July 22, 2026

To Whom It May Concern:

Company name: Mitsui Matsushima Holdings Co., Ltd.
Representative: Taishi Yoshioka, Representative Director and President
(Stock Code: 1518, Prime Market of the Tokyo Stock Exchange and Fukuoka Stock Exchange)
Contact: Mikiko Abe, Director and Senior Executive Officer in Charge of Business Planning Dept.
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Notice of Acquisition of Shares of Sanyo Co., Ltd. to Make It a Subsidiary

Mitsui Matsushima Holdings Co., Ltd. (the “Company”) hereby announces that, at its Board of Directors meeting held on July 22, 2026, it resolved to acquire 100% of the outstanding shares of Sanyo Co., Ltd. (“Sanyo”) and make Sanyo and its group companies subsidiaries as detailed below.

1. Reason for share acquisition

In its “Medium-Term Management Plan 2030” announced in May 2026, the Mitsui Matsushima Group (the “Group”) has set forth sustainable growth through investment in market-leading niche companies with high technological capabilities, primarily in the manufacturing sector, as its basic strategy.

For over 10 years, the Company has been acquiring new businesses through M&A, thereby building a stable revenue base. Going forward, the Company will continue to invest in “niche, stable, and easy-to-understand” businesses while keeping investment discipline and capital efficiency in mind.

Sanyo is one of Japan's leading manufacturers, having continuously refined its technology and quality in the cotton buds field for over 50 years, and holds a top-class market share in Japan for general-purpose cotton buds. Sanyo is steadily expanding its business base both domestically and internationally, including beginning to supply its products to the largest cotton buds distributor in the U.S.

In addition, Sanyo also offers products for high-value-added fields, such as industrial and medical applications, and its industrial cotton buds, in particular, are used worldwide under the “HUBY” brand. This product possesses advanced quality characteristics required in precision fields, such as special processing to suppress the occurrence of fuzz and high cleanliness with minimal impurities and residues. It plays an important role in supporting the precision equipment industry, including its use in cleaning processes in the manufacturing of semiconductors, electronic equipment, and optics. In recent years, driven by expanding data center investments and growing demand for semiconductors, demand for Sanyo's products is expected to increase further, and medium- to long-term growth is anticipated.

The Group will leverage the expertise it has accumulated through its past M&A activities in such areas as cost management and productivity improvement in the manufacturing industry for Sanyo and will support the company in expanding capital investment, developing supply systems, and expanding overseas. This will allow Sanyo to leverage its established high level of technological expertise, quality, and brand strength to accelerate growth in high-value-added fields, such as industrial and medical applications, while achieving further improvements in profitability.

Based on the above considerations, the Company has determined that this share acquisition will accelerate Sanyo's sustainable growth by combining its advanced technological capabilities and growth potential with the Group's management resources and will also contribute to improving the Group's corporate value in the medium to long term.

The Group will continue to make high-quality investments that contribute to enhancing corporate value, aiming to become a corporate group that protects and nurtures Japanese manufacturing for the next 100 years.

2. Outline of the subsidiary to be changed

(1) Name	Sanyo Co., Ltd.		
(2) Address	2-2-6 Nakano-cho Higashi, Tondabayashi-shi, Osaka		
(3) Name and title of representative	Hiroshi Nakatani, Chairman and Representative Director Tsutomu Hibi, President and Representative Director		
(4) Business	Manufacture and sale of cotton buds and cotton balls		
(5) Capital	60 million yen		
(6) Establishment	May 27, 1980		
(7) Major shareholder and shareholding ratio	Not disclosed as the major shareholder is an individual.		
(8) Relationship between the Company and the company in question	Capital relationship	None	
	Personal relationship	None	
	Business relationship	None	
(9) Operating results and financial position for the most recent three years of the company in question (*)			
Fiscal year	FY ended February 2024	FY ended February 2025	FY ended February 2026
Net assets	8,496 million yen	8,802 million yen	9,078 million yen
Total assets	9,150 million yen	9,574 million yen	10,049 million yen
Net assets per share	56,823 yen	58,869 yen	60,715 yen
Net sales	3,689 million yen	3,359 million yen	3,641 million yen
Operating profit	337 million yen	212 million yen	393 million yen
Ordinary profit	519 million yen	355 million yen	619 million yen
Net profit	375 million yen	212 million yen	406 million yen
Net profit per share	2,508 yen	1,417 yen	2,715 yen
Dividend per share	50 yen	50 yen	50 yen

(*) The above figures are simplified consolidated figures (prepared by the Company) for Sanyo and its group companies and have not been audited by an audit firm.

3. Outline of the counterparty of the share acquisition

(1)	Name	Not disclosed as the seller is an individual.	
(2)	Address	Not disclosed as the seller is an individual.	
(3)	Relationship between the Company and the individual in question	Capital relationship	None
		Personal relationship	None
		Business relationship	None

4. Number of shares to be acquired, acquisition cost, and shareholdings before and after the acquisition

(1) Number of shares held before the change	0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0%)

(2) Number of shares to be acquired	149,516 shares (Number of voting rights: 149,516)
(3) Acquisition cost	Not disclosed pursuant to the non-disclosure agreement between the parties.
(4) Number of shares to be held after the change	149,516 shares (Number of voting rights: 149,516) (Percentage of voting rights held: 100%)

5. Schedule

(1) Date of resolution of the Board of Directors	July 22, 2026
(2) Date of contract	July 22, 2026
(3) Scheduled date of share transfer	August 21, 2026

6. Acquisition funds

The Company plans to fund the acquisition using cash and deposits on hand and bank borrowings.

7. Future outlook

The Company has resolved, at its Board of Directors meeting held on July 22, 2026, to revise the forecasts of consolidated financial results (upward revision) and dividend per share (dividend increase) for the fiscal year ending March 31, 2027. For further details, please refer to the "Notice of Upward Revision of Earnings Forecast and Revision of Dividend Forecast (Dividend Increase) for the Fiscal Year Ending March 2027" released on the same day.