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November 10, 2026

To Whom It May Concern

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# Announcement Regarding Commencement of Tender Offer by Wholly-Owned Subsidiary FFEK Co., Ltd. for Consolidated Subsidiary ESTec Corporation

Foster Electric Company, Limited (the "Company") hereby announces that, at a meeting of its Board of Directors held today, it resolved to acquire the common shares of ESTec Corporation, a consolidated subsidiary of the Company (the "Target Company") (such shares, the "Target Company Shares"), through a tender offer (the "Tender Offer") conducted by FFEK Co., Ltd. (the "Tender Offeror"), also a wholly-owned subsidiary of the Company.

* This Tender Offer will be conducted in accordance with the Financial Investment Services and Capital Markets Act of South Korea and other relevant laws and regulations.

* This press release is issued in conjunction with the public announcement of the details of the tender offer in South Korea.

## 1. Purpose of the Tender Offer

The Company holds 5,390,913 shares of the Target Company (ownership ratio: 49.41%) (Note 1) and is the parent company of the Target Company which is a consolidated subsidiary of the Company. The Company's common stock is listed on the Prime Market of the Tokyo Stock Exchange, Inc., while the Target Company's stock is listed on the KOSDAQ Market of Korea Exchange, Inc. The Company and the Target Company are in a parent-subsidiary listing relationship.

Since its establishment in 1999, the Target Company has operated primarily in the automotive speaker business and grown based on its strong business relationships with major South Korean automobile manufacturers. However, the automotive industry, which encompasses the major customers of both the Company and the Target Company, is undergoing rapid and irreversible technological innovation toward the adoption of electric vehicles (xEV) and software-defined vehicles (SDV), and is facing a period of structural transformation characterized by diversifying customer needs and intensifying global competition. In such business environment, the Company has decided to acquire all of the Target Company Shares (excluding the Target Company Shares held by the Company and the Target Company's treasury shares) through the Tender Offeror via the Tender Offer, for the purposes of fully integrating the management resources of both companies, eliminating the constraints associated with a parent-subsidiary listing structure, and thereby accelerating decision-making and maximizing potential synergies between the two entities.

Furthermore, following the completion of the Tender Offer, the Company plans to proceed with delisting the Target Company and making it a wholly-owned subsidiary in accordance with South Korean laws and regulations.

(Note 1) The term "ownership ratio" refers to the percentage of the shares held by the Company among the Target Company's total number of issued shares as of June 30, 2026 (10,910,000 shares; including 2,500,000 treasury shares held by the Target Company; the same applies hereinafter) (rounded to the nearest second decimal place; the same applies hereinafter in calculating the ownership ratio).

## 2. Overview of the Tender Offer

### (1) Overview of the Tender Offeror

(As of today)

| | |
|---|---|
| (i) Trade Name | FFEK Co., Ltd. |
| (ii) Business Activities | Non-financial holding company; management consulting business |
| (iii) Date of Incorporation | October 13, 2026 |
| (iv) Location | (Samseong-dong, ASEM Tower) 37F, 517 Yeongdong-daero, Gangnam-gu, Seoul Metropolitan City, South Korea |
| (v) Title and Name of Representative | Representative Director Akihito Mochizuki |
| (vi) Capital | 100,000,000 won |
| (vii) Largest Shareholders and Shareholding Ratio | Company: 100.00% |
| (viii) Relationship Between Tender Offeror and Target Company, etc. | |
| Capital Relationship | As of today, the Tender Offeror does not hold any of the Target Company Shares. On the other hand, the Company holds 5,390,913 shares of the Target Company (ownership ratio: 49.41%) and the Target Company is a consolidated subsidiary of the Company. |
| Personnel Relationships | Among the officers, etc. of the Company and the Tender Offeror, Kazuhiro Kishi, CEO of the Company, and Akihito Mochizuki, Executive Vice President of the Company and Representative Director of the Tender Offeror, concurrently serve as directors of the Target Company. |
| Business Relationships | There are no business relationships between the Tender Offeror and the Target Company. Furthermore, there are no business relationships between the Company and the Target Company. |
| Status as Related Parties | The Tender Offeror is a wholly-owned subsidiary of the Company, and the Target Company is a consolidated subsidiary of the Company. Therefore, the Tender Offeror and the Target Company qualify as related parties. |

### (2) Overview of the Target Company

(As of June 30, 2026)

| | |
|---|---|
| (i) Trade Name | ESTec Corporation |
| (ii) Business Activities | Manufacture and sale of audio equipment, including automotive speakers, home TV speakers, other speakers, and speaker-related components |
| (iii) Date of Incorporation | September 16, 1999 |
| (iv) Location | Yangsan City, South Gyeongsang Province, South Korea |
| (v) Title and Name of Representative | Representative Director Suk Jeong, Lee |
| (vi) Capital | 5,455,000,000 won |

| | |
|---|---|
| (vii) Largest Shareholders and Ownership Ratio | Company: 49.41% |

**(3) Tender Offer Period**

November 11, 2026, through December 11, 2026 (31 days)

**(4) Tender Offer Price**

24,000 won per share of common stock

**(5) Basis for Calculating the Tender Offer Price**

The tender offer price of 24,000 won per share of the Target Company Shares was determined through giving comprehensive consideration to various factors, including the market price of the Target Company Shares, the premium levels observed in similar tender offer cases from the past, analysis of the primary trading price range over the past year, and future cash flows.

The premium for the volume-weighted average share price for each period preceding the date of the tender offer announcement (November 11, 2026) is as follows:

| Period | Volume-Weighted Average Share Price | Premium |
|---|---|---|
| 1 month ago | 14, 385 Won | 66. 8% |
| 2 months ago | 14, 169 Won | 69. 4% |
| 3 months ago | 13, 687 Won | 75. 4% |
| 6 months ago | 13, 057 Won | 83. 8% |

**(6) Number of Share Certificates to Be Purchased**

The number of the Target Company Shares to be purchased is 3,019,087 shares (ownership ratio: 27.67%).

**(7) Change in Ownership Ratio as a Result of Purchase**

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|---|---|
| Number of voting rights related to shares held by the Company and the Tender Offeror prior to the purchase, etc. | Company: 5,390,913<br>(Ownership ratio prior to purchase, etc.: 49.41%)<br>Tender Offeror: 0<br>(Ownership ratio prior to purchase, etc.: 0.00%) |
| Number of voting rights related to the shares to be purchased | Tender Offeror: 3,019,087<br>(Ownership ratio after purchase, etc.: 27.67%) (Note 2) |
| Total number of issued shares of the Target Company | 10,910,000 shares |

(Note 2) The ratio of the total number of the Target Company Shares held by the Company (5,390,913 shares; ownership ratio: 49.41%) and the Target Company Shares to be held by the Tender Offeror following the Tender Offer, to the total number of issued shares of the Target Company minus 2,500,000 treasury shares held by the Target Company, is 100.00%.

**(8) Purchase Price**

Approximately 72,458,088,000 won (approximately 87 hundred million yen; exchange rate: 0.12 yen/won)

**(9) Settlement Date**

December 15, 2026

**(10) Other Terms and Methods of Purchase**

The Tender Offeror intends to purchase all of the Target Company Shares (excluding those held by the Company and the treasury shares held by the Target Company). Even if the number of Target Company Shares tendered in response to the Tender Offer falls short of the number of shares to be purchased, the Tender Offeror will still purchase all tendered Target Company Shares.

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