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November 12, 2025


Company Name: NHK SPRING CO., LTD.

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(Code: 5991 Tokyo Stock Exchange; Prime Market)

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# Notice Concerning the Dissolution and Liquidation of Local Subsidiaries in China

NHK SPRING CO., LTD. ("the Company") hereby announces that it decided at the Board of Directors meeting held on November 12, 2025, to liquidate NHK Seating (Hubei) Co., Ltd. and FNK China Co., Ltd. as described below.

## 1. Reason for the Liquidation

NHK Seating (Hubei) Co., Ltd. and FNK China Co., Ltd. have strived to expand the Automotive Seating Business targeting Japanese-owned auto manufacturers in the Chinese market. However, the sales of Japanese-owned auto manufacturers have slowed down, and it is uncertain if they will recover in the future. In light of these changes in the business environment and from the perspective of selecting and concentrating management resources, the Company decided to liquidate this consolidated subsidiary and equity-method affiliates.

## 2. Overview of the Subsidiaries the Company Decided to Liquidate

| Name | NHK Seating (Hubei) Co., Ltd. | FNK China Co., Ltd. |
|---|---|---|
| Location | Xiangyang city, Hubei province, China | Guangzhou city, Guangdong province, China |
| Share capital | 180 million yuan | 0.2 million US dollars |
| Representative | Tetsuya Sasaki, General Manager | Yoshiyuki Takahashi, General Manager |
| Major shareholder and shareholding percentage | NHK SPRING CO., LTD. 100% | NHK SPRING CO., LTD. 100% |
| Date of establishment | November 30, 2010 | April 24, 2011 |
| Relationship with the Company | Consolidated subsidiary | Equity-method affiliates |
| Major business contents | Manufacture of automotive seats | Sale of finished products of automotive seats and components |

## 3. Timeline

The liquidation is planned to be completed as soon as the necessary procedures are completed pursuant to the local laws and regulations. However, no specific timeline has been determined at present.

## 4. Impact on Business Results

While the impact of this liquidation on the consolidated business results for the current fiscal year will be negligible, should there be any matter that should be disclosed, the Company will promptly do so upon the occurrence thereof.