



November 22, 2024

For Immediate Release

Company name: Suminoe Textile Co., Ltd.
 Representative: Teppei Nagata, President
 (Securities Code: 3501, Prime Market, TSE)
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Notice Regarding Establishment of Overseas Subsidiary

Suminoe Textile Co., Ltd. (hereinafter, “the Company”) hereby announces that at the Board of Directors meeting held on November 22, 2024, a resolution was made to establish a 100% subsidiary (hereinafter a “the New Company”) in Mexico, as detailed below.

Details

1. Purpose of the Establishment of the New Company

We have positioned “SUMINOE GROUP WAY 2025-2027 STEP II,” which covers the period from the fiscal year ending May 2025 to the fiscal year ending May 2027, as a period for steadily improving our capabilities, and we are promoting investments to strengthen the management foundation and expand profits at our bases in North and Central America.

With the aim of expanding business and improving profitability in Mexico, where the automotive supply chain is continuing to expand, we have decided to establish a new company that operates a lamination processing business for automotive interior materials.

In our automotive textiles business, we will continue to strengthen our global optimal supply system for manufacturing and sales. At the same time, we will update our global strategy to increase our presence in overseas markets. For example, with a view to full-scale growth of our bases in North and Central America, we will establish ourselves as a total supplier capable of supplying foreign automobile manufacturers with automotive interior materials, from floor to ceiling, including floor carpets, car mats, seat covering materials, decorative materials, and ceiling materials. We will also provide high-value-added products that utilize our unique core technologies.

2. Outline of the New Company

(1) Company Name	Bondtex Lamination de Mexico, S.A. de C.V. (Plan)
(2) Location	Castro del Río Industrial Park, Irapuato, Guanajuato, the United Mexican States
(3) Representative	Masakazu Aoyama, CEO
(4) Business Activities	Lamination processing business for automotive interior materials
(5) Capital	2,000,000 USD (approximately 290 million yen) 1 USD = 144 yen
(6) Date of Establishment	April, 2025 (Plan)
(7) Major Shareholders and Shareholding Ratio	Bondtex, Inc. 70% Suminoe Textile de Mexico, S.A. de C.V. 30%

3. Future Outlook

The impact of this establishment of the New Company on the business results of the Company for the fiscal year ending May 31, 2025 will be insignificant.