

[Translation]

[NOTICE: Please note that the following is a translation of the Japanese language original for convenience purposes only, and in the event of any discrepancy, the Japanese language original shall prevail.]

February 10, 2023

For immediate release

Company: Nisshinbo Holdings Inc.
Representative: Masahiro Murakami, President
Securities Code: 3105
TSE (Prime Market)

**Notice of Recording Extraordinary Losses
(Provision for Allowance for Doubtful Accounts of Subsidiaries and Affiliates)**

Nisshinbo Holdings Inc. announces that the provision for allowance for doubtful accounts related to loans to affiliates was recorded as an extraordinary loss in the non-consolidated financial results for the period ended December 2022 (January 1, 2022 to December 31, 2022) as follows.

1. Details of provision for allowance for doubtful accounts

In the Company's non-consolidated financial statements, based on the deterioration of the business performance and financial position of TMD, a consolidated subsidiary, the Company determined that it was necessary to record an allowance for doubtful accounts in an amount commensurate with the excess of liabilities with respect to claims on the consolidated subsidiary, and recorded an extraordinary loss of 5,395 million yen for the provision of allowance for doubtful accounts for affiliates.

2. Effect on income

The above provision of allowance for doubtful accounts for subsidiaries and affiliates is eliminated in the consolidated financial statements and has no impact on consolidated financial results.