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August 25, 2025

## **Notice Disposal of Treasury Stock and Secondary Offering of Shares**

Company name: DKS Co. Ltd.  
Representative: YAMAJI Naoki, President & CEO  
(Securities code: 4461;  
Tokyo Stock Exchange Prime Market)  
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We, DKS Co. Ltd., hereby announce that we have determined the following matters relating to a disposal of treasury stock and a secondary offering of our shares by the resolution of the Board of Directors dated August 25, 2025.

### **Background and Purpose of the Finance**

Since our foundation in 1909, we have operated our business as a chemical materials manufacturer with our company credo "Contribute to the nation and society through industry" and our company mottoes "Quality First, Cost Reduction, and R&D Efforts." Our strength lies in our ability to provide materials for a wide range of industrial fields by combining diverse technologies, including surfactants. In recent years, we have been focusing on the development of materials that contribute to digitalization, decarbonization, and the realization of a healthy and circular society. As an R&D-oriented company, we are committed to creating value-added products that meet customer needs.

In April 2025, we launched our five-year medium-term management plan, "SMART 2030 (smart twenty-thirty)". Aiming to become "a smart chemical partner that solves various issues in society," we will implement growth strategies based on the three keywords of "Uni-Top," "Sustainability," and "Challenge," with a view to integrating sales and research in each field according to the characteristics of each field. To execute this strategy, we have reorganized our business segments from a material-based structure to a field-based structure comprising four segments: "Electronics & IT," "Environment & Energy," "Life & Wellness," and "Core Materials," with the aim of promoting growth.

The main business strategies are as follows: In "Electronics & IT," we will accelerate the development of low-dielectric materials and cutting-edge materials for displays, as well as our entry into next-generation semiconductor materials. In "Environment & Energy," we will advance the development of materials related to lithium-ion secondary batteries and solar cell materials to contribute to a decarbonized society. In "Life & Wellness," we will aim to contribute to a healthy society through the expanding sales of Tochukasou, a food product with functional claims and the development of sustainable materials. In "Core Materials," we will contribute to a circular society through the utilization of naturally derived raw materials and the transformation of surfactant technologies.

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Currently, low-dielectric resins in the "Electronics & IT" segment and water-based composite adhesives for negative electrodes in the "Environment & Energy" segment are generally firm. In particular, we increased production capacity at our Shiga Plant in May of this year for water-based composite adhesives for negative electrodes, and in light of continued growth in customer demand, we have decided to invest approximately 3 billion yen in equipment at our Yokkaichi Plant Kasumi Area. In this medium-term management plan, we will invest in growth in our focus areas, including semiconductors, information and communications, and life sciences. In addition to securing funds for capital investment in our Yokkaichi Plant Kasumi Area, we have decided to dispose of treasury stock in order to strengthen our financial base in preparation for future growth investments.

Furthermore, in light of the "Overview of TOPIX Revisions" announced by the Japan Exchange Group, we recognize that an increase in the free float weight is necessary to maintain our inclusion in the TOPIX. Given the ongoing review of cross-shareholdings by listed companies, we believe that providing our shareholders with a smooth opportunity to sell their shares is necessary to increase the free float weight. In light of the above, we have decided to dispose of treasury stock and offer our shares for sale.

Through this capital raising and secondary offering of our shares, we aim to steadily advance our strategic initiatives, achieve the goals of our medium-term management plan, and maximize mid- and long-term corporate value.

#### 1. Disposal of Treasury Stock through Public Offering (Public Offering)

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|---|--|
| (1) Class and number of shares to be offered        | 1,000,000 shares of our common stock   |
| (2) Method of determination of amount to be paid in | The amount to be paid in will be determined on a day (the "Pricing Date") in the period between September 2, 2025 (Tue) and September 5, 2025 (Fri) in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting, etc. of Securities by the Japan Securities Dealers Association (the "JSDA").   |
| (3) Method of offering                              | The offering will be a public offering, and underwriters shall underwrite and purchase all of the shares.<br>In addition, the disposal price (offer price) in the public offering shall be determined in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting, etc. of Securities by the JSDA, based on the preliminary pricing terms calculated by multiplying the closing price in ordinary market transactions of the shares of our common stock on the Tokyo Stock Exchange, Inc. on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with any fraction less than one yen being rounded down), taking into account market demand. |
| (4) Consideration for Underwriters                  | We will not pay any underwriting commissions to the underwriters. However, the aggregate amount of the difference between (i) the disposal price (offer price) and (ii) the amount to be paid to us by the underwriters in the public offering shall constitute proceeds to the underwriters.  |

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- (5) Payment date  
The payment date is a day in the period from September 9, 2025 (Tue) to September 11, 2025 (Thu), provided, however, that (i) the payment date is September 9, 2025 (Tue) if the Pricing Date is September 2, 2025 (Tue) or September 3, 2025 (Wed), (ii) the payment date is September 10, 2025 (Wed) if the Pricing Date is September 4, 2025 (Thu), and (iii) the payment date is September 11, 2025 (Thu) if the Pricing Date is September 5, 2025 (Fri).
- (6) The amount to be paid in and any other matters necessary for the disposal of treasury stock will be determined by YAMAJI Naoki, the President & CEO.
- (7) Each of the above items shall be conditioned upon the registration under the Financial Instruments and Exchange Act of Japan becoming effective.

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|--|--|-----------------------------|
| (1) Class and number of shares to be sold  | 337,400 shares of our common stock   |                             |
| (2) Seller and number of shares to be sold | Name   | Number of shares to be sold |
|  | Mizuho Bank, Ltd.  | 31,700 shares               |
|  | The Bank of Kyoto, Ltd.  | 29,700 shares               |
|  | Asahi Mutual Life Insurance Company  | 102,000 shares              |
|  | THE SHIGA BANK, LTD.   | 42,000 shares               |
|  | The Norinchukin Bank   | 98,000 shares               |
|  | Resona Bank, Limited   | 34,000 shares               |
| (3) Selling price                          | <p>The selling price will be determined on the Pricing Date in accordance with the method set forth in Article 25 of the Regulations Concerning Underwriting, etc. of Securities by the JSDA, based on the preliminary pricing terms calculated by multiplying the closing price in ordinary market transactions of the shares of our common stock on the Tokyo Stock Exchange, Inc. on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with any fraction less than one yen being rounded down), taking into account market demand.</p> <p>The selling price is the same as the disposal price (offer price) in the Disposal of Treasury Stock through Public Offering.</p> |                             |
| (4) Method of secondary offering           | <p>The offering will be a secondary offering by way of purchase and subscription of the aggregate number of shares by the underwriters.</p> <p>The aggregate amount of the difference between (i) the selling price and (ii) the amount to be paid to the sellers by the underwriters in the secondary offering shall constitute proceeds to the underwriters.</p>   |                             |

- (5) Delivery date  
The delivery date is a day in the period from September 10, 2025 (Wed) to September 12, 2025 (Fri), provided, however, that (i) the delivery date is September 10, 2025 (Wed) if the Pricing Date is September 2, 2025 (Tue) or September 3, 2025 (Wed), (ii) the delivery date is September 11, 2025 (Thu) if the Pricing Date is September 4, 2025 (Thu), and (iii) the delivery date is September 12, 2025 (Fri) if the Pricing Date is September 5, 2025 (Fri).
- (6) The selling price and any other matters necessary for the secondary offering of shares will be determined by YAMAJI Naoki, the President & CEO.
- (7) Each of the above items shall be conditioned upon the registration under the Financial Instruments and Exchange Act of Japan becoming effective.

3. Secondary Offering of Shares (Secondary Offering by way of Over-Allotment) (See 1. of <Reference> below.)

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|--|---|
| (1) Class and number of shares to be sold  | 200,600 shares of our common stock<br>The number of shares mentioned above is the maximum number of shares to be sold. The above number may decrease, or the secondary offering itself may be cancelled entirely, depending on market demand. Furthermore, the number of shares to be sold will be determined on the Pricing Date, taking into account market demand. |
| (2) Seller   | The lead manager of the Disposal of Treasury Stock through Public Offering and the Secondary Offering by way of Purchase and Subscription by the Underwriters (the “Lead Manager”)  |
| (3) Selling price  | Undetermined (The selling price will be determined on the Pricing Date; however, such selling price will be the same as the selling price of the Secondary Offering by way of Purchase and Subscription by the Underwriters.)   |
| (4) Method of secondary offering   | Taking into account market demand regarding the Disposal of Treasury Stock through Public Offering and the Secondary Offering by way of Purchase and Subscription by the Underwriters, the Lead Manager will make a secondary offering of up to 200,600 shares of our common stock that it borrows from certain shareholder(s).                                       |
| (5) Delivery date  | The delivery date is the same as the delivery date of the Secondary Offering by way of Purchase and Subscription by the Underwriters.   |
| (6) The selling price and any other matters necessary for the secondary offering will be determined by YAMAJI Naoki, the President & CEO.            |   |
| (7) Each of the above items shall be conditioned upon the registration under the Financial Instruments and Exchange Act of Japan becoming effective. |   |

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<Reference>

1. Secondary Offering by way of Over-Allotment

The Secondary Offering by way of Over-Allotment described in “3. Secondary Offering of Shares (Secondary Offering by way of Over-Allotment)” above is a secondary offering of shares of our common stock to be conducted by the Lead Manager in conjunction with “1. Disposal of Treasury Stock through Public Offering (Public Offering)” as well as “2. Secondary Offering of Shares (Secondary Offering by way of Purchase and Subscription by the Underwriters)” above, taking into account market demand, with up to 200,600 shares of our common stock to be borrowed from certain shareholder(s). The number of shares to be offered in the Secondary Offering by way of Over-Allotment is planned to be 200,600 shares; provided, however, as such planned number of shares is the maximum number of shares to be offered, such number may decrease or the Secondary Offering by way of Over-Allotment itself may be canceled entirely, depending on market demand.

When conducting the Secondary Offering by way of Over-Allotment, the Lead Manager will be granted the right (the “Greenshoe Option”) to obtain shares of our common stock up to the number of shares to be sold in the Secondary Offering by way of Over-Allotment in addition to the shares for the Disposal of Treasury Stock through Public Offering and the Secondary Offering by way of Purchase and Subscription by the Underwriters, with the exercise period being from the delivery date of the Disposal of Treasury Stock through Public Offering, the Secondary Offering by way of Purchase and Subscription by the Underwriters and the Secondary Offering by way of Over-Allotment to September 26, 2025 (Fri).

The Lead Manager may also purchase shares of our common stock (the “Syndicate Cover Transactions”) on the Tokyo Stock Exchange, Inc., up to the number of shares in the Secondary Offering by way of Over-Allotment, for the purpose of returning the shares of our common stock (the “Borrowed Shares”) borrowed by it from certain shareholder(s) during the period from (i) the day immediately following the last day of the subscription period for the Disposal of Treasury Stock through Public Offering, the Secondary Offering by way of Purchase and Subscription by the Underwriters and the Secondary Offering by way of Over-Allotment to (ii) September 26, 2025 (Fri) (the “Syndicate Cover Transaction Period”). All of the shares of our common stock to be purchased by the Lead Manager through the Syndicate Cover Transactions will be used to return the Borrowed Shares. During the Syndicate Cover Transaction Period, the Lead Manager may decide not to conduct any Syndicate Cover Transactions or may decide to terminate the Syndicate Cover Transactions before the number of shares purchased reaches the number of shares in the Secondary Offering by way of Over-Allotment.

Furthermore, the Lead Manager may conduct stabilizing transactions in relation to the Disposal of Treasury Stock through Public Offering, the Secondary Offering by way of Purchase and Subscription by the Underwriters and the Secondary Offering by way of Over-Allotment. The shares of our common stock purchased through such stabilizing transactions may be used, in part or in whole, to return the Borrowed Shares.

The remaining Borrowed Shares after being acquired through the Syndicate Cover Transactions and stabilization transactions and allocated for the return will be returned by the Lead Manager by exercising the Greenshoe Option.

2. Total number of treasury stock before and after the Disposal of Treasury Stock through Public Offering

Current total number of treasury stock:	1,102,659 shares	(as of July 31, 2025)
Number of shares to be disposed:	1,000,000 shares	
Total number of treasury stock after the disposal:	102,659 shares	

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### 3. Use of Proceeds

#### (1) Use of proceeds to be raised through the offerings

The estimated net proceeds of 5,717,810,000 yen from the Public Offering will be allocated as follows: 2,489,000,000 yen will be used for capital expenditures related to the expansion of production capacity for water-based composite adhesives for negative electrodes used in lithium-ion secondary batteries at our Yokkaichi Plant Kasumi Area by September 30, 2027, 542,000,000 yen will be used for capital expenditures related to the expansion of production capacity for low-dielectric resin materials at our Yokkaichi Plant Kasumi Area by September 30, 2026, and the remaining amount will be used for the repayment of long-term borrowings by June 30, 2026.

Regarding the water-based composite adhesives for negative electrodes used in lithium-ion secondary batteries, we have already expanded production capacity at our Shiga Plant in May 2025. However, in light of continued growth in customer demand, we have decided to invest approximately 3 billion yen in equipment at our Yokkaichi Plant Kasumi Area in July 2025.

Under the medium-term management plan "SMART 2030," the company plans to invest in growth areas such as semiconductors, information and communications, and life sciences. In addition to securing funds for capital expenditures at our Yokkaichi Plant Kasumi Area, the company has decided to dispose of treasury stock through the Disposal of Treasury Stock through Public Offering (Public Offering) to strengthen its financial foundation in preparation for future growth investments.

#### (2) Change in use of proceeds raised previously Not applicable.

End

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