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To whom it may concern:

May 12, 2025

Company name: T.RAD Co., Ltd.  
Representative: Tomio Miyazaki, President & CEO & COO  
Code No.: 7236  
Tokyo Stock Exchange, Prime Market  
Contact: Kaoru Kinoshita, Managing Executive Officer,  
In charge of Finance & Accounting  
Tel: +81-3-3373-1101

**Notice of Recording of Reversal of Provision for Product Warranties (Consolidated and Non-consolidated) and Extraordinary Losses (Non-consolidated)**

In the third quarter of the fiscal year ended March 31, 2025, T.RAD Co., Ltd. (the “Company”) partially reversed the provision for product warranties and recorded the reversal amount. In addition, the provision for allowance for investment loss was included as extraordinary losses in the non-consolidated financial statements for the year ended March 31, 2025. We hereby notify you as follows:

1. Recording of reversal of provision for product warranties (consolidated and non-consolidated)

In the third quarter of the fiscal year ended March 2025, we recorded an estimated amount of 1,450 million yen as provision for product warranties in selling, general and administrative expenses due to the occurrence of quality defects at our consolidated subsidiary, T.RAD Qingdao CO., LTD. However, after reviewing the latest status of quality defects, we have decided to reverse the provision for product warranties of 676 million yen, as the amount of defects is expected to decrease.

2. Recording of provision of allowance for investment loss in extraordinary loss (non-consolidated)

With regard to shares of T.RAD North America, Inc., our U.S. subsidiary, we recorded a provision of allowance for investment loss of 776 million yen on the non-consolidated balance sheets due to a decline in net assets. This loss is eliminated in the consolidated financial statements and therefore has no impact on the consolidated profit or loss.

3. Impact on financial results

The aforementioned items have been reflected in the consolidated financial results in the “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (J-GAAP),” released today.