December 4, 2024

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[Amendment of the Announcement] Notice of Postponement of Company Split (Absorption-Type Company Split) and Transfer of Shares in a Subsidiary and Cancellation of Absorption-Type Company Split Agreement

Tsubaki Nakashima Co., Ltd. (the "Company") announced that (i) the Company would incorporate a new company wholly-owned by the Company in preparation for the company split, which would carry on the Company's ball screws and ball ways manufacturing and selling business (the "Target Business") and receive the shares of TN Taiwan Co., Ltd. ("TJT"), a subsidiary of the Company, resulting in TJT becoming a subsidiary of the new company (and a sub-subsidiary of the Company) through a company split (simplified absorption-type company split) (the "Absorption-Type Company Split"), and (ii) the Company shall transfer all of its shares in the new company to MINEBEA MITSUMI Inc. ("MINEBEA MITSUMI") (the "Share Transfer," and together with the Absorption-Type Company Split, the "Transaction"), as announced in the press releases titled (x) "Notice of Company Split (Simplified Incorporation-Type Company Split), Change Regarding a Sub-subsidiary and Transfer of Shares in a Newly Incorporated Company" published on February 9, 2024, and (y) "[Amendment of the Announcement] Notice of Scheme Change of Company Split (Cancellation of Incorporation-Type Company Split and Change to Absorption-Type Company Split), Incorporation of a Subsidiary, Change Regarding a Sub-subsidiary and Transfer of Shares in a Subsidiary" published on September 19, 2024. However, upon the consultation with MINEBEA MITSUMI, the Company decided to postpone the execution date

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of the Share Transfer which was scheduled to take effect on December 10, 2024, because it was discovered that the measured values in some of the quality inspection items for ball screws manufactured in the Koriyama plant for Linear Business had been falsified (the "Improper Conduct"), as announced in the press release titled "Notice Regarding Improper Conduct in Quality Inspections of Certain Products in Linear Business" published on November 11, 2024.

Accordingly, the Company hereby announces that, at its board meeting held on December 4, 2024, the Board of Directors resolved to terminate the absorption-type company split agreement dated October 4, 2024 pertaining to the Absorption-Type Company Split, and it has entered into a termination agreement dated December 4, 2024 with TN Linear Motion Inc. (the "NewCo"), which was incorporated on October 4, 2024 as a wholly-owned subsidiary of the Company.

1. Details of Changes

Upon the consultation with MINEBEA MITSUMI, the Company postponed the date of the Share Transfer scheduled to take effect on December 10, 2024, and agreed to terminate the absorption-type company split agreement with the NewCo dated October 4, 2024 pertaining to the Absorption-Type Company Split on December 4, 2024.

The changes in the execution date of the agreement regarding the Absorption-Type Company Split, the effective date of the Absorption-type Company Split, and the date of the Share Transfer as a result of the above are as follows:

	Before change	After change
Execution date of the absorption-type company split agreement	October 4, 2024 (tentative)	Undecided
Effective date of the Absorption-type Company Split	December 10, 2024 (tentative)	Undecided
Date of the Share Transfer	December 10, 2024 (tentative)	Undecided

2. Background of the Change

The Company incorporated the NewCo on Octorber 4, 2024 in prepareation for the Absorption-Type Company Split, and has been preparing for completion of the Transaction scheduled for December 10, 2024.

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However, as announced in the press release titled "Notice Regarding Improper Conduct in Quality Inspections of Certain Products in Linear Business" published on November 11, 2024, in response to the discovery of the Improper Conduct, the Company has established a special investigation committee composed of external attorneys and is continuing the investigation. In light of this situation, the Company has decided to postpone the Transaction upon consultation with MINEBEA MITSUMI.

3. Future Outlook

The Company is in the process of determining the execution date of a new agreement regarding the Absorption-Type Company Split, the effective date of the Absorption-type Company Split, and the date of the Share Transfer upon consultation with MINEBEA MITSUMI, and will disclose such information promptly after it is determined.

In connection with the postponement of the Transaction, the financial effect is insignificant in our consolidated forecast. Should any matters that are required to be disclosed arise, the Company will promptly disclose them.

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