

May 13, 2025

Company name:	H-ONE CO., LTD.
Name of representative:	Seiki Mayumi, Representative Director, President and Chief Executive Officer (Securities code: 5989; TSE Prime Market)
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Notice Regarding Recording of Impairment Loss(consolidated) and Extraordinary Loss(non-consolidated)

H-ONE CO., LTD. (hereinafter the “ Company ”) announces that it has recorded the following impairment loss and extraordinary loss(non-consolidated) for the fiscal year ended March 31, 2025 (April 1, 2024 through March 31, 2025).

1. Details of losses

(1) Consolidated accounting

In China, where our group operates, domestic EV (electric vehicle) manufacturers are making remarkable progress, while Japanese, European and American finished vehicle manufacturers continue to face sales difficulties. As a result, the production volume of automobile frames for the Company's main customers in China is also decreasing, and the business environment is expected to remain severe in the future. In this environment, we decided the policy to sell unprofitable businesses with the aim of maximizing asset efficiency. As a result, we conducted impairment tests based on International Financial Reporting Standards (IFRS) on some of the business assets of our consolidated subsidiaries, and recorded an impairment loss of 887 million yen in other expenses during the fourth quarter of the consolidated fiscal year, as a result of measuring the assets at fair value after deducting disposal costs.

(2) Non-consolidated accounting

As announced on February 28, 2025, in the "Notice regarding changes in overseas consolidated subsidiaries (share transfers)," during the fourth quarter of the consolidated fiscal year, we recorded an extraordinary loss of 1,792 million yen as a loss on sale of shares of subsidiaries and affiliates due to the sale of shares in H-ONE India PVT., Ltd., a consolidated subsidiary of our company, in consideration of the future business environment, etc.

2. Impact on consolidated results of the Company

The above impairment losses for the fiscal year ended March 31, 2025 is reflected in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2025" announced today(May 13, 2025). The loss on sale of shares of subsidiaries and affiliates above is eliminated in the consolidated financial statements and has no impact on the consolidated financial results.