

November 7, 2024

To Whom It May Concern:

I-PEX Inc.

President and Representative Director:

Takaharu Tsuchiyama

(Tokyo Stock Exchange Prime Market,

Code No.: 6640)

Contact: Executive Officer, Finance Division:

Takeshi Shimazaki

(Phone: 075-611-7155)

UDON Inc.

Representative Director:

Tatsuya Konishi

**Announcement of Commencement of
the Tender Offer for I-PEX Inc. (Securities Code: 6640) Shares by UDON Inc.**

We hereby announce that UDON Inc. decided on November 7, 2024 to acquire the ordinary shares of I-PEX Inc. through a tender offer as set forth in the attachment.

End

<p>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 UDON Inc. (Tender Offeror) made to I-PEX Inc. (Target in the Tender Offer).</p>
--

Attachment:

“Announcement of Commencement of the Tender Offer for I-PEX Inc. (Securities Code: 6640)” dated November 7, 2024

To Whom It May Concern:

UDON Inc.
Representative Director:
Tatsuya Konishi

Announcement of Commencement of the Tender Offer for I-PEX Inc. (Securities Code: 6640) Shares

UDON Inc. (“Tender Offeror”) hereby announces that it decided on November 7, 2024 to acquire the ordinary shares of I-PEX Inc. (Securities Code: 6640, listed on Tokyo Stock Exchange, Inc. (“TSE”) Prime Market; “Target”) (“Target Shares”) through a tender offer pursuant to the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) (“Tender Offer”).

Tender Offeror is a *kabushiki kaisha* all issued shares of which are owned by DMC Inc. (“DMC”) as of November 7, 2024, and is a company established on October 17, 2024, having as its primary purpose the acquisition and possession of Target Shares and having Mr. Tatsuya Konishi, the representative director of DMC and executive officer of Target, as its representative director. Further, the representative director of Tender Offeror at the time of its establishment was Mr. Hiroyuki Mima, but on November 6, 2024, Mr. Mima resigned as representative director and in his place Mr. Tatsuya Konishi assumed the position of representative director of Tender Offeror. As of November 7, 2024, Tender Offeror does not hold any Target Shares.

As of November 7, 2024, DMC is an asset management company for the founding family of Target, having as its primary business the possession, management and investment of real properties and securities, holding primarily Target Shares. Mr. Tatsuya Konishi, a member of the founding family, serves as DMC president and representative director, Mr. Reiji Konishi, a director of Target, serves as a director, and the Konishis and other members of the founding family hold all of DMC’s issued shares. As of November 7, DMC holds 6,821,400 Target Shares (ownership percentage: 36.77% (Note 1)), which are listed on the TSE Prime Market and is a large shareholder, and additionally the top shareholder, of Target. Mr. Tatsuya Konishi as of November 7, 2024, holds 101,800 Target Shares (ownership percentage: 0.55%) and 4,565 DMC shares with voting rights (Note 2) (percentage of the total number of issued DMC shares with voting rights (13,695 shares) as of November 7, 2024: 33.33%). Mr. Reiji Konishi as of November 7, 2024, holds 101,900 Target Shares (ownership percentage: 0.55%) and 4,565 DMC shares with voting rights (percentage of the total number of issued DMC shares with voting rights (13,695 shares) as of November 7, 2024: 33.33%).

Note 1: “Ownership percentage” means the percentage (rounded off to the second decimal place; the same applies below in the calculation of ownership percentages) of the total number of issued shares of Target as of September 30, 2024 as set forth in the December 2024 Term Third Quarter Consolidated Earnings Report (based on Japanese GAAP), which Target released on November 7, 2024 (18,722,800 shares), less the number of treasury shares Target holds as of September 30, 2024 (172,194 shares), which results in 18,550,606 shares.

Note 2: “Shares with voting rights” means issued shares of DMC having voting rights that can be exercised for resolutions at DMC shareholders meetings.

Tender Offeror has decided to carry out the Tender Offer as part of the series of transactions (“Transaction”) for the purpose of acquiring all Target Shares (excluding treasury shares held by Target and Non-Tendered Shares (defined below)) and delisting Target Shares.

The Transaction falls under a so-called management buyout (MBO) (Note 3) and Mr. Tatsuya Konishi, a member of the founding family and executive officer of Target, and Mr. Reiji Konishi, a member of the founding family and director of

Target, is well-versed in Target's business, both will continue to manage Target after the Transaction, with Mr. Reiji Konishi expected to assume the position of representative director of Target. As of November 7, there is no agreement between Tender Offeror and other directors of Target (including Audit and Supervisory Committee members) on officer appointment or treatment after completion of the Tender Offer, and, if the Tender Offer is completed, decisions on the post-Tender Offer management structure of Target, including officers, are expected to be made through consultation with Target.

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 for a shared benefit with the officers of the Target.

In implementing the Tender Offer, Tender Offeror agreed in writing on November 7, 2024 with Target shareholders DMC (shares owned: 6,821,400 shares, ownership percentage: 36.77%), Mr. Daiki Konishi, the seventh-largest shareholder of Target (shares owned: 300,000 shares, ownership percentage: 1.62%), Mr. Tatsuya Konishi (shares owned: 101,800 shares, ownership percentage: 0.55%) and Mr. Reiji Konishi (shares owned: 101,900 shares, ownership percentage: 0.55%) (hereinafter DMC, Mr. Daiki Konishi, Mr. Tatsuya Konishi and Mr. Reiji Konishi collectively as "Non-Tendering Shareholders") that the Non-Tendering Shareholders will not tender any of the Target Shares they respectively hold (total shares owned: 7,325,100 shares, total ownership percentage: 39.49%; "Non-Tendered Shares") in the Tender Offer, and that if the Tender Offer is successfully 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 request from Tender Offeror before the share consolidation of Target Shares carried out as part of the Squeeze-out Procedures ("Share Consolidation") comes into force, DMC will execute with other Non-Tendering Shareholders a loan agreement for Target Shares and carry out 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, Tender Offeror plans to request Target 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 Tender Offeror and the Non-Tendering Shareholders the sole shareholders of Target that Tender Offeror plans to carry out if it is unable to acquire all Target Shares through the Tender Offer (excluding treasury shares held by Target and the Non-Tendered Shares).

Note 6: "Share Lending Transaction" means a transaction regarding which, upon request from Tender Offeror, DMC will execute a Target Shares loan agreement with any of the other Non-Tendering Shareholders and borrow a portion or all of Target 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 Target Shares by Non-Tendering Shareholders even after the Squeeze-out Procedures are carried out, through the following steps: (1) the Non-Tendering Shareholder with the relatively lowest ownership percentage becomes the lender in the Share Lending Transaction and lends all of Target Shares it owns to DMC and (2) after the Share Consolidation comes into force, DMC, having become the borrower in the Share Lending Transaction, unwinds the Share Lending Transaction and returns all of the Target Shares it borrowed to the lender.

An overview of the Tender Offer is as follows.

- (1) Name of Target
I-PEX Inc.
- (2) Type of Share Certificates etc. for Purchase etc.
Ordinary shares
- (3) Purchase etc. Period
From November 8, 2024 (Friday) until December 19, 2024 (Thursday) (30 business days)

(4) Purchase etc. Price
2,950 yen per 1 ordinary 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	11,225,506 (shares)	5,042,000 (shares)	- (shares)
Total	11,225,506 (shares)	5,042,000 (shares)	- (shares)

(6) Settlement Commencement Date
December 26, 2024 (Thursday)

(7) Tender Offer Agent
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. 1-9-2 Otemachi, Chiyoda-ku, Tokyo
au Kabucom Securities Co., Ltd. (sub-agent) 3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo

For details of the Tender Offer, please refer to the Tender Offer Notification concerning the Tender Offer to be submitted on November 8, 2024 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 is not 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.

Tender Offeror and its affiliates, and the affiliates of the respective financial advisors to the Tender Offeror and Target, may purchase or arrange to purchase the shares of Target by means other than the Tender Offer, for their own account or for their client’s account, in their ordinary course of business and to the extent permitted under the financial instrument and exchange laws and regulations and any other applicable laws and regulations in Japan, in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, prior to commencement of the Tender Offer or during the period of Purchase etc. in the Tender Offer. In the event that information regarding such purchases is disclosed in Japan, such information will also be disclosed in English on the English website of the party conducting such purchases or its affiliate.

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.