



January 19th, 2026

To whom it may concern

Company name: Allied Telesis Holdings K.K.

Name of representative: Sachie Oshima, Representative Director,
Chairman/CEO & President

(Code number. 6835 TSE Standard)

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Notice Concerning the Business Transfer Conducted by Our Subsidiary

We are pleased to announce that, at the meeting of the Board of Directors held on January 17th, 2026, our Company resolved to transfer the IP Triple-Play Services Business of our wholly owned subsidiary, Allied Telesis Capital Corp., to Warrior Communications, Inc., as outlined below.

1. Reason for the Business Transfer

Allied Telesis Capital Corp., a subsidiary of our Company, has for many years provided residential and non-residential cable television, internet and telephone services to U.S. military bases and their surrounding communities. Within our corporate group, we refer to this line of services as the “IP Triple-Play Services Business.”

However, due to customers’ shift toward cloud-based telephone services and streaming services, the annual revenue generated from this business within our Group has been on a declining trend. Furthermore, as this business is conducted pursuant to contracts with the relevant U.S. authorities, and as the current contract is scheduled to expire in April 2028, our Group does not intend to renew or extend the contract with the U.S. authorities. We have therefore determined that transferring this business and allocating the proceeds toward investments in our core businesses will contribute to enhancing our medium- to long-term corporate value.

2. Overview of the Business Transfer

(1) Description of the Business to be Transferred

Residential and non-residential cable television, internet and telephone services (IP Triple-Play Services) provided to U.S. military bases and the surrounding communities.

(2) Business Performance of the Business to be Transferred

【Unit: Millions of yen】

	The Business to be transferred (a)	Consolidated Results for the Fiscal Year Ended December 2024 (b)	Ration (a/b)
Sales	2,344	48,458	4.80%
Gross Profit	1,748	27,899	6.30%
Operating Profit	942	3,424	27.50%
Ordinary Profit	942	3,727	25.30%

(3) Items and Amounts of Assets and Liabilities of the Business to be Transferred (as of November 30th, 2025)

【Unit: Thousands of U.S. dollars】

Assets		Liabilities	
Items	Amounts	Items	Amounts
Various Assets	2,766		
Total	2,766	Total	

(4) Transfer Price and Settlement Method

Transfer Price: We refrain from disclosing the transfer price due to confidentiality obligations with the counterparty.

Settlement Method: Cash settlement

3. Overview of Allied Telesis Capital Corp., Our Subsidiary

(1) Name	Allied Telesis Capital Corp.
(2) Location	3041 Orchard Parkway San Jose, California 95134 USA
(3) Title and Name of Representative	Sachie Oshima, Director, CEO & President
(4) Description of Business	Provision of network services
(5) Capital	USD 43,500 thousand

4. Overview of the Counterparty

(1) Name	Warrior Communications, Inc.		
(2) Location	41704 W. Smith Enke Rd, Suite 100, Maricopa, AZ 85138		
(3) Title and Name of Representative	Keith A. Kirkman, President & Secretary		
(4) Description of Business	<ol style="list-style-type: none"> 1. To sell network equipment and related IT services 2. To provide telecommunication services 3. To provide internet service provider 4. To engage in any lawful act or activity for which a corporate may be organized under the Delaware General Corporation Law 		
(5) Capital	USD 1,000		
(6) Date of Establishment	9th September, 2025		
(7) Net Assets	-		
(8) Total Assets	-		
(9) Major Shareholders and Shareholding Ratio	Katayama Holdings Co., Ltd. (90%)		
(10) Relationship between the Listed Company and the Relevant Company	Capital Relationship	There are no applicable matters.	
	Personnel Relationship	There are no applicable matters.	
	Business Relationship	There are no applicable matters.	
	Status as a Related Party	There are no applicable matters.	

5. Schedule

(1) Date of Board Resolution	January 17th, 2026
(2) Date of Contract Execution	January 23rd, 2026 (scheduled)
(3) Effective Date of Business Transfer	February 27th, 2026 (scheduled)

(Note)

As this business transfer does not fall under any of the categories stipulated in Article 467, Paragraph 1 of the Companies Act of Japan, a resolution of the General Meeting of Shareholders of our Company is not required.

(Note)

In connection with this business transfer, it is necessary to complete the prescribed novation procedures with the relevant U.S. authorities in order to substitute the contracting party under the existing contracts from Allied Telesis Capital Corp. to the transferee. Under the terms of the agreement related to this business transfer, the transferee is obligated to complete such contract renewal procedures within the specified period after the execution date of the agreement. If the transferee fails to fulfil this obligation, the business transfer shall be terminated.

6. Overview of Accounting Treatment

We plan to record as extraordinary income the amount obtained by subtracting the related expenses of the transfer from the difference between the transfer price and the assets of the business to be transferred.

7. Future Outlook

Our Group expects to record extraordinary income in the fiscal year ending December 2026 as a result of this business transfer. However, as noted above, the business transfer is subject to the completion of the novation procedures with the relevant U.S. authorities, and therefore extraordinary income will be recorded only after such novation has been completed. Furthermore, because the expenses related to the business transfer cannot be finalized until the novation is completed, the timing and amount of the extraordinary income remain undetermined at this time. We will promptly disclose the details once they are confirmed.

In addition, the impact of this business transfer will be incorporated into the earnings forecast for the fiscal year ending December 2026, which will be announced in due course.

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