



July 14, 2025

To Whom It May Concern:

Company Name: FREUND CORPORATION  
Representative: Iwao Fusejima, Representative Director  
(Code Number: 6312; TSE Standard Market)  
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**Announcement of Commencement of  
the Tender Offer for FREUND CORPORATION (Securities Code: 6312) Shares by Yuu  
Corporation.**

We hereby announce that Yuu Corporation decided on July 14, 2025 to acquire the ordinary shares of FREUND CORPORATION through a tender offer as set forth in the attachment.

End

This material is published pursuant to Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act based on the request that Yuu Corporation (Tender Offeror) made to FREUND CORPORATION (Target in the Tender Offer).

Attachment:

“Announcement of Commencement of the Tender Offer for FREUND CORPORATION (Securities Code: 6312) shares”  
dated July 14, 2025

July 14, 2025

To Whom It May Concern:

Yuu Corporation  
Representative Director  
Iwao Fusejima

## **Announcement of Commencement of the Tender Offer for FREUND CORPORATION (Securities Code: 6312) Shares**

Yuu Corporation. (“Tender Offeror”) hereby announces that it decided on July 14, 2025 to acquire the ordinary shares of FREUND CORPORATION (Securities Code: 6312, listed on Tokyo Stock Exchange, Inc. (“TSE”) Standard Market; “Target Company”) (“Target Company Shares”) through a tender offer pursuant to the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) (“Tender Offer”).

The Tender Offeror is a stock company (*kabushiki kaisha*), all issued shares of which are owned by Mr. Iwao Fusejima, the representative director of the Target Company, as of July 14, 2025, was established on June 4, 2025, with the primary purpose of implementing a series of transactions to realize the situation where the Target Company, whose shares are listed on the TSE Standard Market, goes private again and eventually the Tender Offeror and the Non-Tendering Shareholders (defined below; the same applies hereinafter) become sole shareholders of the Target Company (“**Transactions**”) and acquiring and holding the common shares of the Target Company (“**Target Company Shares**”), and Mr. Iwao Fusejima has assumed the office of its representative director. The sole shareholder of the Tender Offeror at incorporation was Mr. Yasushi Chubachi, but he transferred all issued shares of the Tender Offeror to Mr. Iwao Fusejima on July 11, 2025, and as of July 14, 2025, Mr. Yasushi Chubachi does not hold any shares of the Tender Offeror. Furthermore, although the representative director of the Tender Offeror at incorporation was also Mr. Yasushi Chubachi, he resigned from the office of representative director on July 11, 2025, and, in his place, Mr. Iwao Fusejima has assumed the office of representative director of the Tender Offeror. As of July 14, 2025, the Tender Offeror does not hold any Target Company Shares, but Mr. Iwao Fusejima holds 315,928 Target Company Shares (Note 1) (ownership ratio: 1.87 %: Note 2)

As of July 14, 2025, K. K. Fusejima Yokosha (“**Fusejima Yokosha**”), one of the Non-Tendering Shareholders, is an asset management company for the Target Company’s founding family, with the primary purpose of the possession, management, and investment of real properties and securities, and mainly holding the Target Company Shares, and Mr. Iwao Fusejima, the Target Company’s representative director, and his close relatives hold 100% of its total voting rights. As of July 14, 2025, Fusejima Yokosha holds 1,648,000 Target Company Shares (ownership ratio: 9.73%), as the main and top shareholder of the Target Company. In addition, Mr. Yasutoyo Fusejima, one of the Non-Tendering Shareholders, holds 1,217,900 Target Company Shares (ownership ratio: 7.19%) as of July 14, 2025.

Note 1: Out of the Target Company Shares held by Mr. Iwao Fusejima, 26,128 shares are the restricted shares (compensation).

Note 2: “Ownership ratio” means a ratio of the Target Company Shares owned to the number of shares 16,929,628 shares (“**Number of Reference Shares**”) obtained by subtracting the number of treasury shares held by the Target Company as of May 31, 2025 (1,491,044 shares) from the total number of issued shares of the Target Company on the same date (18,400,000 shares), according to the First Quarter Consolidated Earnings Briefing for the Fiscal Year Ending February 2026 (based on Japanese GAAP) released by the Target Company on July 14, 2025, and adding to that result (16,908,956 shares) the number of shares relating to the restricted shares (compensation) (20,672 shares), the subject of the disposal of treasury shares conducted by the Target Company on June 27, 2025 (rounded off to the second decimal place; the same applies hereinafter in the calculation of ownership ratios).

The Tender Offeror has now decided to implement the Tender Offer as part of the Transactions to acquire all the Target Company Shares (including any shares of the Target Company with restrictions on transfer which have been granted to officers and employees of the Target Company as restricted shares (compensation) ("**Restricted Shares**"), but excluding treasury shares held by the Target Company and the Non-Tendered Shares (defined below)).

The Transactions will be implemented by the Tender Offeror, funded by Mr. Iwao Fusejima, the representative director of the Target Company, and Mr. Iwao Fusejima is expected to continue managing the Target Company after the Transactions, thereby falling under a so-called management buyout (MBO) (Note 3). As of July 14, 2025, there is no agreement between the Tender Offeror and other directors and statutory auditors of the Target Company on officer appointment or treatment after the completion of the Tender Offer, and, if the Tender Offer is completed, decisions on the post-Tender Offer management structure of the Target Company, including the composition of officers, are expected to be made through consultation with the Target Company.

Note 3: A "management buyout (MBO)" refers to a transaction in which a tender offeror carries out a tender offer based on an agreement with officers of the target company for a shared benefit with those officers.

In implementing the Tender Offer, the Tender Offeror executed on July 14, 2025, a tendering agreement with Japan Absolute Value Fund L.P., whose investment manager is assumed by Kaname Capital, L.P. (number of shares directly or indirectly owned: 1,924,400 shares, ownership ratio: 11.37%) ("**JAVF**"), thus reaching an agreement that JAVF will tender the Target Company Shares it holds in the Tender Offer.

In addition, in implementing the Tender Offer, the Tender Offeror agreed in writing on July 14, 2025, with Fusejima Yokosha, which is the Target Company's top shareholder (number of shares owned: 1,648,000 shares, ownership ratio: 9.73%); Mr. Yasutoyo Fusejima, who is the Target Company's third largest shareholder, the founder and current advisor for the Target Company, and the father of Mr. Iwao Fusejima (number of shares owned: 1,217,900 shares, ownership ratio: 7.19%); Mr. Iwao Fusejima, who is the representative director of the Target Company (number of shares owned: 315,928 shares, ownership ratio: 1.87%); and Okawara Mfg. Co., Ltd., which is the Target Company's sixth largest shareholder and its business alliance partner (number of shares owned: 673,600 shares, ownership ratio: 3.98%) (hereinafter, Fusejima Yokosha, Mr. Yasutoyo Fusejima, Mr. Iwao Fusejima, and Okawara Mfg. Co., Ltd. are collectively referred to as "**Non-Tendering Shareholders**" or "**the Fusejimas, etc.**") that the Non-Tendering Shareholders will not tender any of the Target Company Shares they respectively hold (total number of shares owned: 3,855,428 shares, total ownership ratio: 22.77%; "**Non-Tendered Shares**") in the Tender Offer, and that if the Tender Offer is completed, at the Extraordinary General Shareholders Meeting (Note 4), they will support resolutions relating to the Squeeze-out Procedures (Note 5). Further, there is also an agreement in writing that, upon the Tender Offeror's decision, before the share consolidation of the Target Company Shares to be implemented as part of the Squeeze-out Procedures ("**Share Consolidation**") comes into force, the Tender Offeror will execute with the respective Non-Tendering Shareholders a loan agreement for the Target Company Shares and conduct the Share Lending Transaction (Note 6).

Note 4: "Extraordinary General Shareholders Meeting" means an extraordinary general shareholders meeting that, after the completion of the Tender Offer, the Tender Offeror plans to request the Target Company to convene, and that will include in its agenda items a resolution for the Share Consolidation and an amendment to the articles of incorporation eliminating the provisions for number of shares in a share unit, subject to the coming into effect of the Share Consolidation.

Note 5: "Squeeze-out Procedures" means a series of procedures designed to make the Tender Offeror and the Non-Tendering Shareholders the sole shareholders of the Target Company that the Tender Offeror plans to carry out if it is unable to acquire all the Target Company Shares through the Tender Offer (including the Restricted Shares and excluding treasury shares held by the Target Company and the Non-Tendered Shares).

Note 6: "Share Lending Transaction" means a transaction regarding which, if the Tender Offeror determines it is necessary to implement the Share Lending Transaction to enhance the stability of the Squeeze-out Procedures,

the Tender Offeror will execute a Target Company Shares loan agreement with any of the other Non-Tendering Shareholders and borrow a portion or all of the Target Company Shares owned by such Non-Tendering Shareholder who will be the lender, effective before the Share Consolidation comes into effect. Specifically, such move is aimed at achieving continuous ownership of the Target Company Shares by Non-Tendering Shareholders even after the Squeeze-out Procedures are carried out, through the following steps: (1) the relevant Non-Tendering Shareholder becomes the lender in the Share Lending Transaction and lends all or a portion of the Target Company Shares held by it to the Tender Offeror and (2) after the Share Consolidation comes into force, the Tender Offeror, having become the borrower in the Share Lending Transaction, unwinds the Share Lending Transaction and returns all of the Target Company Shares it borrowed to the lender.

An overview of the Tender Offer is as follows.

- (1) Name of Target Company  
FREUND CORPORATION
- (2) Type of Share Certificates etc. for Purchase etc.  
Common shares
- (3) Purchase etc. Period  
From July 15, 2025 (Tuesday) until August 27, 2025 (Wednesday) (30 business days)
- (4) Purchase etc. Price  
1,085 yen per 1 common share
- (5) Number of Share Certificates etc. planned for purchase

Type of share certificate etc.	Number of shares planned for purchase	Minimum number of shares planned for purchase	Maximum number of shares planned for purchase
Ordinary shares	13,074,200 (shares)	7,499,301 (shares)	- (shares)
Total	13,074,200 (shares)	7,499,301 (shares)	- (shares)

- (6) Settlement Commencement Date  
September 3, 2025 (Wednesday)
- (7) Tender Offer Agent  
Daiwa Securities Co. Ltd.                      1-9-1 Marunouchi, Chiyoda-ku, Tokyo

For details of the Tender Offer, please refer to the Tender Offer Statement concerning the Tender Offer to be submitted on July 15, 2025 by Tender Offeror.

End

**[Restrictions on Solicitation]**

This press release is to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell shares. Shareholders wishing to make an offer to sell their shares should first read the Tender Offer Notification and make their own independent decision. This press release does not constitute, nor form part of, any offer to sell, solicitation of a sale of, or any solicitation of any offer to buy, any securities. Neither this press release (nor any part of it) nor the fact of its distribution shall form the basis of any agreement relating to the Tender Offer or be relied on in connection with execution of such agreement.

**[Forward-Looking Statements]**

This press release may contain forward-looking expressions, such as “expect,” “forecast,” “intend,” “plan,” “believe,” “anticipate,” including expressions regarding future business of Tender Offeror or other companies. These expressions are based on Tender Offeror’s current business outlook and are subject to change depending on future conditions. Tender Offeror assumes no obligation to update forward-looking expressions in this press release to reflect actual business performance, various future circumstances or change to terms and conditions.

**[U.S. Regulations]**

The Tender Offer will be conducted in compliance with the procedures and information disclosure standards provided under the Financial Instruments and Exchange Act of Japan, and those procedures and standards are not always the same as the procedures and information disclosure standards in the United States. In particular, neither Section 13(e) nor Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; the “U.S. Securities Exchange Act of 1934”) nor the rules stipulated under these sections apply to the Tender Offer; therefore, the Tender Offer is not conducted in accordance with those procedures and standards. The financial information included in this press release and its reference material has not been prepared in line with U.S. generally accepted accounting principles. In addition, because the Tender Offeror and Target are corporations incorporated outside the United States, and some or all of their officers are non-U.S. residents, it may be difficult to exercise rights or make claims against them based on U.S. securities laws. It also may be impossible to initiate an action against a corporation or individual that is based outside of the United States in a court outside of the United States on the grounds of a violation of U.S. securities laws. Furthermore, there is no guarantee that a corporation or individual that is based outside of the United States or affiliates of such corporation may be compelled to submit themselves to the jurisdiction of a U.S. court.

Unless otherwise specified, all procedures relating to the Tender Offer are to be conducted entirely in Japanese. All or a part of the documentation relating to the Tender Offer will be prepared in the English language; however, if there is any inconsistency between the English-language documentation and the Japanese-language documentation, the Japanese-language documentation will prevail.

This press release and its reference material include statements that fall under “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934. Due to known or unknown risks, uncertainties or other factors, actual results may differ significantly from the predictions etc. indicated implicitly or explicitly in any forward-looking statements. The Tender Offeror, Target and their affiliates do not guarantee that the predictions etc. indicated implicitly or explicitly in any forward-looking statements will materialize. The forward-looking statements in this press release and its reference materials were prepared based on information held by the Tender Offeror as of the publication date of this press release, and unless required by laws or regulations, the Tender Offeror, Target and their affiliates shall not be obligated to update or revise such forward-looking statements to reflect future incidents or situations.

**[Other Countries]**

Some countries or regions may impose restrictions on the announcement, issuance or distribution of this press release. In such cases, please take note of such restrictions and comply with them. The announcement, issuance or distribution of this press release shall not constitute a solicitation of an offer to sell or an offer to buy shares relating to the Tender Offer and shall be deemed a distribution of materials for informative purposes only.