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February 9, 2026

To whom it may concern:

Company name:	Furukawa Co., Ltd.
Name of representative:	Minoru Nakatogawa President & Representative Director (Securities code: 5715; TSE Prime Market)
Inquiries:	Koichiro Konno Director & Senior Executive Officer General Manager, Corporate Planning Department Telephone: +81-3-6636-9501
Company name:	Kawasaki Heavy Industries, Ltd.
Name of representative:	Yasuhiko Hashimoto Representative Director, President and CEO (Securities code: 7012; TSE Prime Market and NSE Premier Market)
Inquiries:	Takashi Torii Executive Officer, Group Manager, Corporate Communications Group Telephone (Tokyo): +81-3-3435-2130 Telephone (Kobe): +81-78-371-9531

Notice Regarding the Execution of a Share Transfer Agreement for EarthTechnica Co., Ltd.

Furukawa Co., Ltd. (President & Representative Director: Minoru Nakatogawa; “Furukawa”) and Kawasaki Heavy Industries, Ltd. (Representative Director, President and CEO: Yasuhiko Hashimoto; “Kawasaki Heavy Industries”) hereby announce that their respective Boards of Directors resolved today to enter into a share transfer agreement for EarthTechnica Co., Ltd. (“EarthTechnica”), a wholly owned subsidiary of Kawasaki Heavy Industries, and accordingly, Furukawa and Kawasaki Heavy Industries have executed a share transfer agreement as of today. As previously disclosed in the press release dated May 13, 2025 entitled “Notice Regarding Memorandum of Understanding for Potential Transfer of Shares of EarthTechnica Co., Ltd.”, Kawasaki Heavy Industries and Furukawa have been discussing the transfer of shares (the “Share Transfer”) of EarthTechnica, which is engaged in the crushing and grinding equipment business, from Kawasaki Heavy Industries to Furukawa (the “Transaction”). This transaction aims to further expand and develop Furukawa’s machinery business and EarthTechnica.

Under the Share Transfer, all issued shares of EarthTechnica held by Kawasaki Heavy Industries will be transferred to Furukawa. The Transaction will be executed in two phases. In the first phase, Furukawa will acquire 60% of the issued shares of EarthTechnica. In the second phase, Furukawa will acquire the remaining 40% of the shares.

1. Reason for the Share Transfer

Leveraging its extensive mechanical technologies cultivated in the mining sector, Furukawa positions its machinery business, which supports social infrastructure globally, as its core business and is committed to enhancing corporate value.

EarthTechnica possesses advanced technologies for crushing, grinding, and sorting, and has earned a strong reputation across diverse fields such as quarry market essential for infrastructure development, waste recycling contributing to a circular economy, and applications in the pharmaceutical and food industries.

The Share Transfer will enable Furukawa to integrate EarthTechnica's outstanding technological capabilities and customer trust, leading to significant advancements in its technological strength, productivity, cost competitiveness, and customer services within its industrial machinery segment. This transaction is also expected to drive further development in the domestic quarry industry.

Driven by the growing global emphasis on environmental protection, Furukawa plans to invest management resources in the environmental recycling sector, a major focus area for EarthTechnica, thereby actively contributing to global environmental preservation.

In the global mining and quarry market, Furukawa boasts a strong track record and high recognition in the rock drill segment, while EarthTechnica has established a reputation in the field of large-scale mining machinery. By combining the sales and service networks of both companies, Furukawa expects to expand its business domains to encompass the full spectrum of the mining and quarry industries—from upstream to downstream—leading to stronger overseas operations and synergy effects in international markets.

Based on its discussions with Furukawa, Kawasaki Heavy Industries has concluded that Furukawa's strengths in its mining-centered machinery business are highly compatible with EarthTechnica's future growth vision, particularly in the expansion of its environmental business and overseas operations. Kawasaki Heavy Industries believes that by leveraging the synergies between Furukawa and EarthTechnica, further acceleration of business growth can be expected, and that this Transaction will generate mutual benefits for both Furukawa and EarthTechnica.

As described above, Furukawa and Kawasaki Heavy Industries have agreed on the transfer of all shares of EarthTechnica, having concluded that EarthTechnica can be expected to achieve further business growth under Furukawa.

Following the full Share Transfer, Furukawa will welcome EarthTechnica as a core operating company of its group. Furukawa will pursue synergies with its existing machinery business and invest management resources, thereby further strengthening and expanding the businesses of both Furukawa and EarthTechnica, and firmly believes that this will enable the companies to better address customer needs.

2. Overview of the Subsidiary to be Transferred (EarthTechnica)

(1)	Company name	EarthTechnica Co., Ltd.		
(2)	Address	2-4 Kanda Jimbocho, Chiyoda-ku, Tokyo 101-0051, Japan		
(3)	Name/title of representative	Masahiko Nishi, President and Representative Director		
(4)	Main business	1. Design, construction, and supervision of civil engineering works, construction works, piping works, machinery and equipment installation works, waste treatment facility works, electrical works, and steel structure works. 2. Design, manufacture, and sale of crushers, pulverizers, classifiers, grinding machines, dryers, powder processing equipment, and related plant systems. 3. Design, manufacture, and sale of recycling equipment and plants for construction waste, industrial waste, general waste, and other materials. 4. Design, manufacture, and sale of special cast products such as wear-resistant and heat-resistant cast steel and iron components. 5. Manufacture and sale of spare parts and replacement components for the products listed in items 2, 3, and 4 above. 6. Installation, maintenance, inspection, repair, operation, and management of the products listed in each of the above items. 7. All other businesses incidental or related to the products and services listed above. 8. Purchase and sale of used equipment as specified in items 2 and 3 above.		
(5)	Capitalization	1,200 million yen		
(6)	Date of establishment	June 15, 1987		
(7)	Major shareholders and Shareholding ratios	Kawasaki Heavy Industries, Ltd. 100%		
(8)	Relationship between Furukawa and EarthTechnica	Capital relationship	None	
		Personnel relationship	None	
		Business relationship	None	
(9)	Relationship between Kawasaki Heavy Industries and EarthTechnica	Capital relationship	Kawasaki Heavy Industries holds 100% of the issued shares of EarthTechnica.	
		Personnel relationship	One Executive Officer of Kawasaki Heavy Industries serves concurrently as a Director of EarthTechnica, and one employee of Kawasaki Heavy Industries serves concurrently as an Audit & Supervisory Board Member of EarthTechnica.	
		Business relationship	Kawasaki Heavy Industries and its affiliated companies purchase products from EarthTechnica. In addition, there are business transactions between Kawasaki Heavy Industries and EarthTechnica, including the provision of services.	
(10) Operating results and financial condition for the past three years (millions of yen)				
Accounting period		Fiscal year ended March, 2023	Fiscal year ended March, 2024	Fiscal year ended March, 2025
Net assets		6,072	6,521	7,020
Total assets		15,182	14,764	15,551
Net assets per share (yen)		235,340	252,760	272,079

Net sales	16,903	16,026	17,020
Operating income	864	862	934
Ordinary income	885	950	957
Net income	622	691	775
Net income per share (yen)	24,096	26,764	30,042
Dividend per share (yen)	9,640	10,710	12,020

(Reference)

Operating results and financial condition for the past three years of the transferred subsidiary, EarthTechnica, and its subsidiary, simple aggregation basis (millions of yen)

Accounting period	Fiscal year ended March, 2023	Fiscal year ended March, 2024	Fiscal year ended March, 2025
Net assets	6,434	6,933	7,470
Total assets	16,549	16,278	16,928
Net sales	19,905	19,576	20,462
Operating income	945	986	1,035
Ordinary income	966	1,071	1,059
Net income	672	766	851

(Note) As EarthTechnica does not prepare consolidated financial statements, the above figures represent the simple aggregate of EarthTechnica and its subsidiary, EarthTechnica M&S Co., Ltd. Net assets per share, net income per share, and dividend per share are not presented.

3. Overview of the Transferor (Kawasaki Heavy Industries)

(1)	Company name	Kawasaki Heavy Industries, Ltd.	
(2)	Address	[Kobe Head Office] 3-1-1 Higashikawasaki-cho, Chuo-ku, Kobe, Hyogo 650-8680, Japan [Tokyo Head Office] 1-14-5 Kaigan, Minato-ku, Tokyo 105-8315, Japan	
(3)	Name/title of representative	Yasuhiko Hashimoto, President and Chief Executive Officer	
(4)	Main business	Aerospace Systems, Energy Solution & Marine Engineering, Precision Machinery & Robot, Rolling Stock, Powersports & Engine, Other Operations	
(5)	Capitalization	104,484 million yen	
(6)	Date of establishment	October 15, 1896	
(7)	Net assets	725,064 million yen (as of March 31, 2025)	
(8)	Total assets	3,016,951 million yen (as of March 31, 2025)	
(9)	Major shareholders and Shareholding ratios	The Master Trust Bank of Japan, Ltd. (Trust Account) 15.01% Custody Bank of Japan, Ltd. (Trust Account) 8.09% Nippon Life Insurance Company 3.42%	
(10)	Relationship between Furukawa and Kawasaki Heavy Industries	Capital relationship	None
		Personnel relationship	None
		Business relationship	None

(Note) Major shareholders and shareholding ratios are based on the number of shares recorded in the shareholders register as of March 31, 2025, calculated against the total number of issued shares (excluding treasury shares).

(Note) Shareholding ratios are rounded to the nearest second decimal place.

4. Overview of the Transferee (Furukawa)

(1)	Company name	Furukawa Co., Ltd.
(2)	Address	2-6-4 Otemachi, Chiyoda-ku, Tokyo, Japan
(3)	Name/title of representative	Minoru Nakatogawa, President & Representative Director
(4)	Main business	Machinery Business: 1. Manufacture and sale of industrial machinery, steel structures, bridges, and related services, including contracting various construction works 2. Manufacture and sales of hydraulic breakers, blast hole drills, and mining machinery for tunnel construction, etc. 3. Manufacture and sale of UNIC cranes, mini-crawler cranes, etc. and related equipment Materials Business: 1. Entrusted smelting and sales of copper, gold, and other non-ferrous metals 2. Manufacture and sales of high-purity metallic arsenic, crystal products, and other materials 3. Manufacture and sale of sulfuric acid, cuprous oxide, and other chemical products Other Businesses: Engagement in real estate, transportation, metal powders, casting, and other related businesses
(5)	Capitalization	28,208 million yen
(6)	Date of establishment	April 15, 1918
(7)	Net assets	133,572 million yen (as of March 31, 2025)
(8)	Total assets	257,107 million yen (as of March 31, 2025)
(9)	Major shareholders and Shareholding ratios	The Master Trust Bank of Japan, Ltd. (Trust Account) 11.43% Asahi Mutual Life Insurance Company 6.70% Seiwa Building Co., Ltd. 5.46%
(10)	Relationship between Kawasaki Heavy Industries and Furukawa	Capital relationship
		Personnel relationship
		Business relationship

(Note) Major shareholders and shareholding ratios are based on the number of shares recorded in the shareholders register as of March 31, 2025, calculated against the total number of issued shares (excluding treasury shares).

(Note) Shareholding ratios are rounded to the nearest second decimal place.

5. Number of shares to be transferred to Furukawa and shareholding status before and after the transfer

(1)	Number of shares held before the transfer	- shares (Number of voting rights: -, Voting rights ratio: -%)
(2)	Number of shares transferred	First phase: 15,480 shares

		(Number of voting rights: 15,480) Second phase: 10,320 shares (Number of voting rights: 10,320)
(3)	Transfer price	The transfer price is not disclosed based on the agreement between the parties. However, the transfer price was determined by the Board of Directors based on, among other factors, the results of a valuation conducted by a third party.
(4)	Number of shares held after the transfer	Upon completion of the first phase: 15,480 shares (Number of voting rights: 15,480, Voting rights ratio: 60.0%) Upon completion of the second phase: 25,800 shares (Number of voting rights: 25,800, Voting rights ratio: 100.0%)

6. Schedule of the Share Transfer

(1)	Date of resolution by the Board of Directors	Furukawa: February 9, 2026 Kawasaki Heavy Industries: February 9, 2026
(2)	Date of execution of the share transfer agreement	February 9, 2026
(3)	Share Transfer execution date	First phase (EarthTechnica to become a consolidated subsidiary of Furukawa): April 1, 2026 (scheduled) Second phase (EarthTechnica to become a wholly owned subsidiary of Furukawa): April 1, 2027 (scheduled)

(Note) The execution of the Share Transfer is subject to the completion of procedures under the Antimonopoly Act and other relevant conditions, and therefore the execution date may change.

7. Future outlook

The financial impact of the Share Transfer to Furukawa and Kawasaki Heavy Industries will be disclosed promptly if any matters requiring disclosure become clear.