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March 12, 2026

To whom it may concern:

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Representative: Ichiro Sakai, President and Representing Director
Securities Code: 6358 (Tokyo Stock Exchange Prime Market)
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Notice of Recording of Expected Extraordinary Income (Gain on Sale of Investment Securities)

SAKAI HEAVY INDUSTRIES, LTD. (the “Company”) hereby announces that at the board of directors meeting held today, it resolved to sell some of investment securities held by the Company, as follows.

1. Reasons for selling investment securities

In "Policy on Cross-Shareholdings," the Company has set out a policy to limit the ratio of cross-shareholdings to consolidated net assets to less than 20%, and this transaction is based on that policy.

For details of its "Policy on Cross-Shareholdings," please see its website below.

<https://www.sakainet.co.jp/en/ir/item/sustainability/20241202.pdf>

2. Details of the sale of investment securities

(1) Investment securities scheduled to be sold : Some of listed securities held by the Company

(2) Scheduled sale period : March 2026

(3) Gain on sale of investment securities : Approximately 1.1 billion yen (estimate)

The above estimated gain on sale of investment securities is an estimate based on the current stock prices of the relevant securities. As the market environment remains highly uncertain, including heightened tensions in the Middle East, the actual gain on sale of investment securities may differ materially from the currently expected amount.

3. Impact on financial results

The above-mentioned gain on sale of investment securities is scheduled to be recorded as extraordinary income in the fourth quarter of the fiscal year ending March 31, 2026. The impact of this matter on the Company's financial results has been incorporated into the consolidated financial forecast figures for the fiscal year ending March 31, 2026, as announced today (March 12, 2026) in "Notice of Revision of Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2026".

Note: The financial forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable, and are not intended as guarantees of future performance. Actual performance may differ significantly due to various factors.