Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

November 18, 2026

Company name: YODOKO, Ltd.
Representative: Eiichi Tanaka,
President and Representative Director
Listing: Tokyo Stock Exchange, Prime Market
Stock code: 5451
Inquiries: Takayuki Deguchi,
General Manager of IR Department
Tel: +(81)6-6245-1113

Notice Regarding Transfer of the Steel Roll Business and Withdrawal from the Non-Ferrous Roll Business

The Board of Directors of YODOKO, Ltd. (the "Company") approved a resolution today (November 18, 2026) pursuant to Article 370 of the Companies Act to enter into a business transfer agreement with Proterial, Ltd. ("Proterial"). Under the agreement, Proterial will take over customer relationships associated with the Company's steel roll business and accept certain employees engaged in that business (the "Business Transfer"), as described below. The Company also resolved to withdraw from its roll business other than steel rolls (the "Non-Ferrous Roll Business"). As a result, the Company will withdraw from the roll business.

1. Reasons for the business transfer and withdrawal

In Japan's steel industry, amid intensifying overseas market conditions and the maturation of domestic demand, steelmakers are advancing fundamental structural reforms such as optimizing production bases. Consequently, in the steel roll business, there is a need for business development that responds to market trends.

In this environment, the YODOKO Group is pursuing initiatives to realize its long-term vision, "BLOOMING VISION 2035." From the perspective of sustainable development of corporate value and the construction of an optimal business portfolio, the Company has been conducting a multifaceted examination of the future direction of its steel roll business.

Proterial is a manufacturer of high-performance materials with a broad portfolio encompassing rolls, specialty steel, electronic materials, power electronics materials, magnetic materials, electric wire, automotive components, etc. It has materials technologies, manufacturing expertise, a sales network and technical services for steel rolling mill rolls. The Company concluded that combining the customer relationships developed through its steel roll business with Proterial's strengths would help ensure stable supply and maintain and improve services for customers. This would also support the sustainable development of the steel roll business. Accordingly, the Company decided to transfer the business to Proterial.

The Non-Ferrous Roll Business shares resources, including personnel, machinery and equipment, with the steel roll business. Following the transfer of the steel roll business, the earnings outlook for operating the Non-Ferrous Roll Business alone would be unfavorable. The Company therefore concluded that continuing the business on a standalone basis would be difficult. Accordingly, the Company decided to shut down the Non-Ferrous Roll Business in conjunction with the Business Transfer and withdraw from the roll business entirely.

As disclosed in the "Notice of YODOKO Group Long-Term Vision and the 4th Medium-Term Management Plan" dated March 25, 2026 and "Actions to Implement Management that is Conscious of Cost of Capital and Stock Price (Update)" dated May 11, 2026, the Group aims to maximize earnings by reexamining its business portfolio while optimizing capital use by reviewing its capital policy. Through these efforts, the Group seeks to achieve an

ROE higher than the cost of equity, with a target ROE of 8% under the 4th Medium-Term Management Plan. To implement its growth strategies, the Group is continuously reexamining its business portfolio to reflect changes in the business climate and determining priority business categories. The Business Transfer is being carried out as part of these initiatives.

2. Overview of the steel roll business transfer

(1) Description of the business to be transferred

The business involves the manufacture and sale of steel rolls at the Company's Osaka Plant, including work rolls for hot rolling mills, work rolls for plate mills and backup rolls for temper rolling mills.

To facilitate the transfer of customer relationships associated with the steel roll business, the Company plans to notify the relevant customers of the Business Transfer and ask them to consider placing future orders for steel rolls with Proterial. Proterial also plans to accept certain employees engaged in the business.

Rights and obligations arising from existing business relationships with the Company will remain with the Company and will not be transferred to Proterial. Accordingly, the Company will continue to manufacture and deliver products for orders already placed.

(2) Operating results of the business to be transferred

	Steel roll business (a)	Consolidated results for the fiscal year ended March 31, 2026 (b)	Ratio (a/b)
Net sales	2,697 million yen	195,373 million yen	1.38%
Gross profit	327 million yen	34,531 million yen	0.95%

Note: Sales and gross profit of the steel roll business are based on management accounting figures in the supporting materials. All amounts are rounded down to the nearest million yen.

(3) Details and amounts of assets and liabilities to be transferred

The Company will not transfer any assets or liabilities as part of the Business Transfer.

(4) Selling price

Selling price: 1,500 million yen

3. Profile of Proterial

(1)	Name	Proterial, Ltd.	
(2)	Location	5-6-36 Toyosu, Koto-ku, Tokyo	
(3)	Representative	Sean M. Stack, Representative Director, Chairperson, President, and CEO	
(4)	Business	Manufacturing and sales of specialty steel, rolls, electronic materials, power electronics materials, magnetic materials, electric wire and automotive components	
(5)	Capital	1,000 million yen	
(6)	Established	April 2021	
(7)	Relationships between the Company and Proterial	Capital	Not applicable.
		Personnel	Not applicable.
		Business	The Company sells steel rolls to Proterial.
		Related parties	Not applicable.

4. Overview of withdrawal from the Non-Ferrous Roll Business

(1) Nature of the business to be discontinued

Manufacturing and sales of roll products other than steel rolls

(2) Operating results and other information on the business to be discontinued

	Non-Ferrous Roll Business (a)	Consolidated results for the fiscal year ended March 31, 2026 (b)	Ratio (a/b)
Net sales	664 million yen	195,373 million yen	0.34%
Gross profit	209 million yen	34,531 million yen	0.61%

(3) Policy on employees, assets and other resources of the business to be discontinued

Currently under consideration.

5. Schedule

(1)	Board of Directors' resolution	November 18, 2026
(2)	Signing of agreement	November 18, 2026
(3)	Date of business transfer	December 18, 2026 (tentative)
(4)	Steel roll business transfer date	December 18, 2026 (tentative)
(5)	Non-Ferrous Roll Business transfer date	March 31, 2027 (tentative)

6. Impact on business performance

The Company believes that this matter will only have a negligible impact on the Group's business performance in the fiscal year ending in March 2027. We will promptly disclose any information that could materially impact our business results.