

February 20, 2025

Dear Shareholders,

KROSAKI HARIMA CORPORATION

Notice of establishment of local subsidiary in Vietnam

KROSAKI HARIMA CORPORATION is pleased to announce the establishment of a local subsidiary in Ho Chi Minh City, Vietnam, with operations commencing in February, 2025. The aim of the new company will be to further expand our sales network in the Southeast Asian market and strengthen our presence within the region's steel industry.

1. Purpose of establishment

Currently, the production of crude steel in Southeast Asia continues to expand steadily due to the increasing demand for steel within the region. Along with the improvement in the quality of regionally produced steel, it is expected that there will be an increase in demand for the high-performance refractory products that KROSAKI HARIMA specializes in.

Against this backdrop, in order to capture expanding demand through the following initiatives, we have established a local subsidiary in Vietnam, the largest steel producing country in Southeast Asia, and plan to strengthen our business base in Vietnam and throughout the Southeast Asian region.

Our initiatives in the region include:

- (1) Development of potential customers
- (2) Strengthening support systems for existing regional customers
- (3) Market research in the local area and surrounding countries

2. Outline of new company

- | | |
|-------------------------------------|--|
| (1) Name: | KROSAKI VIETNAM COMPANY LIMITED |
| (2) Location: | Ho Chi Minh City, Socialist Republic of Vietnam |
| (3) Business operations: | Market research, customer service, exploration of new business opportunities |
| (4) Capital: | 139,000 USD |
| (5) Krosaki Harima ownership ratio: | 100% |