November 10, 2025

To whom it may concern

Company name: Nihon Parkerizing Co., Ltd.
Representative: Masayuki Aoyama, Representative Director
and President (Code: 4095 TSE Prime)
Contact: Toshiyuki Aishima, Executive Officer and
General Manager, Corporate Division
(TEL. 03-3278-4333)

Notice Regarding Group Organizational Restructuring through Company Split (Simplified Absorption-Type Split) with a Wholly Owned Subsidiary

Nihon Parkerizing Co., Ltd. (hereinafter referred to as “the Company”) resolved at its Board of Directors meeting held today that, effective April 1, 2026, the Company will transfer its processing business to its wholly owned subsidiary, Parker Processing Co., Ltd., through a simplified absorption-type company split as stipulated under the Companies Act. By doing so, the processing businesses of both companies will be integrated, and Parker Processing Co., Ltd. will change its trade name in Japan from Parker Kako Co., Ltd. to Parker Processing Co., Ltd. (hereinafter referred to as “the New Company”) align with its English name after the business integration. The New Company will integrate the Company’s Processing Business Division and Parker Processing Co., Ltd. on an equal footing, enhancing operational efficiency, combining the management resources of both companies to build a stronger business foundation and commence operations as the core company responsible for the Group’s processing business.

Since this absorption-type split involves transferring the processing business to a wholly owned subsidiary through a simplified procedure, certain disclosure items and details have been omitted.

1. Purpose of the Company Split

Amid intensifying global competition, accelerating environmental regulations and decarbonization efforts, and increasingly sophisticated and diversified customer needs such as shorter lead times, processing of high-performance materials, and ensuring traceability, the market environment is undergoing significant changes. To address these changes and achieve sustainable growth in the processing business, it is essential not only to strengthen service capabilities but also to improve productivity and develop differentiated technologies. To meet these challenges, the Group will integrate the Company’s Processing Business Division with Parker Processing Co., Ltd., leveraging the technologies and expertise cultivated by both companies to maximize group synergies and deliver competitive, high-quality services.

The Company and the New Company share the corporate philosophy:
"To promote the effective use of limited resources on Earth, create new value for resources through

surface modification of all materials, and contribute to environmental conservation and the creation of a prosperous society."

We aim to provide optimal surface treatment technologies that contribute to a decarbonized society. After the business integration, we will unify sales and production systems and work closely with the new Integrated Technology Research Institute, which opened in April 2025, to develop new surface treatment technologies. Through these efforts, we will provide high-quality, stable services across a wide range of industries and strive to become a trusted partner for our customers.

Surface treatment is an indispensable technology for manufacturing, spanning core industries such as steel, automotive, and railways, as well as cutting-edge fields responding to electrification and digitalization. As a leading company in surface treatment, we will continue to leverage our top-level technological capabilities, always prioritizing customer satisfaction, and contribute to society.

2. Summary of the Company Split

(1) Schedule of the Split

- Board of Directors Resolution: November 10, 2025
- Execution of Split Agreement: December 25, 2025 (planned)
- Effective Date of Split: April 1, 2026

  This absorption-type company split will be conducted as a simplified absorption-type company split under Article 784, Paragraph 2 of the Companies Act for our company (the splitting company), and as a short-form absorption-type company split under Article 784, Paragraph 1 of the Companies Act for Parker Processing Co., Ltd. (the succeeding company). Therefore, it will be implemented without obtaining approval at the shareholders' meetings of either company.

(2) Method of the Split

The split will be conducted as an absorption-type company split, with the Company as the splitting company and Parker Processing Co., Ltd. as the succeeding company.

(3) Allocation in Connection with the Split

No allocation of shares or other consideration will be made in connection with this company split.

(4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights of the Splitting Company

Not applicable.

(5) Changes in Capital Due to the Split

There will be no increase or decrease in the Company's capital as a result of this split.

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

The succeeding company will assume the assets, liabilities, and other rights and obligations related to the processing business of the splitting company as of the effective date.

(7) Outlook for Performance of Obligations

With respect to the obligations to be performed by Parker Processing Co., Ltd. after the effective date of the split, it has been determined that there are no issues regarding the certainty of performance.

3. **Overview of the Companies Involved in the Split (as of March 31, 2025)**

(1) Overview of the Splitting Company

① Trade Name	Nihon Parkerizing Co., Ltd.
② Head office location	2-16-8 Nihonbashi, Chuo-ku, Tokyo, Japan
③ Representative	Masayuki Aoyama, Representative Director and President
④ Business Activities	Manufacturing and sales of chemicals and equipment for surface treatment, and contract processing for surface treatment.
⑤ Share Capita	4,560.39 million yen
⑥ Date of Establishment	July 12, 1928
⑦ Total Number of Shares Issued	132,604 thousand shares (including 14,881thousand treasury shares)
⑧ Fiscal Year-End	End of March
⑨ Major Shareholders and Shareholding Ratio	The Master Trust Bank of Japan, Ltd. (Trust Account) 10.14% Nippon Life Insurance Company 5.94% Meiji Yasuda Life Insurance Company 4.25%
⑩ Financial Condition and Business Performance for the Previous Fiscal Year	
Fiscal Year-End	Fiscal Year Ended March 2025
Net Assets	99,879 million yen
Total Assets	130,262 million yen
Net Assets per Share	848.42yen
Sales	44,274 million yen
Ordinary Income	10,043 million yen
Net Income	8,524 million yen
Earnings per Share	71.19 yen

(2) Overview of the Succeeding Company (as of March 31, 2025)

① Trade Name	Parker Processing Co., Ltd.
② Head office location	Dai1 Miki Building 5F, 3-12-1 Nihonbashi, Chuo-ku, Tokyo, Japan
③ Representative	Fumikazu Ozaki, President and CEO
④ Business Activities	Contract processing and related services for surface treatment
⑤ Share Capita	416 million yen
⑥ Date of Establishment	December 28, 1948

⑦ Total Number of Shares Issued	10,312 thousand shares
⑧ Fiscal Year-End	End of March
⑨ Major Shareholders and Shareholding Ratio	Nihon Parkerizing Co., Ltd. 100%
⑩ Financial Condition and Business Performance for the Previous Fiscal Year	
Fiscal Year-End	Fiscal Year Ended March 2025
Net Assets	22,141 million yen
Total Assets	25,007 million yen
Net Assets per Share	2,146.97yen
Sales	8,240 million yen
Ordinary Income	2,165 million yen
Net Income	1,516 million yen
Earnings per Share	147.04 yen

4. Overview of the Business Division to be Split

(1) Content of the Business to be Split

Processing Business

(2) Business Performance of the Division to be Split

Fiscal Year Ended March 2025 – Division Performance	
Sales	11,388 million yen

(3) Items and Amounts of Assets to be Transferred

Currently undecided; details will be announced once determined.

5. Status After the Company Split

Through this absorption-type split, the Company’s processing business will be succeeded by Parker Processing Co., Ltd. However, there will be no changes to the Company’s trade name, head office location, representative, business activities, capital, or fiscal year after the split. Following the group reorganization resulting from this absorption-type split, Parker Processing Co., Ltd. plans to change its name to Parker Processing Corporation.

6. Future Outlook

As this company split is an absorption-type split with a wholly owned subsidiary, the impact on the Company’s consolidated financial results will be minimal.

End

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.