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November 11, 2025

**Consolidated Financial Results
for the Six Months Ended September 30, 2025
(Under Japanese GAAP)**



Company name: YOKOWO CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 6800

URL: <https://www.yokowo.co.jp/>

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Scheduled date to file semi-annual securities report: November 11, 2025

Scheduled date to commence dividend payments: December 10, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	42,675	4.6	1,507	(28.4)	1,301	22.3	1,332	131.7
September 30, 2024	40,809	10.9	2,105	—	1,064	(37.5)	575	(40.0)

Note: Comprehensive income	For the six months ended September 30, 2025:	¥2,037 million	[-%]
	For the six months ended September 30, 2024:	¥ (156) million	[-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	57.18	—
September 30, 2024	24.68	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	80,153	53,509	66.6
March 31, 2025	76,278	52,030	68.1

(Reference) Equity (Shareholders' equity and Accumulated other comprehensive income):

As of September 30, 2025: ¥53,410 million

As of March 31, 2025: ¥51,938 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	–	24.00	–	24.00	48.00
Fiscal year ending March 31, 2026	–	25.00			
Fiscal year ending March 31, 2026 (Forecast)			–	25.00	50.00

Note: Revisions to the dividend forecast announced most recently: Yes

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	87,500	5.6	4,000	(5.4)	3,650	(7.0)	3,000	34.7	128.70

Note: Revisions to the financial result forecast most recently announced: Yes

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 (Company name: Yokowo Philippines Inc.)
Excluded: – (Company name:)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	23,849,878 shares
As of March 31, 2025	23,849,878 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2025	539,273 shares
As of March 31, 2025	539,193 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	23,310,673 shares
Six months ended September 30, 2024	23,310,828 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements such as the financial results forecast stated in this document are based on the information currently available to the Company and certain assumptions that the Company deems to be reasonable. These statements are no guarantees of future performance and actual results may differ materially from the forecast depending on a range of factors. For a discussion of the assumptions and other factors considered by the Company in preparing projections and notes on the use of the forecasts, please refer to page4 of the attachments, “1. Qualitative Information on Semi-annual Financial Results (3) Future Outlook.”

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1. Qualitative Information on Semi-annual Financial Results

(1) Overview of Operating Results

Net sales for the six months ended September 30, 2025 amounted to ¥42,675 million, an increase of 4.6% year-on-year, reflecting increased year-on-year sales in the CTC, FC/MD, and Incubation Center segments. Operating profit came in at ¥1,507 million, a decrease of 28.4% year-on-year, primarily attributable to reduced profitability in the VCCS and FC/MD segments, despite improved performance in the CTC segment. Ordinary profit increased by 22.3% year-on-year to ¥1,301 million, reflecting the foreign exchange losses of ¥258 million due to the strengthening of the yen, and a decreased operating profit. Profit attributable to owners of the parent was ¥1,332 million (up 131.7% year-on-year), due to the recording of extraordinary income of ¥532 million including gain on bargain purchase associated with the succession of the network solution businesses of KOHA Co., Ltd. (simplified KOHA). The average exchange rate for the six months ended September 30, 2025 was ¥146.01 against the US dollar (¥152.74 in the same period of the previous fiscal year), while the closing rate was ¥148.88 against the US dollar (¥149.52 at the end of previous fiscal year).

<VCCS> (Core product: Antenna for Vehicle)

The automotive market, the main market for this segment, is on a moderate recovery trend overall, despite a rapid change in the sales environment due to the impact of the US tariff policy. A breakdown of region shows that the number of units sold in the US and China increased, while sales in Japan were flat.

In these circumstances, sales of mainstay products for automobile manufacturers, such as shark fin antennas and GPS antennas, decreased year-on-year because of a decrease in net sales in the overseas market due to the strengthening of the yen.

As a result, net sales for this segment slightly decreased to ¥27,238 million (down 1.7% year-on-year). The segment reported the profit of ¥895 million (down 35.5% year-on-year), due to the rising wage rates at production bases and the increased cost burdens stemming from the impact of US tariffs, in spite of increased production efficiency through stable receipt of orders and lower costs in production bases in China, Vietnam and Philippines due to the strengthening of the yen.

<CTC> (Core Product: Semiconductor Testing Socket and Probe Card)

The semiconductor testing market, the main market for this segment, showed strong growth overall. This was driven by growing demand related to generative AI, increasing demand for replacement in the PC market, and steady trends in the smartphone market. In these circumstances, sales of jigs for semiconductor back-end testing, the mainstay product of the Group, increased year-on-year, due to a rise in orders driven by expanding demand for testing related to generative AI in spite of the trend of orders for testing sockets for PC logic semiconductors still remaining at a low level. Sales of jigs for semiconductor front-end testing increased year-on-year because of an increase in sales of turnkey business which offers one-stop solutions services including peripheral devices and growth in sales of MEMS probe cards (YPX) for high-frequency electronics components testing.

As a result, sales for this segment increased year-on-year to ¥8,952 million (up 19.9% year-on-year). The segment reported a profit of ¥804 million (up 1.9% year-on-year) due to increased profit associated with an increase in sales and improvement in product mix in the second quarter, in spite of increased costs caused by higher raw material prices and increased labor costs.

<FC / MD> (FC Core Product: Fine spring connector for electronics) (MD Core Product: Medical devices and units)

In the market for mobile communication terminals, the main market for this segment, sales of wearable terminals are expected to grow given their diversification and greater sophistication, and unit shipments of smartphones are showing a light upward trend. Demand for POS terminal market has been growing steadily in a wide range of industries, including those engaging in logistics and manufacturing, with a view toward improvements in operational efficiency through information management.

In these circumstances, net sales for FC business, for which fine spring connectors act as core products, were nearly at the same level year-on-year, reflecting steady sales of a product for wearable devices, such as wireless earbuds, in spite of a decrease in orders received of products for the POS terminals due to customers' inventory adjustment impacted by the US tariff policy.

In MD business, net sales increased year-on-year due to strong sales of both unit products and catheter components for a major domestic medical device manufacturer which is a major customer, while sales for the venture ecosystem in which the Company participates as a manufacturing partner grew sluggishly.

As a result, sales for this segment slightly increased year-on-year, to ¥5,525 million (up 1.2% year-on-year). The segment reported a profit of ¥239 million (down 31.1% year-on-year) due to the higher raw material prices and deterioration in business mix.

<Incubation Center> (Core Product: Antenna and providing solutions for MaaS/IoT)

The MaaS/IoT market, the main market for this segment, is expected to grow steadily, reflecting the advance of mobility including car sharing, and the widespread adoption of IoT connecting everything through the Internet.

In these circumstances, Platform business has made progress in expanding sales of MIMO antennas utilizing smart antenna technologies for IoT, and vehicle key management solutions for MaaS and rental cars. Also, the network solution businesses of KOHA which we succeeded with an effective date of June 1, 2025, is categorized in this segment.

As a result, sales for this segment increased year-on-year, to ¥956 million (up 485.4% year-on-year). The segment reported a loss of ¥453 million (a loss of ¥430 million in the previous fiscal year), because the segment involves up-front investment.

Consolidated Net Sales by Business Segment

	1st half ended March 31, 2025 Apr. – Sept. (Million yen)	2nd half ended March 31, 2025 Oct. – Mar. (Million yen)	1st half ending March 31, 2026 Apr. – Sept. (Million yen)	Y o Y change (%)	Q o Q change (%)
VCCS	27,714	28,246	27,238	(1.7)	(3.6)
CTC	7,467	8,147	8,952	+19.9	+9.9
FC/MD	5,461	5,571	5,525	+1.2	(0.8)
Incubation Center	163	107	956	+485.4	+788.9
Others	2	2	2	+14.5	+5.2
Total	40,809	42,075	42,675	+4.6	+1.4

(2) Overview of Financial Position

(Assets)

Assets stood at ¥80,153 million in the first half of the fiscal year ending March 31, 2026 under review (a gain of ¥3,874 million in the end of the previous fiscal year). This was due primarily to increases of ¥1,092 million in cash and deposits, ¥1,297 million in accounts receivables, and ¥636 million in inventories.

The increase in accounts receivables is due to higher electronic recorded receivables associated with the succession of the KOHA business, as well as increased sales driven by higher order volume.

(Liabilities)

Liabilities stood at ¥26,643 million in the first half of the fiscal year ending March 31, 2026 under review (a gain of ¥2,395 million from the end of the previous fiscal year) mainly due to increases of ¥1,096 million in accounts payables, ¥696 million in short-term borrowings, and ¥615 million in accrued expenses included in other current liabilities.

The increase in accrued expenses was mainly due to the consideration of ¥395 million for the succession of the KOHA business.

(Net assets)

Net assets amounted to ¥53,509 million in the first half of the fiscal year ending March 31, 2026 under review (a gain of ¥1,479 million from the end of the previous fiscal year). This mainly reflects an increase of ¥392 million in foreign currency translation adjustment, the recording of profit attributable to owners of the parent of ¥1,332 million, and dividends paid of ¥559 million.

(Equity ratio)

The equity ratio was 66.6% in the first half of the fiscal year ending March 31, 2026 under review (down 1.5 points from the end of the previous consolidated fiscal year).

(3) Future Outlook

Our assumption for the result forecast for the fiscal year ending March 31, 2026 is based on an assumed exchange rate of ¥145 against the US dollar (the assumed exchange rate announced in August 2025 was ¥140 against the US dollar). Based on this, our forecast for net sales and profits for the full year is as shown in the table below.

Our forecast for net sales for the fiscal year ending March 31, 2026 has been revised as shown in the table below, based on the results for the six months ended September 30, 2025 and the latest order forecast.

Our forecast for operating profit for the full year has been revised as shown in the table below, based on the following assumptions. We assume only slight increase in profit in the VCCS segment, partly due to a revision of the assumed exchange rate associated with a weakening of the yen. On the other hand, orders are expected to remain stable in the FC/MD segment, while a significant increase in profit is assumed in the CTC segment due to higher orders driven by expanding demand for testing related to generative AI.

Our forecasts for ordinary profit and profit attributable to owners of parent have been revised as shown in the table below, which incorporate foreign exchange losses of ¥350 million based on an assumed exchange rate of ¥145 against the US dollar.

Previous and revised forecasts for the Fiscal Year Ending March 31, 2026

	Previous forecast (Announced on August 6, 2025) (Million yen)	Revised forecast (Million yen)	Change (Million yen)	Change (%)
Net Sales	84,000	87,500	+ 3,500	+ 4.2
VCCS	52,750	54,700	+ 1,950	+ 3.7
CTC	18,000	19,000	+ 1,000	+ 5.6
FC/MD	10,650	11,200	+ 550	+ 5.2
Incubation Center	2,600	2,600	—	—
Other/Adjustments	—	—	—	—
Operating profit	3,000	4,000	+ 1,000	+ 33.3
VCCS	2,050	2,100	+ 50	+ 2.4
CTC	1,400	2,150	+ 750	+ 53.6
FC/MD	350	550	+ 200	+ 57.1
Incubation Center	(800)	(800)	—	—
Other/Adjustments	—	—	—	—
Ordinary profit	2,150	3,650	+ 1,500	+ 69.8
Profit attributable to owners of parent	1,600	3,000	+ 1,400	+ 87.5

2. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	17,122	18,215
Notes and accounts receivable - trade	13,835	15,133
Merchandise and finished goods	7,794	8,539
Work in process	483	485
Raw materials and supplies	6,089	5,978
Other	2,236	2,792
Allowance for doubtful accounts	(5)	(4)
Total current assets	47,556	51,140
Non-current assets		
Property, plant and equipment	18,908	18,875
Intangible assets	2,650	2,498
Investments and other assets		
Retirement benefit asset	2,041	1,950
Other	5,121	5,688
Total investments and other assets	7,163	7,638
Total non-current assets	28,722	29,012
Total assets	76,278	80,153
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,138	7,235
Short-term borrowings	3,447	4,143
Current portion of long-term borrowings	3,000	4,500
Income taxes payable	852	617
Provision for bonuses	1,274	1,457
Other	4,387	4,905
Total current liabilities	19,100	22,859
Non-current liabilities		
Long-term borrowings	3,100	1,600
Retirement benefit liability	641	708
Other	1,406	1,476
Total non-current liabilities	5,148	3,784
Total liabilities	24,248	26,643
Net assets		
Shareholders' equity		
Share capital	7,819	7,819
Capital surplus	7,804	7,804
Retained earnings	29,573	30,348
Treasury shares	(635)	(635)
Total shareholders' equity	44,562	45,336
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,137	1,495
Foreign currency translation adjustment	5,428	5,820
Remeasurements of defined benefit plans	810	757
Total accumulated other comprehensive income	7,376	8,073

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Non-controlling interests	91	99
Total net assets	52,030	53,509
Total liabilities and net assets	76,278	80,153

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	40,809	42,675
Cost of sales	33,017	35,001
Gross profit	7,791	7,674
Selling, general and administrative expenses	5,686	6,167
Operating profit	2,105	1,507
Non-operating income		
Interest income	50	39
Dividend income	40	49
Other	56	89
Total non-operating income	146	178
Non-operating expenses		
Interest expenses	96	98
Share of loss of entities accounted for using equity method	30	4
Foreign exchange losses	1,034	258
Other	26	22
Total non-operating expenses	1,187	383
Ordinary profit	1,064	1,301
Extraordinary income		
Gain on sale of non-current assets	2	0
Gain on sale of investment securities	-	1
Gain on bargain purchase	-	309
Subsidy income	-	222
Total extraordinary income	2	532
Extraordinary losses		
Loss on retirement of non-current assets	13	9
Loss on sale of non-current assets	4	0
Business restructuring expenses	224	-
Impairment losses	-	14
Total extraordinary losses	241	24
Profit before income taxes	825	1,809
Income taxes - current	514	545
Income taxes - deferred	(270)	(76)
Total income taxes	243	468
Profit	581	1,340
Profit attributable to non-controlling interests	6	7
Profit attributable to owners of parent	575	1,332

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	581	1,340
Other comprehensive income		
Valuation difference on available-for-sale securities	(171)	357
Foreign currency translation adjustment	(544)	391
Remeasurements of defined benefit plans, net of tax	(21)	(53)
Total other comprehensive income	(737)	696
Comprehensive income	(156)	2,037
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(156)	2,030
Comprehensive income attributable to non-controlling interests	0	7

(3) Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	825	1,809
Depreciation	1,974	1,989
Amortization of goodwill	8	16
Gain on bargain purchase	-	(309)
Impairment losses	-	14
Increase (decrease) in allowance for doubtful accounts	0	(0)
Increase (decrease) in provision for bonuses	364	152
Increase (decrease) in net defined benefit asset and liability	(30)	(68)
Interest and dividend income	(90)	(88)
Interest expenses	96	98
Foreign exchange losses (gains)	433	94
Share of loss (profit) of entities accounted for using equity method	30	4
Loss on retirement of non-current assets	13	9
Loss (gain) on sale of non-current assets	1	0
Loss (gain) on sale of investment securities	-	(1)
Subsidy income	-	(222)
Decrease (increase) in trade receivables	(893)	139
Decrease (increase) in inventories	490	(535)
Increase (decrease) in trade payables	588	801
Other, net	56	(285)
Subtotal	3,869	3,619
Interest and dividends received	90	88
Interest paid	(85)	(84)
Subsidies received	-	222
Income taxes refund (paid)	57	(651)
Net cash provided by (used in) operating activities	3,933	3,195
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,253)	(1,905)
Proceeds from sale of property, plant and equipment	48	13
Proceeds from sale of investment securities	-	3
Purchase of intangible assets	(734)	(153)
Purchase of investment securities	(47)	(0)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	18	-
Payments for acquisition of businesses	-	(100)
Other, net	47	(36)
Net cash provided by (used in) investing activities	(1,921)	(2,177)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	700
Repayments of long-term borrowings	(14)	-
Repayments of lease liabilities	(239)	(202)
Dividends paid	(511)	(558)
Purchase of treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	(765)	(60)
Effect of exchange rate change on cash and cash equivalents	(733)	105
Net increase (decrease) in cash and cash equivalents	512	1,062
Cash and cash equivalents at beginning of period	18,702	17,122

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash and cash equivalents at end of period	19,214	18,185

(4) Notes to Semi-annual Consolidated Financial Statements

(Going concern assumptions)

Not applicable.

(Significant Changes in Shareholders' Equity)

Not applicable.

(Segment and Other Information)

First half ended September 30, 2024 (Apr. - Sept.)

1 Sales, profit or loss, and breakdown of revenue by reportable segment

(Unit : Million yen)

	Reportable segment					Other (Note2)	Inter- segment transactions (Note3)	Total
	VCCS	CTC	FC/MD	Incubation Center	Total			
Net Sales								
Japan	9,210	593	2,094	163	12,061	2	—	12,063
Europe and America	13,482	1,910	641	0	16,034	—	—	16,034
Asia	5,022	4,963	2,725	—	12,711	—	—	12,711
Revenue from contracts with customers	27,714	7,467	5,461	163	40,806	2	—	40,809
Sales to third parties	27,714	7,467	5,461	163	40,806	2	—	40,809
Inter-segment transactions and transfers	—	—	—	—	—	264	(264)	—
Total	27,714	7,467	5,461	163	40,806	266	(264)	40,809
Segment profit	1,389	789	347	(430)	2,096	0	8	2,105

Notes :

1 The total segment profit is the same as the operating profit on the Semi-annual consolidated statement.

2 The Others category is a business segment not included in reportable segments and includes the temporary staffing business and other businesses.

3 The reconciling amounts for inter-segment sales and transfers are a method for the elimination of inter-segment transactions.

2 Impairment of fixed assets and goodwill, etc. by reportable segment

Not applicable.

First half September 30, 2025 (Apr. - Sept.)

1 Sales, profit or loss, and breakdown of revenue by reportable segment

(Unit : Million yen)

	Reportable segment					Other (Note2)	Inter- segment transactions (Note 3)	Total
	VCCS	CTC	FC・MD	Incubation Center	Total			
Net Sales								
Japan	9,613	704	2,306	955	13,579	2	—	13,581
Europe and America	13,377	3,227	659	1	17,266	—	—	17,266
Asia	4,246	5,021	2,559	—	11,827	—	—	11,827
Revenue from contracts with customers	27,238	8,952	5,525	956	42,673	2	—	42,675
Sales to third parties	27,238	8,952	5,525	956	42,673	2	—	42,675
Inter-segment transactions and transfers	—	—	—	—	—	309	(309)	—
Total	27,238	8,952	5,525	956	42,673	312	(309)	42,675
Segment profit	895	804	239	(453)	1,485	0	21	1,507

Notes :

1 The total segment profit is the same as the operating profit on the Semi-annual consolidated statement.

2 The Others category is a business segment not included in reportable segments and includes the temporary staffing business and other businesses.

3 The reconciling amounts for inter-segment sales and transfers are a method for the elimination of inter-segment transactions.

2 Impairment of fixed assets and goodwill, etc. by reportable segment

(Material gain on bargain purchase)

In the Incubation Center segment, a gain on bargain purchase of 309 million yen was recorded in extraordinary income as a result of the transfer of the network solution businesses of KOHA Co., Ltd., through a company split (simplified absorption-type company split).

(Business Combination, etc.)

At the Board of Directors meeting held on March 28, 2025, the Company passed a resolution to succeed the network solution businesses of KOHA Co., Ltd. (simplified KOHA) a consolidated affiliate of TAMURA CORPORATION, through a company split (simplified absorption-type company split) with an effective date of June 1, 2025, and the company split was implemented on June 1, 2025.

1. Purpose of the Absorption-type Company Split

Since its foundation, as a specialist in manufacturing, the Company has been engaged in the manufacture and sale of products centered on hardware, such as micro precision processing technology, high-frequency technology, and electronic circuit technology, which are the culmination of tube drawing technology.

The business environment surrounding the Group is rapidly changing due to the development of AI utilization and the transformation of value through the shift to EV/SDV in automobiles. The Group believes that it is necessary to take on the challenges of "from hardware to software", "from selling products to delivering value", and "from outright sales to subscription business".

Currently, we are promoting the development and launch of our first subscription business in the MaaS market, the in-vehicle key management system. To further accelerate our initiatives, we believe it is essential to incorporate software technologies that are essential to the "Selling Experiences Business" and "Subscription Business", in addition to the evolution of our elemental technologies and the development of existing technologies that we lack, such as communications module technologies.

Through the absorption-type company split, the Company will succeed the network solution and other businesses of

KOHA that possess the software technologies required by the Company and have obtained the commercial rights related to those technologies, thereby securing a suitable number of software engineers, expanding the range of products equipped with software, participating in the themes of the marketing activities currently underway, and developing other businesses such as the Optoelectronic Fusion Project. At the same time, the Company aims to further increase its corporate value through the expansion of the Group's business domains and business model innovation.

2. Summary of the Absorption-type Company Split

(1) Schedule of the Absorption-type Company Split

Since the absorption-type company split falls under the simplified absorption-type company split prescribed in Article 796, Paragraph 2 of the Companies Act, the Company conducted the absorption-type company split without going through the procedures for approval at the General Meeting of Shareholders.

Date of resolution of the Board of Directors to approve the absorption-type company split agreement: March 28, 2025

Date of conclusion of the absorption-type company split agreement: March 28, 2025

Effective date of the absorption-type company split: June 1, 2025

(2) Method of the Absorption-type Company Split

It is an absorption-type company split in which KOHA is the split company and the Company is the successor company.

(3) Details of allotment related to the Absorption-type

The Company plans to pay 495 million yen, which is the amount adjusted to the monetary base transfer price of 250 million yen to KOHA as consideration for the absorption-type company split.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights in connection with the Absorption-type Company Split

Not applicable.

(5) Increase or decrease in capital stock due to the Absorption-type Company Split

There will be no increase or decrease in the Company's capital stock due to the absorption-type company split.

(6) Rights and Obligations to be Succeeded by the Succeeding Company

Through the absorption-type company split, the Company succeeded to the rights and obligations prescribed in the absorption-type company split agreement out of the rights and obligations held by KOHA in relation to the network solution business, etc. on the effective date.

(7) Prospect of Performance of Obligations

The Company has determined that there is no problem with the prospect of performance of the obligations to be borne by the Company in the absorption-type company split.

3. Outline of the Companies Involved in the Split

	Split company (as of March 31, 2025)	Successor company (as of March 31, 2025)
Name	KOHA	YOKOWO (consolidated)
Net assets (million yen)	2,524	52,030
Total assets (million yen)	4,206	76,278
Number of employees	112	8,942

4. Overview of Business Segment to be Split or Succeeded

(1) Business of Segment to be Split or Succeeded

Network solutions business driven by KOHA

(2) Operating Results of Segment to be Split or Succeeded (fiscal year ended March 31, 2025)

Sales : 5,867 million yen

The sales have not been audited.

5. Details and Amount of Major Acquisition-related Costs

Fees and commissions for advisory services, etc.: 50 million yen

6. Amount of Gain on Bargain Purchase and the Cause of the Gain

(1) Amount of Gain on Bargain Purchase

309 million yen

(2) Cause of Occurrence

Since the market value of net assets at the time of the business combination exceeded the acquisition cost, the difference is recognized as gain on bargain purchase.

7. Summary of Accounting Procedures

"The Company implements accounting procedures in accordance with the" "Accounting Standard for Business Combinations" "(ASBJ Statement No. 21, January 16, 2019) and the" "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" "(ASBJ Guidance No. 10, September 13, 2024)."