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December 25, 2025

To All

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## Notice concerning filing of lawsuit to cancel surcharge payment order from the Japan Fair Trade Commission

As announced in the “Notice concerning receipt of a cease and desist order and a surcharge payment order from the Japan Fair Trade Commission” dated September 24, 2025, we and Nippon Trex Co., Ltd., our subsidiary (hereinafter, “Both Companies”), received a cease and desist order and a surcharge payment order based on the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade from the Japan Fair Trade Commission regarding the sale of “upper bodies.”

It is deeply regrettable that this situation has come to pass. We wish to reiterate our deepest apologies to our customers, business partners, shareholders, and other related parties for the great inconvenience and concern caused.

The Group takes this violation of the Antimonopoly Act very seriously and with the utmost sincerity. All officers and employees will work together to prevent recurrence, review compliance systems, and eliminate any violations of laws and regulations.

On the other hand, after careful examination and confirmation of the contents of each order, there are some differences of opinion with the Group and the Fair Trade Commission regarding the fact-finding and legal interpretation of the surcharge payment order, and we hereby announce that at a meeting of the Board of Directors held on December 25, 2025, Both Companies decided to file a lawsuit to cancel the surcharge payment order, for the purpose of seeking a reduction in the surcharge.

Going forward, we will assert and substantiate the positions of Both Companies regarding this lawsuit, and will seek a fair judicial decision. Regardless of the outcome of the lawsuit, the entire Group will work to ensure compliance and strengthen internal control systems to prevent recurrence and restore confidence.

### [Reference: Overview of Surcharge Payment Order]

Pay a surcharge totaling 5,925,530 thousand yen (Us: 2,601,890 thousand yen; Nippon Trex Co., Ltd.: 3,323,640 thousand yen) to the National Treasury no later than April 27, 2026, the prescribed payment deadline.

(\*Note that the above surcharge amounts follow a reduction of 30% in accordance with the application of the surcharge reduction and exemption system.)