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May 7, 2026

To whom it may concern,

Company name: **HIRAKAWA HEWTECH CORP.**
Name of representative: **Yuichi Shino, CEO**
(Securities code: 5821; TSE Prime Market)
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Notice Concerning Recording of Extraordinary Loss (Impairment Loss) and Revisions to Full-Year Consolidated Financial Results Forecasts

HIRAKAWA HEWTECH CORP. (the “Company”) hereby announces that it has recorded extraordinary losses (impairment losses) for the consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026) as described below, and has revised the full-year consolidated financial results forecast for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026), which were disclosed on October 31, 2025, in light of factors including its recent performance trends, as described below.

1. Impairment losses

The Company group is actively developing its business in the automotive sector, which is expected to continue growing rapidly in line with the progress of CASE, and the automotive business of the consolidated group as a whole has been generally solid. HEWTECH PHILIPPINES ELECTRONICS CORP., a consolidated subsidiary, was established with the aim of building a supply structure for the growing automotive cable business. However, due to delays in operations due to the impact of the COVID-19 pandemic and the delay in the start of mass production projects that had been planned, its non-consolidated business performance was sluggish compared to the initial plan.

The Company expects medium- to long-term growth and future recoverability of the business. However, mainly based on the performance results of HEWTECH PHILIPPINES ELECTRONICS CORP, the Company has decided to record an impairment loss of ¥2,471 million as an extraordinary loss in accordance with the “Standard for Impairment of Non-current Assets” from the audit perspective, where importance is attached to performance trends over the past several years and uncertainties about the future outlook.

2. Revisions to consolidated financial results forecasts

Revisions to full-year consolidated financial results forecasts for the fiscal year ended 31, March 2026 (April 1, 2025 to March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	million yen	million yen	million yen	million yen	yen
Previously announced forecasts (A)	36,500	4,000	4,000	3,300	213.08
Revised forecasts (B)	38,420	4,410	4,630	1,640	105.69
Change (B-A)	1,920	410	630	△1660	-
Change (%)	5.3	10.3	15.8	△50.3	-
(Reference) Actual results for the previous fiscal year (Fiscal year ended March 31, 2025)	30,802	2,267	2,557	2,026	130.82

Note: On April 1, 2025 and April 1, 2026, the Company allocated its own treasury stock free of charge at a ratio of 0.05 shares of common stock for each share of common stock held by the Company. Earnings per share are calculated assuming that these share allocations occurred at the beginning of the previous consolidated fiscal year.

3. Reason for revision

Amid growing demand for renewable energy in North America, sales of cables for mega solar power plants were strong. Operating profit and ordinary profit are expected to exceed the previous forecast due to the launch of new products in the automotive and medical fields and the recovery of demand for FA in some areas of the industrial equipment field. However, profit attributable to owners of parent is expected to fall below the previous forecast due to the impairment loss on non-current assets mentioned above. Accordingly, the full-year consolidated financial results forecasts have been revised.

The revised forecasts are based on the assumption that the full-year average foreign exchange rate was ¥151 to US \$1 and that the copper base price was US\$10,800 per ton.

The Company has recorded an extraordinary loss (impairment loss) of ¥2,471 million but has decided to leave the year-end dividend forecast unchanged from the previously announced figure.

Note: The forecasts are based on information available as of the date of the announcement. Actual results may differ from the forecasts due to various factors in the future.