 Committee or the Special Committee. Also, he will not be involved in any of the company’s decision-making processes that are not directly related to the operation of the Medical and Pharmaceuticals business, including the review and consideration of the Proposals. In addition, while Senior Corporate Executive Officers normally attend Board of Directors meetings as observers at Taiyo Holdings, in light of concerns raised regarding Mr. Sato’s influence on management and the company’s governance through dialogue with shareholders, investors, and other stakeholders, Mr. Sato will not participate as an observer in Board of Directors meetings with respect to the review and consideration of the Proposals, or matters and resolutions related to privatization, capital policy, business portfolio, or succession planning.

2. The Review Structure for the Proposals and a Future Schedule

In light of the Proposals received, Taiyo Holdings has established a special committee to consider various options from the perspective of enhancing corporate value and securing the shareholders’ common interests. Even after the transition to the new management structure, there have been no changes to this review structure or its policies.

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

This is a translation of the original Japanese-language document and is provided for convenience only.

In the event of any discrepancy between this translated document and Japanese original, the original shall prevail

3. Future Outlook

The impact of this initiative on the consolidated financial results for the fiscal year ending March 2026 is currently under careful examination. Should any matters requiring disclosure arise, Taiyo Holdings will promptly make an announcement.

* Note: The full text of this document in English will be disclosed on Taiyo Holdings' website at a later date.