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May 20, 2026

Company Name: FUTABA CORPORATION
Name of Representative: President and Representative Director
Chief Executive Officer
Motoaki Arima
(Securities Code: 6986 Tokyo Stock Exchange, Prime Market)
Inquiries: Executive Officer,
General Manager of Corporate Administration Division
Koji Ishikawa
(Tel: +81-475-24-1111)

Notice Regarding the Dissolution of Chinese Subsidiary

We hereby announce that at a meeting of the Board of Directors held on May 20, 2026, a resolution was passed to dissolve our consolidated subsidiary, FUTABA International Trading (Shanghai) Co., Ltd., as detailed below.

1. Reason for the Dissolution

FUTABA International Trading (Shanghai) Co., Ltd. has primarily engaged in the procurement and sale of electronic products, with a focus on the Chinese market. However, due to a decline in sales volume resulting from the discontinuation of our fluorescent display tube and out-cell touch sensor businesses, we have decided to dissolve the company following a review of our operational structure.

2. Overview of the Subsidiary to Be Dissolved

(1) Name	FUTABA International Trading (Shanghai) Co., Ltd.	
(2) Location	Room 418, NO.473 Fute West 1st Road, Pilot Free Trade Zone, Shanghai, China	
(3) Job Title and Name of Representative	Chairman Vincent Wen	
(4) Description of Business	Sales of electronic products	
(5) Share Capital	1,655,000 RMB	
(6) Date of Establishment	June 22, 2001	
(7) Major Shareholders and Ownership Ratios	FUTABA (Hong Kong) Corporation, Ltd. 100%	
(8) Number of Employees	6 people	
(9) Relationship Between the Company and Said Company	Capital Relationship	It is a wholly owned subsidiary of our subsidiary, FUTABA (Hong Kong) Corporation, Ltd.
	Personnel Relationship	Two of our employees have been appointed as officers of the subsidiary in question.

	Business Relationship	There is a business relationship involving the sale of products between our company and the subsidiary in question.
	Related Party Relationship	It is one of our consolidated subsidiaries.

(10) Operating Results and Financial Positions for the Last Three Years			
Fiscal Year-End	Fiscal Year Ending March 2024	Fiscal Year Ending March 2025	Fiscal Year Ending March 2026
Net Assets	Thousand RMB (5,791)	Thousand RMB (9,682)	Thousand RMB (404)
Total Assets	71,495	61,561	16,126
Net Sales	24,050	8,214	1,594
Operating Loss	(5,409)	(4,352)	(3,645)
Net income or Net Loss	(6,822)	(3,891)	9,278

3. Schedule of Dissolution

(1) Resolution to Dissolve the Company Passed by the Board of Directors May 20, 2026

(2) Date of business suspension for our subsidiary: December 31, 2026 (scheduled)

(3) Liquidation to be completed by the end of June 2027 (scheduled)*

*Please note that the schedule is subject to local laws and regulations, and the liquidation process is expected to be completed once all necessary procedures have been finalized.

4. Outlook

We are currently assessing the impact of this matter on our business performance. Should any matters requiring disclosure arise in the future, we will notify you promptly.