

August 3, 2026

Notice of Issuance of the 5th Publicly Offered Subordinated Hybrid Bonds

Tokyo Century Corporation (“Tokyo Century”) announces that it has decided today to proceed with the issuance of the 5th publicly offered unsecured subordinated bonds with interest deferral and early redemption clauses (the “Bonds”).

1. Background and Purpose

The issuance of the Bonds aims to secure financial soundness by maintaining and improving credit rating levels, maintain liquidity through the diversification of funding sources, and execute an optimal and flexible financial strategy. Through these measures, Tokyo Century will accelerate initiatives for sustainable growth and steadily execute the growth investment plan totaling over JPY 2 trillion (on a segment asset basis) outlined in the Medium-Term Management Plan 2030, which was launched in fiscal 2026.

2. Total Issue Amount

JPY 20 billion

3. Features of the Bonds

The Bonds represent a form of hybrid finance positioned between debt and equity. While being debt instruments that cause no dilution of common shares, they possess properties and features similar to equity, such as optional interest deferral, ultra-long-term redemption maturity, and subordination in liquidation and bankruptcy proceedings. Consequently, Tokyo Century anticipates that the Bonds will qualify for equity treatment from Japan Credit Rating Agency, Ltd. (JCR) and Rating and Investment Information, Inc. (R&I) for 50% of the funds raised, and from S&P Global Ratings Japan Inc. (S&P) for 100% of the funds raised. Tokyo Century believes that receiving equity credit for the Bonds from each rating agency will contribute to strengthening the funding capabilities and curbing funding costs not only for Tokyo Century, but for the entire Tokyo Century Group.

In the event of redemption or repurchase of the Bonds prior to their maturity date (“Early Redemption, etc.”), Tokyo Century intends to raise funds within the 12 months preceding such Early Redemption, etc., through the issuance of common stock or securities/indebtedness recognized by rating agencies as having equity treatment equivalent to or greater than the Bonds (“Replacement Securities”).

However, if certain financial criteria are met when executing Early Redemption, etc., on or after the initial optional redemption date, Tokyo Century may forgo funding through Replacement Securities.

4. Future Schedule

The terms and conditions of the Bonds, including the interest rate, will be determined based on market conditions. Tokyo Century will promptly make an announcement once these terms are decided.

Disclaimer: This press release is intended solely to provide information regarding the issuance of publicly offered hybrid bonds (subordinated bonds) and does not constitute an offer to sell or a solicitation of an offer to buy any securities in or outside Japan.

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