



WAKACHIKU CONSTRUCTION CO., LTD.

# **Overview of the Tender Offer for the Company Shares by ACVE Holdings GK and the Execution of the Capital and Business Alliance Agreement with Aso Corporation and ACVE Holdings GK**

February 13, 2026

# The Background Leading to the Tender Offer and the Execution of the Capital and Business Alliance Agreement

➤ The background leading to the Tender Offer for the shares (the “Company Shares”) of WAKACHIKU CONSTRUCTION CO., LTD. (the “Company”) by ACVE Holdings GK (“ACVE Holdings”), and the execution of the Capital and Business Alliance Agreement with Aso Corporation (“Aso”) and ACVE Holdings (collectively, “Tender Offerors”), is as follows.

June 2019~	<ul style="list-style-type: none"><li>• Aso acquired the Company Shares in stages through market purchases.</li><li>• Following the submission by Aso of the statement of large-volume holdings regarding the Company Shares on June 30, 2021, the Company set multiple opportunities for meetings with Aso and confirmed Aso’s policy on acquiring Company Shares.</li></ul>
Early September 2025	<ul style="list-style-type: none"><li>• Aso notified the Company that it wanted to commence examination and discussions for making the Company its consolidated subsidiary.</li><li>• Since the Company becoming a consolidated subsidiary of Aso without reaching any agreement with Aso may give rise to concerns among shareholders and other stakeholders of the Company about the autonomy and independence of the Company’s management, the Company prepared for discussion with Aso, taking into consideration expert opinions, including matters such as policies regarding the maintenance of its listing status.</li></ul>
October 8, 2025	<ul style="list-style-type: none"><li>• The Company and Aso held a meeting and mutually confirmed the following intentions and commenced discussions regarding the Tender Offer and the execution of the Capital and Business Alliance Agreement in order to realize such intentions.  <b>&lt;the Company&gt;</b> Continued listing; respect for autonomy and independence of management and management decisions regarding employees, etc. <b>&lt;Aso&gt;</b> Making the Company its consolidated subsidiary; dispatch 1 director and 1 observer, etc.</li></ul>
Mid-late December 2025	Aso approached the Shareholders Agreeing to Tender Shares to confirm their intention regarding whether they would tender their shares if the Tender Offer were conducted, and received responses indicating that they would positively consider tendering in the Tender Offer.
Mid-January 2026 – immediately before February 12, 2026	Discussions and negotiations between Aso and the Shareholders Agreeing to Tender Shares regarding the tender offer price (which was agreed to be set at an 8% discounted price to the lower of the closing price of the Company Shares on February 10, 2026, or the simple average closing price over the one-month period up to the same date)
February 12, 2026	Announcement of the Commencement of the Tender Offer and the Execution and Announcement of the Capital and Business Alliance Agreement

# Overview of the Tender Offer

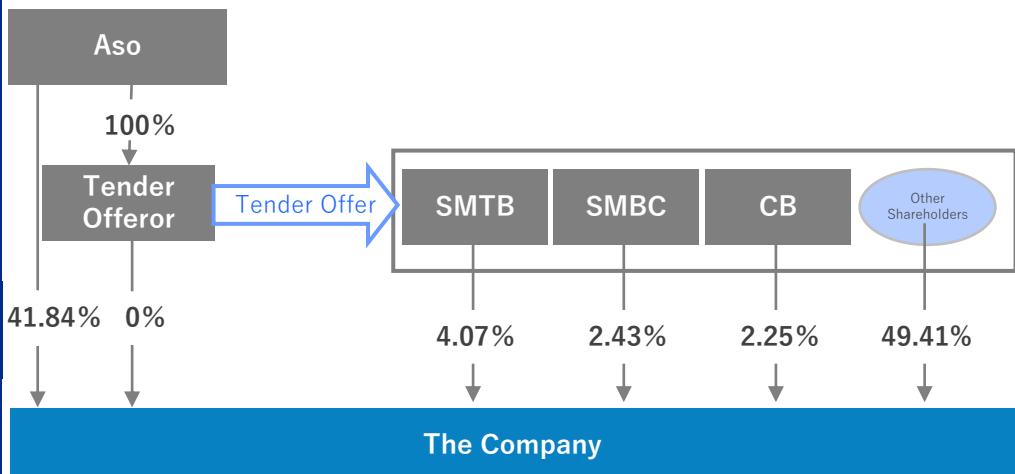
- At the Company's board of directors' meeting held yesterday (February 12, 2026), it passed a resolution to express an opinion in support of the Tender Offer for the Company Shares, and to leave to the judgment of the Company's shareholders whether to tender their shares in the Tender Offer.

<b>Tender Offer</b>	ACVE Holdings, GK (established through a 100% investment by Aso)
<b>Tender Offer Period</b>	Feb 13 (Fri), 2026 – Mar 13 (Fri), 2026 (20 business days)
<b>Tender Offer Price</b>	4,455 yen per common share
<b>Premium/ Discount</b>	<ul style="list-style-type: none"> <li>• 15.78% <u>discount</u> to the closing price on Feb 10, 2026 (5,290 yen), the business day immediately preceding the announcement date</li> <li>• 7.99% <u>discount</u> to the simple average closing price over the past one month up to the same date (4,842 yen)</li> <li>• 3.86% <u>discount</u> to the simple average closing price over the past three months up to the same date (4,634 yen)</li> <li>• 10.51% <u>discount</u> to the simple average closing price over the past six months up to the same date (4,978 yen)</li> </ul>
<b>Planned Purchase Quantity</b>	<ul style="list-style-type: none"> <li>• Maximum: 1,071,262 shares (equivalent to 50.10% of the total number of issued shares after the Tender Offer)</li> <li>• Minimum: None</li> </ul>
<b>Tender Agreement</b>	<ul style="list-style-type: none"> <li>• Sumitomo Mitsui Trust Bank, Limited (“SMTB”): 463,995 shares out of 527,600 shares owned (equivalent to 3.58% of the total number of issued shares)</li> </ul>
<b>Consents to Tender</b>	<ul style="list-style-type: none"> <li>• Sumitomo Mitsui Banking Corporation (“SMBC”): all 315,025 shares owned (equivalent to 2.43% of the total number of issued shares)</li> <li>• Chiba Bank, Ltd. (“CB”): all 292,242 shares owned (equivalent to 2.25% of the total number of issued shares)</li> </ul>
<b>After Successful Completion of the Tender Offer</b>	<ul style="list-style-type: none"> <li>• Aso plans to make the Company a consolidated subsidiary as of Mar 23, 2026 (Mon) (commencement date of settlement).</li> <li>• The Company expects to maintain its listing on the Prime Market of the Tokyo Stock Exchange (and does not intend to cause delisting)</li> </ul>

# Expected Continued Listing on the Prime Market of the Tokyo Stock Exchange

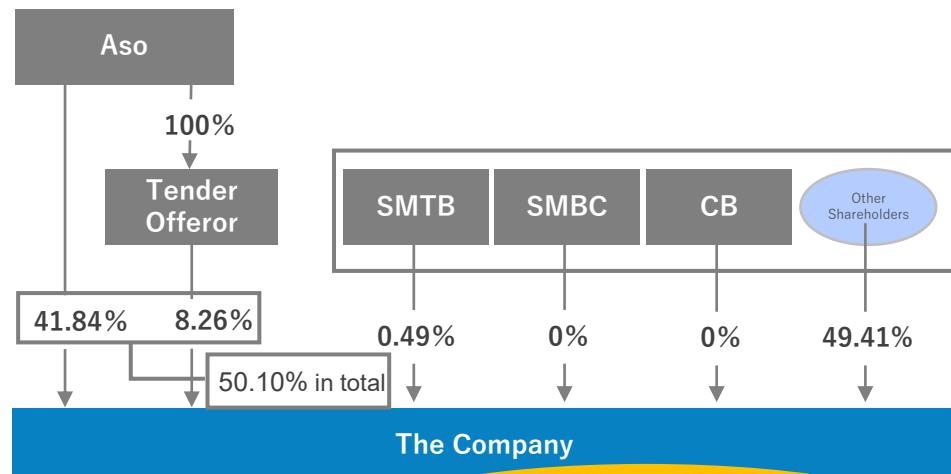
- The Tender Offeror will conduct the Tender Offer after having obtained tender agreements or consents to tender shares from SMTB, SMBC, and CB, which are major shareholders of the Company (collectively, "Shareholders Agreeing to Tender Shares").
- As a maximum number of shares to be purchased has been set (equivalent to 50.10% of the total number of issued shares after the Tender Offer), the Company expects to maintain its listing on the Prime Market of the Tokyo Stock Exchange following the Tender Offer.
- Since the tender offer price is below the market price, the Company believes that tenders from shareholders other than the Shareholders Agreeing to Tender Shares are unlikely, and expects that the impact on the negotiable share ratio as defined by Tokyo Stock Exchange will be limited.
- The Capital and Business Alliance Agreement entered into with the Tender Offerors also confirms, between the parties, matters including continued listing, respect for autonomy and independence of management, and management decisions regarding employees.

## 1. Implementation of the Tender Offer



※ Shareholding percentage of total issued shares

## 2. After the Implementation of the Tender Offer



Continued listing on the Prime Market

# Purpose of the Capital and Business Alliance Agreement (1)

➤ By mutually collaborating, the Company and the Aso Group aim to enhance the corporate value of both parties from the following perspectives.

## ① Expansion of the Aso Group's Business Domains

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✓ The Company believes that, through the Transaction, it would be possible for the Aso Group, which upholds its mission to “contribute to the transformation of social systems” and has a broad range of businesses rooted in the Kyushu region, such as medical care, education, building materials, and personnel development, but has few points of contact with port development, which is a significantly important social infrastructure in Japan as an island nation, to expand its business domains, by having the Company, which has a track record in port development projects across the country for more than 130 years since its founding in Wakamatsu Port, Kitakyushu City, be a member of the Aso Group.

## ② Strengthening Competitiveness in Disaster Prevention and Mitigation

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✓ By combining the strengths of the Company in marine disaster-prevention and mitigation fields such as revetment works and dredging, and those of the various Aso Group companies in land-based disaster-prevention and mitigation fields such as slope protection and ground improvement work, the Company and the Aso Group can share knowledge on construction technologies and demand trends concerning works in each company's business partners in their respective areas of expertise. The Company believes that this collaboration could effectively expand the disaster-prevention and mitigation business domain or otherwise enhance the competitiveness.

## ③ Effective Expansion of Businesses in the Kyushu Region

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✓ The Company believes that the civil engineering business and construction business, which have been the base business for both groups since their respective foundation and which constitute the core of the Company's business, can be further expanded in the Kyushu region by mutually utilizing the Aso Group's and the Company Group's network with governmental agencies and local companies in the Kyushu region.

# Purpose of the Capital and Business Alliance Agreement (2)

## ④ Securing of Construction Personnel

- ✓ By utilizing the Aso Group's wide range of business bases such as those for cement, healthcare, education, nursing care, construction, and civil engineering and by receiving support from the Aso Group in areas such as sales support, personnel exchanges, sharing of training and educational know-how for developing young employees and engineers, and support related to the acceptance of foreign workers, the Company believes that the Company will be able to formulate and implement effective measures for securing and developing human resources, thereby accelerating the Company's efforts to secure and cultivate talented engineers and promote the transfer of technical skills.

## ⑤ Promotion of the Company's Corporate Philosophy and Management Philosophy

- ✓ The Company upholds "Harmony Within and Outside, United in Purpose" as its corporate philosophy. Since its foundation, the construction business has consistently been the base of the Company's businesses, and with its management philosophy, "Through construction centered on 'quality and safety,' we enhance customer trust and contribute to society," the Company has accumulated a track record in social infrastructure development that is fundamental to "nation-building" and that should be promoted from a long-term perspective. By becoming a member of the Aso Group, which aims to contribute to society with a long-term perspective, the Company believes that enabling the further promotion of such corporate philosophy and management philosophy will be possible.

# Key Terms of the Capital and Business Alliance Agreement (1)

- Key Terms of the Capital and Business Alliance Agreement is as follows.
- For further details, please refer to the press release titled “Notice Regarding the Execution of the Capital and Business Alliance Agreement with Aso Corporation and ACVE Holdings, GK,” which was released by the Company yesterday.

## (1) Independence of the Company's Management

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- ✓ The Tender Offerors confirm that they will respect the independence of the Company's management as a listed company, taking into consideration the intent of each principle of the Corporate Governance Code applicable to companies listed on the Prime Market of the Tokyo Stock Exchange and other listing rules.
- ✓ The Tender Offerors confirm that, in connection with the Transaction, they intend to continue the listing of the Company's shares on the Prime Market of the Tokyo Stock Exchange. If there arises a risk that the Company's shares may fail to meet the continued listing criteria and the Company reasonably requests, the Tender Offerors shall engage in good-faith consultation regarding the measures or other actions necessary to continue the Company's listing.

## (2) Respect for Management Decisions Concerning Employees

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- ✓ The Tender Offerors confirm that they will reasonably respect the Company's management decisions regarding matters related to employees of the Company Group, including the maintenance of employment, personnel affairs, working conditions, and other employee-related matters.

## (3) Appointment of Dispatched Directors

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- ✓ The Tender Offerors may recommend one candidate for director of the Company.

# Key Terms of the Capital and Business Alliance Agreement (2)

## (4) Designation of an Observer

- ✓ The Tender Offerors may have one individual designated separately by them attend the Company's board of directors meetings and executives meetings as an observer. The observer may state opinions and otherwise make remarks at the Board of Directors and Executives Meetings.
- ✓ To ensure the observer's attendance and remarks at the Company's board of directors meetings and executives meetings pursuant to the above, the Company shall provide convocation notices and other materials relating to the Board of Directors and Executives Meetings.

## (5) Measures to Prevent Dilution

- ✓ The Company may not make a decision regarding the issuance, disposal, or grant of shares or other securities, unless the Company has given 30 days' prior written notice to the Tender Offerors and obtained prior written consent from the Tender Offerors (including cases where a simplified reorganization under the Companies Act involves the issuance, disposal, or grant of shares or other securities). However, the foregoing shall not apply to the case where a demand for the sale of shares of less than one unit is made and the Company is to respond to the demand, where such decision is based on the share compensation plan for the Company's directors and executive officers that have been introduced by the Company as of the Capital and Business Alliance Agreement Execution Date, and where such decision is made within the extent of the voting rights ratio of the Tender Offerors not falling below the majority.
- ✓ If, after the commencement date of the settlement of the Tender Offer, the voting rights holding ratio of the Company shares held by the Tender Offerors becomes 50.0% or lower for reasons not attributable to the Tender Offerors or if it is reasonably recognized that such probability is high, and where the Tender Offerors request, the Company and the Tender Offerors shall take measures to maintain the Tender Offerors' majority holding of the Company Shares by means of a capital increase through a third-party allotment to the Tender Offerors, or other means separately agreed upon by the Company and the Tender Offerors through good-faith consultations between them.

# Key Terms of the Capital and Business Alliance Agreement (3)

## (6) Additional Acquisition of Shares, etc. by the Tender Offerors

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- ✓ If the Tender Offerors intend to engage in any act by which the Company Shares held directly or indirectly by Tender Offerors may exceed 50.1% of the total number of issued shares of the Company, they shall obtain prior written consent of the Company.

## (7) Share Transfer, etc. by the Tender Offerors

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- ✓ If, after the commencement date of the settlement of the Tender Offer, the Tender Offerors intend to transfer all or part of the Company shares held by them to a third party or agree on matters in relation thereto, the Tender Offerors shall consult in good faith with the Company in advance.

## (8) Prior Consultation and Consent Matters

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- ✓ When the Company is to decide or approve certain matters (Note) within the Company Group, it must consult with the Tender Offerors in advance and obtain prior written consent from them. However, the Tender Offerors shall not unreasonably withhold or reject such consent.

(Note): Matters regarding: (1) borrowing of 10 billion yen or more (however, excluding borrowing of working capital); (2) an act that meets or is likely to meet the delisting criteria, or an application for delisting; (3) a business alliance that substantially contradicts or conflicts with the business alliance at issue, or that significantly reduces or inhibits the effect of the Capital and Business Alliance (including the establishment of joint ventures and licensing) (however, excluding minor matters that do not fall under the Company's timely disclosure criteria).

# Key Terms of the Capital and Business Alliance Agreement (4)

## (9) Establishment of a Special Committee

- ✓ After the commencement date of the settlement of the Tender Offer, the Company shall establish a special committee composed of independent persons, including independent outside directors, to deliberate and examine important transactions and actions in which the interests of controlling shareholders and minority shareholders conflict, and the Tender Offerors shall not object to the establishment.

## (10) Others

- ✓ the Capital and Business Alliance Agreement stipulates provisions, including the following: (a) for each fiscal year the last day of which falls on or after the effective date of the Capital and Business Alliance Agreement, the Company shall use its reasonable efforts to pay dividends at the dividend payout ratio not falling below 40% (acquisition of own shares shall not be taken into account) (however, the Company and the Tender Offerors shall consult in good faith the Company's dividend payout ratio as necessary); (b) provision of information by the Company to the Tender Offerors ; (c) representations and warranties (d) grounds for termination; and (e) compensation.

The Company and the Tender Offerors have confirmed that, even after the Tender Offer, the Tender Offerors will maintain the Company's **continued listing on the Prime Market of the Tokyo Stock Exchange, ensure the autonomy and independence of the Company's management, and respect management decisions regarding the matters related to Company's employees.**

It is also noted that the historical connection between the Company and the Aso Group is deep, as a strong foundation of mutual trust and cooperation has been built based on the relationship dating back to the founding of the Wakamatsu Chikko Company, the predecessor of the Company, and continues to this day.

Contact

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