



April 3, 2025

Company name: Ai Holdings Corporation
Representative: Hideyoshi Sasaki, Chairman and CEO
(Stock Code: 3076 TSE Prime Market)
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Notice Regarding Results of Tender Offer for Shares of Nakayo, Inc.
(Stock Code: 6715) and Change in Status to Specified Subsidiary

Ai Holdings Corporation (hereinafter the “Tender Offeror” or the “Company”) resolved on February 14, 2025 to acquire common shares of Nakayo, Inc. (hereinafter the “Target Company”; stock code: 6715; listed on the Standard Market of Tokyo Stock Exchange, Inc. [hereinafter the “Tokyo Stock Exchange”]) through a tender offer (hereinafter the “Tender Offer”) conducted pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; hereinafter the “Act”). The Tender Offer commenced on February 17, 2025 and concluded on April 2, 2025. The Company hereby announces the results as follows.

The Company also announces that, as a result of the Tender Offer, the Target Company is scheduled to become a consolidated subsidiary of the Tender Offeror as of April 9, 2025 (the commencement date of settlement of the Tender Offer), and will also fall under the category of a specified subsidiary.

I. Results of the Tender Offer

1. Outline of the Tender Offer

(1) Name and location of the Tender Offeror

Name: Ai Holdings Corporation

Location: 12-8 Nihonbashi Hisamatsucho, Chuo-ku, Tokyo

(2) Name of the Target Company

Nakayo, Inc.

(3) Type of share certificates, etc. subject to the Tender Offer

Common shares

(4) Number of share certificates, etc. scheduled to be purchased

Number scheduled to be purchased	Minimum number scheduled to be purchased	Maximum number scheduled to be purchased
4,103,686 shares	2,610,700 shares	– shares

(Note 1) If the total number of tendered share certificates is less than the minimum number scheduled to be purchased (2,610,700 shares), none of the tendered share certificates will be purchased. If the total number of tendered share certificates is equal to or greater than the minimum number scheduled to be purchased (2,610,700 shares), all of the tendered share certificates will be purchased.

(Note 2) Since no upper limit has been set on the number of shares to be purchased in the Tender Offer, the number scheduled to be purchased reflects the maximum number of Target Company shares (4,103,686 shares) to be acquired by the Tender Offeror through the Tender Offer. The number of shares scheduled to be purchased is calculated by deducting the number of shares held by the Tender Offeror as of today (375,200 shares) and the number of treasury shares held by the Target Company as of December 31, 2024 (316,077 shares) from the total number of issued shares as of December 31, 2024 (4,794,963 shares). All figures are based on the “Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 2025 (Japanese GAAP)” submitted by the Target Company on February 4, 2025 (hereinafter the “Target Company’s Q3 Financial Results”).

(Note 3) Shares of less than one unit are also subject to the Tender Offer. In addition, if shareholders of the Target Company exercise their right to request the purchase of shares of less than one unit in accordance with the Companies Act, the Target Company may purchase its own shares during the period of the Tender Offer in accordance with the procedures prescribed by laws and regulations.

(Note 4) There are no plans to acquire treasury shares owned by the Target Company through the Tender Offer.

(5) Period of the Tender Offer

(i) Tender Offer period

Monday, February 17, 2025 through Wednesday, April 2, 2025 (31 business days)

(ii) Possibility of extension based on a request by the Target Company

Not applicable.

(6) Tender Offer price

2,550 yen per common share

2. Results of the Tender Offer

(1) Outcome of the Tender Offer

The Tender Offer was subject to the condition that if the total number of share certificates, etc. tendered in the Tender Offer (the “Tendered Share Certificates, etc.”) was less than the minimum number of shares to be purchased (2,610,700 shares), none of the Tendered Share Certificates, etc. would be purchased. However, since the total number of Tendered Share Certificates, etc. (3,465,129 shares) met or exceeded the minimum number of shares to be purchased (2,610,700 shares), all of the Tendered Share Certificates, etc. will be purchased as described in the Public Notice of Commencement of the Tender Offer and the Tender Offer Registration Statement.

(2) Date and method of notification of the results of the Tender Offer

Pursuant to the provisions of Article 27-13, Paragraph 1 of the Act; Article 9-4 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended); and the method prescribed in Article 30-2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other Than Issuer (Ordinance of the Ministry of Finance No. 38 of 1990, as amended; hereinafter the “Cabinet Office Ordinance”), the results of the Tender Offer were announced to the press on April 3, 2025 via the Tokyo Stock Exchange.

(3) Number of share certificates, etc. purchased through the Tender Offer

Type of share certificates, etc.	(i) Number tendered (converted to shares)	(ii) Number purchased (converted to shares)
Share certificates	3,465,129 shares	3,465,129 shares
Share options	– shares	– shares
Bonds with share options	– shares	– shares
Beneficiary certificates of share certificate trusts ()	– shares	– shares
Depository receipts for share certificates ()	– shares	– shares
Total	3,465,129 shares	3,465,129 shares
(Total number of latent share certificates, etc.)	–	(– shares)

(4) Ownership ratio of share certificates, etc. after the purchase, etc.

Number of voting rights associated with share certificates, etc. held by the Tender Offeror before the Tender Offer	3,752 units	(Ownership ratio of share certificates, etc. before the Tender Offer: 8.38%)
Number of voting rights associated with share certificates, etc. held by specially related parties before the Tender Offer	– units	(Ownership ratio of share certificates, etc. before the Tender Offer: – %)
Number of voting rights associated with share certificates, etc. held by the Tender Offeror after the Tender Offer	38,403 units	(Ownership ratio of share certificates, etc. after the Tender Offer: 85.74%)
Number of voting rights associated with share certificates, etc. held by specially related parties after the	– units	(Ownership ratio of share certificates, etc. after the Tender Offer: – %)

Tender Offer		
Total number of voting rights of all shareholders of the Target Company	44,789 units	

(Note 1) The “Number of voting rights associated with share certificates, etc. held by specially related parties before the Tender Offer” refers to the total number of voting rights associated with share certificates, etc. held by each specially related party (excluding those who are excluded from the category of specially related parties pursuant to Article 3, Paragraph 2, Item 1 of the Cabinet Office Ordinance in calculating the shareholding ratio under each item of Article 27-2, Paragraph 1 of the Act).

(Note 2) The “Total number of voting rights of all shareholders of the Target Company” is the number of voting rights as of September 30, 2024 (based on 100 shares per unit), as stated in the 84th Interim Report submitted by the Target Company on November 11, 2024. However, since shares constituting less than one unit are also subject to the Tender Offer, for calculating the “Ownership ratio of share certificates, etc. before the Tender Offer” and the “Ownership ratio of share certificates, etc. after the Tender Offer” the denominator used is the number of voting rights (44,788 units) corresponding to the number of shares (4,478,886 shares) obtained by deducting the number of treasury shares held by the Target Company as of December 31, 2024 (316,077 shares) from the total number of issued shares of the Target Company as of the same date (4,794,963 shares), as stated in the Target Company’s Q3 Financial Results.

(Note 3) The “Ownership ratio of share certificates, etc. before the Tender Offer” and the “Ownership ratio of share certificates, etc. after the Tender Offer” are rounded to the second decimal place.

(5) Calculation method in the case of purchase, etc. by pro rata allocation
Not applicable.

(6) Method of settlement

(i) Name and head office location of the securities company, bank, etc. handling the settlement of the purchase, etc.

Daiwa Securities Co. Ltd., 1-9-1 Marunouchi, Chiyoda-ku, Tokyo

(ii) Settlement commencement date

Wednesday, April 9, 2025

(iii) Settlement method

Without delay after the end of the Tender Offer Period, a notice of purchase pursuant to the Tender Offer will be mailed to the address or location of each person who accepted the offer to purchase or made an offer to sell share certificates, etc. related to the Tender Offer (hereinafter the “Tendering Shareholders, etc.”). In the case of foreign shareholders, etc., the notice will be mailed to the address of their standing proxy.

The purchase will be made in cash. The proceeds from the sale of share certificates, etc. purchased in the Tender Offer will be handled according to the instructions of the Tendering Shareholders, etc., without delay after the settlement commencement date. The agent for the Tender Offer will either remit the proceeds to the location designated by the Tendering Shareholders, etc. (in the case of foreign shareholders, etc., to their standing proxies) (a remittance fee may apply), or pay them into the accounts through which the agent for the Tender Offer accepted the tenders.

3. Policies, etc. after the Tender Offer and future outlook

There is no change in the policies, etc. following the Tender Offer from those stated in the “Notice Regarding Commencement of Tender Offer for Common Shares of Nakayo, Inc. (Code: 6715)” announced by the Tender Offeror on February 14, 2025.

Following the results of the Tender Offer, the Tender Offeror plans to implement procedures to make itself the sole shareholder of the Target Company (the “Squeeze-Out Procedures”). As of today, the Target Company’s shares are listed on the Standard Market of the Tokyo Stock Exchange; however, if the Squeeze-Out Procedures are implemented, the shares will be delisted through the prescribed procedures in accordance with the delisting criteria established by the Tokyo Stock Exchange. After the delisting, the shares of the Target Company will not be traded on the Standard Market of the Tokyo Stock Exchange. Future procedures will be determined in consultation with the Target Company and will be promptly announced by the Target Company once decided.

4. Place where a copy of the report on the Tender Offer is made available for public inspection

Ai Holdings Corporation
 (12-8 Nihonbashi Hisamatsucho, Chuo-ku, Tokyo)
 Tokyo Stock Exchange, Inc.
 (2-1 Kabutocho, Nihonbashi, Chuo-Ku, Tokyo)

II. Change to specified subsidiary

1. Reason for the change

As a result of the Tender Offer, the Target Company is scheduled to become a consolidated subsidiary of the Company on Wednesday, April 9, 2025 (the commencement date of settlement of the Tender Offer). In addition, since the Target Company’s net sales amount is equivalent to 10% or more of the Tender Offeror’s net sales for the fiscal year ended June 2024, and its stated capital is also equivalent to 10% or more of the Tender Offeror’s stated capital, the Target Company will be classified as a specified subsidiary of the Tender Offeror as of the same date.

2. Outline of the specified subsidiary (Target Company) to be transferred

(i)	Name	Nakayo, Inc.
(ii)	Location	1-3-2 Soja-machi, Maebashi-shi, Gunma
(iii)	Title and name of representative	President and Representative Director, Toshiaki Nukui
(iv)	Business	Development, manufacture and sale of information and communication equipment Manufacture and sale of environmental and energy facility-related equipment and related products

(v)	Capital	4,909 million yen (as of September 30, 2024)		
(vi)	Date of establishment	May 30, 1944		
(vii)	Major shareholders and shareholding ratios (as of September 30, 2024) (Note 1)	Ai Holdings Corporation		8.4%
		UH Partners 2, Inc.		7.5%
		Hikari Tsushin K.K.		7.4%
		Nakayo Employees' Shareholding Association		4.7%
		Mizuho Bank, Ltd. (Standing proxy: Custody Bank of Japan, Ltd.)		4.5%
		Gunma Tochi Co., Ltd.		2.3%
		The Master Trust Bank of Japan, Ltd. (Trust account)		2.3%
		Akihiko Ota		2.1%
		Kanda Tsushinki Co., Ltd.		2.0%
		Glozel Co., Ltd.		1.9%
(viii)	Relationship between the Tender Offeror and the Target Company			
	Capital relationship	As of today, the Tender Offeror owns 375,200 shares of the Target Company (ownership ratio [Note 2]: 8.38%).		
	Personnel relationship	There are no personnel relationships between the Tender Offeror and the Target Company.		
	Business relationship	The Target Company has entered into a distributor agreement with the Tender Offeror for the Tender Offeror's decarbonization system business and provides such systems to customers.		
	Status as a related party	Not applicable.		
(ix)	Consolidated operating results and financial position of the Target Company for the most recent three fiscal years			
	Fiscal year end	Fiscal year ended March 2022	Fiscal year ended March 2023	Fiscal year ended March 2024
	Consolidated net assets	18,274 million yen	16,895 million yen	15,784 million yen
	Consolidated total assets	24,322 million yen	22,392 million yen	21,287 million yen
	Consolidated net assets per share	4,112.01 yen	3,790.70 yen	3,532.73 yen
	Consolidated net sales	18,587 million yen	17,086 million yen	17,220 million yen
	Consolidated operating profit	86 million yen	-974 million yen	-660 million yen
	Consolidated ordinary profit	218 million yen	-858 million yen	-598 million yen
	Profit attributable to owners of parent	281 million yen	-708 million yen	-1,268 million yen
	Consolidated earnings per share	63.31 yen	-159.00 yen	-284.08 yen
	Dividend per share	40.00 yen	20.00 yen	40.00 yen

(Note 1) "(vii) Major shareholders and shareholding ratios (as of September 30, 2024)" is based on the "Status of major shareholders" section of the 84th Interim Report submitted by the Target Company on November 11, 2024.

(Note 2) This refers to the ratio (rounded to the second decimal place; the same applies hereinafter in calculating ownership ratios) to the number of shares (4,478,886 shares) obtained by deducting the number of treasury shares (316,077 shares) held by the Target Company as of December 31, 2024 from the total number of issued shares of the Target Company as of the same date (4,794,963 shares), as stated in the Target

Company's Q3 Financial Results.

3. Number of shares to be acquired, acquisition price, and shareholding status before and after the acquisition

(i) Number of shares held before the change	Common stock: 375,200 shares (Number of voting rights: 3,752) (Percentage of voting rights held: 8.38%)
(ii) Number of shares to be acquired	Common stock: 3,465,129 shares (Number of voting rights: 34,651) (Percentage of voting rights held: 77.37%)
(iii) Acquisition price	8,836 million yen
(iv) Number of shares held after the change	Common stock: 3,840,329 shares (Number of voting rights: 38,403) (Percentage of voting rights held: 85.74%)

(Note 1) In calculating the "Percentage of voting rights held," the denominator used is the number of voting rights (44,788) corresponding to the number of shares (4,478,886 shares) obtained by deducting the number of treasury shares (316,077 shares) held by the Target Company as of December 31, 2024 from the total number of issued shares of the Target Company as of the same date (4,794,963 shares), as stated in the Target Company's Q3 Financial Results.

(Note 2) "Percentage of voting rights held" is rounded to the second decimal place.

(Note 3) "Acquisition price" does not include advisory fees, etc.

4. Schedule of change (tentative)

Wednesday, April 9, 2025 (commencement date of settlement of the Tender Offer)

5. Future outlook

The impact of the change in the subsidiary resulting from the Tender Offer on the Tender Offeror's consolidated financial results is currently being examined. Any matters requiring disclosure that arise in the future will be announced promptly.