

Dear All



May 13, 2025

Company name:	Fujikura Ltd.
Representative:	Naoki Okada, Director, President and CEO
(Securities code:	5803; TSE Prime Market)
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Notice Regarding the Settlement Relating to Improper Incidents at our U.S. Subsidiary

With respect to an improper real estate acquisition at a consolidated U.S. subsidiary of Fujikura Ltd. (the “Company”), on May 7, 2025, we reached a settlement with the former CEO of the said consolidated U.S. subsidiary of the Company and previously director of the Company (the “Former CEO of the U.S. Subsidiary”). With respect to this development, we report as follows.

1. Background of the Incidents

As announced in the "Announcement on the Investigation Relating to an Improper Real Estate Acquisition at a U.S. Subsidiary" dated May 26, 2023, we commenced an investigation into the alleged personal misappropriation of real estate of the said U.S. subsidiary by the Former CEO of the U.S. Subsidiary upon receiving an internal report on March 3, 2023.

As a result of the internal investigation, as announced in the "Notice Regarding the Investigation Result for the Investigation Relating to an Improper Real Estate Acquisition and Similar Incidents at a U.S. Subsidiary" dated July 31, 2023, we determined that there was an improper acquisition of real estate and there were improper misappropriations of the U.S. subsidiary's assets (credit cards, checks and aircraft) for personal use, etc. by the Former CEO of the U.S. Subsidiary (collectively, the “Incidents”).

Since the completion of the internal investigation, we have been cooperating with the U.S. authorities in their investigation by submitting the results of the above investigation and the relevant materials. Subsequently, with respect to the said improper acquisition of real estate, the Former CEO of the U.S. Subsidiary was indicted by a federal grand jury on September 11, 2024, and criminal procedures proceeded. As announced in “Notice Regarding the Judgment Relating to Improper Incidents at our U.S. Subsidiary” dated as of

March 7, 2025, on February 28, 2025, the Former CEO of the U.S. Subsidiary was sentenced by the U.S. District Court for the District of South Carolina to 41 months in prison followed by 3 years of supervised release, a \$34,000 fine as well as a \$100 special assessment. The Former CEO of the U.S. Subsidiary is currently incarcerated in USP McCreary.

2. Terms of Settlement

Regarding the economic losses incurred by the Company and the said U.S. subsidiary, on May 7, 2025, we reached a settlement agreement with the Former CEO of the U.S. Subsidiary, under which the Company and the said U.S. subsidiary will receive a settlement payment of \$1,008,000 (approximately 146,000,000 yen) from the Former CEO of the U.S. Subsidiary. The real estate improperly acquired has already been sold, since it did not match the said U.S. subsidiary's business purposes. We also took into consideration such sale when reaching the settlement.

3. Future Outlook

The impact of this matter on the performance for the Company's consolidated fiscal year (FY2025) is minimal.

We deeply apologize to our shareholders and investors, as well as all parties concerned, for any concern and inconvenience this matter may have caused.

We will continue to strengthen our group governance. We appreciate your continued understanding and support.

<Public announcements concerning the Incidents>

“Announcement on the Investigation Relating to an Improper Real Estate Acquisition at a U.S. Subsidiary” (May 26, 2023)

https://ssl4.eir-parts.net/doc/5803/ir_material7/250269/00.pdf

“Notice Regarding the Investigation Results for the Investigation Relating to an Improper Real Estate Acquisition and Similar Incidents at a U.S. Subsidiary” (July 31, 2023)

https://ssl4.eir-parts.net/doc/5803/ir_material7/250275/00.pdf

“Notice of Reduction of Executive Remuneration” (August 18, 2023)

https://ssl4.eir-parts.net/doc/5803/ir_material7/247271/00.pdf

“Notice Regarding the Judgment Relating to Improper Incidents at our U.S. Subsidiary” (March 7, 2025)

https://ssl4.eir-parts.net/doc/5803/ir_material7/247262/00.pdf