



March 9, 2026

To Whom It May Concern:

Company Name: Sanko Gosei Ltd.
TSE Code: 7888
Listed: Tokyo Prim
Representative: Amen Kusumi
Director and President
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Notice Regarding Arbitration Filed Against Our Thai Consolidated Subsidiary

Our Thai consolidated subsidiary, SANKO GOSEI (THAILAND) CO., LTD. (hereinafter "STL"), has filed a petition for arbitration (hereinafter "Arbitration") at the Thai Arbitration Institute. STL received service of the petition for arbitration on February 16, 2026 (local time). The following information is provided to inform you of the filing.

1. Grounds for and Background to the Petition for Arbitration

In November 2021, STL received a notice from Siam Aisin stating that vehicles using automotive brake parts manufactured and delivered by STL to Siam Aisin between June 2018 and November 2018 were subject to a market recall and that the company would like to discuss the treatment of related costs. Since then, the two parties have engaged in discussions regarding the issue of liability. Siam Aisin has filed a claim with the Thai Arbitration Commission, alleging that STL is at fault and seeking payment of substantially all of the vehicle recall costs.

2. Overview of the Arbitration Filer

- (1) Name: SIAM AISIN CO., LTD.
- (2) Address: Prachin Buri 25140, Thailand
- (3) Capital: 880,000,000 Thai Baht

3. Details of the Arbitration Filer

The claimant is seeking damages from STL in this arbitration. According to the claim, the claimant is seeking 984,568,198.17 Thai Baht in damages. This amount is based on the claimant's assertions, and the Group does not recognize its validity.

4. Our Company and STL's Position

We will carefully and appropriately explain our position, explore avenues for settlement regarding the arbitration amount, and respond in good faith and fairly to the deliberations in the arbitration proceedings.

5. Overview of the Subsidiary

- (1) Name: SANKO GOSEI (THAILAND) CO., LTD.
- (2) Location: Sri Ayutthaya 13210, Thailand
- (3) Capital: 170,000,000 Thai Baht
- (4) Financial Results: Fiscal Year Ending May 2025
 - Sales: 362,204,477 Thai Baht
 - Operating Profit: 11,513,438 Thai Baht
 - Ordinary Profit: 17,004,072 Thai Baht
 - Net Income: 8,951,188 Thai Baht
 - Net Assets: 358,704,131 Thai Baht

6. Future Outlook

The impact of this arbitration on our group's future performance is currently uncertain. We will promptly disclose any matters requiring disclosure.