

January 31, 2023
Okaya & Co., Ltd.

Acquiring the Stock of Koyo Materica Corporation (As Our Subsidiary Company)

Okaya & Co., Ltd. is pleased to announce that we have additionally acquired the stock of Koyo Materica Corporation and made it our subsidiary.

1. Reason for acquisition of stock

Koyo Materica Corporation was established in 1955. Since then, it has expanded its business with a focus on automotive parts. It offers a wide range of products including copper, alloy, aluminum, stainless steel materials and metal surface treatment products such as plating. Also, the scale of its copper strip slit processing is among the largest in Japan and it can propose solutions as a trading company. It is expanding its business domain to various electronic equipment parts from industrial to consumer use.

Demand for non-ferrous metals, mainly copper and aluminum, is expected to increase due to the electrification of automobiles and the sophistication of information and communication equipment accompanying the evolution of IT technology. Therefore, further growth is expected in this market.

In the future, it will collaborate with the Okaya Group in domestic and overseas markets, cooperate in new customer development and new development projects, and jointly procure materials to produce various synergistic effects.

As the best global sourcing partner who contributes to manufacturing worldwide, we aim to strengthen our customers' supply chains and further expand our business.

2. Outline of the company whose stock will be acquired

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|----------------------------|---|
| (1) Company name | Koyo Materica Corporation |
| (2) Representative | Jun Asaka (President and Representative Director) |
| (3) Head office | 47-24 Takikawa-cho, Showa-ku, Nagoya City,
Aichi Prefecture |
| (4) Established | August 25, 1955 |
| (5) Capital | JPY 350 million |
| (6) Main business purposes | Sale and processing of products and materials such as copper, aluminum, and stainless steel |
| (7) Annual sales | JPY 70.1 billion (fiscal year ending Dec. 2021) |
| (8) Number of employees | 159 employees (as of Dec. 31, 2022) |
| (9) Domestic bases | Nagoya, Kariya, Yokkaichi, Tokyo, Keihanshin, Hakata, Komaki (factory) |
| (10) Subsidiary | 6 overseas companies (Thailand, Hong Kong, Indonesia (2 companies), Shanghai, Vietnam) |

3. Number of shares to be acquired and status of shares owned before and after acquisition

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|---|------------------------|
| (1) Number of shares owned before acquisition | 191,850 shares (27.4%) |
| (2) Number of shares to be acquired | 168,850 shares (24.1%) |
| (3) Number of shares owned after acquisition | 360,700 shares (51.5%) |

4. Acquisition date: Jan. 31, 2023

5. Future outlook

There is no change in our earnings forecast due to this matter.