(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

July 24, 2026

Company Name: Tokuyama Corporation
Representative Name: Tomohiro Inoue,
Representative Director, President and Executive Officer
(Code No. 4043, Prime Market, TSE)
Contact: Koji Ozawa, General Manager
Corporate Communications & Investor Relations Dept.
TEL: +81-3-5207-2552

(Update on Disclosed Matter) Notice Concerning the Establishment of a Wholly Owned Subsidiary and a Company Split (Simplified Absorption-type Split) Following the Transfer of the Domestic Sales Business for Cement and Solidification Agents and Shares in Certain Consolidated Subsidiaries as well as the Change in a Subsidiary due to the Transfer of Shares in the Aforementioned Wholly Owned Subsidiary

As announced in the "Notice Concerning the Establishment of a Wholly Owned Subsidiary and a Company Split (Simplified Absorption-type Split) Following the Transfer of the Domestic Sales Business for Cement and Solidification Agents and Shares in Certain Consolidated Subsidiaries as well as the Change in a Subsidiary due to the Transfer of Shares in the Aforementioned Wholly Owned Subsidiary," dated March 25, 2026 (hereinafter referred to as "the Previous Disclosure"), Tokuyama Corporation (hereinafter referred to as "Tokuyama" or "the Company") resolved to transfer its domestic sales business for cement and solidification agents and shares in certain consolidated subsidiaries to a newly established wholly owned subsidiary (hereinafter referred to as "the New Company") through an absorption-type split (hereinafter referred to as "the Absorption-type Split"). Tokuyama also resolved to transfer all of the New Company's issued and outstanding shares (hereinafter referred to as "the Share Transfer") to TAIHEIYO CEMENT CORPORATION (hereinafter referred to as "TAIHEIYO CEMENT"), with the Absorption-type Split and Share Transfer hereinafter referred to collectively as "the Transaction." On this basis, the Company entered into a share transfer agreement with TAIHEIYO CEMENT on the same date.

Upon executing the Absorption-type Split, the Company resolved to conclude a contract between the Company and the New Company for an absorption-type split regarding the Absorption-type Split at a meeting of the Board of Directors held today. This contract, which was also concluded today, finalizes several matters that had been left unresolved at the time of the Previous Disclosure. Brief details are presented as follows.

The details of the Transaction are described in the Previous Disclosure, where item numbers and terminology definitions conform to the Previous Disclosure. Moreover, any of the unresolved matters that were newly resolved, or matters for which changes arose, through the contract have been underlined, while unchanged matters have been omitted.

2. Outline of the Newly Company

(1) Name	TOKUYAMA CEMENT CORPORATION
(2) Location	1-1 Mikage-cho, Shunan City, Yamaguchi
(3) Name and Title of Representative	Takahide Taniguchi, Representative Director
(4) Business	Sale of cement and solidification agents
(5) Capital	1 million yen
(6) Date of Establishment	July 1, 2026
(7) Ratio of Shareholding	Tokuyama Corporation 100%*

* Following the Share Transfer, TAIHEIYO CEMENT will hold 100% of the shares of the New Company, and its name and other details are expected to be changed accordingly.

3. Outline of the Company Split

(1) Outline of the Company Split

<1> Schedule of the Company Split

Resolutions at the Board of Director's meetings	July 24, 2026
Conclusion of the contract for absorption-type company split	Same as above
Effective date	October 1, 2026

Note: The Company Split qualifies as a simplified absorption-type split pursuant to Article 784, Paragraph 2, wherefore the absorption-type split agreement does not require approval by the General Meeting of Shareholders.

(2) Outline of the split and succeeding company

	Absorption-type split company (as of March 31, 2026)	Succeeding company in absorption-type split (as of July 1, 2026)
(1) Name	Tokuyama Corporation	TOKUYAMA CEMENT CORPORATION
(2) Location	1-1 Mikage-cho, Shunan City, Yamaguchi	1-1 Mikage-cho, Shunan City, Yamaguchi
(3) Name and Title of Representative	Hiroshi Yokota, Representative Director, President and Executive Officer	Takahide Taniguchi, Representative Director
(4) Business	Production and sales of inorganic and organic industrial chemicals, cement, building materials, electrical materials, life science, eco business	Sale of cement and solidification agents
(5) Capital	10,000 million yen	1 million yen
(6) Date of Establishment	February 16, 1918	July 1, 2026
(7) Number of Outstanding Shares	72,088,327 shares	1 share
(8) Fiscal Year End	March 31	March 31

(9) Ratio of Shareholding	The Master Trust Bank of Japan, Ltd. (trust account) 17.05% Custody Bank of Japan, Ltd. (trust account) 6.73% Nippon Life Insurance Company 3.01% STATE STREET BANK AND TRUST COMPANY 505223 2.63% BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) 2.44% Meiji Yasuda Life Insurance Company 2.06% Tokuyama Corp. employee share ownership 1.98% HSBC-FUND SERVICES HSBC - 006 MF EFM 1.80% BNP PARIBAS LUXEMBOURG/2S/JASDEC/FIM/LUXEMBOURG FUNDS/UCITS ASSETS 1.71% The Yamaguchi Bank, Ltd 1.68%	Tokuyama Corporation 100.00%

Note: Effective April 1, 2026, Tomohiro Inoue assumed the position of Representative Director, President and Executive Officer.

(Reference) Consolidated Subsidiary to be transferred to the New Company through an absorption-type split

	Tokuyama Tsusho Trading Co., Ltd. (as of March 31, 2026)	Tokuyama MTech Corporation (as of March 31, 2026)
(1) Name	Tokuyama Tsusho Trading Co., Ltd.	Tokuyama MTech Corporation
(2) Location	KDX Shinnihonbashi Ekimae Building 4-8-16, Nihonbashi-Honcho, Chuo-ku, Tokyo	KDX Shinnihonbashi Ekimae Building 4-8-16, Nihonbashi-Honcho, Chuo-ku, Tokyo
(3) Name and Title of Representative	Kazuya Fujikawa, Representative Director, President and Executive Officer	Takashi Asada, Representative Director, President
(4) Business	Stocking and sale of cement, ready-mixed concrete and building materials	Manufacture and sale of building materials
(5) Capital	95 million yen	50 million yen
(6) Date of Establishment	December 21, 1966	December 18, 1978
(7) Number of Outstanding Shares	58,000 shares	100,000 shares
(8) Fiscal Year End	March 31	March 31
(9) Ratio of Shareholding	Tokuyama Corporation 100.00%	Tokuyama Corporation 100.00%

(10) Financial Position and Results in Preceding Fiscal Year of Absorption-type split company (Unit: Millions of yen, except per share amounts)			
Fiscal Year Ended	Tokuyama Corporation (Consolidated)		
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net Assets	259,948	273,858	297,811
Total Assets	457,360	476,207	557,432
Net Assets per share (yen)	3,464.47	3,635.62	3,934.75
Sales	341,990	343,073	349,476
Operating profit	25,637	29,968	37,017
Ordinary profit	26,292	29,588	38,203
Profit attributable to owners of parent	17,751	23,388	22,205
Earnings per share (yen)	246.72	325.08	308.64

* The successor company in the absorption-type split has been newly established. As such, its fiscal year has yet to be determined.

(3) Outline of the business to be split

<2> Performance of the business to be split (fiscal year ended March 31, 2026)

	Business to be split (A)	Consolidated performance (B)	Ratio (A/B)
Sales	46,165 million yen	349,476 million yen	13.2 %

<3> Items and book values of assets and liabilities to be split (as of March 31, 2026)

Assets		Liabilities	
Account Title	Amount	Account Title	Amount
Current assets	22,318 million yen	Current liabilities	17,754 million yen
Non-current assets	1,750 million yen	Non-current liabilities	1,745 million yen
Total assets	24,068 million yen	Total liabilities	19,500 million yen

*The aforementioned amounts are calculated based on the Company's consolidated balance sheet as of March 31, 2026. The actual amounts of assets and liabilities to be split will take into account increases or decreases that occur up to the effective date of the Absorption-type Split

(Note) The performance forecast and other forward-looking statements contained in this material have been prepared on the basis of information available at this point and certain assumptions which are judged to be rational, and may be substantially different from the actual performance because of various factors that may arise from now on.