

December 16, 2024

FOR IMMEDIATE RELEASE

Company Name: MARUKA FURUSATO Corporation
 Representative: Ryohei Furusato
 President and Representative Director
 (Securities Code: 7128; TSE Prime Market)
 Contact: Taketsugu Fujii
 Executive Officer, Head of Corporate
 Administration Unit
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Notice of basic policy decision the Management Integration of Consolidated Subsidiaries

MARUKA FURUSATO Corporation (the “Company”) hereby announces that at the Board of Directors meeting held today, it has resolved to integrate our wholly owned subsidiaries, Maruka Corporation (hereinafter, Maruka), and G-NET CORPORATION (hereinafter, G-NET), aiming for January 2026. The details are as follows.

1. Purpose of the integration

Currently, in the Machinery & Tools Business, which is our main business, Maruka and G-NET are at the core of the business, and the business management headquarters within the holding company is responsible for the entire business to pursued synergy effects by promoting cross-selling and expanding procurement opportunities across the entire Group.

However, in an increasingly challenging business environment driven by intensifying global competition and accelerating technological innovation, the Company has decided that in order to accurately grasp the increasingly sophisticated and diverse needs of our customers and provide them with even more optimal value, it is important to go beyond individual collaboration and become one company to enhance our overall capability.

By combining the strengths of both companies, the integration will enable us to provide customers with even more high-added, innovative solutions, further enhance the competitiveness of the Machinery & Tools Business, and achieve sustainable growth.

2. Overview of the integration

Details regarding the integration will be announced as soon as they are decided.

3. Future outlook

As the integration is a merger between wholly owned subsidiaries of the Company, the initial impact on the Company's consolidated financial results will be immaterial. However, we believe that this will have a significant effect on improving our business performance and corporate value in the near future.

Reference materials: Overview of companies (as of December 16, 2024)

(1) Name	Maruka Corporation	G-NET CORPORATION
(2) Location	2-2-5, Minamishinmachi, Chuo-ku, Osaka City, Osaka	1-2-10, Minamishinmachi, Chuo-ku, Osaka City, Osaka
(3) Name and title of representative	Kunihiko Iida President, CEO.	Ryohei Furusato President and Representative Director
(4) Details of business	Domestic and overseas sale of manufacturing machinery, domestic sale and rental, and export of construction machinery	Wholesale of machine tools, sale of housing construction equipment, and sale of intruder protection and surveillance equipment
(5) Share capital	400 million yen	420 million yen
(6) Date of establishment	December, 1946	August, 1947
(7) Number of employees	155 (as of September 30, 2024)	455 (as of September 30, 2024)
(8) Fiscal year-end	December 31	December 31
(9) Major shareholder and holding ratio	MARUKA FURUSATO Corporation 100%	MARUKA FURUSATO Corporation 100%