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March 18, 2025

To whom it may concern:

Company Name: SHIBAURA MACHINE CO., LTD.
Representative: Shigetomo Sakamoto, President,
Chief Executive Officer and Chief Operating Officer
(Securities Code: 6104, Tokyo Stock Exchange, Prime Market)
Inquiries: Minoru Aoki, Senior Manager of
Public Relations and Investor Relations Department

Notice Concerning Acquisition of Stocks of Functional Fluids Ltd. (to be Subsidiary)

SHIBAURA MACHINE CO., LTD. (the “Group”) hereby announces that the Group has decided to acquire all stocks of Functional Fluids Ltd. as of March 18, 2025, which will become our wholly owned subsidiary company as described below.

1. Reason for acquisition of stocks

Functional Fluids Ltd. has many years of experience and own technology of mold cooling system, which contributes to improved quality and productivity of many customers through efficient heat transfer at production factories. By incorporating these technologies and products into the Group, we will be able to strengthen our ability to make proposals to customers who desire continuous and stable molding and, when combined with our products such as injection molding machines and die-casting machines, etc. not only improve productivity but also reduce power consumption through efficient cooling system, thereby contributing to energy conservation and reduction of CO2 emissions. Therefore, we have decided to acquire the shares based on the judgment that it will be possible to globally expand sales and contribute to the SDGs.

2. Outline of change of subsidiary (Functional Fluids Ltd.)

Functional Fluids Ltd. supports customers to improve production technologies by enhancing the functionality of water and air, and revolutionizing their production environments.

Functional Fluids Ltd. has continued to develop for many years units and systems that eliminate the obstacles originating in water so as to improve product accuracy and productivity through the highly efficient transfer of heat. In the process, it has gained a strong reputation as a specialist in cooling water management and heat transfer. In particular, the secondary cooling system, which contributes to the stabilization of the mold cooling channel and cooling efficiency by preventing rust and scale adhesion, as well as related services, are highly rated by customers.

(1) Name	Functional Fluids Ltd.	
(2) Address	5th Fl., Chiyoda Bldg. Annex, 1-4-5, Utsubohonmachi, Nishi-Ku, Osaka, 550-0004 Japan	
(3) Name and title of representative	Keiko Fujioka, President	
(4) Business	<ul style="list-style-type: none"> ● Manufacturing, sales and installing of secondary cooling system ● Manufacturing and sales of anti-rusting coolants, anti-rusting chemicals and annealer ● Manufacturing and sales of devices for optimizing the production environment and machining process ● Technical consulting for cooling system, heat exchange system and production environment 	
(5) Capital	24 million yen	
(6) Date of foundation	June 5, 1984	
(7) Major shareholder and stock ownership ratio	Two shareholders The two shareholders who are the acquisition counterparties will not be disclosed due to the obligation of confidentiality.	
(8) Relationship between the listed company and this company	Capital relationship	None
	Human relationship	None
	Business relationship	The Group's subsidiary, SHIBAURA MACHINE ENGINEERING CO., LTD., has entered into a basic transaction agreement with this company.

3. Outline of the company from which the stocks are acquired

(1) Name	Two shareholders The two shareholders who are the acquisition counterparties will not be disclosed due to the obligation of confidentiality.
(2) Address	The two shareholders who are the acquisition counterparties will not be disclosed due to the obligation of confidentiality.
(3) Relationship between the listed company and such individual	There are no capital, human, or business relationships that should be described between Group and such shareholders or their immediate families. Nor does it qualify as a related party relationship.

4. Number of stocks acquired and status of stock holding before/after acquisition

(1) Number of stocks held before change	0 shares (Number of voting rights: 0) (Voting rights holding ratio: 0%)
(2) Number of stocks acquired	480 stocks (Number of voting rights: 480)
(3) Number of stocks held after change	480 stocks (Number of voting rights: 480) (Voting rights holding ratio: 100%)

5. Schedule

(1)	Contract Date	March 18, 2025
(2)	Date of stock transfer	May 1, 2025 (planned)

6. Future outlook

Acquisition of the stocks will have only a slight effect on our business results in this term. If any major effect on our future business results becomes clear, we will promptly notify you thereof.