



March 28, 2025

To Whom It May Concern:

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Notice Regarding Revision of Capital Policy (Scheduled for Disclosure in May 2025)
and Resolution on Matters Related to Repurchase and Cancellation of Treasury Stock

(Own Share Repurchase in Accordance with the Articles of Incorporation Under Article 165, Paragraph 2 of the Companies Act, and Cancellation of Treasury Stock in Accordance with Article 178 of the Companies Act)

AIDA ENGINEERING, LTD. (the “Company”) hereby announces that it plans to announce a new capital policy (the “New Capital Policy”) in May 2025, concurrently with the announcement of its financial results for the fiscal year ending March 31, 2025.

Additionally, as part of its initiatives to achieve the objectives set forth in the New Capital Policy, the Board of Directors of the Company resolved at its meeting held on March 28, 2025, to repurchase shares in accordance with Article 156 of the Companies Act, as applied pursuant to Article 165, Paragraph 3 of the Companies Act and to cancel treasury stock in accordance with Article 178 of the Companies Act, as described in detail below.

1. Revision of Capital Policy

In May 2023, the Company formulated a three-year medium-term management plan through fiscal year 2025, ending March 31, 2026, with the aim of achieving sustainable growth by addressing challenges faced by customers and the society and enhancing medium- to long-term corporate value, particularly through the early achievement of a price book-value ratio (PBR) exceeding 1.0.

In the current fiscal year, the second year of the Company’s medium-term management plan, while year-on-year growth in revenue and profit is anticipated, the Company’s PBR remains below 1.0x, and further management improvements are required.

Against this backdrop and based on the opinions and feedback received through discussions with shareholders

and investors, including institutional investors, the Company has been carefully reviewing its earnings structure and optimal capital structure in order to respond to changes in the business environment and achieve both higher product quality and improved operating margins. As a result of this review, the Company has decided to maintain its existing medium-term management plan while revising its capital policy as part of its initiatives to achieve these objectives. Details of the New Capital Policy are scheduled to be announced in May 2025, concurrently with the announcement of the financial results for the fiscal year ending March 31, 2025.

The New Capital Policy is based on the concept of developing an “appropriately sized, optimal balance sheet” that ensures both profitability and quality. Through initiatives including achieving a return on equity (ROE) that exceeds the cost of capital, maintaining an “optimal level of equity capital,” and providing stable dividends that are less susceptible to earnings fluctuate, the Company aims to achieve a PBR exceeding 1.0x as soon as possible.

2. Resolutions on Matters Related to Repurchase and Cancellation of Treasury Stock

(1) Purpose of the Repurchase

As described in “1. Revision of Capital Policy” above, the New Capital Policy, which the Company plans to announce in May 2025, is intended to establish an “appropriately sized, optimal balance sheet.”

The repurchase of shares is being implemented as part of the initiatives to achieve this purpose.

(2) Details of the Repurchase

1. Type of shares to be acquired : Common shares of the Company
2. Maximum number of shares to be repurchased: 3,500,000 shares
(equivalent to 5.66% of the total number of issued shares, excluding treasury stock)
3. Total cost of shares to be repurchased : Up to JPY 3 billion
4. Repurchase period : From May 1, 2025, to July 31, 2025
5. Repurchase method : Purchase on the Tokyo Stock Exchange.

(3) Details of Cancellation

1. Type of shares to be cancelled : Common shares of the Company
2. Number of shares to be cancelled : All shares acquired as described in (2) above
3. Scheduled cancellation date : September 30, 2025

(Reference) Status of Treasury Stock as of December 31, 2024

Total number of the Company’s shares (excluding treasury stock) : 61,887,318 shares

Number of shares of treasury stock : 5,317,303 shares

End