



February 20, 2026

To whom it may concern

Company name	EXEDY Corporation
Representative	Tetsuya Yoshinaga, Representative Director, President
Code	7278, TSE Prime Market
Contact	Hiroshi Toyohara Representative Director, Senior Executive Managing Officer, Executive General Manager of Corporate Strategy Promotion
Headquarters	
TEL	+81-72-822-1695

**Announcement regarding Acquisition of Shares of Protean Electric Ltd.  
(to Make It a Subsidiary)**

EXEDY Corporation (the "Company") hereby announces that it has resolved at the Board of Directors meeting held on February 20, 2026 to acquire the shares of Protean Electric Ltd. and make it a subsidiary, as described below.

**1. Reason for acquisition of shares**

The automotive industry is undergoing a major transformation commonly referred to as "CASE" (Connected, Autonomous, Shared & Services, and Electric), and the business environment surrounding the Company is changing significantly.

In this environment, to enhance corporate value over the medium to long term, the Company has been pursuing a transformation of its business portfolio by leveraging the technologies and customer base it has developed through its conventional powertrain components for internal combustion engine vehicles.

The Company believes that, even as mobility options diversify, the automotive industry will remain an important market going forward. Accordingly, the Company positions the automotive business as one of the key pillars of its portfolio and is advancing efforts to acquire the technologies necessary to address the ongoing shift toward electrification.

Protean Electric Ltd. is a market leader that develops, manufactures, and sells in-wheel motors—drive motors integrated into the wheels—and already has a track record of commercial deployment.

Protean Electric's in-wheel motor technology is expected to contribute to improved vehicle control performance through fast response characteristics and to increase freedom in vehicle design.

In addition, the Company believes that Protean Electric's technology, which integrates mechanical, electrical, and control engineering, has the potential to contribute to changes in conventional drivetrain architectures. The Company also expects that such integrated technology may contribute to (i) advancing control integration, which is often cited as a challenge in the shift toward software-defined vehicles ("SDVs"), and (ii) addressing the Company group's internal challenge of a limited number of engineers with expertise spanning both mechanical and electrical domains, thereby strengthening the Company group's technical capabilities.

To fully realize benefits of Protean Electric's technology, adoption of in-wheel motors is generally required from the vehicle manufacturer's platform design stage, and therefore it may take time before broader vehicle installation is achieved. At the same time, the technology may offer advantages such as enabling a two-wheel-drive platform to be converted to four-wheel drive more quickly and at lower cost, which has attracted interest from multiple automakers.

Through the acquisition of shares in Protean Electric, the Company intends to combine the technological strengths of both companies and to continue providing competitive products and services.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

2. Overview of the subsidiary (Protean Electric Ltd.) subject to change

(1) Name	Protean Electric Ltd.		
(2) Location	Silvertree Unit 10B Coxbridge Business Park Alton Road Farnham Surrey United Kingdom		
(3) Job title and name of representative	CEO Mr. Andrew John Graham Whitehead		
(4) Description of business	Development, production, and sales of In-Wheel Motors		
(5) Share capital	9,086,213 GBP		
(6) Date of establishment	November 12, 2008		
(7) Major shareholders and ownership ratios	BD AUTO AND ENERGY LTD.		
(8) Relationship between the Company and said company	Capital relationship	Expected to become a 100% owned subsidiary by the Company	
	Personnel relationship	No personal relationships to be reported	
	Business relationship	No transactional relationships to be reported.	
(9) Consolidated operating results and consolidated financial positions of said company for the last three years (unit: GBP)			
As of / Fiscal year ended	December 31, 2023	December 31, 2024	December 31, 2025
Consolidated net assets	(82,373,271)	(86,970,411)	(89,504,948)
Consolidated total assets	8,883,444	6,802,718	5,328,432
Consolidated net assets per share	(9.07)	(9.57)	(9.85)
Consolidated net sales	3,900,112	8,057,171	7,085,449
Consolidated operating loss	(6,655,624)	(5,396,547)	(4,614,345)
Consolidated Loss before income taxes	(8,008,521)	(4,679,528)	(3,132,002)
Loss attributable to owners of parent	(7,744,991)	(4,576,325)	(2,614,538)
Consolidated loss per share	(0.85)	(0.50)	(0.29)
Dividend per share	-	-	-

(Note) Prior to completion of the acquisition, the BD AUTO AND ENERGY LTD. group will waive and/or convert into equity its claims against Protean Electric Ltd. As a result, Protean Electric Ltd.'s liabilities exceed assets are expected to be eliminated upon completion of the acquisition. In addition, the consolidated financial results and consolidated financial position for the fiscal year ending December 2025 are currently under audit.

3. Overview of the counterparty to the acquisition of shares

(1) Name	BD AUTO AND ENERGY LTD.		
(2) Location	36 Dover Street, London, W1S 4NH, United Kingdom		
(3) Job title and name of representative	Director Mr.Osman Feyzi Boyner		
(4) Description of business	EV conversion business		
(5) Share capital	54,000,000 GBP		
(6) Date of establishment	May 9, 2012		
(7) Net assets	2,399,543 GBP (as of December 2024)		
(8) Total assets	10,319,349 GBP (as of December 2024)		
(9) Major shareholders and ownership ratios	BD Otomotiv Ve Elektrikli Araclar Sanayi Ve Ticaret A.S. (100%)		

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(10) Relationship between the Company and said company	Capital relationship	No Capital relationships to be reported
	Personnel relationship	No personal relationships to be reported
	Business relationship	No transactional relationships to be reported

4. Number of shares acquired, acquisition costs, and shareholding before and after acquisition

(1) Number of shares held before the change	0 shares (Number of voting rights: 0 units) (Ratio of voting rights held: 0%)
(2) Number of shares to be acquired	9,086,213 shares (Number of voting rights: 9,086,213 units)
(3) Acquisition costs	Common shares of Protean Electric Ltd. 5,070 Mil JPY(30 Mil EUR) Advisory fees, etc. (Estimated amount) 100 Mil JPY Total (Estimated amount) 5,170 Mil JPY
(4) Number of shares held after the change	9,086,213 shares (Number of voting rights: 9,086,213 units) (Ratio of voting rights held: 100%)

The above JPY figures are based on the exchange rate of 169 JPY per EUR. "Mil" means Million

5. Timetable

(1) Date of resolution at the meeting of the Board of Directors	February 20, 2026
(2) Date of conclusion of the agreement	February 26, 2026 (Plan)
(3) Date of commencement of share transfer	February 26, 2026 (Plan)

6. Future outlook

The impact of this matter on the Company's consolidated financial results for the fiscal year ending March 31, 2026 is expected to be negligible. If any revision to the earnings forecast or disclosure of material information becomes necessary, the Company will promptly disclose such information.