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November 28, 2025

Company name: Sanoh Industrial Co., Ltd.
Representative: Genya Takeda, Director & President
(Code No: 6584)
Contact Person: Munetoshi Sasaki, Director, Senior Executive Officer & CFO,
General Manager of Financial Headquarters
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Notice Concerning the Dissolution and Liquidation of an Overseas Subsidiary

Sanoh Industrial Co., Ltd. ("the Company") hereby announces that it has resolved, at a meeting of the Board of Directors held on November 28, 2025, to dissolve and liquidate Guangzhou Sanoh Seikan Co., Ltd., which is a consolidated subsidiary of the Company. The details are as follows.

1. Reason for the Dissolution

In response to the deteriorating performance of our overseas subsidiaries in China, the Company has been assessing restructuring measures, including the consolidation and streamlining of operational bases. However, the sales of Japanese-owned auto manufacturers have slowed down, and it is uncertain if they will recover in the future. In light of these changes in the business environment we have concluded that liquidating this subsidiary will enable us to utilize the management resources of our group more efficiently and contribute to the overall enhancement of corporate value.

2. Overview of the Subsidiary

(1) Name	Guangzhou Sanoh Seikan Co., Ltd.	
(2) Location	Guangzhou City, Guangdong Province, People's Republic of China	
(3) Representative	Chairman, Yoshitaka Shiozawa	
(4) Business	Manufacturing and sales of automotive parts	
(5) Capital	USD 5,800,000	
(6) Date of Establishment	April 19, 1999	
(7) Major Shareholder and ownership ratio	The Company – 97%	
(8) Relationship with the Listed Company:	Capital Relationship	The Company holds a 97% stake
	Personal Relationship	The Company's employees serve as the representative of the subsidiary.
	Business Relationship	The Company sells products to the subsidiary.
	Related Party Status	Applicable (consolidated subsidiary of the Company)

3. Financial Position and Business Results for the Past Three Fiscal Years

(Amounts are rounded to the nearest million yen)

Fiscal Year End	FY2022	FY2023	FY2024
Net Assets	3,047	3,064	2,390
Total Assets	3,641	3,850	2,936
Net Sales	6,868	5,883	3,996
Operating Income	388	93	△453
Ordinary Income	383	89	△437
Net Income	285	68	△895

4. Schedule for Dissolution and Liquidation

The liquidation is planned to be completed as soon as the necessary procedures are completed pursuant to the local laws and regulations. However, no specific timeline has been determined at present.

5. Future Outlook (Impact on Business Performance and Recording of Extraordinary Loss)

As a result of these procedures, we expect to record an extraordinary loss of 1,455 million yen (loss on liquidation of subsidiary) in the consolidated financial results for the fiscal year ending March 2026. The consolidated earnings forecast for the fiscal year ending March 2026, including this impact, is currently under review. The Company will promptly make an announcement should any matters requiring disclosure arise in the future.