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July 6, 2023

To all parties concerned

Company: Fujitec Co., Ltd.
(Stock Code 6406)
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Representative Director, President and CEO
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Notice Concerning Transfer of Fixed Assets of Consolidated Subsidiary

Fujitec Co., Ltd. (“Fujitec”) has decided to transfer fixed assets owned by Fujitec (HK) Company Limited (“F/HK”), a consolidated subsidiary.

1. Consolidated Subsidiary Overview

(1) Company name	FUJITEC (HK) Company Limited
(2) Location	34/F, Hong Kong Plaza 188 Connaught Road West Hong Kong
(3) Representative	Chong Ming Sun
(Paid-In Capital)	HKD24.3 million (JPY468 million)
(5) Business lines	Manufacture, sale, installation, maintenance, and repair of elevators and escalators
(6) Ownership ratio	100%

2. Reasons for Transfer

Fujitec received a request from a property developer in Hong Kong to sell property owned by F/HK. However, when terms and conditions could not be agreed upon, a complaint was filed with the Lands Tribunal. The Lands Tribunal has concluded and ruled on a transfer of said property. After a subsequent round of negotiations between the real estate developer and F/HK, an agreement was reached to transfer the following assets.

3. Description of Assets

Description and location of assets	Transfer cost	Gain on transfer (estimated)
Building and land use rights Wah Ha Factory Building, Quarry Bay, Hong Kong	Approximately HK\$301 million (Approximately JPY5.3 billion)	Approximately HK\$297 million (Approximately JPY5.2 billion)

The indicated gain on transfer is an estimate of transfer price less carrying value and estimated transfer-related expenses.

4. Overview of Transferee

Disclosures related to the transferee are omitted at the request of transferee. There are no capital, business, or related party relationships between the Company or its consolidated subsidiaries and the transferee that require disclosure.

5. Transfer Schedule

Conclusion of transfer agreement	June 16, 2023
Date of asset transfer (planned)	July 17, 2023

6. Future Outlook

As a result of the transfer of such fixed assets, Fujitec plans to record an extraordinary gain of approximately JPY5.2 billion as a gain on sales of fixed assets in the consolidated financial statements for the third quarter of the fiscal year ending March 31, 2024. The consolidated earnings forecast for the fiscal year ending March 31, 2024 is currently under review. If deemed necessary, Fujitec Co., Ltd. will promptly disclose any revised forecasts.

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