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February 9, 2026

To whom it may concern:

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	(Securities code: 1949; TSE Prime Market)
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Notice of Resolution of Approval Concerning Share Consolidation, Abolition of the Provisions of Share Units and Partial Amendment to the Articles of Incorporation

Sumitomo Densetsu Co., Ltd. (the "Company") hereby announces that, as announced in the "Notice of Convocation of Extraordinary Shareholders Meeting Concerning Share Consolidation, Abolition of the Provisions of Share Units and Partial Amendment to the Articles of Incorporation," released by the Company on January 7, 2026 (the "Company Press Release dated January 7, 2026"), the Company submitted to the extraordinary shareholders meeting held today (the "Extraordinary Shareholders Meeting") the proposals concerning share consolidation, abolition of the provisions of share units and partial amendment to the articles of incorporation, and all of the proposals were approved as proposed, as detailed below.

As a result, the common shares of the Company (the "Company Shares") fall under the delisting standards provided in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange"). Thereby, after the Company Shares are designated as delisted shares during the period from today to March 2, 2026, the Company Shares are scheduled to be delisted as of March 3, 2026. Please take note that the Company Shares may not be traded on the Prime Market of the Tokyo Stock Exchange after delisting.

1. Proposal 1 (Share Consolidation)

At the Extraordinary Shareholders Meeting, the Company's shareholders approved the share consolidation to be implemented under the following terms (the "Share Consolidation"). The details of the Share Consolidation are as described in the Company Press Release dated January 7, 2026.

(I) Class of Shares to be Consolidated

Common shares

(II) Ratio of Consolidation

On March 5, 2026 (scheduled), 1,048,714 Company Shares held by shareholders listed or recorded in the final shareholder register as of March 4, 2026 (scheduled) will be consolidated into one Company Share.

(III) Total Number of Issued Shares to be Decreased

35,188,951 shares (Note 1)

(Note 1) The Company has resolved, at the Company's board of directors meeting held on January 7, 2026, to cancel 446,895 shares of its treasury shares (equivalent to all treasury shares held by the Company as of December 23, 2025) as of March 4, 2026. Therefore, the "Total Number of Issued Shares to be Decreased" is described on the premise of the total number of issued shares after such cancellation. The cancellation of treasury shares is subject to the approval of the proposal regarding the Share Consolidation at the Extraordinary Shareholders Meeting.

(IV) Total Number of Issued Shares Prior to the Effective Date

35,188,984 shares (Note 2)

(Note 2) The Company has resolved, at the Company's board of directors meeting held on January 7, 2026, to cancel 446,895 shares of its treasury shares (equivalent to all treasury shares held by the Company as of December 23, 2025) as of March 4, 2026. Therefore, the "Total Number of Issued Shares Prior to the Effective Date" reflects the total number of issued shares after such cancellation. The cancellation of treasury shares is subject to the approval of the proposal regarding the Share Consolidation at the Extraordinary Shareholders Meeting.

(V) Total Number of Issued Shares After the Effective Date

33 shares

(VI) Total Number of Authorized Shares on the Effective Date

132 shares

(VII) Treatment of Fractional Shares of Less Than One Share and Amount of Money Expected to be Delivered to Shareholders Resulting from Such Treatment

(a) Whether Treatment is to be Implemented under Article 235, Paragraph 1 of the Companies Act or under Article 234, Paragraph 2 of the Same Act, As Applied Mutatis Mutandis Pursuant to Article 235, Paragraph 2 of the Same Act, and Reasons Therefor

As a result of the Share Consolidation, the number of the Company Shares held by the shareholders other than Daiwa House Industry Co., Ltd. ("the Tender Offeror") and Sumitomo Electric Industries, Ltd., the parent company of the Company ("Sumitomo Electric Industries") will become fractional shares of less than one share.

With respect to any fractional shares of less than one share resulting from the Share Consolidation, the Company will sell the number of the Company Shares equivalent to the total number of those fractional shares (rounding down any fraction of less than one share in the total number pursuant to Article 235, Paragraph 1 of the Companies Act (Act No. 86 of 2005, as amended; the "Companies Act")) in accordance with the procedures prescribed in Article 235 of the Companies Act and other applicable laws and regulations and deliver the proceeds from such sale to each shareholder of the Company that holds those fractional shares corresponding to those fractions.

With respect to such sale, the Company believes that it is unlikely that a purchaser will appear through the auction since the Company Shares will be delisted as of March 3, 2026 and will become shares without a market price and that the Share Consolidation will be conducted as part of a series of transactions aiming at ultimately making the Tender Offeror the sole shareholder of the Company (the "Transaction") and it is consistent for the Tender Offeror to be the purchaser of the fractional shares. Therefore, the Company plans to sell the Company Shares equivalent to the total number of those fractional shares with the court's permission pursuant to Article 234, Paragraph 2 of the Companies Act, as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the same Act.

In such case, if the court's permission mentioned above is obtained as scheduled, the Company plans to set the sale price at the level such that the amount to be delivered to the shareholders shall be equivalent to the amount obtained by multiplying the number of the Company Shares held by each shareholder listed or recorded on the final shareholder register of the Company as of March 4, 2026, the day immediately preceding the effective date of the

Share Consolidation, by JPY 9,760, which is equivalent to the purchase price per Company Share in the tender offer for the Company Shares that was conducted by the Tender Offeror as part of the Transaction (the "Tender Offer"). However, the actual amount to be delivered may differ from the above amount in cases where the court's permission cannot be obtained or where fractions need to be adjusted for calculation purposes.

(b) Name of Prospective Purchaser of Shares to be Sold

Daiwa House Industry Co., Ltd. (Tender Offeror)

(c) Method by which Prospective Purchaser Will Secure Funds to Pay Purchase Price and Appropriateness of Such Method

According to the Tender Offeror, the Tender Offeror plans to finance the acquisition of the Company Shares equivalent to the total number of the fractional shares resulting from the Share Consolidation through a loan from Mizuho Bank, Ltd. ("Mizuho Bank," and that loan, the "Bank Loan"). The Company has confirmed the Tender Offeror's method for securing funds by reviewing the Tender Offer Registration Statement pertaining to the Tender Offer submitted by the Tender Offeror on October 31, 2025 and the loan certificate for the Bank Loan issued by Mizuho Bank attached thereto. In addition, according to the Tender Offeror, no event has occurred that could impede the payment of the purchase price of the Company Shares equivalent to the total number of the fractional shares of less than one share resulting from the Share Consolidation, nor is the Tender Offeror aware of the possibility of any such event in the future.

Therefore, the Company determined that the Tender Offeror's method for securing funds to pay the purchase price of the Company Shares equivalent to the total number of the fractional shares of less than one share is appropriate.

(d) Estimated Timing for Sale and Delivery of Proceeds to Shareholders

After the Share Consolidation becomes effective, the Company plans to file a petition in the court around April 2026 for permission to sell to the Tender Offeror the Company Shares equivalent to the total number of the fractional shares of less than one share resulting from the Share Consolidation pursuant to Article 234, Paragraph 2 of the Companies Act, as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the same Act. Although the timing for obtaining such permission may vary depending on the status of the court and other factors, the Company expects to sell the Company Shares to the Tender Offeror around May 2026 with the court's permission, and after making the necessary preparations for delivering the proceeds to the shareholders, deliver the proceeds to the shareholders around early June to mid-June 2026.

The Company determined that, considering the period required for a series of procedures for the sale from the effective date of the Share Consolidation, the sale of the Company Shares equivalent to the total number of the fractional shares of less than one share resulting from the Share Consolidation will be conducted and the proceeds will be delivered to the shareholders at each respective time as described above.

2. Proposal 2 (Partial Amendment to the Articles of Incorporation)

The Company's shareholders approved the following partial amendments to the Articles of Incorporation of the Company at the Extraordinary Shareholders Meeting. The details of such amendments are as described in the Company Press Release dated January 7, 2026.

The partial amendments to the Articles of Incorporation will become effective on March 5, 2026 on the condition that the Share Consolidation becomes effective.

- (I) If the Share Consolidation becomes effective, the total number of authorized shares of the Company will be reduced to 132 shares in accordance with Article 182, Paragraph 2 of the Companies Act. In order to clarify this point, Article 6 (Total Number of Authorized Shares) of the current Articles of Incorporation will be amended on the condition that the Share Consolidation becomes effective.
- (II) If the Share Consolidation becomes effective, the Company Shares will be delisted, and after delisting, the Company

Shares may not be traded on the Tokyo Stock Exchange. Accordingly, Article 7 (Acquisition of Own Shares) of the current Articles of Incorporation will be deleted on the condition that the Share Consolidation becomes effective, and the numbering of the remaining articles will be adjusted accordingly.

- (III) If the Share Consolidation becomes effective, the total number of issued shares of the Company will be 33 shares, and there will be no need to provide for the number of shares per unit. Accordingly, Article 8 (Number of Shares Per Unit) and Article 9 (Rights Relating to Shares of Less than One Share Unit) will be deleted in order to abolish the provision on the number of shares per unit of the Company Shares, which is currently 100 shares per unit, on the condition that the Share Consolidation becomes effective, and the numbering of the remaining articles will be adjusted accordingly.
- (IV) Upon the implementation of the Share Consolidation, the Company Shares will be delisted, and the Tender Offeror and Sumitomo Electric Industries will be the sole shareholders of the Company. Therefore, the provisions concerning the record dates for annual shareholders meetings and the provisions concerning measures for electronic provision of materials for shareholders meetings will cease to be necessary. Accordingly, Article 13 (Record Date for Annual Shareholders Meeting) and Article 15 (Measures for Electronic Provision) of the current Articles of Incorporation will be deleted on the condition that the Share Consolidation becomes effective, and the numbering of the remaining articles will be adjusted accordingly.

3. Schedule of Share Consolidation

Date of Extraordinary Shareholders Meeting	February 9, 2026 (Monday)
Date of designation as delisted stock	February 9, 2026 (Monday)
Last trading date of Company Shares	March 2, 2026 (Monday) (scheduled)
Date of delisting of Company Shares	March 3, 2026 (Tuesday) (scheduled)
Effective date of Share Consolidation	March 5, 2026 (Thursday) (scheduled)