

Notice of the Dissolution of the Joint Venture with Precision System Science Co., Ltd.

Ferrotec Holdings Corporation (Representative Director: He Xian Han; hereinafter “the Company”) announces that we will dissolve the joint venture with Precision System Science Co., Ltd. (hereinafter “PSS”; headquartered in Matsudo City, Chiba Prefecture). Details are as follows.

1. Purpose of dissolving the joint venture

This joint venture was established in December 2022 to engage in research, development and product sales in biological material measurement by fusing PSS’s magnetic material reaction control technology and systems for automating PCR tests, immune response tests, etc. and the Company’s technology for producing ferrofluids, Peltier element, etc. The joint venture has been in operation since then.

As a result, we obtained a certain amount of success in medical magnetic beads using ferrofluids. However, with the deadline for the joint venture approaching, the two companies entered into discussions about whether to continue the business. The result of these discussions is that we agreed to terminate this joint venture project. We came to this decision in light of our management strategy “selection and concentration” in addition to our joint venture partner’s management strategy of “selection and concentration in development.”

2. Outline of the joint venture company

(1)	Company name	PF BioLine Co., Ltd.	
(2)	Address	88 Kamihongo, Matsudo City, Chiba Prefecture	
(3)	Date of establishment	December 12, 2022	
(4)	Capital and capital reserve	Capital: 50 million yen Capital reserve: 50 million yen	
(5)	Number of authorized shares	10,000 shares	
(6)	Contribution ratio	PSS: 51% The Company: 49%	
(7)	Executive	Hideji Tajima, He Xian Han, Hideo Ikeda, Akihiro Sato , Hideki Tanaka, and Miyoko Namiki	
(8)	Contents of business	R&D for biological material measurement utilizing nanomagnets and sale of products	
(9)	Account closing month	June	
(10)	Business performance and financial standing of the company in the past 2 years		
		FY6/23 (1 st phase)	FY6/24 (2 nd phase)
	Net assets	92 million yen	41 million yen
	Total assets	100 million yen	44 million yen
	Net assets per share (yen)	9,248.50 yen	4,147.88 yen
	Net sales	-	-
	Operating loss	-7 million yen	-50 million yen
	Ordinary loss	-7 million yen	-50 million yen
	Net loss	-7 million yen	-51 million yen
	Profit per share (yen)	-	-
	Dividend per share (yen)	-	-

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3. Outline of Precision System Science Co., Ltd.

(1)	Company name	Precision System Science Co., Ltd.	
(2)	Address	88 Kamihongo, Matsudo City, Chiba Prefecture	
(3)	Title and name of representative	Yu Sugiyama, Representative Director and President	
(4)	Contents of business	Development of in-vitro diagnostic systems, manufacturing of devices, reagents, and consumables, and maintenance	
(5)	Capital	100 million yen	
(6)	Date of establishment	July 17, 1985	
(7)	Major shareholders and shareholding ratio	Hideji Tajima: 16.67% Hitachi High-Tech Corporation: 8.36% UNITEC, Inc.: 4.34%	
(8)	Relationship between PSS and the companies/individual	Capital relationship	None applicable
		Personnel relationship	None applicable
		Business relationship	None applicable

4. Schedule for the dissolution and liquidation

December 11, 2024	Resolution at PSS's Board of Directors meeting
December 11, 2024	Resolution at the Company's Board of Directors meeting
December 2024 (planned)	Dissolution to be resolved at the general meeting of shareholders
End of March 2025 (planned)	Liquidation

5. Future outlook

The impact on the business performance of the Company for the current fiscal year through this matter is expected to be minor. However, we will promptly disclose relevant items as soon as they are confirmed.