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(Update on Previously Disclosed Matters) Notice Regarding the Compulsory Land Acquisition and Relocation of the Kwinana Plant of Our Australian Subsidiary, Shinagawa Refractories Australasia Pty Ltd

April 8, 2026

To Whom It May Concern:

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In its notice dated February 19, 2026, titled " Notice Regarding the Compulsory Land Acquisition and Relocation of the Kwinana Plant of Our Australian Subsidiary, Shinagawa Refractories Australasia Pty Ltd," the Company announced that its subsidiary, Shinagawa Refractories Australasia Pty Ltd (hereinafter "SRA"), would enter into an agreement with the state government authorities concerning the compulsory acquisition of land and the relocation of the Kwinana Plant (Western Australia). The Company hereby announces that the compensation amount to be received by SRA has now been finalized, as detailed below.

1. Background

The State of Western Australia (hereinafter "WA") has decided to construct a new container port in the Kwinana area. As SRA's Kwinana Plant is located on land designated for the construction of a road directly connecting to this port, the WA government requested the relocation of the plant. In response to this request, the Company reached an agreement with the WA government to relocate the Kwinana Plant to the nearby Orion Industrial Park and transfer the land currently owned, and the transfer was completed on March 4, 2026.

2. Details

(1) Outline of the Agreement

Pursuant to the State's Land Administration Act 1997, WA will compulsorily acquire the land owned by SRA. In connection with this compulsory acquisition and the plant relocation, SRA will be entitled to claim compensation. Furthermore, even after the land acquisition, SRA will lease the land and will be able to continue operating the existing plant for approximately two and a half years.

(2) Details of Assets Transferred

Description and Location of Assets	Compensation Amount	Gain on Transfer
Lot 34 Beard Street, Naval Base, Kwinana WA, Australia (Land 28,405 m ²)	AUD 35.7 million (Approximately 3,897 million yen)	AUD 34.0 million (Approximately 3,712 million yen)

Note 1: The compensation amount and gain on transfer have been translated using an average exchange rate of AUD 1 = 109.04 yen for the period from January to March 2026.

Note 2: The gain on transfer is an estimated amount calculated as the compensation to be received from the WA government less the book value and estimated costs associated with the transfer.

(3) Transferee of Assets

Main Roads Western Australia

(4) Impact on Financial Results

As a result of the compulsory land acquisition, the Company plans to record a gain on sale of fixed assets of approximately 3,712 million yen as extraordinary income in the consolidated financial results for the first quarter of the fiscal year ended March 31, 2027. Since the fiscal year of the consolidated subsidiary relevant to this transaction covers the period from January 1, 2026, to December 31, 2026, the impact of this transaction (transfer date: March 4, 2026) on consolidated profit or loss will be reflected in the fiscal year ended March 31, 2027.

3. Future Outlook

With respect to the relocation site for the Kwinana Plant, the Company has already secured the land and plans to enter into a land purchase agreement in April 2026. Thereafter, construction of the new plant will be carried out from 2026 to 2028, while the existing Kwinana Plant will continue operations as usual. The new plant is scheduled to commence operations around September 2028, and the existing Kwinana Plant is expected to close around the same time.