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Notice Concerning Change in Specified Subsidiary (Sub-subsidiary) Share Transfer Agreement of Roller Product Business Subsidiaries

NOK Corporation announced it has concluded today a share transfer agreement under which NOK transfers all the shares of its 100% subsidiary, Synztec Co., LTD. (“Synztec”), and its subsidiaries dedicating to production and sales of roller products for OA machineries to special purpose corporation (SPC), fully owned by a fund under management of SMBC Capital Partners Co., Ltd.

1. Purpose of the share transfer

NOK is striving toward sustainable growth and currently working on its three-year mid-term management plan in which optimal resource allocation is one of key strategies. In the OA machinery market exposed to significant changes such as the trend towards the paperless, the company’s roller product business has provided value-added and quality products backed by technology. Meanwhile, business circumstances have continued to get more severe due to slower demand caused by external circumstances, business restructuring at the customer level, and so on. Under these business environments, the company decided to transfer all the shares of Synztec to SMBC Capital Partners Co., Ltd., an investment-focused subsidiary of the SMBC Group, possessing extensive management support expertise, resources, and networks, who evaluates high technology and product lineup of the roller product business. NOK believes the roller product business will achieve further growth under SMBC Capital Partners Co., Ltd.’s strategy.

2. Overview of the transfer

In NOK Group, Synztec and Synztec’s seven 100%-owned subsidiaries located in Japan and overseas are dedicating to the roller product business. One of the overseas subsidiaries, Synztec Precision Parts (Shenzhen) Co., Ltd. (Shenzhen, China) is a specified subsidiary under the Japanese Corporate Law. Upon the share transfer of Synztec, directly owned by NOK, based on this share transfer agreement to the SPC, all the eight roller products business companies will be transferred.

3. Outline of the transferred subsidiaries

- Outline of Synztec group
  - Headquarters: Synztec (NOK’s 100% subsidiary. Location: Minato-ku, Tokyo, Japan. Representative: Yoshitane Saito)

- Business: Production and sales of parts, accessories and consumables for office and industrial equipment
- Group companies: Synztec and its 100% subsidiaries, 1 in Japan and 6 outside Japan
- Number of employees (Mar 2025): 1,734 on a consolidated basis
- Financial position and business results in the fiscal year ended March 2025 on a consolidated basis
  - Net assets: 17,027 million yen
  - Total assets: 22,249 million yen
  - Net sales: 22,898 million yen
  - Operating income: 1,831 million yen
  - Net income: 1,620 million yen

  *The roller product business is included in Other segment in NOK's consolidated financial statements.

- Outline of the transferred specified subsidiaries

Name	Synztec Precision Parts (Shenzhen) Co., Ltd.	
Headquarters	Shenzhen, China	
Representative	Toshio Maeda	
Operations	Production and sales of parts, accessories and consumables for office and industrial equipment	
Established	January 1994	
Capital (as of Mar 2025)	227,950 thousand RMB*	
Employees (as of Mar 2025)	335	
Shareholders	Synztec (H.K.) Co., LTD. 100%	
Relationship between NOK	Capital	NOK indirectly owned 100%
	Human Resources	Not applicable
	Transaction	Not applicable

Business results and financial position of the last 3 years (Thousand RMB)			
Financial year	Mar 2023	Mar 2024	Mar 2025
Net assets	(92,069)	(91,117)	(68,532)
Total assets	134,257	135,936	166,424
Net sales	298,645	268,033	270,399
Operating income/loss	(10,029)	3,590	25,953
Ordinary income/loss	(19,123)	2,703	25,711
Net income/loss	(30,522)	952	22,584

* As of the end of March 2025, one Chinese yuan was equivalent to 20.59 Japanese yen.

- Other transferred subsidiaries
  - Japan: Kuki Roll Kogyo Co.,Ltd.
  - Overseas: Synztec Precision Parts (Shanghai) Co.,Ltd., Synztec (H.K.) Co.,Ltd., Synztec Singapore Pte Ltd., Synztec (Malaysia) Sdn.Bhd, Synztec Vietnam Co.,Ltd.

4. Outline of acquirer

Name	SMC0301 Co., Ltd.	
Headquarters	Chiyoda-ku, Tokyo	
Representative	Shunji Naka	
Operations	Acquisition and ownership of shares in operating companies	
Established	March 19, 2025	
Capital (as of Mar 2025)	5,000 yen	
Shareholders	SMBCCP Investment Limited Partnership 3 100%	
Relationship between NOK	Capital	Not applicable
	Human Resources	Not applicable
	Transaction	Not applicable

5. Number of transferred shares and transfer price

Owned shares before transfer (voting rights ownership ratio)	100 shares (100%)
Transferred shares	100 shares
Owned shares after transfer (voting rights ownership ratio)	0 shares (0%)

Transferred price is not disclosed in accordance with agreement between both parties.

6. Schedule

Agreement of share transfer: October 8, 2025 (today)

Share transfer execution: December 2025 (planned)

7. Impacts on results of NOK

The Company is to record a loss on sale of shares of subsidiaries and associates as extraordinary loss. Although the loss amount is currently under review, the company anticipates approximately 10 billion yen. The loss was not factored in the initial forecasts for FY2025 announced in May 2025, but the Company does not revise the initial forecasts because it is expected the company is recording higher-than-initially-expected extraordinary income as gains from sale of investment securities by accelerating reduction of mutual shareholding which would offset the impact of the loss from this business transfer.

Synztec and its subsidiaries will not be included in scope of NOK's consolidation after the transfer date. Although the details of the accounting treatment are currently undetermined, the impact on NOK's consolidated financial statements for FY2025 will not be material for either net sales or operating income.

*Any forward-looking statements on business result projections stated in this material are based on information currently available to NOK Corporation and certain assumptions which NOK Corporation deems reasonable, and are not meant to promise the achievement of such projections. Furthermore, actual financial results may differ significantly due to various factors.