

May 14, 2026

FOR IMMEDIATE RELEASE

Company Name:	Meidensha Corporation
Stock Code:	6508 (TSE Prime Market, NSE Premier Market)
Name of Representative:	Akio Inoue, Representative Director, President and Executive Officer
Contact:	Ayako Sasamoto, General Manager, Corporate Communication Promotion Division Tel: +81-3-6420-8100

Notice regarding the recording of extraordinary losses (consolidated and non-consolidated settlements of accounts)

Meidensha Corporation (the “Company”) has decided to record extraordinary losses in its consolidated and non-consolidated settlements of accounts for the fiscal year ending March 2026, as outlined below.

1. Details of the extraordinary losses

(Consolidated settlement of accounts)

(1) Impairment loss

Due to a decline in profitability, indications of impairment have arisen with respect to the fixed assets held by MEIDEN(HANGZHOU)DRIVE TECHNOLOGY CO., LTD., a consolidated subsidiary of the Company established in Hangzhou, China, in May 2019 as a production and sales hub for electric vehicle drive units. After examining the future recoverability of these assets in accordance with the Accounting Standard for Impairment of Fixed Assets, the Company has decided to write down the book value of the fixed assets to their recoverable amount and record an impairment loss of ¥3,303 million as an extraordinary loss related to these fixed assets.

(Non-consolidated settlement of accounts)

(1) Appraisal loss on shares of an affiliate company

As the total net asset value of shares in MEIDEN(HANGZHOU)DRIVE TECHNOLOGY CO., LTD. held by the Company has declined, the Company will

record an appraisal loss of ¥4,249 million on shares in an affiliate as an extraordinary loss. As this appraisal loss will be eliminated in the consolidated financial statements, it will have no impact on the Company's consolidated business results.

(2) Allowance for doubtful accounts and provision for loss on guarantees

In light of the deterioration in MEIDEN(HANGZHOU)DRIVE TECHNOLOGY CO., LTD.'s business performance, the Company will record an allowance for doubtful accounts of ¥1,690 million and a provision for loss on guarantees of ¥1,984 million in relation to loans extended by the Company to MEIDEN(HANGZHOU)DRIVE TECHNOLOGY CO., LTD. and guarantees it has provided for loans obtained by MEIDEN(HANGZHOU)DRIVE TECHNOLOGY CO., LTD. from external financial institutions as extraordinary losses. As these allowance and provision amounts will be eliminated in the consolidated financial statements, they will have no impact on the Company's consolidated business results.