

December 12, 2025

**Notice of the Change of a Consolidated subsidiary into  
a Significant Subsidiary Through Capital Increase**

Ferrotec Corporation (Representative Director: He Xian Han; hereinafter “the Company”) announces that, at the meeting of Board of Directors held today, we have resolved to increase the capital of Ferrotec Silicon Materials (Malaysia) SDN BHD (hereinafter “FTHSM”), a subsidiary for manufacturing silicon parts located in southern Malaysia. Through this capital increase, FTHSM will become a significant subsidiary. Details are as follows.

**1. Change in the capital stock of the subsidiary**

(1)	Current capital	83,950,000 MYR (approx. 3.2 billion yen)
(2)	Capital increase to be implemented this time	85,000,000 MYR (approx. 3.2 billion yen)
(3)	Registered capital after capital increase	168,950,000 MYR (approx. 6.4 billion yen)

\*The exchange rate is 1 MYR (Malaysian ringgit) = 37.92 yen

**2. Background, etc.**

•The capital stock of FTHSM was not enough to be recognized as that of a specified subsidiary (10% or more of the capital stock of our company), when calculated from the investment amount (130.35 million RMB) and the then exchange rate (1 RMB = 22.16 yen), at the time of disclosure of “Notice of the Establishment of a New Silicon Parts Company in Malaysia, the Increase in Capital in an Existing Subsidiary, the Conversion of an Existing Subsidiary to a Significant Subsidiary and Capital Investment (Construction of a New Factory)” dated July 18, 2024. After the establishment, the capital stock was indicated in local currency, as a result of the capital increase, FTHSM became a significant subsidiary of the Company.

•We originally planned to make an investment in FTHSM through the Japanese subsidiary Ferrotec Silicon Japan Corporation (hereinafter “FTHSJ”), but we decided to make an investment through our company, in response to the request from a major client. Accordingly, the capital increase from FTHSJ was not conducted, so it did not become a significant subsidiary. For this matter, please refer to the same material introduced above.

**3. Overview of the subsidiary**

**1) FTHSM as of September 30, 2025**

(1)	Name	Ferrotec Silicon Materials (Malaysia) SDN BHD (FTHSM)
(2)	Address	PLO436, Jalan Gangsa Kawasan Perindustrian Pasir Gudang, Pasir Gudang, Johor, Malaysia
(3)	Title and name of representative	He Xian Han, Representative
(4)	Contents of business	R&D, production and sale of silicon parts for semiconductors, etc.
(5)	Capital	83,950,000 MYR (approx. 3.2 billion yen) *1 MYR = 37.92 yen

(6)	Date of establishment	March 26, 2025	
(7)	Major shareholder and shareholding ratio	Ferrotec Corporation (FTJ): 100%	
(8)	Relationship between FTHSM and the Company	Capital relationship	FTHSM is a subsidiary whose whole voting rights are held by the Company.
		Personnel relationship	The representative director and president of the Company concurrently serves as director of FTHSM.
		Business relationship	Nothing is applicable.
(9)	Financial position and operating results in the past two years (unit: million yen)		
	Fiscal year	FY6/25 (interim)	/
	Net assets	278	
	Total assets	332	
	Net asset per share (yen)	33.2	
	Net sales	0	
	Operating profit	-63	
	Ordinary profit	-63	
	Profit	-63	
	Dividend per share (yen)	-	

**2) FTHSJ as of September 30, 2025**

(1)	Name	Ferrotec Silicon Japan Corporation (FTHSJ)	
(2)	Address	2-3-4 Nihonbashi, Chuo City, Tokyo	
(3)	Title and name of representative	Toshihiro Ishizuki, Representative Director and President	
(4)	Contents of business	Sale of silicon parts, silicon materials and quartz crucibles for semiconductors, etc.	
(5)	Capital	100 million yen	
(6)	Date of establishment	December 6, 2022	
(7)	Major shareholder and shareholding ratio	Hangzhou Dunnyuan Juxin Semiconductor Technology Co., Ltd. (FTHS): 100%	
(8)	Relationship between FTHSJ and the Company	Capital relationship	FTHSJ is a subsidiary whose whole voting rights are held by FTHS, which is a consolidated subsidiary of the Company.
		Personnel relationship	The director of the Company concurrently serves as director of FTHSJ.
		Business relationship	Nothing is applicable.

**4. Future outlook**

The impact on the business performance of the Company for the current fiscal year through this matter is expected to be minor. However, we will promptly disclose relevant items as soon as they are confirmed.