

Note: This document has been translated from the Japanese original for reference purposes only.
In the event of any discrepancy between the translated document and the Japanese original,
the original shall prevail.



May 9, 2025

Company name: Nippon Seisen Co., Ltd.
Name of representative: Kazuhiro Toshimitsu,
President
Chief Executive Officer
(Securities code: 5659; Prime Market)
Inquiries: Yuichi Taniguchi, Executive
Officer and General
Manager of General Affairs
Department
(Telephone: +81-6-6222-5431)

Matters Concerning Controlling Shareholder, Etc.

Nippon Seisen Co., Ltd. (the “Company”) hereby announces that, with regard to Daido Steel Co., Ltd. (Daido Steel), which is a parent company of the Company, the matters concerning controlling shareholders, etc. are as described below.

1. Trade name, etc. of parent company, controlling shareholder (excluding parent company), other affiliated company or parent company of other affiliated company

(As of March 31, 2025)

Name	Attribute	Ratio of voting rights held (%)			Financial instruments exchange, etc. on which the issued shares, etc. are listed
		Voting rights directly held	Voting rights subject to aggregation	Total	
Daido Steel Co., Ltd.	Parent company	50.46	0.17	50.63	<ul style="list-style-type: none"> • Prime Market of Tokyo Stock Exchange, Inc. • Premier Market of Nagoya Stock Exchange, Inc.

(NOTE) Percentage of voting rights held is rounded to the nearest third decimal place.

2. Positioning of the Company in the corporate group centering on the parent company, etc. and the relationships between other listed companies and the parent company, etc.

① Positioning of listed companies in corporate groups such as the parent company, business relationships with the parent company and its group companies, and human and capital relationships

Our parent company, Daido Steel, owns 50.63% of our voting rights, including indirect ownership, and we are engaged in the secondary fabrication and related business of stainless steel wires within the Daido Steel group companies.

Daido Steel Co., Ltd. is an important supplier of raw materials for us, and we purchase raw materials through our subsidiaries. The Company has other business relationships with its Group companies, such as purchasing and sales, but there are no loans or guarantees for funds with the Company or its Group companies.

In addition, one of our seven directors is an executive officer of Daido Steel and two are from Daido Steel. The Company also accepts two employees from Daido Steel group companies as seconded employees.

(Concurrent status of officers)

(As of March 31, 2025)

Title	Name	Title of parent company or group company, etc	Reason for appointment
Director	Shin Takamiya	Executive Officer General Manager Specialty Steel Business Div.	He was appointed as a director because he had a deep knowledge and experience in domestic sales and exports of stainless steel and believed that his experience and knowledge could be reflected in our management.

(NOTE)Among our seven directors and four corporate auditors, there is one interlocking director with the parent company.

(Acceptance of Loaned Employees)

(As of March 31, 2025)

Name of department.	Number of persons	Name of the parent company or group company of the loaned company	Reason for Acceptance of Loaned Employee
Equipment	1	Daido Steel Co., Ltd.	We requested a loaned employee to strengthen the equipment division.
Production control	1	Daido Kogyo Co., Ltd.	We requested a loaned employee to strengthen the material division.

(NOTE)We have 596 employees as of March 31, 2025.

②Business constraints, risks, and advantages of belonging to a corporate group such as the parent company, the impact on management and business activities from business relationships and personal and capital relationships with the parent company and its group companies, and the concept of securing a certain degree of independence from the parent company, etc. and the measures and status for this

Daido Steel is an important supplier of raw materials, but we have determined that it is one of several suppliers and there are no business constraints associated with this.

In addition, three of our seven directors are executive officers and former employees of Daido Steel. We have three directors and two auditors as independent outside officers other than those from the Daido Steel group. As a listed company, we ensure the independence of management and conduct management on our own responsibility. As with general business partners, we decide on business

relationships for purchasing and sales with each of Daido Steel group companies through individual consultations.

Accordingly, while maintaining close cooperative relationships with Daido Steel and its Group companies, there are no special restrictions in conducting business activities. We recognize that our business activities are conducted independently and that we are secured a certain degree of independence from the parent company, etc.

3. Matters concerning transactions with controlling shareholder, etc.

(From April 1, 2024 to March 31, 2025)

Type	Name	Location	Capital or capital contribution (million yen)	Description of Business	Percentage of shareholder voting rights (shares owned) (%)	Relationship with affiliated party
Parent company	Daido Steel Co., Ltd.	Higashi Ward, Nagoya City	37,172	Manufacture and sale of special steel products, etc.	(Shares owned) Direct 50.46 Indirect 0.17	• Source of raw materials • Interlocking directorates
		Details of the transaction		Transaction amount (million yen)	Subjects	Ending balance (million yen)
		Sales of stainless steel wires		226	Electronically Recorded Monetary Claims Accounts receivable	83 19

(Note 1) Of the above amounts, consumption tax is not included in the transaction amount, and consumption tax is included in the year-end balance.

(Note 2) Policy for determining trade conditions and trade conditions

Prices and other transaction terms are determined by quoting prevailing market prices and negotiating prices.

4. Status of implementation of measures to protect minority shareholders when conducting transactions with the parent company, etc.

The business relationship for purchasing and sales with Daido Steel and each of its group companies are determined through individual consultations, as with general business partners, taking into account the terms and conditions of transactions, such as quality, price, and delivery date, and are dealt with in a manner that does not adversely affect minority shareholders.

In addition, we have appointed at least one-third of independent outside directors who meet the independence criteria set forth by the Financial Instruments Exchange, and have established a special committee consisting of all independent outside directors and independent auditors who deliberate and examine important transactions and actions that conflict with the interests of controlling shareholders and minority shareholders.

End of document