February 18, 2026

TSUBAKI NAKASHIMA CO., LTD.
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Announcement on Partial Transfer of Non-current Assets of Consolidated Subsidiary in the U.S. and Recording a Gain as Other Income

TSUBAKI NAKASHIMA CO., LTD. ("the Company") decided today that it will transfer a part of non-current assets of TN GEORGIA, INC., the Company's consolidated subsidiary in the U.S.

1. Outline of the Subsidiary
   (1) Company Name: TN GEORGIA, INC.
   (2) Location: 2200 Pendley Road, Cumming, GA 30041, USA
   (3) Representative: Director, Yoshio Sugawara
   (4) Major Business: Precision component business
   (5) Capital: US$1,000

2. Reason for the Transfer
   The Company is reviewing its assets while simultaneously advancing the Mid-term Business Plan announced in February 2025. In line with this effort, a part of non-current assets of TN GEORGIA, INC., a consolidated subsidiary of the Company, will be sold to make effective use of management resources and improve asset efficiency.

3. Details of the Assets to be Transferred

Description of Assets and Location	Transfer Value	Book Value	Transfer Gain (Estimate)	Current Status
Non-current assets Land 19 acres (Approximately 76,890 ㎡) (Cumming, Forsyth County, Georgia)	US$7M (Approximately 1 billion yen)	US$470 (Approximately 60,000 yen)	US$6.3M （Approximately 900 million yen）	Idle land

Note 1: The transfer gain is an estimated amount calculated by subtracting the book value and various expenses related to the transfer from the transfer value.

Disclaimer：The English translation is only for reference purposes. When there is any discrepancy between original Japanese version and English translation, the original Japanese version always prevails.

4. Outline of the Transferee
   1) Name of the Transferee: Euphoric Development LLC
   2) Location: 4795 Peachtree Dunwoody Rd, Atlanta, GA 30342
   3) Major Business: Real estate developers
   4) Representative: Principal, Austin Bannon

   There are no capital, personnel, or business relationships between the transferee and the Company, nor do the transferee fall under related party category.

5. Schedule of Transfer
   Approval Date: February 18, 2026
   Transfer date: By end of February 2026 (Planned)

6. Future Prospect
   The Company expects to record a gain on sale of non-current assets of approximately 900 million yen in the financial results for the fiscal year ending December 31, 2026 as other income. The gain was factored in the consolidated financial forecasts for the FY2026, announced on February 13, 2026 prior to the revision at this time.

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