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March 4, 2025

Company name: Marumae Co., Ltd.
Name of representative: Toshikazu Maeda, President and Representative Director
(Securities code: 6264; Prime Market)
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Notice Concerning Acquisition of Shares of KM Aluminium Co., Ltd. (Making it a Subsidiary)

Marumae Co., Ltd. (the "Company") hereby announces that its Board of Directors, at a meeting held on March 4, 2025, resolved to enter into a share transfer agreement with Japan Industrial Partners, Inc. and other funds managed, operated or otherwise involved with Japan Industrial Partners, Inc. to acquire 100% of the shares of KM Aluminium Co., Ltd. (hereinafter, "KMAC") through a special purpose company (SPC) to be established by the Company, as follows.

1. Reason for acquisition of shares

The Company's business fields include the semiconductor sector, the FPD sector, and other sectors, and it is currently aiming for growth in the semiconductor sector in particular. In its current medium-term business plan, the Company has a strategy to expand sales of consumables for semiconductor manufacturing equipment. While it has achieved some success in winning orders for parts for cutting-edge equipment, it has been unable to break the market share of the pioneering companies in the field of legacy semiconductor manufacturing equipment parts due to industry rules such as Change Control (CC) and Copy Exactly (CE!).

KMAC, which has just been approved for acquisition of shares, is a company with its head office in Omuta City, Fukuoka Prefecture, and its origins in Kyushu Mitsui Aluminium Co., Ltd. It is currently mainly engaged in the manufacture and sale of ultra-high purity aluminum products for semiconductor sputtering targets, high purity aluminum products for aluminum electrolytic capacitors, low-pressure casting products, anodized aluminum products, and forged materials. For ultra-high purity aluminum products, KMAC melts down ingots and scrap with a purity of 99.99% or more in-house, refines them to the purity (99.999% or more) required by the customer, and then casts and sells them. Refining aluminum requires advanced technology, and KMAC possesses advanced refining technology that has led to a high global market share. In addition, since aluminum sputtering targets for semiconductors are also used in the manufacture of legacy semiconductors, this acquisition will enable the Company to achieve both its strategy in the semiconductor sector of expanding consumables and supplementing the legacy field. Furthermore, KMAC's low-pressure casting products are used in the transport systems and process chambers of semiconductor manufacturing etching equipment, and they hold a high market share.

KMAC's anodized products also feature a type of surface treatment (special hard anodizing) that is mainly used for parts of semiconductor manufacturing etching equipment. KMAC's special hard anodizing is applied to many consumable parts of etching equipment and is highly rated by customers. Therefore, increasing KMAC's production capacity is expected to generate high growth.

Forgings are mainly used as the base materials for the above-mentioned anodized products (materials before product processing and anodizing), and they provide long service life. In addition, KMAC helps to reduce customers' costs because its forgings exhibit high corrosion resistance even without surface treatment in the semiconductor CVD process.

In recent years, KMAC has been reviewing its business, and has been reducing orders for its materials business (such as production of aluminum alloy billets and slabs by consignment) which has produced high sales but low added value.

As a result, KMAC's business is highly compatible with the Company's semiconductor business, so it decided to acquire KMAC's shares in the belief that it could build a relationship of mutual growth.

2. Overview of the subsidiary (KM Aluminium Co., Ltd.) to be transferred

(1)	Name	KM Aluminium Co., Ltd.	
(2)	Location	80 Yotsuyama-machi, Omuta City, Fukuoka Prefecture	
(3)	Job title and name of representative	Haruo Nishizawa, President and Representative Director, Executive Officer	
(4)	Description of business	Manufacture and sale of aluminum ingots, billets, slabs, alloys, and high-purity aluminum ingots	
(5)	Share capital	1,363 million yen	
(6)	Date of establishment	February 9, 1989	
(7)	Major shareholders and ownership ratios	Japan Industrial No. 4 Investment Limited Partnership (28.1%) Manaslu Fund II, L.P. (23.5%) Shepherds Hill Fund II, L.P. (23.5%) Sonora Fund II, L.P. (23.4%) Four directors of KM Aluminium Co., Ltd. (1.5%)	
(8)	Relationship between the Company and said company	Capital relationship	Not applicable
		Personnel relationship	Not applicable
		Business relationship	There are transactions related to the Company's purchases and sales.

(9) Operating results and financial positions of said company for the last three years

As of / Fiscal year ended	FY2022/3	FY2023/3	FY2024/3	FY2024/9[*1]
Net assets (millions of yen)	4,061	4,740	4,765	4,534
Total assets (millions of yen)	9,715	9,556	8,844	8,170
Net assets per share (Yen)	310.90[*2]	362.90	364.83	347.10
Net sales (millions of yen)	12,746	12,014	8,588	4,413
Operating profit (millions of yen)	1,331	1,629	921	607
Ordinary profit (millions of yen)	1,371	1,672	975	616
Profit (millions of yen)	943	1,056	658	421
Profit per share (Yen)	72.23[*2]	80.90	50.43	32.28
Dividend per share (Yen)	28.90[*2]	48.50	50.00	-

*1 This is reference information for the middle stage of the period in progress.
*2 The relevant figures are calculated as if the stock split carried out on December 31, 2022 had been carried out at the beginning of the fiscal year ended March 2022.

3. Overview of the counterparties to the acquisition of shares
(A) Japan Industrial No. 4 Investment Limited Partnership

(1)	Name	Japan Industrial No. 4 Investment Limited Partnership
(2)	Location	Chiyoda Ward, Tokyo
(3)	Description of business	Investment business

(4)	Relationship between the Company and said fund	Relationship between the Company and said fund	There is no direct or indirect investment in the fund from the Company or its related parties. In addition, there are no capital, personal, or business relationships to be stated between the Company or its related parties and the investors in the fund (including the original investors).
		Relationship between the Company and the general partners	There is no noteworthy capital, personal, or business relationships to be stated between the Company or its related parties and the general partners in the fund, their related parties or their affiliates.

(B) Manaslu Fund II, L.P.

(1)	Name	Manaslu Fund II, L.P.	
(2)	Location	George Town, Grand Cayman, Cayman Islands	
(3)	Description of business	Investment business	
(4)	Relationship between the Company and said fund	Relationship between the Company and said fund	There is no direct or indirect investment in the fund from the Company or its related parties. In addition, there are no capital, personal, or business relationships to be stated between the Company or its related parties and the investors in the fund (including the original investors).
		Relationship between the Company and the general partners	There is no noteworthy capital, personal, or business relationships to be stated between the Company or its related parties and the general partners in the fund, their related parties or their affiliates.
		Relationship between the Company and the Japanese agent	Not applicable

(C) Shepherds Hill Fund II, L.P.

(1)	Name	Shepherds Hill Fund II, L.P.	
(2)	Location	George Town, Grand Cayman, Cayman Islands	
(3)	Description of business	Investment business	
(4)	Relationship between the Company and said fund	Relationship between the Company and said fund	There is no direct or indirect investment in the fund from the Company or its related parties. In addition, there are no capital, personal, or business relationships to be stated between the Company or its related parties and the investors in the fund (including the original investors).
		Relationship between the Company and the general partners	There is no noteworthy capital, personal, or business relationships to be stated between the Company or its related parties and the general partners in the fund, their related parties or their affiliates.

	Relationship between the Company and the Japanese agent	Not applicable

(D) Sonora Fund II, L.P.

(1)	Name	Sonora Fund II, L.P.	
(2)	Location	George Town, Grand Cayman, Cayman Islands	
(3)	Description of business	Investment business	
(4)	Relationship between the Company and said fund	Relationship between the Company and said fund	There is no direct or indirect investment in the fund from the Company or its related parties. In addition, there are no capital, personal, or business relationships to be stated between the Company or its related parties and the investors in the fund (including the original investors).
		Relationship between the Company and the general partners	There is no noteworthy capital, personal, or business relationships to be stated between the Company or its related parties and the general partners in the fund, their related parties or their affiliates.
		Relationship between the Company and the Japanese agent	Not applicable

(E) KM Aluminium Co., Ltd. four directors

(1)	Name	KM Aluminium Co., Ltd. four directors
(2)	Relationship between the Company and said person	There are no capital, personal, business, or related party relationships.

4. Number of shares acquired, acquisition costs, and shareholding before and after acquisition

(1)	Number of shares held before the change	0 shares (Number of voting rights: 0 units) (Ratio of voting rights held: 0%)	
(2)	Number of shares to be acquired	13,062,703 shares (Number of voting rights: 130,627 units)	
(3)	Acquisition costs	Common shares of KM Aluminium Co., Ltd. Advisory fees, etc. (Estimated amount) Total (Estimated amount)	¥9,000 million ¥90 million ¥9,090 million
(4)	Number of shares held after the change	13,062,703 shares (Number of voting rights: 130,627 units) (Ratio of voting rights held: 100%)	

5. Timetable

(1)	Date of resolution at the meeting of the Board of Directors	March 4, 2025

(2)	Date of conclusion of the agreement	March 4, 2025
(3)	Date of commencement of share transfer	April 8, 2025 (scheduled)

6. Future outlook

The Company is currently investigating the impact of this share acquisition on its business results for the fiscal year ending August 2025. The Company will disclose the impact as soon as it is known. At present, it is working to disclose consolidated financial results from the third quarter of the fiscal year ending August 2025.