September 30, 2026

NPR-RIKEN CORPORATION

Notice Concerning Merger of Affiliated Companies in China

NPR-RIKEN CORPORATION (the "Company") hereby announces that its consolidated subsidiary in China, NPR Auto Parts Manufacturing (Yizheng) Co., Ltd. ("NAMY"), has reached a basic agreement with Nanjing Feiyan Piston Ring Co., Ltd., the joint venture partner of Riken Power System (Nanjing) Co., Ltd. ("Riken Power System (Nanjing)"), regarding an absorption-type merger between NAMY and Riken Power System (Nanjing), as outlined below.

1. Purpose of the Merger

The purpose of this merger is to integrate the Group's commercial and industrial engine piston ring manufacturing and sales operations and to enhance operational efficiency.

2. Outline of the Merger

（1） Method of the Merger

The merger will be conducted as an absorption-type merger, with NAMY as the surviving company and Riken Power System (Nanjing) as the dissolved company.

There will be no change to the corporate name of the surviving company.

（2） Schedule of the Merger

Early 2027 (planned)

3. Overview of the Companies Involved in the Merger (As of September 30, 2026)

（1） Surviving Company

Name	NPR Auto Parts Manufacturing (Yizheng) Co., Ltd.
Location	6# Lianzhong Road, Yizheng Automobile Industrial Park, Yizheng, Jiangsu 211400, China
Capital	RMB 140,049,051.60
Date of Establishment	February 5, 2005
Shareholder	NPR-RIKEN PRECISION CORPORATION（100%）
Representative	Zhongliang Yang
Business Outline	Manufacture and sale of piston rings and related products

（2）Dissolving Company

Name	Riken Power System (Nanjing) Co., Ltd.
Location	No. 107, Binhuai Road, Lishui Economic Development Zone, Nanjing, China
Capital	RMB 100,000,000.00
Date of Establishment	June 26, 2019
Shareholders	Nanjing Feiyan Piston Ring Co., Ltd. (60%) NPR-RIKEN NIIGATA CORPORATION (40%)
Representative	Delong Xue
Business Outline	Manufacture and sale of piston rings

(3) Overview of the Surviving Company After the Merger

Name	NPR Auto Parts Manufacturing (Yizheng) Co., Ltd.
Location	6# Lianzhong Road, Yizheng Automobile Industrial Park, Yizheng, Jiangsu 211400, China
Capital	RMB 176,051,731.81
Shareholders	NPR-RIKEN PRECISION CORPORATION（83.3%） Nanjing Feiyan Piston Ring Co., Ltd. (10%) NPR-RIKEN NIIGATA CORPORATION (6.7%)
Representative	Zhongliang Yang
Business Outline	Manufacture and sale of piston rings and related products

4. Future Outlook

The impact of this merger on the Company's consolidated financial results will be immaterial.

[Inquiries]

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