

Company name: Enplas Corporation  
Representative: Daisuke Yokota, President  
Code No.: 6961, TSE 1st Section  
Inquiries: Shigeya Fujita,  
Member of the board, Executive Officer  
Tel: 048-253-3131

## **Notice of the dissolution of capital and business alliance with DNA Chip Research Inc.**

At the meeting of the Board of Directors held on May 29, 2020, Enplas Corporation ("Enplas" hereinafter) resolved to dissolve the capital and business alliance ("capital and business alliance" hereinafter) with DNA Chip Research Inc. ("DNA Chip Research" hereinafter).

### **1. Reasons for dissolution of capital and business alliance**

On November 20, 2014, Enplas concluded with DNA Chip Research a capital and business alliance agreement ("capital and business alliance agreement" hereinafter) to contribute to progress in bioanalysis and medicine by merging DNA Chip Research's technologies in contracted DNA testing with Enplas technologies in the precision machining of engineering plastics. Over the five years since we concluded capital and business agreement, we have held shares in the DNA Chip Research and through our collaboration, we were able to 1) gather trends in the genetic testing market and the needs of end users, 2) develop applications for single cell genetic analysis, and 3) build evaluation technologies for genetic testing chip which Enplas has developed by using inspection equipment and know-how that DNA Chip Research has.

As a result of capital and business alliance and as part of our management strategy including the concentration of management resources, Enplas has concluded a termination agreement of capital and business alliance with DNA Chip Research ("termination agreement" hereinafter), and on May 29, 2020, we have resolved to dissolve the capital and business alliance.

### **2. Details of the dissolution of capital and business alliance**

#### **(1) Details of the dissolution of business alliance**

Enplas dissolved business alliance to establish a competitive edge in bioscience and expand businesses, including overseas businesses by complementing each partner's industry networks in biotechnology businesses, enhancing new product development capabilities and use of the overseas infrastructure.

#### **(2) Details of the dissolution of capital alliance**

Under capital and business alliance, Enplas holds 848,000 shares of common stock of DNA Chip Research (16.48% of the total shares issued). As capital alliance is dissolved, Enplas plans to sell all shares gradually in the market.

In addition, we exercised all 8,520 stock options ("the stock options" hereinafter) under capital and

business alliance on December 19, 2018 and sold all 852,000 shares of common stock of DNA Chip Research (16.74% of the total shares issued) acquired through the exercise of the stock options in the market by March 6, 2019.

(3) Dispatch of Directors

Enplas and the DNA Chip Research have agreed that Enplas might name candidates for the positions of DNA Chip Research Directors in any of the cases under capital and business alliance. However, by dissolving capital and business alliance, the above agreement will be dissolved at the same time.

As of today, those who were named by Enplas as directors of DNA Chip Research are not included.

**3. Overview of the counterparty to dissolve capital and business alliance**

(1) Name	DNA Chip Research Inc.	
(2) Address	1-15-1 Kaigan, Suzue Baydium 5F Minato-ku, Tokyo	
(3) Name and title of representative	Ryo Matoba, President & CEO	
(4) Lines of business	Research and Development, Contract Research Service, and Diagnostic Support Service	
(5) Capital	JPY 416,219,000 (As of March 31, 2020)	
(6) Established	April 1, 1999	
(7) Shareholders and percentages of shares held (as of September 30, 2019)	Enplas Corporation	16.66%
	Mamoru Fuji	3.34%
	Shichiro Edamatsu	1.65%
	Atsuhiko Mori	1.55%
	Shinsaku Fujio	1.35%
	Kazuhiro Toshima	0.93%
	Soji Akita	0.90%
	SBI SECURITIES Co., Ltd.	0.89%
	Yoshiaki Ueno	0.82%
	Takayuki Kurano	0.78%
(8) Relationship between Enplas and DNA Chip Research		
Capital relationship	Enplas hold 848,000 shares of common stock of shares of DNA Chip Research (16.48% of the total shares issued).	
Personnel relationship	There are no personal relationships between Enplas and DNA Chip Research.	
Transaction relationships	Enplas receive a temporary lease of analytical instruments from DNA Chip Research.	
Interested party status	DNA Chip Research does not qualify as an interested party in Enplas.	

(9) Consolidated business performance and consolidated financial conditions over the three most recent years

Fiscal year	Ended March 2018	Ended March 2019	Ended March 2020
Net assets	JPY 295,171,000	JPY 769,134,000	JPY 653,334,000
Gross assets	JPY 394,421,000	JPY 864,740,000	JPY 743,397,000
Net assets per share	JPY 53.69	JPY 148.36	JPY 123.19
Net sales	JPY 362,843,000	JPY 360,807,000	JPY 361,713,000
Operating loss	JPY 125,027,000	JPY 99,534,000	JPY 123,317,000
Ordinary loss	JPY 126,632,000	JPY 103,314,000	JPY 128,317,000
Net loss	JPY 127,579,000	JPY 104,878,000	JPY 128,091,000
Net loss per share	JPY 30.11	JPY 23.42	JPY 25.17
Dividends per share	-	-	-

(NOTE) "Shareholders and percentages of shares held" is cited from "Major shareholders" in the Second Quarter Report for the fiscal year ended March 31, 2020 submitted on November 8, 2019 by the DNA Chip Research.

(NOTE) For the fiscal year ended March 31, 2020, the contents of the "Financial Report for the fiscal year ended March 2020 [Japan Standards] (Non-consolidated)" announced on April 23, 2020 are described, but the financial report is not subject to audits by a public accountant or an auditing firm.

#### 4. Schedule

(1) Resolution by Board of Directors	May 29, 2020
(2) Execution of this dissolution agreement	May 29, 2020

#### 5. Future Outlook

The dissolution of capital and business alliance is expected to have a de minimis impact on the fiscal year ending March 31, 2021. However, in the future, if it becomes clear that this will have a material impact on Enplas's results, we will promptly announce.

#### Notice:

1. The official version of this announcement was published in Japanese. An unofficial English translation is provided for the convenience of overseas investors. For any discrepancies between the Japanese and English versions, the Japanese version shall prevail.