

April 18, 2024

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Notice Regarding Recording of Additional Extraordinary Profit (Insurance Receipt)

Nippon Den kai, Ltd. (“the Company”, TSE:5759) announces that the Company expects to record the following additional extraordinary profit in our consolidated financial results for the fiscal year ending March 31, 2024, due to receiving the insurance claim on March 22 EDT, 2024, although the Company has announced the insurance claim for the malfunction of electrical equipment at Camden Plant of Den kai America Inc., (Camden, South Carolina, USA) that occurred on June 13, 2023 EDT, has been confirmed in “Notice Regarding the Recording of Extraordinary Profit (Insurance Receipt)” released on March 13, 2024 (“the Notice”). We truly apologize for any confusion that may have arisen regarding the Notice, which the Company had not confirmed properly within our group.

1. Recording of an Extraordinary Profit (Insurance Receipt)

Due to the receipt of insurance claim for malfunction of the electrical equipment at Camden Plant of Den kai America Inc., (Camden, South Carolina, USA) that occurred on June 13, 2023 EDT, an additional 144 million yen (*) is expected to be recorded. As a result, the Company plans to record 534 million yen (*) as the insurance receipt for the cumulative fiscal year ending March 31, 2024.

*1 U.S. dollar is equal to 144.59 yen, which shows the average exchange rate for the fiscal year ended March 31, 2024

2. Impact on Business Performance

Although the recording of the above extraordinary profit (insurance receipt) is expected to have an impact on net income attributable to shareholders of the parent company, the earnings forecast announced on November 10, 2023, remains unchanged at this point.

If additional matters requiring disclosure arise, they will be announced promptly.