

June 17, 2026

**(Progress of the Disclosed Item) Notice of the Partial Revision to the Capital Increase Plan of the Wafer Reclaiming Business Subsidiary (CRSM)**

Ferrotec Corporation (Representative Director: He Xian Han; hereinafter “the Company”) hereby announces that, we have resolved to change the amount of capital increase of Anhui Changjiang Reclaim Semiconductor Material Co., Ltd. (CRSM), which is a subsidiary engaging in the Wafer Reclaiming Business, through capital increase through third-party allotment of shares and determined allocatees at a general meeting of shareholders of CRSM. There will be no change to the transformation from a consolidated subsidiary into an equity-method affiliate as mentioned in “Notice of the Establishment of a New Company and Capital Investment (Construction of a New Factory) in the Wafer Reclaiming Business, and Transfer of Subsidiary to Equity-method Affiliate due to Acceptance of Investment in Wafer Reclaiming Business Subsidiary (CRSM)” disclosed on April 20, 2026.

**1. Overview of the capital increase plan through third-party allotment of shares at CRSM**

(1)	Issue price per share	RMB 1.2 per RMB 1 of capital (approx. 28 yen) *RMB 1 = 23.68 yen																						
(2)	Total contribution amount	RMB 1.5 billion (approx. 35.5 billion yen) *Before change: RMB 1.4 billion (approx. 33.2 billion yen)																						
(3)	Due date of payment	June 2026																						
(4)	Increased capital	RMB 1,166.67 million (approx. 27.6 billion yen)																						
(5)	Registered capital after third-party allotment	RMB 2,386.77 million (approx. 56.5 billion yen)																						
(6)	Ownership ratio of each allocatee	<table border="1"> <tr> <td>No.1 Hefei Construction Ferrotec Yangtze Equity Investment Fund (Limited Partnership) (Hefei SDIC Fund Dedicated Fund)</td> <td>25.79%</td> </tr> <tr> <td>No.2 Jia Xing Jun Zhuo Equity Investment Fund (Limited Partnership) (Jun Zhuo Gu Quan Fund)</td> <td>7.23%</td> </tr> <tr> <td>No.3 Guo Chuang Qi Cheng (Shanghai) Venture Capital Fund (Limited Partnership) (SDIC Fund)</td> <td>5.04%</td> </tr> <tr> <td>No.4 Advanced Manufacturing Industry Investment Fund (Hubei) Partnership Enterprise (Limited Partnership) (SDIC Fund)</td> <td>1.68%</td> </tr> <tr> <td>No.5 Anhui Xin Zhi Yi Hao Industry Investment (Limited Partnership) (Anhui Xin Zhi Yi Hao)</td> <td>5.38%</td> </tr> <tr> <td>No.6 Shanghai Pudong Smart Manufacturing Second Phase Private Equity Investment Fund (Limited Partnership) (Shanghai Jinqiao Fund)</td> <td>1.01%</td> </tr> <tr> <td>No.7 Hefei Jinghui Juxin Investment Fund Partnership Enterprise (Limited Partnership) (Hefei Jinghui)</td> <td>0.91%</td> </tr> <tr> <td>No.8 Anhui Guo Yuan Industry Sophistication Investment Fund (Limited Partnership) (Guo Yuan Fund)</td> <td>0.67%</td> </tr> <tr> <td>No.9 Shanghai Shang Qi Shang Cheng Second Private Equity Investment Fund (Limited Partnership) (Shang Qi Fund)</td> <td>0.67%</td> </tr> <tr> <td>No.10 Suzhou Dongzheng Ruijing Venture Capital Partnership Enterprise (Limited Partnership) (Suzhou Dongzheng Ruijing)</td> <td>0.67%</td> </tr> <tr> <td>No.11 Tongling Yi An Hong Chuang Private Equity Investment Fund (Limited Partnership) (Tongling Yi An Fund)</td> <td>0.67%</td> </tr> </table>	No.1 Hefei Construction Ferrotec Yangtze Equity Investment Fund (Limited Partnership) (Hefei SDIC Fund Dedicated Fund)	25.79%	No.2 Jia Xing Jun Zhuo Equity Investment Fund (Limited Partnership) (Jun Zhuo Gu Quan Fund)	7.23%	No.3 Guo Chuang Qi Cheng (Shanghai) Venture Capital Fund (Limited Partnership) (SDIC Fund)	5.04%	No.4 Advanced Manufacturing Industry Investment Fund (Hubei) Partnership Enterprise (Limited Partnership) (SDIC Fund)	1.68%	No.5 Anhui Xin Zhi Yi Hao Industry Investment (Limited Partnership) (Anhui Xin Zhi Yi Hao)	5.38%	No.6 Shanghai Pudong Smart Manufacturing Second Phase Private Equity Investment Fund (Limited Partnership) (Shanghai Jinqiao Fund)	1.01%	No.7 Hefei Jinghui Juxin Investment Fund Partnership Enterprise (Limited Partnership) (Hefei Jinghui)	0.91%	No.8 Anhui Guo Yuan Industry Sophistication Investment Fund (Limited Partnership) (Guo Yuan Fund)	0.67%	No.9 Shanghai Shang Qi Shang Cheng Second Private Equity Investment Fund (Limited Partnership) (Shang Qi Fund)	0.67%	No.10 Suzhou Dongzheng Ruijing Venture Capital Partnership Enterprise (Limited Partnership) (Suzhou Dongzheng Ruijing)	0.67%	No.11 Tongling Yi An Hong Chuang Private Equity Investment Fund (Limited Partnership) (Tongling Yi An Fund)	0.67%
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	No.12 Gong Qing Cheng Tian Xing Cheng Xin Venture Capital (Limited Partnership) (Tian Xing Cheng Xin Fund)	0.34%
	No.13 Jia Xing Lin Shun Equity Investment (Limited Partnership) (Jia Xing Lin Shun Fund)	0.34%

\*The issue price was determined based on an evaluation of the stock's fair value by a third-party organization that is independent from the Company and allottees, and then the shares will be allotted.

## 2. Overview of investors

		No. 1	No. 2
(1)	Name	Hefei Construction Ferrotec Yangtze Equity Investment Fund (Limited Partnership) (Hefei SDIC Fund)	Jia Xing Jun Zhuo Equity Investment Fund (Limited Partnership) (Jun Zhuo Gu Quan Fund)
(2)	Capital	RMB 817 million	RMB 10 million
(3)	Date of establishment	May 22, 2026	March 25, 2024
(4)	Major shareholders and shareholding ratio	Hefei Construction Investment Emerging Industry Equity Investment Fund Partnership (Limited Partnership): 85.68% Hefei Xin Yi Science Technology Industry Development Group Co., Ltd.: 12.23% Hefei State-owned Capital Venture Investment Co., Ltd.: 2.09%	Zhang Hao: 99.0% Shanghai Juntong Equity Investment Management Co., Ltd.: 1.0%
(5)	Representative	Hefei State-owned Capital Venture Investment Co., Ltd.	Shanghai Juntong Equity Investment Management Co., Ltd.
(6)	Business	Management of private placement funds and venture capital funds	Investment in stocks, and venture capital activities with private placement funds
(7)	Relationship between CRSM and the allottees	There are no capital, personnel, or business relationships. The company does not belong to related parties.	There are no capital, personnel, or business relationships. The company does not belong to related parties.
(8)	Contribution amount	RMB 767.6 million (approx. 18.2 billion yen)	RMB 215.2 million (approx. 5.1 billion yen)

RMB 1 = 23.68 yen

		No. 3	No. 4
(1)	Name	Guo Chuang Qi Cheng (Shanghai) Venture Capital Fund (Limited Partnership) (SDIC Fund)	Advanced Manufacturing Industry Investment Fund (Hubei) Partnership Enterprise (Limited Partnership) (SDIC Fund)
(2)	Capital	RMB 10 billion	RMB 1,025.4706 million
(3)	Date of establishment	February 3, 2026	April 14, 2021
(4)	Major shareholders and shareholding ratio	National Council for Social Security Fund: 30% State Development & Investment Corp., Ltd.: 28% Jianxin Financial Asset Investment Co., Ltd.: 12.49%	Advanced Manufacturing Industry Investment Fund Second Phase (Limited Partnership): 78.9% Hanjiang Holdings Development Group Co., Ltd.: 13% And others

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		And others	
(5)	Representative	BOCOM Capital Management Co., Ltd.	SDIC Fund Management Co., Ltd.
(6)	Business	Investment in ventures (limited to the investment in unlisted enterprises)	Asset management service for principal investment and principal investment activities
(7)	Relationship between CRSM and the allottees	There are no capital, personnel, or business relationships. The company does not belong to related parties.	There are no capital, personnel, or business relationships. The company does not belong to related parties.
(8)	Contribution amount	RMB 150 million (approx. 3.6 billion yen)	RMB 50 million (approx. 1.2 billion yen)

RMB 1 = 23.68 yen

		No. 5	No. 6
(1)	Name	Anhui Xin Zhi Yi Hao Industry Investment (Limited Partnership) (Anhui Xin Zhi Yi Hao)	Shanghai Pudong Smart Manufacturing Second Phase Private Equity Investment Fund (Limited Partnership) (Shanghai Jinqiao Fund)
(2)	Capital	RMB 185.1 million	RMB 325 million
(3)	Date of establishment	December 22, 2025	March 10, 2026
(4)	Major shareholders and shareholding ratio	Anhui Industrial Development Investment (Limited Partnership): 99.9% Anhui Wantou Industrial Investment Co., Ltd.: 0.05%	Shanghai Jinqiao Investment Partnership (Limited Partnership): 59.69% Shijiazhuang Xincheng Equity Investment Fund Co., Ltd.: 27.69% Ferrotec (Anhui) Technology Development Co., Ltd.: 12.30% And others
(5)	Representative	Anhui Wantou Industrial Investment Co., Ltd.	Shanghai Shengan Private Equity Fund Management Co., Ltd.
(6)	Business	Technological services, technology development, technological consulting, technological exchange, technology transfer, distribution of technologies, and principal investment activities	Investment in stocks, investment management, asset management, etc. with private placement funds
(7)	Relationship between CRSM and the allottees	There are no capital, personnel, or business relationships. The company does not belong to related parties.	Ferrotec (Anhui) Technology Development Co., Ltd. (FTSVA), a subsidiary of the Company, invests 12.30%.
(8)	Contribution amount	RMB 160 million (approx. 3.8 billion yen)	RMB 30 million (approx. 700 million yen)

RMB 1 = 23.68 yen

		No. 7	No. 8
(1)	Name	Hefei Jinghui Juxin Investment Fund Partnership Enterprise (Limited Partnership) (Hefei Jinghui)	Anhui Guo Yuan Industry Sophistication Investment Fund (Limited Partnership) (Guo Yuan Fund)
(2)	Capital	RMB 500 million	RMB 750 million

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(3)	Date of establishment	November 23, 2023	September 27, 2023
(4)	Major shareholders and shareholding ratio	Nexchip Semiconductor Corporation: 40% Anhui New Generation Information Technology Industry Fund Partnership Enterprise (Limited Partnership): 20% Union Semiconductor (Hefei) Co., Ltd.: 12.79% And others	Anhui Industry Sophistication Fund Co., Ltd.: 40% Guo Yuan Innovation Investment Co., Ltd.: 13.3% And others
(5)	Representative	GP: Shanghai Gaoxin Private Equity Fund Management Co., Ltd. (Delegated representative: Cao Bin)	Anhui Guo Yuan Fund Management Co., Ltd.
(6)	Business	Investment in ventures and businesses	Investment in stocks, investment management, asset management, etc. with private placement funds
(7)	Relationship between CRSM and the allottees	There are no capital, personnel, or business relationships. The company does not belong to related parties.	There are no capital, personnel, or business relationships. The company does not belong to related parties.
(8)	Contribution amount	RMB 27.2 million (approx. 600 million yen)	RMB 20 million (approx. 500 million yen)

RMB 1 = 23.68 yen

		No. 9	No. 10
(1)	Name	Shanghai Shang Qi Shang Cheng Second Private Equity Investment Fund (Limited Partnership) (Shang Qi Fund)	Suzhou Dongzheng Ruijing Venture Capital Partnership Enterprise (Limited Partnership) (Suzhou Dongzheng Ruijing)
(2)	Capital	RMB 2,500 million	RMB 200 million
(3)	Date of establishment	November 26, 2025	January 18, 2024
(4)	Major shareholders and shareholding ratio	SAIC Motor Financial Holdings: 40% Hunan Jin Furong Industry Invitation Fund (Limited Partnership): 20% Shanghai Guotou Leading IC Private Equity Fund Partnership (Limited Partnership): 20% And others	Shanghai Yougu Investment Management Co., Ltd.: 40% Shanghai Orient Securities Capital Investment Co., Ltd.: 30% Suzhou History Cultural Famous City Development Venture Capital Company Limited: 20% And others
(5)	Representative	LP: Shanghai Shangqi Investment Management Partnership (Limited Partnership)	GP: Shanghai Orient Securities Capital Investment Co., Ltd. (Delegated representative: Jin Wen Zhong)
(6)	Business	Investment in stocks, investment management, asset management, etc. with private placement funds	Investment in ventures and businesses
(7)	Relationship between CRSM and the allottees	There are no capital, personnel, or business relationships. The company does not belong to related	There are no capital, personnel, or business relationships. The company does not belong to related

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		parties.	parties.
(8)	Contribution amount	RMB 20 million (approx. 500 million yen)	RMB 20 million (approx. 500 million yen)

RMB 1 = 23.68 yen

		No. 11	No. 12
(1)	Name	Tongling Yi An Hong Chuang Private Equity Investment Fund (Limited Partnership) (Tongling Yi An Fund)	Gong Qing Cheng Tian Xing Cheng Xin Venture Capital (Limited Partnership) (Tian Xing Cheng Xin Fund)
(2)	Capital	RMB 200 million	RMB 10 million
(3)	Date of establishment	July 11, 2025	March 11, 2026
(4)	Major shareholders and shareholding ratio	Tongling Jinniu Weiye Capital Management Co., Ltd.: 80% Anhui Shengyuan Industrial Investment Co., Ltd.: 19.5% Anhui Hongyuan Venture Capital Management Co., Ltd.: 0.5%	Huang Xiao Ming: 99% Shanghai Tianxing Weishi Private Fund Management Co., Ltd.: 1%
(5)	Representative	Anhui Hongyuan Entrepreneurial Investment Management Co., Ltd.	Shanghai Tianxing Weishi Private Fund Management Co., Ltd.
(6)	Business	Investment in stocks, investment management, asset management, etc. with private placement funds	Investment in stocks, investment management, asset management, etc. with private placement funds
(7)	Relationship between CRSM and the allottees	There are no capital, personnel, or business relationships. The company does not belong to related parties.	There are no capital, personnel, or business relationships. The company does not belong to related parties.
(8)	Contribution amount	RMB 20 million (approx. 500 million yen)	RMB 10 million (approx. 200 million yen)

RMB 1 = 23.68 yen

		No. 13
(1)	Name	Jia Xing Lin Shun Equity Investment (Limited Partnership) (Jia Xing Lin Shun Fund)
(2)	Capital	RMB 61.1 million
(3)	Date of establishment	February 7, 2023
(4)	Major shareholders and shareholding ratio	Anhui Yingjia Investment Management Co., Ltd.: 99.83% Shanghai Linxin Investment Management Co., Ltd.: 0.16%
(5)	Representative	Shanghai Linxin Investment Management Co., Ltd.
(6)	Business	Investment in stocks and investment in ventures with private placement funds
(7)	Relationship between CRSM and the	There are no capital, personnel, or business relationships.

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	allottee	The company does not belong to related parties.
(8)	Contribution amount	RMB 10 million (approx. 200 million yen)

RMB 1 = 23.68 yen

**3. Overview of the subsidiary as of March 31, 2026**

(1)	Name	Anhui Changjiang Reclaim Semiconductor Material Co., Ltd. (CRSM)		
(2)	Address	No. 21 Nanhai Road, Yian Economic Development Zone, Yian, Tongling City, Anhui Province, Peoples Republic of China		
(3)	Title and name of representative	He Xian Han, Representative Director		
(4)	Business	Wafer Reclaiming Business, etc.		
(5)	Capital	RMB 1,220.1 million (approx. 28.9 billion yen) *RMB 1 = 23.68 yen		
(6)	Date of establishment	September 6, 2019		
(7)	Major shareholder and shareholding ratio	Shareholder	Current	After third-party allotment
		Shanghai Shenhe Investment Co., Ltd. (FTS)	40.65%	20.16%
(8)	Relationship between CRSM and the company	Capital relationship	CRSM is a subsidiary 40.65% of whose voting rights are held by FTS, a wholly-owned consolidated subsidiary of the Company.	
		Personnel relationship	Representative Director of the Company concurrently serves as the Director of CRSM.	
		Business relationship	Not applicable	
(9)	Financial position and operating results in the last three years (unit: million yen)			
	Fiscal year	FY2024/3	FY2025/3	FY2026/3
	Total assets	24,842	25,299	25,116
	Net assets	16,375	16,505	16,660
	Net asset per share (yen)	13.31	13.41	13.6
	Net sales	1,774	2,869	4,879
	Operating profit	-1,329	-1,483	-493
	Ordinary profit	-816	-1,267	-345
	Profit attributable to owners of parent	-282	-515	-140
	Profit per share (yen)	-0.23	-0.42	-0.12
	Dividend per share (yen)	-	-	-

**4. Outlook**

CRSM will be transferred from a consolidated subsidiary of the Company to an equity-method affiliate due to the capital increase through third-party allotment of shares, and the impact on the Company's profit or loss is expected to be minor. The Company will promptly disclose additional items as soon as they arise.

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