Translation

Notice: This is a translation of part of the original document in Japanese and is only for reference purposes. In the event of any discrepancies between this translated document and the original Japanese document, the latter shall prevail.





May 12, 2025

To whom it may concern:

Company name: Seika Corporation

Representative: Akihiko Sakurai, President and

Chief Executive Officer (Code number: 8061; Prime Market, Tokyo Stock Exchange)

Contact: Hirohisa Masuda, Director,

Managing Executive Officer in charge of administration (Phone: +81-3-5221-7101)

Notice Concerning the Expected Recording of Extraordinary Income on the Sale of Cross-shareholdings

Seika Corporation (the "Company") hereby announces that it expects to record extraordinary income (gain on sale of investment securities) as of the end of the first half of the consolidated fiscal year ending March 31, 2026. The details, together with the Company's policy on reduction in cross-shareholdings, are described below.

1. Policy on reduction in cross-shareholdings

Based on the Corporate Governance Code, after verifying the effectiveness of our cross-shareholdings, we are assessing whether to continue holding them and proceeding with their reduction.

In the "Notice Concerning Reduction in Cross-shareholdings" dated January 16, 2025, we announced that we aim to lower the ratio of cross-shareholdings to consolidated net assets to the level of 10% by the fiscal year ending March 31, 2028. We will continue to verify cross-shareholdings with a view to their reductions for the fiscal year ending March 31, 2029 and beyond as we strive to further increase asset efficiency.

The Company will utilize the funds acquired by the reduction in cross-shareholdings for growth investments and shareholder returns, among other purposes.

2. Details of sale of investment securities

(1) Number of issues sold:

(2) Scheduled date of sale: From May 13, 2025 to September 30, 2025
(3) Gain on sale of investment securities: Approximately 1.3 billion yen (estimate)

Gain on sale of investment securities is an estimated amount calculated based on the current share price of the relevant securities, and includes uncertainty due to factors such as

future share price trends.