

September 10, 2025

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(Cancellation of the disclosure matter)

Notice Regarding the Cancellation of the New Medical Factory Construction Project in Japan

As announced in the disclosure document dated November 11, 2021 titled “Announcement on the Construction of a New Medical Factory in Japan”, Nikkiso Co., Ltd. (the “Company”) had been proceeding with a plan to construct a new factory on the premises of Nikkiso Miyazaki for the purpose of strengthening the production and supply system for blood tubing lines, which are essential disposables parts for hemodialysis therapy. However, at the Board of Directors meeting held today, the Company resolved to cancel this construction project as follows:

1. Reason for cancellation

In response to the suspension of operations at the factory of blood tubing lines in Ho Chi Minh, Vietnam in 2021 during the COVID-19 pandemic, the Company had been reviewing and restructuring its production and supply system for blood tubing lines. As part of the efforts, the Company formulated the project in November, 2021 to construct a new factory for blood tubing lines in Miyazaki, Japan, and had been proceeding with the plan. However, during project preparation, the following increases in construction material costs and facility reconfiguration for advanced production automation have resulted in capital expenditure estimates exceeding the initial plan.

In addition, as the Company has been restructuring its global production and supply system, the enhancement of functions at its overseas manufacturing sites has progressed, leading to a more solid foundation for the stable supply to the Japanese market. After comprehensive consideration of these factors, the Company has concluded that continuing this construction project would not be economically viable and has therefore decided not to proceed with the project.

2. Impact on consolidated financial performance

The impact of this cancellation of the construction project on the Company's consolidated financial results for the fiscal year ending December 31, 2025, will be negligible, and there are no revisions to the full-year financial forecasts.

3. Future production and supply system

The Company has established a system that enables continued stable supply of high-

quality products by utilizing overseas production sites, without establishing new production bases in Japan. Going forward, the Company will remain committed to providing reliable products and services to patients and customers, while promoting more efficient and sustainable business operations.

(Organizational development at overseas production sites)

- The existing overseas production sites, M.E. Nikkiso Co., Ltd. (Bangkok, Thailand) and Nikkiso Vietnam MFG Co., Ltd. (Ho Chi Minh, Vietnam) increased product inventory levels for the Japanese market and established a stable production system.
- M.E. Nikkiso Vietnam Co., Ltd. (Quang Ngai, Vietnam) completed the installation of manufacturing and sterilization equipment for the products intended for the Japanese market. It obtained partial amendments to its marketing certification for the designated controlled medical devices on July 10, 2025. As a result, a production and export system for products for the Japanese market has been established.