



February 14, 2023

For immediate release

Company name: Ultrafabrics Holdings Co., Ltd
Representative: Noboru Yoshimura
Representative Director & President
Code No.: 4235
Contact: Takashi Kabe
Chief Controller, Administration Department
Telephone: 042-644-6515

Notice of acquisition of fixed assets (new plant and equipment)

The Board of Directors of Ultrafabrics Holdings Co., Ltd resolved, at a meeting on February 14 2023, to authorize consolidated subsidiary Daiichi Kasei Co., Ltd. to proceed with the construction of a new plant (“the Acquisition”). The details are as follows.

1. Reason for the acquisition of the fixed assets

There is an ongoing, steady expansion in the areas that make use of Ultrafabrics products. The Acquisition involves the construction of new plant in order to resolve potential safety issues arising from the ageing of the Gyoda plant, as well as to expand production capacity, enhance the research & development function, and lay the foundation for future operational expansion. The site area is around double that of the Gyoda plant, and the new facility will feature an enlarged inspection and packaging area, R&D laboratory, and administrative office, and should accelerate the development of new production methods, new products, and new materials. The equipment used will be upgraded versions of the equipment in the Gyoda plant, in order to ensure efficient and high-quality production of a wide variety of products. The plant will be constructed on land owned by Daiichi Kasei in Chiyoda, Oura district, Gunma prefecture, and is planned to go online from January 2025. The new plant will also be designed so as to reduce CO2 emissions relative to existing equipment, and will contribute to more sustainable operations through the installation of equipment for reusing waste water as well as the use of solar, hydrogen, and geothermal power sources.

2. Fixed asset acquisition summary

(1) Assets to be acquired

| | |
|--------------------|--|
| Name | Chiyoda Plant |
| Location | Gunma prefecture, Oura district, Chiyoda, Oaza, Shimonakamori, Komagafuchi 517-7 |
| Type of investment | 2-storey steel-frame building, plant and equipment |
| Site area | 17,471.51m ² |
| Floor area | 8,847.10m ² |
| Investment amount | Around 5.2 billion yen (estimated) |

(2) Counterparties to acquisition

The counterparties are domestic business corporations. The name and particulars of the counterparties will not be published here per agreement with the counterparties.

There are no capital, personnel, or business relationships of note between Daiichi Kasei and the counterparties, and neither the counterparties nor any related personnel are related parties of Ultrafabrics.

(3) Acquisition funds

The acquisition will be funded with borrowing from financial institutions and Daiichi Kasei’s own capital.

(4) Acquisition schedule

| | |
|--------------------------------|-------------------------------|
| Board of Directors resolution | February 14, 2023 |
| Building construction contract | February 28, 2023 (estimated) |
| Start of building construction | March 27, 2023 (estimated) |
| Building completion, handover | April 2024 (estimated) |
| Start of operations | January 2025 (estimated) |

3. Outlook

The impact of the Acquisition on earnings for the fiscal year ending December 2023 will be limited. Any information requiring disclosure that emerges in the future will be announced without delay.