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February 12, 2026

To: All Concerned

Company Name: Kyosan Electric Manufacturing Co., Ltd.
Name of Representative: Representative Director, President
Ryoji Kunisawa
(Code No. 6742 TSE Prime)

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Notice Regarding Resolution of Lawsuit through Settlement with Central Security Patrols Co., Ltd.
and Recording of Extraordinary Income

The Company hereby announces, as described below, that, while the Company has filed a lawsuit for damages against Central Security Patrols Co., Ltd., dated April 26, 2024, a settlement was reached today with Central Security Patrols Co., Ltd.

1. Background from filing of lawsuit to settlement

With respect to the fire at the Company's head office and factory on January 14, 2021, an employee (at that time) of Central Security Patrols Co., Ltd., to which the Company contracted out the security of its head office and factory was found by the Yokohama District Court guilty of the offense of arson of inhabited buildings and other offenses. In response to such judgment, the Company filed a lawsuit for damages against Central Security Patrols Co., Ltd., based on employer liability and breach of contract (hereinafter referred to as the "Lawsuit") in the Yokohama District Court on April 26, 2024.

Although the Company has made various allegations as the plaintiff in the Lawsuit, settlement of the case has been recommended by the Court at this time, and as a result of comprehensive judgment, the Company has decided to agree to settle the case.

2. Overview of counterparty to settlement

(1)	Name	Central Security Patrols Co., Ltd.
(2)	Location	2-4-1, Nishi-Shinjuku, Shinjuku-ku, Tokyo
(3)	Position and name of representative	Totaro Ichikawa, Representative Director, President and Executive Officer

3. Details of the settlement

Central Security Patrols Co., Ltd., has admitted its legal liability in connection with this Lawsuit (lawsuit for damages based on employer liability and breach of contract) and will pay damages of 400,000,000 yen and delay damages of 50,000,000 yen to the Company.

The Company will refrain from disclosing specific details of the settlement.

4. Impact on business performance

As a result of the settlement, the above amount will be recorded as extraordinary income. There is no change to the consolidated earnings forecast for the fiscal year ending March 2026. The Company will promptly announce any matters that require disclosure in the future.