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May 14, 2026

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Listing: Tokyo Stock Exchange
Securities code: 4414
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(Progress on Disclosed Matters) Notice Regarding Recording of Extraordinary Loss (Loss on Valuation of Shares in an Associate)

In the "Notice Regarding the Revision of the Full-Year Earnings Forecast and the Expected Recording of an Extraordinary Loss (Loss on Valuation of Shares in an Associate)" announced on February 5, 2026, FLECT Co., Ltd. (the "Company") disclosed that it expected to record an extraordinary loss. As the amount of this extraordinary loss has now been determined, the Company hereby announces the details as set forth below.

Details

1. Details of the Extraordinary Loss

With respect to the shares in an associate (Cariot, INC.) held by the Company, the acquisition of large-scale projects has taken longer than the Company had anticipated, resulting in a divergence from the Company's projected figures. Accordingly, in the fourth quarter of the fiscal year ended March 2026, the Company recorded a loss on valuation of shares in an associate of 102 million yen as an extraordinary loss.

2. Impact on Business Performance

The impact of this matter on business performance has been reflected in the "Financial Results for the Fiscal Year Ended March 2026" announced today.