

Regarding the Termination of the Mexico Joint Venture Agreement

We hereby announce that in December 2025, we transferred all of the shares we held in A4C-SANKIN PRECISION TUBE, S.A.P.I. DE C.V. (hereinafter referred to as "PROSANKIN") to our joint venture partner, GRUPO CLAVERO, S.A. de C.V. (hereinafter referred to as "Clavero Group"), and terminated the joint venture agreement.

1. Reasons for Termination of the Joint Venture

We established PROSANKIN in Mexico in 2015 as a joint venture with the local Clavero Group and have been engaged in the manufacturing and sales of cold-drawn steel tubes. However, due to repeated deteriorations in the business environment, profitability has been delayed. We have regretfully decided to withdraw from this business.

2. Details of the Joint Venture Agreement Termination

We transferred all shares of PROSANKIN held by our company (5% of the total issued shares) to the Clavero Group and terminated the joint venture agreement. The business itself will continue as before under the Clavero Group.

We expect the impact on our company's performance for the fiscal year ending March 2026 to be minimal.

3. Future Measures

For future Mexico-related business, we will continue to leverage our experience to serve our customers as a trading company. We kindly ask for your continued support.

End of Notice