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Press Release



Notice Regarding Putting Proposal for Confirmation of Shareholders' Intent on the Agenda of the Annual General Shareholders Meeting Regarding Implementation of Countermeasures, in Light of the Current Situation in Which a Large-scale Purchase etc. by Dalton etc. Is Being Contemplated (Emergency Phase), in the Event that Dalton etc. Fail to Comply with the Company's Response Policies and Carry Out a Large-scale Purchase etc.

TOKYO, May 25, 2026 - At its board of directors meeting held on July 1, 2025, ASKA Pharmaceutical Holdings Co., Ltd. (TSE:4886, Head Office: Minato-ku, Tokyo/ President, Representative Director: Sohta Yamaguchi) (the "Company") introduced response policies to address any other Large-scale Purchase etc. that could potentially be contemplated under circumstances where (1) the buying up of Company share certificates etc. by Dalton etc. (Note 1) and (2) the Large-scale Purchase etc. of Company share certificates etc. (as defined in section III 2(2) of the Company's July 3, 2025 press release, "Notice Concerning Introduction of Response Policy to Large-scale Purchase etc. of Company Share Certificates etc. in Preparation for Large-scale Purchase etc. of Company Share Certificates etc. by Dalton etc." ("Response Policy Press Release"); hereinafter the same) by Dalton etc. are continuing (the "Response Policies") (Note 2).

(Note 1) "Dalton etc." means collectively Dalton Investments, Inc. ("Dalton"), Nippon Active Value Fund PLC ("NAVF"), NAVF Select LLC ("NAVF Select"), Dalton Investments LLC, Dalton Advisory KK, Rosenwald Capital Management, Inc., Rising Sun Management Ltd. ("RSM"), Hikari Acquisition, Michael 1925, and JMBO Fund Limited.

(Note 2) For details of the Response Policies, see the Response Policy Press Release.

The Company hereby gives notice that, **considering that in the case not only where, as discussed in 1(1) below, at present, the Company is in a situation in which the Large-scale Purchase etc. by Dalton etc. is being contemplated (emergency phase), and it is specifically seen as probable that going forward Dalton etc. will not comply with the procedures under the Response Policies and will carry out a Large-scale Purchase, etc., but also where, as discussed in 1(2) below, Dalton etc. will actually carry out a Large-scale Purchase etc., it will be judged that the possibility of damage to the Company's medium-to-long-term corporate value and the common interests of**

shareholders cannot be denied, and giving full consideration to the advice of the Independent Committee as discussed in 2 below, today, the Company's board of directors, **by a unanimous vote of all directors (including the four independent outside directors), decided to put a proposal ("Proposal") on the agenda of the fifth annual general shareholders meeting ("Annual General Shareholders Meeting") scheduled for June 24, 2026. This Proposal asks Company shareholders whether to implement countermeasures based on the Response Policies ("Countermeasures") subject to the condition that going forward, Dalton etc. are found to have commenced a Large-scale Purchase etc. without complying with the procedures under the Response Policies.**

It is noted that as discussed below in **1(1)**, under the Response Policies, in the event that a Large-scale Purchaser (defined in III 2(2) of the Response Policy Press Release; hereinafter the same) does not comply with the Response Policies, the Company's board of directors, acting alone, can implement the Countermeasures, without holding a Shareholders' Intent Confirmation Meeting; the purpose of this Proposal is for the Company, **from the perspective of respecting the intent of shareholders**, to ask for the advance approval of shareholders at the Annual General Shareholders Meeting regarding the implementation of the Countermeasures by the Company's board of directors (giving full respect to the advice of the Independent Committee as of such time), in the case where Dalton etc. commence a Large-scale Purchase etc. without complying with the procedures under the Response Policies.

1 Evaluation by the Board of Directors of Large-scale Purchase etc. by Dalton etc.

(1) The current situation in which a Large-scale Purchase etc. by Dalton etc. is being contemplated (Emergency Phase) and the Probability that a Large-scale Purchase etc. will be Made without Compliance with Procedures under the Response Policies

Under the Response Policies, in the case where a Large-scale Purchaser is complying with procedures under the Response Policies, if the board of directors opposes the Large-scale Purchase etc. being made and believes that Countermeasures should be implemented in response, a Shareholders' Intent Confirmation Meeting is to be held, where the board of directors is to obtain the approval of shareholders regarding such implementation (see the Response Policy Press Release, III 2(3) iv). Meanwhile, in the case where a Large-scale Purchaser is about to make a Large-scale Purchase etc. without complying with the procedures under the Response Policies and there will not be sufficient time for shareholders

to think carefully regarding whether to accept the Large-scale Purchase etc. based on information disclosed by the Large-scale Purchaser and it will not be possible to ensure an opportunity to confirm the intent of shareholders, the board of directors is to implement the Countermeasures, unless there is any special reason, without holding a Shareholders' Intent Confirmation Meeting (see the Response Policy Press Release, III 2(3) v).

In light of the course of events and the circumstances set forth below, at present, the Company is in the situation in which the Large-scale Purchase etc. by Dalton etc. is being contemplated (emergency phase), and it is specifically thought to be probable that going forward, Dalton etc. will carry out a Large-scale Purchase etc. without complying with the procedures under the Response Policies.

Following the introduction of the Response Policies, the Company received from Company shareholders Dalton, NAVF and NAVF Select ("Company Shareholder Dalton Group") a Statement of Intent for Large-scale Purchase Actions etc. as specified in the Response Policies, dated August 18, 2025 ("Old Statement of Intent"). In response, in accordance with the Response Policies, the Company sent to Company Shareholder Dalton Group an information list dated August 25, 2025, including questions about the nature and past investment activities of Company Shareholder Dalton Group, the purpose and specific details of the Large-scale Purchase etc., management policy and capital policy for the Company after the implementation of the Large-scale Purchase etc., and valuation of Company shares and the basis for the valuation, and other wide-ranging questions, but on August 29, Company Shareholder Dalton Group provided only a unilateral opinion to the effect that answers to such questions should be collected on the Internet or by using generative AI, and exchanging the information list would be a wasteful process, thus substantially refusing to provide answers. Subsequently, the Company twice requested that Company Shareholder Dalton Group respond to the information list, but Company Shareholder Dalton Group has never provided substantial answers (for details of the above, please refer to the August 18, 2025 press release, "Notice Concerning Receipt of Statement of Intent for the Large-scale Purchase Actions etc. Pertaining to the Large-scale Purchase etc. of Company Share Certificates etc.", the August 25, 2025 press release, "Notice Concerning Delivery of Information List Pertaining to the Large-scale Purchase etc. of Company Share Certificates etc.", the September 2, 2025 press release, "Notice Concerning Request Made to Company Shareholders Dalton etc. for Responses to Information List Pertaining to the Large-scale Purchase etc. of Company Share Certificates etc.", and the September 16, 2025 press release, "Notice Concerning Repeated Requests Made to Company Shareholders Dalton etc. for Responses to Information List Pertaining to Large-scale Purchase etc. of Company Share Certificates etc.").

Subsequently, on September 30, 2025, approximately 40 days from the date of submission

of the Old Statement of Intent, Company Shareholder Dalton Group withdrew the Old Statement of Intent. However, only five months later, on February 19, 2026, the Company received from RSM a letter (1) proposing that Company accept two outside directors from Dalton Group and execute a Standstill Agreement, and (2) stating that if the Company did not accept such proposal, subject to the withdrawal of the Response Policies by the Company, Dalton Group was ready to implement a tender offer (“Tender Offer”) with the goal of acquiring up to a 45% stake in Company shares including shares which Dalton Group already owns (“February 19 Letter”), as well as a draft of the tender offer statement pertaining to the Tender Offer.

Thus, **(1) even though Dalton etc., with the Response Policies having been introduced, began the procedures for commencing a Large-scale Purchase etc. set forth in the Response Policies, Dalton etc. unilaterally declaring that the procedures were a “wasteful process” on the grounds of cumbersomeness, and failed to complete the procedures; (2) subsequently, Dalton etc. withdrew the Old Statement of Intent, and in light of the course of action and the period leading to the February 19 Letter, it is reasonably inferred that the reason for withdrawal is that Dalton etc. merely wanted to avoid undertaking the procedures set forth in the Response Policies; and (3) in fact, it is clear from the content of the February 19 Letter that Dalton etc. continue to have the concrete intent of implementing, and are preparing for, a Large-scale Purchase etc. for Company shares (specifically, a tender offer with 45% of shares as the upper limit of shares planned for purchase); thus, it is believed that Dalton etc. continue to have a specific intent to implement a Large-scale Purchase etc., and do not intend to undertake the procedures set forth in the Response Policies. Given the above, at present, the Company is in the situation in which the Large-scale Purchase etc. by Dalton etc. is being contemplated (emergency phase), and it is specifically thought to be probable that going forward Dalton etc. will implement a Large-scale Purchase etc. without complying with the procedures under the Response Policies.**

(2) Damage to the Company’s Medium-to-Long-Term Corporate Value and the Common Interests of Shareholders through the Large-scale Purchase etc. by Dalton etc.

As discussed in (1) above, in the case where a Large-scale Purchaser does not comply with the procedures under the Response Policies and is about to make a Large-scale Purchase etc., the Countermeasures are to be implemented, unless there is any special reason, without holding a Shareholders’ Intent Confirmation Meeting. Because the Countermeasures are to be implemented in order to maximize the Company’s medium-to-long-term corporate value and the common interests of shareholders (see III 1 of the

Response Policy Press Release), “a case where there is a special reason” refers to a case where it is clear that the Large-scale Purchase etc. that a Large-scale Purchaser is intending to make will not impede maximization of the Company’s medium-to-long-term corporate value or the common interests of shareholders.

In light of the course of events and the circumstances set forth below, the possibility cannot be denied that the Company’s medium-to-long-term corporate value and the common interests of shareholders will be damaged if going forward Dalton etc. carry out a Large-scale Purchase etc. without following the procedures under the Response Policies.

As discussed in the Response Policy Press Release, under circumstances where Dalton etc. were continuing to buy up Company share certificates etc., the Company received a proposal from RSM, in the January 28, 2025 Document to delist the Company by a management buyout (“MBO”) with RSM and its investor group as partners; since then, **the Company has received repeated proposals from Dalton etc. for an MBO led by a private equity fund** (“PE Fund”). Furthermore, the February 19 Letter urged the Company to consider an MBO, stating, “if it turns out that an MBO wasn’t seriously considered, then this will become an issue of management responsibility.”

Further, NAVF, in its 2024 annual report, itself admitted the possibility of forcefully compelling an MBO, stating, “We have stepped up our engagement with several of our largest holdings and continue to urge capital allocation improvements, **even to the extent of calling for MBOs or threatening tender offers for controlling minorities of outstanding shares**” (emphasis added).

Further, as described in the Response Policy Press Release, in a March 23, 2005 Nikkei Financial Daily article titled “U.S. Dalton Representative’s ‘Share Buying Up’: Preparing for an MBO with Five Japanese Companies; Food, Chemicals, Trading, etc.”, it was reported that Mr. James B. Rosenwald III, Dalton’s Chief Investment Officer, “revealed that [Dalton] was newly buying up shares of five listed Japanese companies in preparation for proposing an MBO”, showing that **Dalton’s investment method was to “buy up [Company Note: target company shares] behind the scenes for the time being, and when its holding ratio reached 5%, which is when the duty to submit a large-volume holding report arises, propose an MBO to the managers”**, and the article revealed that Teikoku Hormone Mfg. Co., Ltd., the predecessor of the Company, was one of the companies that was a target of this method. **Teikoku Hormone Mfg. Co., Ltd., the predecessor of the Company, from around August 2004 to around February 2005, received a proposal for an MBO immediately after Dalton etc. had bought up Company shares rapidly and in large quantity, and then, after turning down the proposal, received demands for excessive dividend increase and purchase of Company shares held by Dalton etc. at a price with**

a premium.

More recently, Dalton etc. have, at multiple portfolio companies, accumulated substantial shareholdings of approximately 20% and subsequently implemented MBOs jointly with PE Funds, accompanied by their rollover investment. Against this background, there are concerns that Dalton etc. may, in substance, be strongly advocating for MBOs and going-private transactions involving such rollover investment structures.

In light of the foregoing circumstances, **it is believed that if Dalton etc. implement a Large-scale Purchase etc. of Company shares, there is a strong possibility that one of the primary purposes for doing so will be to achieve an MBO.**

In addition, even prior to the introduction of the Response Policies, Dalton etc. had been proposing to the Company an MBO led by a PE fund. As described in the Company's August 18, 2025 press release, "Notice Concerning Course of Dialogue with Company Shareholder Dalton etc." ("Dialogue Press Release"), the Company believes that **an MBO led by a PE Fund would result in the Company bearing a large debt through a leveraged buyout (LBO) loan, which typically entails a heavy interest payment obligation, and the need to perform its duty to pay back the principal and interest may impede necessary investment including agile and large-scale research and development initiatives. Furthermore, the weakening of our financial base could hinder the development of new products, the maintenance and improvement of production equipment, and ultimately the stable supply of medicines; in light of this, there would be a danger of impeding the maximization of the Company's medium-to-long-term corporate value (and in turn the common interests of shareholders).**

Furthermore, as discussed in the Dialogue Press Release, Dalton etc. are proposing to the Company an MBO premised on a rollover investment (a scheme whereby Dalton etc., when implementing the MBO, temporarily sell their Company shares, and after the purchaser has come to possess all Company shares, Dalton etc. reinvest in the Company); generally, when a rollover investment is expected after a tender offer, this means that for the rollover investor (Dalton etc.), in order to keep its subsequent investment amount low, it is desirable that the tender offer price in such tender offer not be high. For this reason, the problem of a conflict of interests arises between the rollover investor and general shareholders. **Accordingly, it cannot be denied that the MBO premised on a rollover investment as proposed by Dalton etc. is likely to harm the common interests of general shareholders of the Company.**

Given the above circumstances, **if Dalton etc. implements a Large-scale Purchase etc. without following the procedures under the Response Policies, (1) it is likely that Dalton etc. will compel the Company to undertake an MBO, and (2) the possibility cannot be denied that (i) if the Company refuses, Dalton etc. may demand an excessive dividend increase and the purchase of Company shares held by Dalton etc. at a price with a premium, (ii) if an MBO is implemented, a PE Fund-led MBO will be implemented,**

imposing on the Company a large debt from LBO loans and using a scheme including a rollover investment, which will cause a structural conflict of interests between Dalton etc. and the general shareholders of the Company, impeding the maximization of the Company's medium-to-long-term corporate value and the common interests of general shareholders.

In regard to the specific details of the Large-scale Purchase etc. that Dalton etc. are expected to implement, Dalton etc. asserted in the February 19 Letter that Dalton etc. are ready to implement the Tender Offer subject to the retraction of the Response Policies by the Company; **since in the Tender Offer the upper limit of shares to be purchased is set at 45%, structural coercion exists, and this may harm the common interests of the general shareholders of the Company.** Specifically, if Dalton etc. acquire 45% of Company shares, Dalton etc. will not only have veto power over matters subject to a special resolution at the general shareholders meeting (adopted with the support of at least two-thirds of the voting rights exercised), but also, in light of the exercise ratio of voting rights at the Company, will have the right to decide matters subject to an ordinary resolution (adopted with the support of a majority of the voting rights exercised). In such a case, if Company shareholders, under circumstances where Dalton etc. have strong impact on the management of the Company, think that it is possible that the Company's medium-to-long-term corporate value and the common interests of shareholders will be harmed, Company shareholders, though not wanting to, will be motivated to sell their Company shares with the thought that instead of remaining as a minority shareholder of such a company, even though they don't want to, it is better to sell Company shares as soon as possible on the market (in other words, they will be exposed to coercion), and thus may be placed in the situation where despite being dissatisfied with the Tender Offer terms, they have no other choice but to tender their shares in the Tender Offer. Accordingly, **if Dalton etc. implement the Tender Offer as a Large-scale Purchase etc. without following the procedures under the Response Policies, it cannot be denied that there is a possibility that the general shareholders of the Company may be exposed to coercion and the maximization of their interests may be impeded.**

From the foregoing, **if Dalton etc. intend to execute a Large-scale Purchase etc. without complying with procedures under the Response Policies, the possibility cannot be denied that the maximization of the Company's medium-to-long-term corporate value and the common interests of shareholders will be harmed, and because it is not found that "there is a special reason", it will be necessary to implement the Countermeasures in accordance with the Response Policies in order to prevent harm to the maximization of the Company's medium-to-long-term corporate value and the common interests of shareholders.**

2 Consultation with, and Advice from, the Independent Committee

As discussed in **1** above, the Company's board of directors has repeatedly evaluated and considered the impact of a Large-scale Purchase etc. by Dalton etc. on the Company's medium-to-long-term corporate value and the common interests of Company shareholders, as well as the advisability of implementing the Countermeasures in the event that Dalton etc. commence a Large-scale Purchase etc.

Under such circumstances, for the purpose of preventing arbitrary decisions by the board of directors and further enhancing the fairness and objectivity of the operation of the Response Policies, the Company's board of directors consulted with the Independent Committee consisting of three independent outside directors of the Company who are independent of the management team that executes the Company's business (for the details of the committee, please refer to the Company's July 1, 2025 press release, "Notice Concerning Establishment of Independent Committee and Appointment of Independent Committee Members") regarding the impact of the Large-scale Purchase etc. by Dalton etc. on the Company's medium-to-long-term corporate value and the common interests of Company shareholders, and the advisability of implementing the Countermeasures.

Today, the Company's board of directors received from the Independent Committee an advisory report dated the same date and supported by all members of the Independent Committee, stating that subject to approval of this Proposal, in the event that going forward, Dalton etc. are found to have commenced a Large-scale Purchase etc. without complying with the procedures under the Response Policies, it would be appropriate for the Company's board of directors, giving full respect to the advice of the Independent Committee as of that point in time, to implement the Countermeasures.

3 Putting the Proposal on the Agenda

As discussed in **1(1)** above, at present, the Company is in the situation in which the Large-scale Purchase etc. by Dalton etc. is being contemplated (emergency phase), and it is specifically thought to be probable that following the Annual General Shareholders Meeting, Dalton etc. will not comply with the procedures under the Response Policies and will carry out a Large-scale Purchase, etc.; as discussed in **1(2)** above, if Dalton etc. actually carry out a Large-scale Purchase etc., it will be judged that the possibility of damage to the Company's medium-to-long-term corporate value and the common interests of shareholders cannot be denied; and as discussed in **2** above, the advisory report was received from the Independent Committee; in light of the foregoing and from the perspective of respecting the intent of shareholders, this Proposal will ask shareholders for advance approval regarding the

implementation of the Countermeasures by the Company's board of directors (giving full respect to the advice of the Independent Committee as of such time) in the event that going forward Dalton etc. are found to have commenced a Large-scale Purchase etc. without complying with the procedures under the Response Policies.

It should be noted that the number of shares underlying one share option allotted pursuant to the Countermeasures shall be one share. For other details of the Countermeasures, please refer to III 3 of the Response Policy Press Release. If this Proposal is approved, the Response Policies will continue to apply only to the extent necessary for the implementation etc. of the countermeasures as approved by the shareholders (however, at the latest, this shall be until the conclusion of the first meeting of the Company's board of directors held after the Company's annual general shareholders meeting to be convened in 2027). If this Proposal is rejected, the Countermeasures will not be implemented, and in accordance with the initial policy set forth in the Response Policies, the Response Policies will be abolished as of the conclusion of the first board of directors meeting held after the Annual General Shareholders Meeting.

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