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April 25, 2025

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 Representative Director: Mr. Masato Kashiwabara, President and CEO
 Listing: Tokyo Prime Market
 Securities Code: 4228
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Notice Regarding the Dissolution of a Consolidated Subsidiary (Sub-subsidiary)

SEKISUI KASEI CO., LTD. (the Company) hereby announces that our Board of Directors resolved today to dissolve and liquidate Proseat SAS (hereinafter referred to as "PSFR"), a European consolidated sub-subsubsidiary owned by our subsidiary Proseat Europe GmbH (hereinafter referred to as "PSEU"). Additionally, we announce that an extraordinary loss will be recorded in the consolidated financial statements for the fourth quarter of the fiscal year ended March 31, 2025 (from April 1, 2024, to March 31, 2025).

1. Reason for Dissolution and Liquidation

The Company announced in the "Notice Regarding the Memorandum of Understanding on the Transfer of Shares of a Consolidated Subsidiary (Sub-subsubsidiary)" on March 19, we are proceeding with the transfer of our business subsidiaries under PSEU. Regarding PSFR, we had been considering its liquidation as it was excluded from the transfer. Given that the business transfer to other locations has been completed, we have decided to dissolve and liquidate PSFR.

2. Overview of the Subsidiary to be Dissolved and Liquidated

(1) Name	Proseat SAS	
(2) Location	71, Avenue de Verdun 77470 Trilport – France	
(3) Name and position of representative	Mr. Sven Kunath, CEO	
(4) Business lines	Manufacture and sales automotive parts	
(5) Capital stock	EUR 14,830 as of December 31, 2024	
(6) Date of founding	December 13, 2001	
(7) Major shareholders and shareholding ratio	Proseat Europe GmbH 100% (Indirect ownership: 100%)	
(8) Relationship with the Company	Capital Relationship	The subsidiary is indirectly wholly-owned by of PSEU, which is a wholly-owned subsidiary of the Company.
	Personal Relationship	There are no pertinent matters to be recorded.
	Business Relationship	There are no pertinent matters to be recorded.
	Status of Transactions with Related Parties	The subsidiary is a consolidated subsidiary of the Company and qualifies as a related party.

(9) The financial condition and results for the last two and a half fiscal years (unit: thousands EUR)			
Period	FY2022	FY2023	First half oh FY2024
Net assets	(7,207)	(8,458)	(8,746)
Total assets	6,307	4,982	5,486
Sales	14,786	13,421	6,871
Operating income	(2,939)	(642)	(17)
Ordinary income	(3,187)	(1,381)	(353)

3. Schedule for the Dissolution and Liquidation

The liquidation is scheduled to be completed once the necessary procedures in accordance with local laws are finalized. However, the specific schedule is currently undetermined.

4. Future Outlook

As a result of this matter, we expect to record an extraordinary loss of approximately 1.2 billion yen in the consolidated financial results for the fiscal year ended March 31, 2025, due to business restructuring expenses. For the impact of this matter on our consolidated financial results, please refer to the " Notice Regarding the Recording of Non-operating Expenses (Individual) and Extraordinary Losses (Consolidated and Individual), Revision of Consolidated Earnings Forecast, Difference Between Individual Earnings Forecast and Previous Fiscal Year Actual Results, and Revision of Year-end Dividend Forecast (No Dividend) " disclosed today.