NOTE: This document is originally written in Japanese and in case of any differences or discrepancies between the Japanese and English versions, the Japanese original version shall prevail.

November 13, 2026

Yorozu Corporation
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Securities Code: 7294 (TSE Prime Market)
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Notice Regarding Recognition of Extraordinary Losses (Economic Compensation)

Yorozu Corporation (the "Company") hereby announces that it has recorded statutory economic compensation as an extraordinary loss in its interim consolidated accounting period for the fiscal year ending March 31, 2027 (April 1, 2026 to September 30, 2026).

1. Reason for Recognition

Due primarily to workforce optimization measures implemented in response to a sharp decline in production volume at the consolidated subsidiary, Wuhan Yorozu Bao Mit Automotive Co., Ltd. (W-YBM), the Company terminated employment contracts with 291 employees and paid economic compensation in accordance with the Labor Contract Law of the People's Republic of China and other applicable regulations. Consequently, the Company recognized an extraordinary loss of ¥708 million for such economic compensation.

2. Impact on Financial Results

For the impact of the aforementioned extraordinary loss on the Company's financial results, please refer to the “Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)” announced today.