

Frequent Asked Questions (FAQ) Regarding the Tender Offer for Hisamitsu's Common Shares, etc.

About a Tender Offer and a Management Buyout

Q: What is a Tender Offer?

A: A tender offer is a system prescribed under the Financial Instruments and Exchange Act, and mainly applied when acquiring shares, etc. from an unspecified large number of persons. In this process, the tender offeror discloses the purchase price, tender offer period, and other information. The target company also expresses its opinion on the tender offer and makes necessary disclosures. All holders of the relevant shares, etc. are thereby provided with the opportunity to sell their shares, etc. under the same conditions. The purchase of such shares, etc. is conducted off- market.

Q: What is a Management Buyout (MBO)?

A: A Management Buyout generally refers to a transaction where the management of the target company invests all or part of the acquisition funds and acquires shares of the target company, assuming the continuation of its business. In this tender offer, the tender offeror, TAIYO KOSAN CO., INC. is wholly owned by Mr. Kazuhide Nakatomi, Representative Director and President of the Company, and it is planned that Mr. Nakatomi will continue managing the Company after its delisting. Therefore, this transaction qualifies as an MBO. For details, please refer to the opinion statement [press release](#) disclosed by the Company on January 6, 2026.

Procedures of This Tender Offer

Q: Please tell us the purchase price, period, and other conditions of this tender offer.

A: The purchase price is JPY 6,082 per common share. The tender offer period is from January 7, 2026 (Wednesday) to February 19, 2026 (Thursday). For other conditions including the purchase price of share acquisition rights and shares of our common stock corresponding to the American Depository Shares represented by the American Depository Receipts, please visit the website of the tender offer agent, SMBC Nikko Securities. ([対象銘柄のご案内 | 公開買付け | SMBC日興証券, Website in Japanese only](#))

Q: How can I apply for this tender offer?

A: Applications must be made through SMBC Nikko Securities, the tender offer agent. Please refer to the SMBC Nikko Securities website for details. The site also provides a dedicated toll-free number (0120-250-959) for tender offers. ([公開買付け\(TOB\) | SMBC日興証券, Website in Japanese only](#))

- Q: Can I apply through securities companies other than SMBC Nikko Securities?
- A: SMBC Nikko Securities is the sole tender offer agent for this tender offer, so you cannot apply through other securities companies. You need to transfer your shares to an account with SMBC Nikko Securities before applying. For details, please contact the SMBC Nikko Securities website, their dedicated tender offer toll-free number (0120-250-959), or your current securities company. ([公開買付け\(TOB\) | S M B C 日興証券](#), Website in Japanese only)
- Q: Are there any fees for applying to or selling shares in this tender offer?
- A: There are no fees for applying or selling shares in this tender offer.
- Q: When will I receive the proceeds if I apply for this tender offer?
- A: The settlement commencement date is scheduled for February 27, 2026 (Friday).
- Q: Are there any taxes on selling shares through the tender offer?
- A: Sales through the tender offer will be treated the same as the sale of listed shares on the market. Please note that shareholders are responsible for confirming the tax treatment and other related matters regarding the application or other related procedures with their local tax office or their tax accountant.
- Q: Can I apply with shares less than the trading unit (less than 100 shares)?
- A: Shares less than one trading unit can be tendered in the same way as those in one unit. Please note that this includes shares that were registered shares before the dematerialization of share certificates (implemented on January 5, 2009).
- Q: Can shares in a special account, NISA account, or Junior NISA account be tendered?
- A: They can be tendered in the same way as those in a general account.
- Q: What happens to shares undergoing inheritance procedures?
- A: Shares frozen due to inheritance procedures will not be unfrozen for the tender offer, so please proceed with the normal inheritance procedures. After delisting, inheritance procedures can be handled by the shareholder registry administrator, Mitsubishi UFJ Trust and Banking Corporation.

Background and Significance of This Tender Offer

Q: What are the background and significance of this transaction?

A: As the pharmaceutical and healthcare business market undergoes significant changes due to social and economic shifts, management environment surrounding us is expected to become even more challenging. In order to continue developing drugs that meet the needs of healthcare professionals, patients, and consumers, and to fulfill our mission as a pharmaceutical company, we have decided that it is essential to implement this transaction and build a strong and stable management system that allows for agile and flexible decision-making based on a medium- to long-term perspective.

Q: Does the Company support this tender offer?

A: The Company has comprehensively considered the background and purpose leading the tender offeror to decide to implement this tender offer, the process of decision-making, the management policy after this tender offer, and our business environment. We have determined that the purpose of this transaction, which includes contributing to the enhancement of our corporate value, is legitimate and reasonable. Furthermore, based on legal advice from Nishimura & Asahi (Gaikokuho Kyodo Jigyo) and a share valuation report and financial advice from Mitsubishi UFJ Morgan Stanley Securities, we consider the terms and financing of this transaction, including the tender offer price, to be fair and appropriate and this transaction is fair to the general shareholders of the Company. Therefore, at the Board of Directors meeting held on January 6, 2026, the Company expressed its support for this tender offer and resolved to recommend that our shareholders apply for this tender offer. For details of this resolution, please refer to the opinion statement [press release](#) disclosed by the Company on January 6, 2026.

Q: Why is the tender offer period set to 30 business days?

A: This tender offer is an MBO by TAIYO KOSAN CO., INC., which is wholly owned by Mr. Kazuhide Nakatomi, Representative Director and President of the Company. In order to ensure fairness in this tender offer, including providing shareholders with sufficient time to appropriately make an application decision a period of 30 business days has been set, which is longer than the minimum period prescribed by law.

Q: Are there any counterproposals from third parties? What happens if there is a counterproposal?

A: If there is a counterproposal from a third party other than the tender offeror, the Company will carefully review it based on the "Guidelines for Corporate Takeovers" announced by the Ministry of Economy, Trade and Industry on August 31, 2023, and

will sincerely consider any bona fide proposal. If a bona fide proposal is received and it is judged that it would affect our support for this tender offer and our support to shareholders, we will promptly disclose such information. As of February 5, 2026, we have not received any such proposals.

- Q: Will there be any changes to the conditions of this tender offer or extensions of the period?
- A: Such decisions are made by the tender offeror, thus the Company is not in a position to comment. As of February 5, 2026, we have not received any such proposals from the tender offeror.