



May 12, 2026

Press Release

Company Name: Eiken Chemical Co., Ltd.  
Representative: Representative Executive Officer Yuji Segawa  
President and CEO  
(Securities Code: 4549, TSE Prime)  
Inquiries: Executive Officer, General Manager, Tomohiro Kudo  
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### **Notice Regarding Opinion of the Company's Board of Directors on the Shareholder Proposal**

On April 14, 2026, Eiken Chemical Co., Ltd. (the "Company") received from its shareholder, Nippon Active Value Fund plc ("Proposing Shareholder") a document ("Shareholder Proposal Document") stating its intention to make a shareholder proposal ("Shareholder Proposal") at the Company's 88<sup>th</sup> Annual General Shareholders Meeting (the "Annual General Shareholders Meeting") scheduled for June 23, 2026.

The Company, having given repeated consideration of the content of the Shareholder Proposal, the Company resolved at the Board of Directors meeting held today to oppose the Shareholder Proposal, and hereby provides notice as follows.

#### 1. Shareholder Proposal

(1) Proposing Shareholder

Name: Nippon Active Value Fund PLC

(2) Agenda Item

The Matter of Selection of Two Directors

(3) Details of the Proposal and Reasons for the Proposal

As detailed in the Attachment "Shareholder Proposal Details."

The text of the Attachment "Shareholder Proposal Details" is a direct, unedited citation of the relevant portion of the Shareholder Proposal Document submitted by the Proposing Shareholder.

2. Opinion of the Company's Board of Directors on the Shareholder Proposal

(1) Opinion of the Company's Board of Directors

**The Company's Board of Directors opposes the Shareholder Proposal.**

(2) Reason for Opposition

- (i) Concerning the Candidates, there are concerns regarding their independence and the risk that management oversight functions may not be fully secured

As announced in its annual securities report, the Company has established the "Standards for the Independence of Outside Directors" to define the standards for the independence of its outside directors. These standards specify that "major shareholders of the Company (who hold 10% or more of the total number of voting rights of the Company directly or indirectly)" are not deemed independent, and that if a "major shareholder" is "a corporation, association, or other organization, any business executive (Note 1) of that corporation, association, or other organization" is not considered independent.

(Note 1) "Business executive" means any directors (excluding outside directors), executive officers, operating officers, employees who execute the Company's business, associate directors (excluding outside associate directors), and other similar managerial staff and employees, etc. who perform job duties.

In this regard, based on the Shareholder Proposal, the candidate Mr. Masumi Nishida ("Mr. Nishida") is a partner of Dalton Investments, Inc. ("Dalton"), which is a joint holder with the Proposing Shareholder, and a managing director of Dalton Advisory KK ("Dalton Advisory"). Furthermore, Dalton holds a 19.75% shareholding in the Company. Given that (i) while the position of the partner does qualify as a statutory officer, the description in the Shareholder Proposal Document implies that such position is significant and comparable to officers or business executives, and (ii) Dalton has indicated on its website that Dalton Advisory can be regarded as its Tokyo research office, and thus Dalton Advisory can be viewed as substantially equivalent to Dalton, it was determined that Mr. Nishida falls under the category of a "business executive" of a Company shareholder that holds 10% or more of the Company shares, and therefore is not considered independent.

In addition, Mr. Kazutaka Mizuochi ("Mr. Mizuochi;" Mr. Nishida and Mr. Mizuochi are referred to collectively as the "Candidates") is the president of Rising Sun Management Ltd. ("RSM"). According to the website of the Proposing Shareholder, RSM is an investment advisory company of the Proposing Shareholder, and Mr. James Rosenwald III ("Mr. Rosenwald"), the representative of the Dalton Group, leads RSM as a Chief Investment Officer. Accordingly, RSM can be said to substantially aligned in interest with the Proposing Shareholder as a member of the Dalton Group. Further, given that the Proposing Shareholder holds a 32.84% shareholding together with joint holders including Dalton, it was determined that Mr. Mizuochi falls under the category

of a “business executive” of a Company shareholder that holds 10% or more of the Company shares, and therefore is not considered independent.

As detailed above, the Company believes that the Candidates do not meet the standards of independence required for the Company’s outside directors, and that there is a risk that they may not be able to fully fulfill the role required of outside directors, which is to oversee the management’s execution of duties in an objective and neutral manner from a position independent of specific shareholders and related parties.

- (ii) If the Candidates become outside directors, there is a risk that the interests of the Company’s general shareholders will be harmed

As detailed in (i) above, based on the position of each Candidate in the Dalton Group, the Company has confirmed that the Candidates maintain a very close relationship with the Dalton Group and have a material interest with Dalton. In fact, during discussions between Dalton and the Company, the Candidates served as representatives of Dalton as central figures of Dalton. Additionally, in order to make an appropriate determination regarding the merits of the Shareholder Proposal, the Company held individual interviews (“Interviews”) with each Candidate. Through the Interviews, the Company learned of circumstances indicating that the Candidates have a very close relationship with the Dalton Group, including that the Candidates are involved in exercising the voting rights attached to the Company shares owned by Dalton, and can exercise power against a backdrop of the resources and networks of the Dalton Group. The Candidates stated that upon their appointment as the Company’s directors that they were to provide opinions from the perspective of the interests of the shareholders at the Company’s Board of Directors, which, in their understanding, would *in many cases* contribute to the common interests of the shareholders. Thus, the Company understands that the Candidates themselves acknowledged their interests connected with Dalton, and in certain cases, they may act against the common interests of the shareholders.

Furthermore, as detailed in the Shareholder Proposal Document, in November 2024, the Company received from the Dalton Group a proposal for delisting (“Dalton’s Delisting Proposal”), which anticipates that the Dalton Group will make another investment (repeat investment) in the Company after the delisting of the Company shares. In a case where delisting is accompanied by repeat investment by a specific shareholder, a person who makes a repeat investment (in this matter, the Dalton Group) would prefer that the purchase price at the time of delisting remains low, in the interest of limiting the investment amount; accordingly, conflicts of interest may arise between the person making the repeat investment and the general shareholders. Therefore, if Dalton’s Delisting Proposal is realized, it could impair the interests of the general shareholders while producing a beneficial result for the Dalton Group, and if the Candidates, who maintain a very close relationship with the Dalton Group and have been aggressively promoting Dalton’s Delisting Proposal, are appointed as Directors of the Company, there is a concern that they could

steer the process toward the realization of Dalton's Delisting Proposal without giving sufficient consideration to the interests of the general shareholders.

Moreover, the Company is aware that in fact, there is a case involving another company in which a delisting that included a repeat investment was implemented approximately six months after Mr. Rosenwald was appointed as an outside director.

- (iii) The Board of Directors, consisting of outside director candidates proposed by the Company, is the most appropriate option from the perspective of sustainable maximization of the Company's corporate value and shareholder value

According to the Shareholder Proposal Document, the Shareholder Proposal aims to "improve the effectiveness and speed of the Company's consideration process for the delisting proposal."

However, since receiving the delisting proposal from the Dalton Group in November 2024, the Company has been considering all strategic options to realize the sustainable enhancement of its corporate value and shareholder value, and at the Company's 87<sup>th</sup> Annual General Shareholders Meeting held on June 24, 2025 ("2025 General Shareholders Meeting"), the Company selected two of the six director candidates recommended by the Dalton Group for the purpose of contributing to improving the effectiveness and speed of the Company's consideration process for the delisting proposal, namely Mr. Yuta Kinose ("Mr. Kinose") and Mr. Tatsuki Toda ("Mr. Toda"), as the Company's outside directors, and subsequently proceeded with further considerations. Dalton recommended Mr. Kinose and Mr. Toda as individuals who "have many years of experience from the perspective of investment, management, and capital market governance, and thus can contribute to the Company's considerations for the delisting proposal," and the Company's Board of Directors, including these two directors, has been seriously considering all strategic options without delay. As announced today in the "Notice Regarding Election of Director Candidates," the Company selected Mr. Kinose and Mr. Toda as outside director candidates to be proposed by the Company ("Company-Proposed Candidates") at the Annual General Shareholders Meeting, and has determined that it is unnecessary to appoint additional outside directors from among the Candidates.

It should be noted that before selecting Mr. Kinose and Mr. Toda as the director candidates proposed by the Company at the 2025 General Shareholders Meeting, the Company's nominating committee confirmed that (i) they did not have any financial or economic relationship with Dalton; (ii) they intended to submit to the Company's Board of Directors a written undertaking regarding information barriers between Dalton and its affiliated companies and other matters; and (iii) they would not treat the delisting proposal made by Dalton as a foregone conclusion and were willing to participate in the Board of Directors' deliberations from an independent standpoint with a view to the common interests of the Company's shareholders (Note 2); accordingly, they differ from the Candidates who have a close relationship with the Dalton Group. Therefore, the Company has concerns that the true purpose of the Proposing Shareholder's proposal to recommend the

Candidates in addition to the two directors above is not to have the Company consider delisting, but as explained in (ii) above, is rather to take the Company private through the scheme in accordance with Dalton's Delisting Proposal with the aim of realizing the delisting for the benefit of the Dalton Group, harming the interests of the general shareholders. If that is the case, the Company should not appoint the Candidates outside directors in addition to Mr. Kinose and Mr. Toda.

(Note 2) Please refer to the press release "(Development in Previously Disclosed Matter) Notice Regarding Status of Discussions with Major Shareholder Dalton (3) and Notice of Receipt of Document Relating to Retraction of Shareholder Proposal and Agreement with Such Retraction" issued by the Company on May 13, 2025.

Furthermore, as a new management plan toward fiscal year 2030, the Company announced today the management framework "EIKEN ROAD MAP 2030" and the "Management Plan 2030" (FY2026 to FY2030) ("New Management Plan"), a revised version of the Medium-Term Management Plan announced on May 13, 2025. The New Management Plan sets measures for achieving continued growth and improved profitability, namely: [1] the improvement of ROIC through sales expansion of and concentrated investment in highly profitable and high growth fields, and reorganization of the low profit businesses; [2] acceleration of growth of the overseas businesses, which are positioned as the core of growth, by developing new markets and introducing new products in the fecal occult blood test and immune serum fields; and [3] strengthening its business portfolio through leveraging external collaborations including alliances and M&As in fields where expansion through the Company alone is difficult. Through such initiatives, the Company aims to further strengthen its business while accurately understanding the management environment surrounding the Company. To realize these initiatives, it is critical to have outside directors who are familiar with the Company's businesses, and have skills relating to corporate management, global business, technology/innovation, production/SCM, finance/accounting, legal affairs/risk management, ESG/sustainability, and dialogue with capital markets as described in the Company's skills matrix, and the Company-Proposed Candidates announced today by the Company meet all such criteria. Therefore, the Company believes that the Board of Directors comprising the Company-Proposed Candidates as outside directors is the most appropriate team.

It should be noted that the Company-Proposed Candidates are currently outside directors of the Company and have proactively participated in deliberations and decision-making regarding the review of the management plan, the reorganization of the product portfolio, and other important matters at meetings of the Company's current Board of Directors, and have continuously provided supervision and advice as outside directors to the management team from the perspective of managerial direction and risk management. It is clear from the preceding discussion that the Company-Proposed Candidates possess a sufficient understanding of the Company's business and management environment, and the Company-Proposed Candidates are deemed capable of

appropriately overseeing the Company's management and management team from a viewpoint based on such understanding going forward. Therefore, it has been determined that it is not necessary to appoint the Candidates as the Company's outside directors.

During the Interviews, when the Company inquired about the potential contributions the Candidates could offer beyond promoting Dalton's Delisting Proposal, the Candidates merely provided non-specific answers, stating that because the functions of the Company's Board of Directors were unclear to them at this point, they were uncertain about the contributions they could make until they actually became involved, and that they would provide support for the smooth execution of investment decisions aimed at future growth. Therefore, the Company could not determine whether the Candidates had any concrete plans to maximize the Company's continued corporate value and shareholder value, nor whether they were seriously considering the Company's corporate value and shareholder value.

Given the aforementioned reasons, the Company's Board of Directors is certain that the Board of Directors consisting of the director candidates proposed by the Company is equipped to realize the New Management Plan, and that this Board of Directors is the most appropriate management structure for reliably and promptly accomplishing the sustainable maximization of the Company's corporate value and shareholder value under a superior corporate governance structure.

For the foregoing reasons, the Company's Board of Directors opposes the Shareholder Proposal.

End

Attachment: “Details of the Shareholder Proposal”

*The relevant portions of the shareholder proposal submitted by the proposing shareholder are reproduced verbatim.*

I. Proposed agenda item

1 Election of two directors

II. Summary of the Resolution and Reasons for the Proposal

1 Election of two directors

(1) Summary of the Resolution

The Company shall appoint the following two individuals as Directors.

1. Masumi Nishida
2. Kazutaka Mizuochi

(2) Reasons for the Proposal

The Company entered the fecal occult blood testing field at an early stage as a pioneer in the industry, accumulated significant technological expertise and know-how, and has established a strong market position. In addition to fecal occult blood testing, the Company also possesses advanced, evidence-based expertise in urinalysis, genetic testing, and other clinical testing fields, which the proposing shareholder highly values.

However, the proposing shareholder believes that there is substantial untapped potential for the Company to further accelerate its expansion into overseas markets. At present, the Company conducts its overseas operations primarily through local distributors; however, the relationships between the Company and such overseas distributors do not appear to be sufficiently robust. As evidence of this, the Company announced its full-year guidance at the beginning of the fiscal year ending March 2025 (May 2024). Shortly thereafter, in the first quarter (April–June 2024), overseas sales declined significantly, mainly due to inventory adjustments. As a result of this significant impact, the Company revised its full-year profit guidance downward by 45% at the time of the second quarter earnings announcement in October 2024. Moreover, despite the recent depreciation of the yen, investors have repeatedly requested explanations at earnings briefings regarding the Company’s inability to expand its overseas business as originally anticipated.

In 2024, the Company took measures such as establishing its first wholly owned operation in the United States, a key growth market. The proposing shareholder naturally supports proactive overseas expansion by portfolio companies. However, in light of the above circumstances, the proposing shareholder requested that management consider, in parallel with organic overseas expansion, non-linear growth opportunities.

Specifically, the proposing shareholder requested that the Company consider accelerating overseas expansion by taking the Company private with the support of a private equity firm experienced in

international expansion within the healthcare industry, while also fostering employee ownership by granting Company shares to employees. This request was made in November 2024; however, as no conclusion has yet been reached regarding the Company’s future strategic direction, the proposing shareholder has grown concerned about the lack of speed in the deliberation process.

In this context, the purpose of nominating director candidates at this time is to further enhance the effectiveness and timeliness of the Board of Directors’ review process concerning going-private proposals. Shareholders expect directors to maximize enterprise value and protect shareholder interests. While the current Board structure may be capable of maximizing value through organic growth, it is difficult under the current framework to adequately consider non-linear growth strategies aimed at maximizing enterprise value for the benefit of all shareholders. Accordingly, the proposing shareholder believes it is desirable to strengthen the Board’s oversight function by appointing new independent outside directors capable of objectively and comprehensively evaluating all strategic options for the benefit of all shareholders.

From this perspective, the proposing shareholder recommends the election of **Masumi Nishida**, who has extensive experience investing in and engaging with Japanese companies and a proven track record of enhancing corporate value through constructive dialogue between shareholders and companies, and **Kazutaka Mizuochi**, who possesses extensive experience as an international lawyer and a strong record of promoting corporate reform at Japanese companies through the capital markets, as outside directors of the Company.

Both individuals are expected, from an independent standpoint, to provide objective and constructive perspectives to the Board of Directors, to exercise appropriate oversight over management, and to contribute to improvements in the quality and timelessness of decision-making that serve the common interests of shareholders. Leveraging their advanced expertise in capital policy, governance, and strategy, they are expected to deepen discussions aimed at the Company’s sustainable growth and long-term enhancement of enterprise value.

For these reasons, and for the purpose of fortifying the Company’s governance structure and enhancing its enterprise value, the proposing shareholder proposes the appointment of the foregoing two individuals as outside directors of the Company.

(3) Nominee numbers, names and career summaries

1. Masumi Nishida Date of birth: January 31, 1985	
■Career summary, positions held, responsibilities and significant concurrent positions	
November 2008	Credit Trading Department, Nikko Citigroup Securities Inc. (currently Citigroup Global Markets Japan Inc.)
December, 2014	Distressed Debt Trading, Citigroup Global Markets Inc.(New York)

May, 2021	Dalton Advisory KK
October, 2022	Hikari Acquisition, Representative Director (currently held position)
January, 2023	Dalton Advisory KK, Managing Director (currently held position)
January, 2023	Dalton Investments, Inc. Partner (currently held position)
August, 2023	Rising Sun Management Ltd., Partner and Head of Research (currently held position)
June, 2025	Helios Techno Holding Co., Ltd., Director (currently held position)
July, 2025	Helios Techno Investments Co., Ltd., Representative Director and President (currently held position)
April, 2026	HONDA Co., Ltd., Representative Director (currently held position)
	< Significant concurrent positions > Dalton Investments, Inc., Partner Dalton Advisory KK, Managing Director Rising Sun Management Ltd., Partner and Head of Research Helios Techno Holding Co., Ltd., Director
■Company shares held: 0	
■Reasons for nomination and overview of expected roles: As set forth above	
■Conflict of interest: N/A	

2.Kazutaka Mizuochi Date of birth: March 15, 1970	
■Career summary, positions held, responsibilities and significant concurrent positions	
April, 1997	Tokyo Aoyama Law Offices (currently Baker & McKenzie)
August, 2002	Baker & McKenzie Chicago
January, 2006	Baker & McKenzie, Partner
July, 2018	Hibiya-Nakata, Partner (currently held position)
February, 2020	Rising Sun Management Ltd., President (currently held position)
Jun, 2025	Helios Techno Holding Co., Ltd., Director (currently held position)
July, 2025	Helios Techno Investments Co., Ltd., Executive Vice President and Representative Director (currently held position)
April, 2026	HONDA Co., Ltd., Representative Director (currently held position)
	< Significant concurrent positions > Rising Sun Management Ltd., President Hibiya-Nakata, Partner Helios Techno Holding Co., Ltd., Director
■Company shares held: 0	
■Reasons for nomination and overview of expected roles:	

As set forth above
■Conflict of interest: N/A

Notes:

(1) Mr. Masumi Nishida and Mr. Kazutaka Mizuochi are nominated as outside directors.

(2) In a case where Mr. Masumi Nishida and Mr. Kazutaka Mizuochi are appointed as outside directors, a limited liability agreement is expected to be executed with them. The limit on liability for damages under such agreement shall be the minimum liability amount provided by laws and regulations.

End