

February 3, 2026

For Immediate Release

JA Mitsui Leasing, Ltd.

Notice Regarding the Recognition of Losses Due to the Risk of Uncollectible or Delayed
Collection of Account Receivables of Our Group Company and Revision of Full-Year
Consolidated Earnings Forecast

First Brands Group, LLC (including its group companies, individually or collectively, hereinafter “FBG”) — a factoring counterparty of Katsumi Global, LLC (hereinafter “KG”), a group company of JA Mitsui Leasing, Ltd. (hereinafter the “Company”) — filed a petition under Chapter 11 of the U.S. Bankruptcy Code (hereinafter “Ch.11”) in September 2025.

Although various procedures are still ongoing, publicly disclosed information indicates that FBG may have engaged in practices such as inflated billing, fabricated billing, or multiple assignments of considerable amounts of its receivables (hereinafter the “Receivables”) and the founders of FBG and other related individuals have been indicted on charges including financial frauds and other offenses.

As the Receivables acquired by our group company through factoring transactions with FBG may also have been affected, and doubt arises as to the probability of collection, the Company decided to recognize an allowance for doubtful accounts as a precautionary measure.

1. Subject Group Companies:

KG — registered in Texas, the United States of America

JA Mitsui Leasing Capital Corporation — registered in New York, the United States of America, and SPCs

2. Counterparty of KG Under Legal Proceedings:

FBG — registered in Ohio, the United States of America

3. Contents:

- FBG — a factoring counterparty of KG — filed a petition under Ch.11 on September 28, 2025.
- Our group acquired the Receivables through factoring transactions with FBG.
- As of February 2026, the Ch.11 proceedings remain ongoing in the U.S. Bankruptcy Court (the “Court”). Information continues to be disclosed intermittently by the Court, and various media reports have emerged. Public disclosures reference “fraudulent activities by FBG” and “multiple pledges of receivables”, and the founders of FBG and

other related individuals have been indicted on charges including financial frauds and other offenses.”

- As a potential victim of the series of financial frauds, our group companies will confront these matters head-on and continue to engage in the Ch.11 process and to pursue the maximum possible collection of the receivables.
- Given the ongoing uncertainty surrounding the future course of the Ch.11 process and considering publicly disclosed information from the Court, the Company recognizes that doubt arises as to the probability of collection of the factoring receivables. Our group, from a precautionary measure, decided to recognize an allowance for doubtful accounts in anticipation of future uncertainty.
- After discussions with our financial auditors, and consistent with the treatment adopted in the second quarter of the fiscal year ending March 31, 2026, the Company will apply the CECL (Current Expected Credit Loss) model, the U.S. GAAP standard for determining allowances for doubtful accounts, and will reflect the relevant amounts in the consolidated financial results for the third quarter of the fiscal year ending March 31, 2026.

(Note) CECL Model — A U.S. doubtful accounts estimation framework introduced to recognize “possibility” of the credit losses at an “early stage”, by considering current conditions as well as forward-looking forecasts.

(Allowance for Doubtful Accounts)

- The Company will recognize 150.5 billion yen in allowance for doubtful accounts in the consolidated financial results for the third quarter of the fiscal year ending March 31, 2026.
- This amount comprehensively includes the allowance for doubtful accounts previously disclosed and represents an increase of 103.0 billion yen compared with the press release issued on November 14, 2025.

(Note) For additional information, please refer to the Company’s press releases dated October 31, 2025, and November 14, 2025.

- The Company is closely monitoring the Court’s verification process of the Receivables and has established an internal task force in our group to pursue recovery of the Receivables through appropriate judicial measures.

- The Company has conducted a detailed review of all other factoring transactions and confirmed that no similar concerns exist in transactions other than the transactions involving FBG. The Company therefore considers this matter to be an isolated incident with limited impact on its other businesses.
- In order to ensure the continued sound growth of its businesses, the Company has requested capital support from its two principal shareholders — The Norinchukin Bank and Mitsui & Co., Ltd. — with the aim of securing sufficient capital to maintain its current level of financial soundness, — and, in addition, is engaging in constructive discussions to arrange a subordinated syndicated loan with equity-like features (a hybrid loan) together with its five principal financial institutions: The Norinchukin Bank, Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, MUFG Bank, and Mizuho Bank.
- The Company notes that its largest shareholder and principal financial institution, The Norinchukin Bank, notably increased the Company's credit lines as of the end of the last calendar year, and that our group currently has sufficient liquidity to meet its funding needs.
- The Company is implementing measures to prevent recurrence and is proceeding with the formulation and execution of a business improvement plan following the recognition of this allowance for doubtful accounts.
- The Company will take the necessary steps to address this isolated and significant matter appropriately and will continue providing its services while contributing to society.

4. Revision of Earnings Forecast:

Taking into account the above impacts, the Company revised the consolidated full-year earnings forecast for the fiscal year ending March 31, 2026 (April 1, 2025 – March 31, 2026) as follows.

Unit: JPY Billion

(Earnings Forecast release dated May 13, 2025)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent
Full Year	616.3	51.2	51.3	35.8

(Earnings Forecast Revision release dated February 3, 2026)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent
Full Year	620.2	(105.8)	(105.1)	(115.7)

Contact Information:

Corporate Communication Department, Corporate Management Division,
JA Mitsui Leasing, Ltd.

Phone : +81-3-6775-3002, E-Mail : JAMLDG1114@jamitsuilease.co.jp