SEKISUIKASEI

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October 31, 2025

Company Name:	SEKISUI KASEI CO., LTD.
Representative Director:	Yasunobu Furubayashi, President and CEO
Listing:	Tokyo Prime Market
Securities Code:	4228
Inquiries:	Katsumi Sasaki, Director & Senior Managing Executive Officer, Head of Corporate Strategic Headquarters
E-mail:	ir_pr@sekisuikasei.com

Notice Regarding Recording of Extraordinary Loss (Loss on Business Transfer)

SEKISUI KASEI CO., LTD. (the Company) hereby announces that an extraordinary loss (loss on business transfer) was recorded during the consolidated cumulative second quarter of the fiscal year ending March 31, 2026 (April 1, 2025 – September 30, 2025), as outlined below.

1. Details of Extraordinary Loss (Loss on Business Transfer)

As announced in our news release dated September 2, 2025, titled "(Update on Disclosed Matter) Notice Regarding Completion of Shares and Equity Transfer in Consolidated Subsidiaries (indirectly owned)," we have completed the transfer of shares in our European subsidiary, Proseat Group. While the final transfer price is still being determined, the Company recorded a loss on business transfer of 3,948 million yen as an extraordinary loss during the second quarter consolidated cumulative period. This loss includes 3,155 million yen from the sale of shares of affiliated companies and 792 million yen in related fees and commission expenses.
The final transfer price will be determined based on the balance sheet as of August 31, 2025, within 75 business days from the transfer date in accordance with the contract. We will promptly disclose the details once the final amount is confirmed.
Please note that this loss is a non-cash accounting loss and will not affect our future cash flow.

2. Impact on Financial Results

The impact of recording the above extraordinary loss has been reflected in the "Consolidated Financial Results for the Six Months Ended September 30, 2025 <Under Japanese GAAP>" disclosed today.