

June 30, 2026

Company name: Hanwa Co., Ltd.
Name of representative: Yoichi Nakagawa, Director,
President
(Securities code: 8078; Prime
Market)
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Notice Regarding the Acquisition of Membership Interests in Associated Steel Group, LLC in the U.S.A. (Conversion into a Consolidated Subsidiary) and a Capital Increase in a Consolidated Subsidiary

Hanwa Co., Ltd. (the “Company”) hereby announces that, based on the authority delegated by a resolution of its Board of Directors held on June 12, 2026, the Company, by a decision of its Representative Director and President dated June 29, 2026, determined to enter into an equity purchase agreement to acquire membership interests in Associated Steel Group, LLC, a U.S. entity (“ASG”), through a joint investment with Development Bank of Japan Inc. (“DBJ”), and to conduct a capital increase of HANWA AMERICAN CORP. (“HAMCO”), a consolidated subsidiary of the Company (the "Capital Increase"), and entered into such equity purchase agreement on the same date (Central Daylight Time), as outlined below.

1. Reason for the Acquisition of Membership Interests

In its Medium-Term Business Plan 2028 “Go Beyond” announced on May 12, 2026, the Company set forth a shift toward “proactive business investments that enable non-linear growth,” supported by a strengthened financial and risk management base. In light of structural changes in demand in the domestic market, and to further accelerate expansion into the growth markets of the Americas and Europe, the Company has positioned the full-scale adoption and promotion of an overseas M&A strategy as a key strategic option. Through these initiatives, the Company aims to achieve a future overseas revenue mix of 50%.

ASG is a steel structure manufacturing group centered on Alliance Steel, Inc., based in Oklahoma, and ACI Building Systems, LLC, based in Mississippi. The group provides Pre-Engineered Metal Building (“PEMB”) systems for non-residential buildings, primarily in the southern United States, in which steel framing components designed and fabricated in factories are assembled on-site. ASG’s key strengths include an organizational structure that enables it to respond flexibly to customers’ delivery schedule requirements, as well as technological expertise and quality in the field of structural design. Through these strengths, ASG has built long-standing, trust-based relationships with its regional customers.

By making ASG a consolidated subsidiary, the Company will acquire a business foundation in the PEMB sector in the Americas. Leveraging its strengths in the distribution of construction steel materials, high value-added processing, and the provision of solutions in the design and construction fields, the Company will use ASG as a starting point to maximize synergies by strengthening downstream operations and building and reinforcing a resilient supply chain that spans the entire value chain, extending upstream to North American steel manufacturers.

2. Method of Acquisition of Membership Interests

This acquisition will be conducted as a co-investment with DBJ. The Company will acquire a majority of the membership interests in ASG through HAMCO, its North American subsidiary, while DBJ will acquire the remaining membership interests through a newly established SPC to be set up in Japan. However, if DBJ does not close the transaction, the Company intends to acquire 100.0% of the membership interests.

3. Overview of the Company Whose Membership Interests Are to Be Acquired

(1) Name	Associated Steel Group, LLC
(2) Location	850 New Burton Road, Suite 201, Dover, DE 19904, U.S.A.
(3) Title and name of representative	President & CEO, Robert Mutersbaugh

(4) Description of business	Manufacturing and sales of custom-designed steel structures and related products for non-residential use in the United States		
(5) Date of establishment	August 2012		
(6) Major shareholders and ownership ratios	Associated Group Holdings, LLC: 100%		
(7) Relationship between the Company and said company	Capital relationship	None	
	Personnel relationship	None	
	Business relationship	None	
(8) Consolidated operating results and financial position of said company for the last three years			
As of / Fiscal year ended	December 31, 2023	December 31, 2024	December 31, 2025
Net assets	\$ 35,820 thousand	\$(28,401) thousand	\$(7,937) thousand
Total assets	\$ 111,912 thousand	\$ 127,978 thousand	\$ 141,919 thousand
Net sales	\$ 225,398 thousand	\$ 233,847 thousand	\$ 211,937 thousand
Operating profit	\$ 49,458 thousand	\$ 49,223 thousand	\$ 41,794 thousand
Profit before income taxes	\$ 42,944 thousand	\$ 40,108 thousand	\$ 30,538 thousand
Profit attributable to owners of parent	\$ 37,841 thousand	\$ 32,184 thousand	\$ 23,471 thousand

(Note 1: As ASG is a Limited Liability Company, there is no concept equivalent to share capital, and the amount of contributions is not recognized as share capital.)

4. Overview of the Counterparty to the Acquisition of Membership Interests

(1) Name	Associated Group Holdings, LLC	
(2) Location	251 Little Falls Drive, Wilmington, DE 19808, U.S.A.	
(3) Title and name of representative	Chairman, Jon Vesely	
(4) Description of business	Managing activities of operating company	
(5) Date of establishment	July 2012	
(6) Relationship between the Company and said company	Capital relationship	None
	Personnel relationship	None
	Business relationship	None
	Related party relationship	None

(Note 2: Based on the obligation of confidentiality with the with the counterparty to the acquisition of membership interests, the major shareholders and ownership ratios will not be disclosed.)

5. Number of Membership Interests to Be Acquired and Ownership Percentage Before and After the Acquisition

(1) Percentage of membership interests held before the change	0%
(2) Percentage of membership interests to be acquired	50.1% ~ 100.0%
(3) Acquisition price	\$347 million (Note 3)
(4) Percentage of membership interests held after the change	50.1% ~ 100.0%

(Note 3: This is the aggregate base value on a 100.0% membership interest basis. The Company's final acquisition price is expected to be determined by applying various adjustments stipulated in the equity purchase agreement—such as adjustments for cash, indebtedness, and net working capital, and pro-rata adjustment based on the applicable percentage at closing—to the aggregate base value.)

6. Timetable

(1)	Date of execution of the agreement	June 29, 2026 (Central Daylight Time)
(2)	Date of commencement of the transfer of membership interests	After the terms of the equity purchase agreement have been satisfied, and after obtaining clearance from United States competition authorities

7. Future Outlook

As a result of this acquisition, ASG is expected to become a consolidated subsidiary of the Company within the current fiscal year (fiscal year ending March 2027). Please note that the impact of this acquisition on the Company's consolidated operating results and other matters is not included in the full-year forecast for the fiscal year ending March 2027, which was announced on May 12, 2026, and is currently under detailed review. If any matters requiring disclosure arise in the future, the Company will promptly make an announcement.

8. Reason for the Capital Increase

In connection with the acquisition of membership interests in ASG through HAMCO, HAMCO will conduct a capital increase to raise the necessary funds.

9. Overview of the Subsidiary Implementing the Capital Increase and the Capital Increase

(1)	Name	HANWA AMERICAN CORP.	
(2)	Location	400 Kelby Street, Fort Lee, New Jersey 07024, U.S.A.	
(3)	Job title and name of representative	President, Masaaki Nakayama	
(4)	Description of business	Import, export, and sale of steel, non-ferrous metals, and related products in North America	
(5)	Share capital	(Before the Capital Increase) \$40,000 thousand (as of March 31, 2025) (After the Capital Increase) \$240,000 thousand ~ \$437,250 thousand	
(6)	Date of establishment	September 1, 1968	
(7)	Major shareholders and ownership ratios	Hanwa Co., Ltd. 100%	
(8)	Relationship between the Company and said company	Capital relationship	The Company owns 100% of the equity of HAMCO.
		Personnel relationship	The Company has seconded nine personnel to HAMCO.
		Business relationship	The Company sells products to HAMCO.

10. Overview of the Capital Increase

(1)	Payment date	Undecided (Note 4)
(2)	Amount of capital increase	\$200,000 thousand ~ \$397,250 thousand
(3)	Amount of capital after the capital increase	\$240,000 thousand ~ \$437,250 thousand
(4)	Ownership ratio after the capital increase	100%

(Note 4: To be determined upon confirmation of the date of commencement of the transfer of membership interests.)

11. Future Outlook of the Capital Increase

The Capital Increase is not expected to have any impact on the Company's consolidated financial results for the fiscal year ending March 2027.