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February 6, 2026

To whom it may concern,

Company Name:	YAMAZEN CORPORATION
Representative:	Koji KISHIDA President and CEO (Code No. 8051; The Prime Market of Tokyo Stock Exchange)
Inquiries:	Masamichi YAMAZOE Director and CFO (TEL: +81-6-6534-3003)

**Notice of Basic Agreement to Acquire Shares of PT. Somagede Indonesia,
to Make It a Subsidiary**

YAMAZEN CORPORATION (the “Company”) hereby announces that on February 6, 2026, in a written resolution deemed to have been approved by the Board of Directors pursuant to Article 370 of the Companies Act and Article 25 of the Company’s Articles of Incorporation, the Company resolved to reach a basic agreement to acquire all shares issued by PT. Somagede Indonesia (“SGI”) and to make SGI a wholly-owned subsidiary (the “Transaction”), as follows.

1. Reason for making a subsidiary

SGI has been in business for more than 30 years and is a wholesaler of industrial products, mainly industrial cutting tools and adhesives.

Through the sales network covering the whole of Indonesia, they sell products from global suppliers to a wide range of industries, including metals and mining, machinery and engineering, and consumer goods, mainly Japanese automobile and auto parts manufacturers.

The Transaction will contribute to the further growth of the Company's Global Production Equipment Business, which is being undertaken under the “PROACTIVE YAMAZEN 2027” medium-term management plan launched in April 2025. In order to “expand the geographic area of target markets,” “respond to the diversification of markets and business categories,” and “strengthen relationships with suppliers (partners),” the Transaction will contribute to further business development with our 60 years of experience and achievements as a “global technology trading company.”

With regard to the specific details of the Transaction, the Company will proceed with discussions in order to reach an agreement on the conditions necessary for the Transaction and to conclude a formal contract and will announce the details as soon as they are determined.

2. Overview of the company whose stocks are to be acquired

(i)	Name	PT. Somagede Indonesia		
(ii)	Address	Jl. Griya Agung M.3 65, 3, Sunter Agung, Tanjung Priok, Kota Adm. Jakarta Utara, DKI Jakarta 14350 Indonesia		
(iii)	Job title and name of representative	Representative Director, Ng Kim Soon Commissioner, Darmawan Boedi Soetrisno		
(iv)	Description of business	Wholesale of cutting tools, machine tools, adhesives and maintenance products		
(v)	Share capital	78 billion Indonesian rupiah		
(vi)	Date of establishment	February 14, 2006		
(vii)	Major shareholders and equity ratio	As the major shareholders are individuals, we refrain from disclosing them.		
(viii)	Relationship between the Company and said company	Capital relationship	Not applicable	
		Personnel relationship	Not applicable	
		Business relationship	Not applicable	
(ix)	Operating results and financial position of said company in the last three years			
	As of / Fiscal year ended	December 2022	December 2023	December 2024
	Net assets	2,909 million yen	2,976 million yen	2,992 million yen
	Total assets	4,150 million yen	3,917 million yen	3,999 million yen
	Net assets per share	37,299 yen	38,148 yen	38,363 yen
	Net sales	3,400 million yen	3,576 million yen	3,367 million yen
	Operating profit	266 million yen	261 million yen	182 million yen
	Ordinary profit	303 million yen	307 million yen	168 million yen
	Profit	209 million yen	212 million yen	80 million yen
	Profit per share	2,685 yen	2,715 yen	1,025 yen
		Exchange rate: 1 Indonesian rupiah = 0.0093 yen		

3. Overview of the counterparty to the acquisition of stocks

(i)	Name	Two individual shareholders
(ii)	Address	Indonesia
(iii)	Relationship between the listed Company and said persons	There are no capital, personnel, or business relationships to be stated between the Company and said shareholders or their close relatives. They are not related parties, either.

4. Number of stocks to be acquired and status of stocks held before and after the acquisition (planned)

(1)	Number of stocks held before the change	0 shares (Number of voting rights: 0) (Percentage of voting rights owned: 0.00%)
(2)	Number of stocks to be acquired	78,000 shares (Number of voting rights: 78,000)
(3)	Number of stocks held after the change	78,000 shares (Number of voting rights: 78,000) (Percentage of voting rights owned: 100.00%)

(Note) The acquisition price (planned) will not be disclosed due to confidentiality obligations between the parties concerned.

5. Future Schedule

(1)	Date on which the resolution of the board of directors is deemed to have been made	February 6, 2026
(2)	Date of conclusion of the memorandum of understanding	February 6, 2026
(3)	Date of stocks transfer agreement	Until February 28, 2026 (planned)
(4)	Date of commencement of stocks transfer	Until March 31, 2026 (planned)

(Note) The effectiveness of the Transaction is subject to the completion of necessary approvals and other procedures required by applicable laws and regulations. The schedule outlined above may change due to delays in these processes or for other reasons.

6. Future outlook

With regard to the impact of this matter on the Company's consolidated financial results for the fiscal year ending March 2026, the Company recognizes that the impact on the Company and its consolidated financial results is insignificant.