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November 12, 2026

Company name:	FLECT Co., Ltd.
Listing:	Tokyo Stock Exchange
Securities code:	4414
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Notice Regarding Recording of Provision for Loss on Orders Received

FLECT Co., Ltd. (the "Company") hereby announces that it has recorded a provision for loss on orders received in its financial results for the second quarter of the fiscal year ending March 2027, as described below.

1. Details of the Provision for Loss on Orders Received

For certain ongoing projects, the Company prioritized quality and progress management, and as a result, costs are now expected to exceed the plan. In the second quarter of the fiscal year ending March 2027, the Company recorded a 98 million yen provision for loss on orders received in cost of sales to cover the expected losses on these projects.

2. Outlook

Work related to these projects is scheduled to be completed within the fiscal year ending March 2027. There is no change to the Company's earnings forecast.

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