

May 13, 2026

To Whom It May Concern,

Company name: Heiwa Corporation  
Name of representative: Katsuya Minei, Representative Director and President  
(Code: 6412, Tokyo Stock Exchange Prime Market)  
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Notice Concerning Transition to a Holding Company Structure Through a Simplified  
Incorporation-Type Company Split and Partial Amendments to the Articles of Incorporation  
(Change of Corporate Name, Business Purposes, etc.)

The Company resolved at a meeting of the Board of Directors held today that the rights and obligations related to its Pachinko and Pachislot machine business will be transferred to a Newly Established Company, Heiwa Corporation (the “Newly Established Company”), through an incorporation-type company split (the “Incorporation-Type Split”), with an expected effective date of October 1, 2026. Additionally, the Company resolved to propose a change of its Corporate Name and partial amendments to its Articles of Incorporation, in connection with the transition to a holding company structure, at the Ordinary General Meeting of Shareholders scheduled to be held on June 26, 2026.

As the Incorporation-Type Split is a simplified incorporation-type company split conducted solely by the Company, certain disclosure items and details are omitted.

Notice

I. Establishment of holding company through a company split.

1. Purpose of the Incorporation-Type Split

In its *Medium-Term Management Plan 2027*, the Company has adopted the slogan “Building a foundation to maximize group earnings” and is implementing various initiatives to achieve sustainable improvement in corporate value.

In the golf business, the Company is required to further strengthen its stable earnings base while proactively pursuing growth opportunities—such as developing new customer segments and enhancing the customer experience—in order to broaden the business’ scope. In the Pachinko and Pachislot machine business, amid rapidly changing market conditions, the importance of agile and creative product development is increasing further in order to respond to increasingly diverse player needs.

Under these circumstances, the Company has determined that, for the Group to achieve further growth, it is necessary to establish a management structure that (i) separates strategic functions that oversee the Group as a

whole from execution functions tailored to the characteristics of each business and (ii) clarifies the respective roles and responsibilities. Accordingly, the Company has decided to transition to a pure holding company structure.

1. The holding company will, from a Group-wide perspective, formulate long-term management strategies, drive growth strategies including M&A and new business development, and allocate management resources optimally among the businesses.
2. Common functions of the operating companies will be consolidated to streamline and rationalize administrative functions, while providing support to each operating company.
3. Each operating company will pursue flexible and swift business execution in response to the characteristics of, and changes in, its business environment, with the aim of maximizing earnings.

## 2. Summary of the Incorporation-Type Split

### (1) Schedule of the Incorporation-Type Split

Date of board resolution approving the split plan: May 13, 2026

Effective date of the company split: October 1, 2026 (scheduled)

Note: The Incorporation-Type Split will be conducted as a “simplified incorporation-type split” prescribed in Article 805 of the Companies Act; therefore, it will be implemented without obtaining approval at a shareholders’ meeting.

### (2) Method of the Incorporation-Type Split

The Company will be a demerging company, and a Newly Established Company to be incorporated through this split will be the succeeding company, under a simplified incorporation-type split. The Newly Established Company is expected to become a wholly owned subsidiary of the Company. As a result, the Company will transition to a holding company structure while maintaining its listing.

### (3) Details of the allotment related to the Incorporation-Type Split.

In connection with the split, the Newly Established Company will issue 2,000 shares of common stock, all of which will be allotted and delivered to the Company.

### (4) Treatment of stock acquisition rights and bonds with stock acquisition rights in connection with the Incorporation-Type Split

The Company has not issued any stock acquisition rights or bonds with stock acquisition rights.

### (5) Increase or Decrease in capital due to the Incorporation-Type Split

There will be no increase or decrease in the Company’s stated capital as a result of the split.

(6) Rights and Obligations to be succeeded by the Newly Established Company .

The Newly Established Company will succeed from the Company those assets, liabilities, contractual positions, and other rights and obligations related to the Pachinko and Pachislot machine business that are specified in the Incorporation-Type Split plan to be prepared on May 13, 2026.

In addition, with respect to liabilities succeeded by the Newly Established Company , an overlapping assumptions of obligations will be implemented.

(7) Prospect of Performance of Obligations

As the Newly Established Company is scheduled to assume overlapping obligations, the amount of assets after the Incorporation-Type Split is expected to exceed the amount of liabilities, and there is no expectation that the performance of obligations to be borne by the Newly Established Company after the Incorporation-Type Split will be hindered, the Company judges that there is no issue in the performance of obligations to be borne by the Newly Established Company after the effective date of the Incorporation-Type Split.

3. Overview of the Companies Involved in the Incorporation-Type Split

	Demerging Company As of March 31, 2026	Newly Established Company October 1, 2026 (scheduled)
(1) Name	Heiwa Corporation *	Heiwa Corporation
(2) Head Office address	1- 16 -1 Higashiueno, Taito-ku, Tokyo	1- 16 -1 Higashiueno, Taito-ku, Tokyo
(3) Title and name of representative	Representative Director and President Katsuya Minei	Representative Director and President Katsuya Minei
(4) Business description	Development, manufacturing, and sale of Pachinko and Pachislot machine	Development, manufacturing, and sale of Pachinko and Pachislot machine
(5) Capital stock	JPY 16,755 million	JPY 100 million
(6) Date of Incorporation	September 9, 1960	October 1, 2026 (scheduled)
(7) Number of shares outstanding	99,809 thousand shares	2 thousand shares
(8) Fiscal year end	March 31	March 31

(9) Major shareholders and Shareholding ratios	ISHIHARA HOLDINGS INC. 42.70%	The Company 100%
	The Master Trust Bank of Japan, Ltd. (Trust Account) 6.56% Masayuki Ishihara 3.04% Custody Bank of Japan Ltd. (Trust Account) 1.98% STATE STREET BANK AND TRUST COMPANY 505001 1.42%	

Note: The demerging company (the Company) plans to change its corporate name to "HEIWA HOLDINGS INC." effective October 1, 2026.

(10) Operating results and financial position of the demerging company in the most recent fiscal year

Fiscal year end	FY 2026 (Consolidated)
Net assets	248,910 million yen
Total assets	1,077,576 million yen
Net assets per share (yen)	2,521.44 yen
Net sales	258,107 million yen
Operating income	43,423 million yen
Ordinary profit	33,652 million yen
Net income attributable to owners of parent	11,670 million yen
Net income per share (yen)	118.33 yen

4. Outline of the business segment to be split

(1) Business description of the segment to be split.

Development, manufacturing, and sale of Pachinko and Pachislot machine

(2) Operating Results of the segment to be split (Fiscal Year Ended March 2026)

Net sales 27,482 million yen

(3) Asset and liability items and amount to be split off (as of March 31, 2026)

Assets		Liabilities	
Item	book value	Item	book value
Current assets	28,396million yen	Current liabilities	5,319 million yen
Fixed assets	2,501 million yen	Non-current liabilities	628 million yen
Total	30,898 million yen	Total	5,947 million yen

Note: Since the above amounts are calculated based on the balance sheet as of March 31, 2026, the actual amounts to be succeeded will be the figures obtained by adjusting the above amounts for any increases or decreases up to the effective date.

5. Status of the Company after the Incorporation-Type Split

(1) Corporate Name	HEIWA HOLDINGS INC. (Company name will be changed from Heiwa Corporation on October 1, 2026.)
(2) Business description	Formulation of group management strategies and overall management and supervision of each group company as a holding company
(3) Head Office address	1- 16 -1 Higashiueno, Taito-ku, Tokyo
(4) Title and name of representative	Katsuya Minei, Representative Director and President
(5) Capital stock	16,755 million yen
(6) Fiscal year end	March 31

6. Outlook

Since the Newly Established Company is a 100% subsidiary of the Company, the impact of the Incorporation-Type Split on the Company's consolidated financial results is expected to be minimal.

II. Change of Corporate Name

1. Reason for the change of Corporate Name

This change is due to the transition to a holding company structure.

2. New Corporate Name

HEIWA HOLDINGS INC.

3. Effective date of the Corporate Name change

October 1, 2026 (scheduled)

This Corporate Name change is subject to approval of a partial amendment to the Articles of

Incorporation at the Company’s Annual General Meeting of Shareholders scheduled to be held on June 26, 2026.

III. Amendment of the Articles of Incorporation

1. Reasons for the amendments

- ( 1 ) As described in Section I above, the Company plans to transition to a holding company structure effective October 1, 2026. Accordingly, in connection with this, the Company will amend Article 1 (Corporate Name) and Article 2 (Purpose) of the current Articles of Incorporation and will add supplementary provisions stipulating that the effective date of these partial amendments to the Articles of Incorporation shall be October 1, 2026.
- ( 2 ) In order to establish a management structure capable of responding promptly to changes in the business environment going forward and to clarify directors’ management responsibilities, the Company will amend Article 22 (Term of Office) of the current Articles of Incorporation to shorten the term of office for directors from two years to one year. Additionally, to enable a more agile operation of the Board of Directors, the Company will newly establish Article 25, paragraph (2) (Method of Resolution of the Board of Directors) in the revised Articles of Incorporation, which, in accordance with Article 370 of the Companies Act, will allow for matters to be deemed resolved by the Board of Directors without holding a board meeting.
- ( 3 ) To streamline share administration, the exclusion period for dividend property will be shortened from the current five years to three years through an amendment to Article 41 (Exclusion Period for Dividends) of the current Articles of Incorporation.
- ( 4 ) In order to implement agile capital policies, pursuant to Article 459, paragraph (1) of the Companies Act, amend Article 38 (Body Authorized to Determine Dividends of Surplus, etc.) of the Articles of Incorporation as set forth in the proposed amendments so that dividends of surplus, etc. may be determined by a resolution of the Board of Directors; accordingly, the current Article 7 (Acquisition of Treasury Shares) and the current Article 40 (Interim Dividends), which overlap in content, will be deleted, and a record date provision for interim dividends will be added to Article 39, paragraph (2) of the Articles of Incorporation after amendment (Record Date for Dividends of Surplus).
- ( 5 ) Consequential changes, including the renumbering of articles, will be made as a result of the above amendments.

2. Details of the amendments to the Articles of Incorporation (underlined portions indicate changes.)

Current Articles of incorporation	Proposed amendments
Chapter 1 General Provisions (Corporate Name)	Chapter 1 General Provisions (Corporate Name)

<p>Article 1 The Company shall be known as <u>Heiwa Corporation</u>.</p> <p>(Purpose)</p> <p>Article 2 The purpose of the Company shall be <u>to engage in the following businesses</u>.</p> <ol style="list-style-type: none"> <li>1. Development, manufacture, and sales of Pachinko and Pachislot machine</li> <li>2. Contracting, design, construction, and construction management of building works, electrical works, plumbing works, interior finishing works, and machinery and equipment installation works</li> <li>3. Development, manufacture, and sale of various amusement goods</li> <li>4. Planning, production, and sale of audio, video, and computer software</li> <li>5. Information provision, information collection, and information analysis services</li> <li>6. Leisure-related businesses, including operation, etc. of amusement facilities, sports facilities, dining facilities, and the like</li> </ol> <p>(New)</p> <p>(New)</p> <p>(New)</p>	<p>Article 1 The Company shall be known as <u>HEIWA HOLDINGS INC.</u></p> <p>(Purpose)</p> <p>Article 2 The Company shall be <u>to engage in the following businesses and to control and manage the business activities of companies that primarily engage in the following businesses by owning shares or equity interests in such companies:</u></p> <ol style="list-style-type: none"> <li>1. Development, manufacture, sale, <u>leasing, and rental</u> of Pachinko and Pachislot machine</li> <li>2. Contracting, design, construction, and construction management of building works, electrical works, plumbing works, interior finishing works, and machinery and equipment installation works</li> <li>3. Development, manufacture, and sale of various amusement goods</li> <li>4. Planning, production, and sale of audio, video, and computer software</li> <li>5. Information provision, information collection, and information analysis services</li> <li>6. Leisure-related businesses, including operation, etc. of amusement facilities; sports facilities <u>such as golf courses, golf practice ranges, and golf schools; lodging facilities such as hotels; dining facilities such as restaurants, diners, and cafés; and shops</u> and the like</li> <li>7. <u>Sale and purchase, brokerage, intermediation, arranging, leasing, and management of membership rights for use of sports and leisure facilities such as golf courses</u></li> <li>8. <u>Manufacture, procurement, sale, import/export, leasing, and rental of sports and leisure goods such as golf products</u></li> <li>9. <u>Planning, proposal, and operation of events and functions relating to golf</u></li> </ol>
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<p>7. Businesses relating to power generation and the supply of electricity</p> <p>8. Management, leasing, and sale and purchase of real estate</p> <p>9. <u>Lending operations to business partners and other companies</u></p> <p>10. <u>All businesses incidental to the preceding items</u> (New)</p> <p>(New)</p> <p>(New)</p> <p>(New)</p> <p>(New)</p> <p>(New)</p> <p>(New)</p>	<p>10. Businesses relating to power generation and the supply of electricity</p> <p>11. Management, leasing, and sale and purchase of real estate. (Deleted)</p> <p>(Deleted)</p> <p>12. <u>Money lending, brokerage, and other financial services, and money lending business</u></p> <p>13. <u>Acquisition, assignment (purchase), holding, management, and disposal of monetary claims</u></p> <p>14. <u>Acquisition, holding, management, sale and purchase, and licensing/lease, etc. of patent rights, utility model rights, design rights, and trademark rights</u></p> <p>15. <u>Travel agency business</u></p> <p>16. <u>Secondhand goods dealing business</u></p> <p>17. <u>Construction, sale (subdivision), and management of cemeteries, and construction and sale of tombstones</u></p> <p>18. <u>All businesses incidental to the preceding items</u></p>
<p>Articles 3 to 6 (Text omitted)</p> <p>Chapter 2 Shares</p> <p>(Acquisition of Treasury Shares)</p> <p><u>Article 7 Pursuant to the provisions of Article 165, paragraph (2) of the Companies Act, the Company may acquire its own shares through market transactions, etc. by resolution of the Board of Directors.</u></p>	<p>Articles 3 to 6 (Unchanged)</p> <p>Chapter 2 Shares</p> <p>(Deleted)</p>
<p>Articles 8 to <u>Article 21</u> (Text omitted)</p> <p>(Term of Office)</p> <p><u>Article 22</u> The terms of office of Directors shall expire at the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year end within</p>	<p><u>Article 7</u> to <u>Article 20</u> (Unchanged)</p> <p>(Term of Office)</p> <p><u>Article 21</u> The terms of Directors shall expire at the conclusion of the Annual General Meeting of Shareholders for the last fiscal year end within <u>one year</u></p>

<p><u>two years</u> after their election.</p> <p><u>26.</u> (Text omitted)</p> <p style="text-align: center;"><u>Articles 23 to Article 25</u> (Text omitted)</p> <p>(Method of Resolutions of the Board of Directors)</p> <p><u>Article 26</u> Resolutions of the Board of Directors shall be adopted by a majority of the Directors in attendance where a majority of the Directors are in attendance.</p> <p>(New)</p> <p style="text-align: center;"><u>Articles 27 to Articles 38</u> (Text omitted)</p> <p>(New)</p> <p>(Record Date for Dividends of Surplus)</p> <p>Article 39 (Text omitted)</p> <p>(New)</p> <p><u>2. In addition to the preceding paragraph</u>, the Company may, by setting a record date, distribute dividends of surplus.</p>	<p>after their election.</p> <p>2. (Unchanged)</p> <p style="text-align: center;"><u>Article 22 to Article 24</u> (Unchanged)</p> <p>(Method of Resolution of the Board of Directors)</p> <p><u>Article 25</u> Resolutions of the Board of Directors shall be adopted by a majority of the Directors in attendance where a majority of the Directors are in attendance.</p> <p><u>2. In cases where a Director makes a proposal with respect to a matter that is the subject of a resolution of the Board of Directors, the Company deems that a resolution of the Board of Directors to approve such proposal has been made if all Directors (limited to those who may participate in the voting on such matters.) manifest their intention to agree to such proposal in writing or by electromagnetic records. Provided, however, that this shall not apply if the company auditor raises an objection.</u></p> <p style="text-align: center;"><u>Article 26 to Article 37</u> (Text omitted)</p> <p>(Governing Body for Decisions on Dividends from Surplus, etc.)</p> <p><u>Article 38</u> With respect to the matters set forth in the items of Article 459, paragraph (1) of the Companies Act, including dividends from surplus, the Company may, except as otherwise provided by laws and regulations, determine such matters by resolution of the Board of Directors.</p> <p>(Record Date for Dividends of Surplus)</p> <p>Article 39 (Unchanged)</p> <p><u>2. The record date for the Company's interim dividend shall be September 30 of each year.</u></p> <p><u>3. In addition to the preceding two paragraphs</u>, the Company may, by setting a record date, distribute dividends of surplus.</p>
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<p><u>(Interim Dividends)</u>  <u>Article 40 The Company may pay interim dividends on September 30 of each year as the record date by resolution of the Board of Directors.</u></p> <p>(Period of Exclusion for Dividends)  <u>Article 41</u> Where the dividend property is money, if it is not received even after <u>five</u> full years have elapsed from the commencement date of payment, the Company shall be released from its obligation to pay.</p> <p>(New)</p> <p>(New)</p>	<p>(Deleted)</p> <p>(Period for Exclusion of Dividends)  <u>Article 40</u> Where the dividend property is money, if it is not received even after <u>three</u> full years have elapsed from the commencement date of payment, the Company shall be released from its obligation to pay.  <u>2. No interest shall accrue in unpaid dividends.</u></p> <p><u>(Supplementary Provisions)</u>  <u>Article 1</u> The amendments to Article 1 and Article 2 shall take effect on October 1, 2026. This <u>Supplementary Provision shall be deleted as of its effective date.</u></p>
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3. Schedule

Board resolution approving the amendments to the Articles of Incorporation: May 13, 2026

Annual General Meeting of Shareholders to approve the amendments to the Articles of Incorporation: June 26, 2026 (scheduled)

Effective date of the amendments to the Articles of Incorporation: June 26, 2026 (scheduled)

Effective date of the amendments to the Articles of Incorporation relating to the change of the Corporate Name and Purpose: October 1, 2026 (scheduled)

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.