NAKAYAMA STEEL WORKS, LTD.

FASF MEMBERSHIP

August 7, 2026

Company name: Nakayama Steel Works, Ltd.
Representative: Nobuhiko Naito, Representative Director and President
(Securities code: 5408; Tokyo Stock Exchange Prime Market)
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Notice Concerning Conclusion of Commitment Line Agreement

The Company hereby announces that, at a meeting of the Board of Directors held on August 7, 2026, the Company has resolved to enter into Commitment Line Agreements on August 31, 2026, for which it has obtained unofficial consent from financial institutions.

1. Reason for Conclusion of Commitment Line Agreement

Regarding the new electric furnace investment project announced on May 9, 2025 “Notice Concerning Investment in the New Electric Arc Furnace and Long-Term Targets to Realize the Long-Term Vision of Nakayama Steel Works Group”, the Company has signed a commitment line contract to secure loan funds for NN STEEL LLC that a joint venture company is undertaking the investment.

2. Overview of Commitment Line Agreement

(1)	Form of contract	Syndication commitment line
(2)	The lenders	A syndicate arranged by MUFG Bank, Ltd.
(3)	Borrowing limit	49.8 billion yen (Note1)
(4)	Contract date	August 31,2026
(5)	Contract period	August 31,2026～April 30,2031 (Note2)
(6)	Use of Proceeds	Sublease funds to NN STEEL LLC for the purchase of the new electric arc furnace facilities and the construction of the buildings
(7)	Description of collateral	Loan receivables to the new electric arc furnace facilities, the new buildings (including the leasehold rights to the land), and NN STEEL LLC

(8) Financial covenants	① **Net worth maintenance** Maintain at least 75% of the previous fiscal year or the base fiscal year (fiscal year ended March 2026), whichever is larger, in the consolidated accounting period ② **Profit maintenance** The borrower shall not incur a consolidated ordinary loss for two consecutive fiscal years as of the end of each fiscal year.

(Note) 1. If the investment amount is 95 billion yen, it will be 44.7 billion yen, and if the investment amount is 105.5 billion yen, it will be up to 49.8 billion yen.

2. Repayment of the debt related to the new electric arc furnace investment is scheduled to start from FY 2031, and details such as the repayment amounts will be considered going forward.

Please refer to page 6,"4. Image of Capital Allocation (From FY 2026 to FY 2029)" of "Notice Concerning Issuance of New Shares and Disposal of Treasury Shares through Third-Party Allotment, and Changes in Major Shareholder and Other Affiliates Associated with Conclusion of Capital and Business Alliance Hanwa Co., Ltd. and YODOKO, Ltd." disclosed August 7, 2026.

3. Outlook for the Future

As the impact of the Agreement has been factored into the Company's business results for the fiscal year ending March 2027, the impact on the outlook for the future is expected to be minimal. The Company will promptly disclose any matters that should be disclosed.