



June 26, 2026

Company name: IWAKI CO., LTD.  
Name of representative: Shigeru Fujinaka, President  
(Code#: 6237; Tokyo Stock Exchange  
Prime market)  
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### Notice Concerning Capital Increase of Consolidated Subsidiary

IWAKI CO., LTD. (the “Company”) hereby announces that, at a meeting of the Board of Directors held on June 26, 2026, the Company has decided to increase its capital in IWAKI Pumps (Shanghai) Co., Ltd. (“IPS”), a subsidiary of the Company in China. As a result of the capital increase, IPS’s capital is expected to correspond to an amount equivalent to 10% or more of the Company’s capital, and therefore IPS will be designated as the specified subsidiary of the Company. Details are described below.

#### 1. Reason for capital increase

The Chinese market is one of the Company's key overseas growth markets, and IPS is the Company's largest sales subsidiary in China.

This capital increase is intended to strengthen the business base and expand the scope of business in Shanghai, and will be used for capital investment and working capital.

#### 2. Overview of subsidiary (IPS) subject to change

(1) Name	IWAKI Pumps (Shanghai) Co., Ltd.	
(2) Chairman of the Board	Zhang Limin	
(3) Location	Shanghai, China	
(4) Date of establishment	March 29,2001	
(5) Business description	Sales of various pumps	
(6) Capital before capital increase	600,000 USD	
(7) Major shareholders and ownership ratios	the Company : 100%	
(8) Relationship between the Company and IPS	Capital relationship	A subsidiary in which the Company holds 100% of the shares.

	Personnel relationship	The Senior General Manager of the Company's International Sales Head Office and the General Manager of the Global Management & Planning Office concurrently serve as Directors of IPS.
	Business relationship	IPS sells the Company products and procures parts in the Chinese market.

### 3. Operating results and financial position of subsidiary (IPS) for the past three years

(RMB thousands)

Fiscal Year-End	FY2023	FY2024	FY2025
Net assets	59,911	42,802	28,053
Total assets	95,666	69,567	76,763
Net sales	157,402	118,050	131,690
Operating income	70,060	47,209	47,074
Net income	52,473	35,364	35,248
Exchange rate	19.82 yen/RMB	21.03 yen/RMB	20.81 yen/RMB

\* Exchange rate is the average rate for each period.

### 4. Overview of capital increase

(1)	Amount of capital increase	400,000 USD
(2)	Date of payment	July 8, 2026 (Tentative)
(3)	Capital after capital increase	1,000,000 USD
(4)	Investment ratio after capital increase	the Company : 100%

### 5. Impact on financial results

The impact of the capital increase on the Company's consolidated financial results is not expected to be material. If any matter required to be disclosed arises, the Company will announce it immediately.

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