August 25,2026

To Whom It May Concern:

Company Name: Sanko Gosei Ltd.
TSE Code: 7888
Listed: Tokyo Prim Market
Representative: Amen Kusumi
Director and President
Inquiries: Akira Serikawa
Director and Executive Officer
(Telephone: +81-763-52-7105)

Notice Regarding Subsequent Development of Arbitration Proceedings Involving Our Thai Consolidated Subsidiary (Execution of Settlement Agreement)

SANKO GOSEI LTD. (the "Company") hereby announces that it has entered into a settlement agreement regarding the arbitration claim filed against its Thai consolidated subsidiary, SANKO GOSEI (THAILAND) CO., LTD. ("STL"), as previously disclosed in the Company's announcement dated March 9, 2026, entitled *"Notice Regarding Arbitration Proceedings Involving Our Thai Consolidated Subsidiary"*, as described below.

1. Background Leading to the Settlement

STL has been subject to arbitration proceedings filed by SIAM AISIN CO., LTD. with a Thai arbitration institution regarding a claim for damages relating to automotive brake components.
Thereafter, discussions between the parties continued, and STL determined that resolving the dispute through settlement would be appropriate and reasonable. Accordingly, STL agreed to settle the dispute.

2. Date of Execution of the Settlement Agreement

August 24, 2026

3. Overview of the Counterparty

(1) Name: SIAM AISIN CO., LTD.
(2) Location: Prachin Buri 25140, Thailand
(3) Capital: THB 880,000,000

4. Details of the Settlement

As the settlement agreement contains confidentiality provisions, details of the settlement will not be disclosed.

5. Future Outlook

The impact of this settlement on the Group's financial results has already been reflected in the consolidated financial results for the fiscal year ended May 31, 2026, as previously disclosed in the announcement dated July 14, 2026, entitled *"Notice Regarding Difference Between Consolidated Earnings Forecast and Actual Results for the Fiscal Year Ended May 31, 2026, and Recognition of Extraordinary Loss."*
Should any matter requiring disclosure arise in the future, the Company will promptly make the necessary announcement.