

Date: April 24, 2026

Contact:
Corporate Officer
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At a meeting of the Board of Directors held today, Hanwa Co., Ltd.(hereinafter: “Hanwa” or “the Company”) passed a resolution to carry out a company split (hereinafter, the “Company Split”), with the Company as the successor company and its wholly-owned subsidiary, HKG Trading Co., Ltd. (hereinafter, “HKGT”), as the splitting company. In addition, since this company split will be a simple absorption type carried out between the Company and its wholly-owned subsidiary, a portion of the disclosure items and content will be omitted.

1. Purpose of this restructuring

The Company acquired all of the issued shares of HKG Trading Co., Ltd. (“HKGT”) on April 1, 2025, and thereby made HKGT and its subsidiaries — Kyowa Steel Co., Ltd. (including Kyowa Unyu Inc.), Kenkosha Corporation, and Eiwa Metal Co., Ltd. (collectively, “HKGT Group Companies”) — members of the Hanwa Group.

This restructuring is intended to establish and strengthen a management framework under which Hanwa’s relevant divisions are more directly involved in the business operations and management of the HKGT Group Companies, with the objective of enhancing group synergies.

Through deeper group integration, Hanwa aims to utilize the strengths of the HKGT Group Companies, including their specialized products and procurement networks, in combination with those of Hanwa, while promoting operational efficiency within the Group.

2. Company splitting**(1) Company split schedule**

Resolution by the Company’s Board of Directors	April 24, 2026
Resolution by HKGT’s Board of Directors	April 24, 2026
Company split contract signing date	April 30, 2026(planned)
Company split effective date	June 30, 2026 (planned)

(Note) The company split will be carried out without the approval of a resolution by a general meeting of stockholders because it is a simple absorption split as defined in Article 796, Paragraph 2 of the Companies Act.

(2) Company splitting method

The method is an absorption split with HKGT as the splitting company and Hanwa as the successor company.

(3) Allocation for the company split

As the company split is being carried out between the Hanwa and its wholly-owned subsidiary, no cash or other assets will be delivered in connection with the company split.

(4) Handling of share warrants and warrant bonds related to this company split

Not applicable.

(5) Changes to capital resulting from the company split

There will be no changes to Hanwa’s capital resulting from the company split.

(6) Rights and obligations taken on by the successor company

Among the assets, debts, contractual status, and other rights and obligations related to this company split, those specified by the absorption split contract will be inherited by the successor company.

(7) Expectations for debt fulfillment

Hanwa has determined that this company split will not cause any problems for the appropriate fulfillment of company debts.

3. Overview of companies involved in the company split

	Successor company (as of September 30, 2025)	Split company (as of October 1, 2025)
(1) Name	Hanwa Co., Ltd.	HKG Trading Co., Ltd.
(2) Address	4-3-9 Fushimi-machi, Chuo-ku, Osaka-shi, Osaka	1-13-1 Kyobashi, Chuo-ku, Tokyo
(3) Representative's title and name	Yoichi Nakagawa, Representative Director, President	Osamu Iwata, Representative Director, President
(4) Business content	Sales of various types of products such as iron and steel, metal raw materials, nonferrous metals, foodstuffs, oil and chemical products, lumber, and machinery; steel and nonferrous metal manufacturing; amusement facility management and operations, etc.	Domestic and overseas sales of steel, construction materials, building materials, iron making raw materials, steelmaking raw materials, stainless steel, specialty steel, Contractor for Steel Construction and Interior/Exterior Construction Projects, etc.
(5) Capital	45,651million yen	260million yen
(6) Date of establishment	April 1, 1947	December 17, 1970
(7) Number of issued shares	42,332,640 shares	579,508 shares
(8) Accounting period	March 31	March 31
(9) Major shareholders and holdings ratio	The Master Trust Bank of Japan, Ltd. (Trust) 12.91% Hanwa Clients' Stock Investment Association 6.02% Custody Bank of Japan, Ltd (Trust) 4.66% JP MORGAN CHASE BANK 385632 3.28% Sumitomo Mitsui Banking Corporation 3.21%	Hanwa Co., Ltd. 100%
(10) Financial status and business performance in the preceding fiscal year		
	ending March 2025 (Consolidated)	ending March 2025 (Unconsolidated)
Net assets	389,470million yen	1,693million yen
Total assets	1,165,805million yen	14,864million yen
Net assets per share	9,485.64 yen	2,922.14 yen
Net sales	2,554,514million yen	4,677million yen
Operating profit	61,532million yen	111million yen
Operating income	59,746million yen	335million yen
Net income for the year	45,482million yen	290million yen
Net income for the year per share	1,125.66 yen	500.92 yen

4. Overview of inheriting business departments

(1) Content of inheriting business departments

Hanwa will inherit the stock management business concerning Kyowa Steel Co., Ltd., Kenkosha Corporation, and Eiwa Metal Co., Ltd.

(2) Performance of inheriting business departments (fiscal year ended March 2025)

Net sales	Not applicable.
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(3) Inherited asset and liability items and amounts (as of March 31, 2026)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	0 yen	Current debts	0 yen
Fixed assets	1,273 million yen	Fixed liabilities	0 yen
Total assets	1,273 million yen	Total liabilities	0 yen

(Note) As the above amounts are calculated based on the balance sheet as of March 31, 2026, the actual amounts of the assets to be split will be finalized after adding or subtracting any increases or decreases up to the effective date of the company split.

5. Conditions following the company split

There will be no changes to Hanwa's trade name, business content, head office address, representative, capital, or accounting period following the company split.

6. Future forecast

This company split is expected to have no impact on Hanwa's consolidated business results.

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