

August 1, 2025

Company name: Nikkiso Co., Ltd.
Representative: Koichi Kato,
Representative Director, President & CEO
(Code No. 6376, TSE Prime Market)
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Notice Regarding Receipt of the Investigation Report from a Special Investigation Committee

It has been discovered that some of the pumps manufactured by Nikkiso Co., Ltd. (the "Company") had not undergone part of the internal inspection (pressure resistance test) based on the quality plan established by the company's internal regulations before shipping (hereinafter referred to as the "Incident"), as previously announced in "Regarding the establishment of a special investigation committee" dated February 28, 2025.

The Company has established a special investigation committee consisting mainly of external experts in order to conduct the investigation for further fact-finding and cause analysis, and has cooperated with the investigation by the special investigation committee, aiming to identify the facts and ensure early completion of accounting-related procedures.

The Company has now received the investigation report from the special investigation committee and hereby reports as follows.

The Company deeply apologizes for the great concern and inconvenience caused to our shareholders, investors, our customers, and everyone else concerned. The Company seriously takes the investigation results from the committee and will devote full efforts to restoring trust and preventing recurrence.

1. Investigation results from the special investigation committee

Please refer to the "investigation report (summary)" to be disclosed separately for the findings of the special investigation committee. Please note that the investigation report has been partially simplified and subject to non-disclosure measures from the perspectives of personal information protection and confidential information protection.

2. Impact on consolidated financial performance

According to the investigation report, the impact of the incident on the group's consolidated financial results for the fiscal year ending December 31, 2025, will be negligible, and there are no revisions to the full-year financial forecasts.

3. Responding to the incident

(1) Recurrence prevention measures

The investigation report from the special investigation committee contains recommendations for recurrence prevention measures.

The Company sincerely accepts the investigation results from the special investigation committee and will formulate specific recurrence prevention measures in accordance with the recommendations for preventing future recurrence, and will devote its full efforts to their implementation. The Company will announce specific recurrence prevention measures in a timely manner.

(2) Clarifying the responsibilities

The Company's executives take the incident seriously and there were offers to voluntarily return a portion of compensation at the Board of Directors as follows.

Representative Director, President & CEO Koichi Kato	voluntarily return 30% of monthly remuneration for a period of one month
Chairman and Director Toshihiko Kai	voluntarily return 20% of monthly remuneration for a period of one month
Director, Executive Officer Yoshihiko Kinoshita	voluntarily return 10% of monthly remuneration for a period of one month

Also, certain employees involved in the incident will be subject to disciplinary actions based on the internal regulations.