

June 18, 2025

Nippon Electric Glass Co., Ltd.
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Notice to Cease Operation of a Subsidiary in the UK Due to Structural Reform of the Composites Business

At the Board of Directors meeting held today, Nippon Electric Glass Co., Ltd. (hereinafter referred to as NEG) resolved to cease operation of Electric Glass Fiber UK, Ltd. (hereinafter referred to as EGFU) one of our consolidated subsidiaries and a specified subsidiary.

1. Reason to cease operation

As the company announced on April 3, 2025 in “Announcement of Strategic Review of Composites Business at Electric Glass Fiber UK, Ltd.,” NEG has considered various options, including the possibility of selling EGFU, forming strategic partnerships, or cessation of its business activities during the approximately two and a half month strategic review period. In order to quickly rebuild our composites business, we have determined to cease EGFU’s operation and proceed with preparations for voluntary liquidation.

To improve profitability in the composites business, we continue to rebuild production system, revise product mix, improve production efficiency, and develop and promote value-added products.

2. Overview of the subsidiary

1. Name	Electric Glass Fiber UK, Ltd.
2. Address	Leigh Road, Hindley Green, Wigan, WN2 4XG, UK
3. Name and title of representative	Teun Bakker, Managing Director
4. Scope of business	Manufacturing and sale of glass fiber for plastics reinforcement
5. Share capital	GBP 30 million
6. Founded	July 8, 2016
7. Major shareholders and shareholding ratios	Nippon Electric Glass Co., Ltd. 100%
8. Relationship between the company and EGFU	
Capital relationship	The company owns 100% of EGFU.
Personnel relationship	3 secondees from the company
Business relationship	The company sells glass products and others to EGFU. Partial loans and partial debt guarantees have been provided by the company.
Status as related party	Since EGFU is a consolidated subsidiary of the company, it is a related party.

9. Results of operations and financial position of EGFU for the most recent three-year period

[GBP Million]

	Fiscal Year Ended December 2022	Fiscal Year Ended December 2023	Fiscal Year Ended December 2024
Net assets	15	13	1
Total assets	48	40	27
Net sales	66	56	54
Operating profit	8	(2)	(6)
Ordinary profit	7	(3)	(11)
Profit	7	(3)	(12)

3. Scheduled dates

EGFU will stop its production in late June and proceed with the preparation for voluntary liquidation, including the arrangement of its claims and debts, afterward.

4. Impact on our business performance

Impact on our business performance is currently under review. If we find that a large impact is expected, we will promptly make an announcement.