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October 31, 2025

Company name: JUKI CORPORATION
Name of representative: Atsushi Narikawa, Representative Director and President
(Securities code: 6440, Prime Market, Tokyo Stock Exchange)
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(Telephone. +81-42-357-2211)

Transition from Capital and Business Alliance to Business Alliance with PEGASUS CO., LTD. and Notice Regarding the Sale of Common Stock Held by the Company

JUKI Corporation (hereinafter referred to as "the Company") announces that at the Board of Directors meeting held on October 31, 2025, it resolved to transition the "Capital and Business Alliance" with PEGASUS CO., LTD. (hereinafter referred to as "PEGASUS") concluded on August 4, 2023, to the "Business Alliance," and simultaneously decided to sequentially sell 869,100 shares of PEGASUS common stock held by the Company in the market.

Details

1. Reasons for Termination of Capital and Business Alliance

The Company and PEGASUS entered into this capital and business alliance agreement in August 2023 with the aim of deepening the existing business partnership, building and maintaining a stronger cooperative relationship, and expanding the growth of each company's respective businesses, acquiring 3.5% of each other's shares.

On the other hand, due to the increasing importance of reducing cross-shareholdings in corporate governance in recent years, after extensive discussions between the two companies, it was determined that there would be no issues in continuing the business alliance as before even after the termination of this capital and business alliance, and both parties decided to sell the shares they hold in each other.

Please note that while the capital alliance with PEGASUS will be terminated, the business alliance will continue as before.

2. Details of the Termination of Capital Alliance

The Company plans to sequentially sell 869,100 shares of PEGASUS common stock it holds in the market.

3. Overview of the Counterparty to the Termination of Capital Alliance (as of March 31, 2025)

(1)	Corporate name	PEGASUS CO., LTD.
(2)	Location	5-7-2 Sagisu, Fukushima-ku, Osaka
(3)	Representative's Title and Name	Representative Director and President Shigemi Mima
(4)	Business area	Manufacture and sale of industrial sewing machines Manufacture and sale of automotive parts, including die-cast parts for automobiles
(5)	Capital	2,255,550,000 yen
(6)	Date established	January 8, 1947

<table>
<tr><td>(7)</td><td>Major Shareholders and Shareholding Ratio</td><td colspan="2">Japan Custody Bank, Ltd. (Trust Account) 8.65%
Master Trust Bank of Japan, Ltd. (trust account) 8.54%
Mima Corporation 6.26%
JUKI Corporation 3.50%
Keizo Bando 2.99%
Takako Yoshida 2.86%
Shigemi Mima 2.59%
Sumitomo Mitsui Banking Corporation 2.34%
Masamichi Mima 1.92%
Mako Tamura 1.49%</td></tr>
<tr><td rowspan="4">(8)</td><td rowspan="4">Relationship with JUKI</td><td>Capital relationship</td><td>As of March 31, 2025, the percentage of voting rights of PEGASUS common stock held by the Company is 3.50%.</td></tr>
<tr><td>Personnel relationship</td><td>Not applicable</td></tr>
<tr><td>business relationship</td><td>We are engaged in cooperation for developing emerging markets and product development.</td></tr>
<tr><td>Status as Related Party</td><td>Not applicable</td></tr>
<tr><td>(9)</td><td colspan="3">Consolidated Business Performance and Financial Condition of the Counterparty for the Last Three Years</td></tr>
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Fiscal Year	FY 2023	FY 2024	FY 2025
Consolidated net assets	29,199 million yen	30,603 million yen	33,637 million yen
Consolidated total assets	39,507 million yen	42,949 million yen	46,391 million yen
Consolidated net assets per share	1,140.65 yen	1,193.35 yen	1,309.02 yen
Consolidated sales	25,288 million yen	17,542 million yen	22,040 million yen
Consolidated operating income	2,657 million yen	38 million yen	1,573 million yen
Consolidated ordinary income	2,946 million yen	512 million yen	1,555 million yen
Net income attributable to shareholders of parent company	2,294 million yen	(72) million yen	964 million yen
Consolidated net income per share	92.49 yen	(2.93) yen	38.89 yen
Dividend per share	27.00 yen	5.00 yen	13.00 yen

4. Impact on Performance

The impact on the Company's performance due to this matter is minor, but if any matters arise that need to be disclosed in the future, we will promptly disclose them.

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