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January 23, 2026

To whom it may concern

Company name: Tokushu Tokai Paper Co., Ltd.
Name of representative: Takashi Kimura,
President and Chief Executive Officer
(Securities code: 3708; TSE Prime Market)
Contact: Hiroyuki Ohnuma,
Managing Executive Officer
Specialty Materials Business HQ.
(Tel: +81-3-5219-1817)

Notice Concerning License Agreement for Know-How of Manufacturing and Sales of Electrical Insulating Paper and Acquisition of Inventories

Tokushu Tokai Paper Co., Ltd. (the "Company") hereby announces that it has concluded a license agreement for know-how in the manufacture and sale of Electrical Insulating Paper and a basic agreement for the transfer of inventory assets with TOMOEGAWA CORPORATION.

Details are as follows.

I. Reason for License Agreement and Acquisition of Inventories

In order to realize growth in both the paper business and the environment-related business, the Company is working to stabilize the revenue base by strengthening the structure of its existing business, and to further promote the paper business by switching the product mix by introducing products into growth areas.

Under this policy, the Company concluded this agreement in anticipation of an increase in demand for transformers due to the expansion of renewable energy facilities and data centers in Japan and overseas. The Company aims to manufacture and sell products with the same quality as Electrical Insulating Paper for transformers manufactured and sold by TOMOEGAWA CORPORATION, and will work to develop a market in the insulating field, including Aramid Paper with high heat resistance and high insulation functions.

II. Overview of License Agreement and Acquisition of Inventories

1. Scope of License Agreement and Acquisition of Inventories

(1) Details of License Agreement

Right to use know-how relating to the manufacture and sale of Electrical Insulating Paper to manufacture and sell Electrical Insulating Paper in and outside Japan

(2) Inventories

Scheduled to be about one year's estimated sales volume

2. Value for License Agreement and Acquisition of Inventories

License Agreement

Grant Fee : ¥100 million

III. Overview of the Acquisition

(1)	Name	TOMOEGAWA CORPORATION	
(2)	Address	7th Floor, KYOBASHI TRUST TOWER 2-1-3 Kyobashi, Chuo-ku, Tokyo, Japan	
(3)	Title and name of the representative	Yoshio Inoue, President and CEO	
(4)	Business	*Manufacture, processing, import, export and sale of paper, non-woven fabrics and pulp and their composites with other materials *Manufacture, processing, import, export and sale of plastics and their composites with other materials *Manufacture, processing, import, export and sale of electrophotographic developers, Facsimile copy, printing and recording materials *Manufacture, processing, import, export and sale of electronic, electromagnetic, communications and battery components *Manufacture, processing, import, export and sale of magnetic recording cards and tapes, and information recording cards with integrated circuits *Import, export, and sale and purchase of raw materials of the above products	
(5)	Capital	¥2,122 million	
(6)	Date of Establishment	June 19, 1914	
(7)	Major Shareholders and Shareholding Ratio (As of September 30, 2025)	TOPPAN Holdings Inc. 11.61% SAKAESHIGYO Co., Ltd. 7.14% INOUE Holdings Inc. 6.44% TOMOEGAWA CORPORATION Trading Partner Holding Company 5.66% Suzuyo&Co., Ltd. 5.08% Mitsui Chemicals, Inc. 4.97% Toshin Shigyo co., Ltd. 4.72%	
(8)	Relationship with the Company	Capital Relationship	Not applicable
		Human Capital	Not applicable
		Business Relationship	A Business Relationship

IV. Schedule

Date of License Agreement : January 23, 2026

V. Future Outlook

Although the impact of this incident on the Company's consolidated business results for the fiscal year ending March 2026 is immaterial, the Company believes that it will contribute to improvement of its consolidated business results and corporate value in the medium to long term. We will promptly notify the Company of any matters to be disclosed.

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